



Tosoh Group

.....
Code of Conduct

TOSOH CORPORATION



COMPLIANCE PRACTICE BY EVERYONE

Since the founding of Tosoh Corporation in 1935, our company has continually expanded its technological prowess and positioned ourselves as an outstanding and unique global chemical company. Today, more than 11,000 Tosoh Group associates are working globally to achieve our vision, “Attain happiness and contribute to society through the innovation of chemistry.”

Conforming to the laws and regulations as well as the social norms of all the countries where we conduct our business, namely, COMPLIANCE, is at the foundation of our management of the Tosoh Group. Without compliance, we will not be able to earn social trust or accomplish continuous growth.

The core of our compliance policy is that each of us needs to observe the relevant rules in our daily business activities.

Tosoh Group adopted the Tosoh Group Code of Conduct in 2014 to guide us in our compliance efforts throughout our daily business activities. Please review the Tosoh Group Code of Conduct and use it as a guide for your judgment and action in the course of your daily work.

A handwritten signature in black ink, which appears to read 'Toshinori Yamamoto'. The signature is written in a cursive, flowing style.

Toshinori Yamamoto
President

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INTRODUCTION

1. Basic Compliance Policy

Our basic compliance policy is to practice compliance in order to be an enduring and valuable participant in society as well as to pursue profits through fair competition.

The foundation of our compliance activities requires all directors (including associate directors) and employees to act in accordance with the Tosoh Group Code of Conduct and further expects every one of us to practice compliance honestly and fairly, applying the highest ethical standards.

2. Scope of Tosoh Group Code of Conduct

This Code is applicable to all Tosoh Group employees and directors.

3. Maintenance

The chairman of the Tosoh Corporation Compliance Committee is responsible for maintaining this Tosoh Group Code of Conduct.

4. Guide for Good Decisions

This Tosoh Group Code of Conduct addresses actions that must be taken with care during our daily business activities. We are expected to apply the guidelines stated in this Code in carrying out our daily business activities.

The Tosoh Group Code of Conduct, however, does not cover all applicable laws, regulations, or internal Tosoh policies/rules. During the course of your daily business activities, if you encounter a complicated issue not addressed in this Code or have a difficult judgment to make, you should contact a supervisor.

The foundation of our compliance policy is that each of us must appropriately observe all laws, regulations, internal Tosoh policies/rules, and social norms applicable to our daily business activities. Accordingly, we should follow the Tosoh Group Code of Conduct and ask ourselves the following questions in the course of our work.

5. Responsibilities and Violations

All Tosoh Group employees and directors need to follow the Tosoh Group Code of Conduct. Individuals who violate this Code will be subject to appropriate disciplinary action.

1. Is our action in accordance with laws or rules?
2. Is our action in accordance with good social norms?
3. Would we be embarrassed to disclose our action to our family?
4. How would we feel if our action was reported in the news?
5. Do we believe our action is truly appropriate?

TOSOH GROUP CODE OF CONDUCT

I. Ensuring a Comfortable Workplace Where Every Group Member Can Fully Display His/Her Ability

1. Compliance with Laws, Regulations, and Norms in Society

(a) We will always act with sound common sense and responsibility as a member of society. Sound common sense and responsibility require genuine and fair respect for societal norms and compliance with applicable laws and rules. Compliance with applicable laws and rules means compliance with the laws listed in this Code, other local and international laws and regulations, and internal Tosoh policies/rules that are applicable to our business activities, including production, sales, research and development, and others.

(b) In our production and research and development activities, we will comply with business laws applicable to high-pressure gas, poisonous and deleterious substances, and pharmaceutical affairs.

(c) When we utilize temporary or dispatched workers, we will implement measures and procedures in accordance with the Temporary Staffing Services Law as well as a worker dispatch contract.

2. Compliance with Rules of Employment

We will not act unfairly or dishonestly in violation of the requirements and policies stated in our employee manual.

3. Human Rights Protection and Discrimination Prevention

(a) We will not discriminate against any person based on his or her origin, nationality, race, religion, sex, age, sexual orientation, gender identity, or sexual preference.

(b) We will not use any child labor or forced or compulsory labor.

4. Harassment Prevention

(a) We will not condone any form of sexual harassment, power harassment, violence, or bullying.

(b) We will not engage in harsh words and behaviors at the workplace toward other employees who are pregnant, have recently given birth to a baby, or provide childcare or family care, or undertake actions that are harmful to the work environment.

(c) We will not engage in or condone harsh or abusive words and behaviors.

5. Healthy Workplace

(a) We will comply with applicable labor laws and strive to maintain and improve our work environment.

(b) We will control our working days or hours in accordance with the Labor Standards Law.

(c) We will not allow the consumption or possession of alcohol at the workplace except for specific situations with appropriate, advance corporate authorization, such as company-sponsored events. We will not allow the consumption or possession of any illegal drug at the workplace.

(d) We will not engage in political or religious activities at the workplace, including solicitation on behalf of political or religious groups or requests for votes, except for specific situations with appropriate, advance corporate authorization.

6. Personal Information Protection

(a) We will place strict confidentiality controls on the personal information of our directors and employees and will use the information only for the duties assigned to the individual.

(b) We will place strict confidentiality controls on the personal information of a person working for non-Tosoh parties and will use the information only for the purposes authorized by that party or person.

7. Proper Use of Corporate Assets

(a) We will utilize both tangible and intangible assets of the company only in the most efficient manner and under appropriate control and maintenance.

(b) We will acquire, sell, and dispose of company assets only in accordance with the company's internal rules.

(c) We will not use company assets (including money) for personal expenses or benefit. We will report business expenses (such as business travel expenses) strictly in accordance with the company's internal rules.

8. Proper Use of Information Technology System

(a) We will use the company's IT system only for work duties and not for personal use.

(b) We will safeguard the user ID and password that we use to access the company's IT system and will not disclose them to anyone other than a company IT person when there is a need for it.

(c) We will not use the Tosoh user ID and password of another Tosoh person in an unlawful manner.

(d) We will not invade or hack into the computers of other people or other companies.

(e) When engaging in social media for personal reasons, we will keep in mind that information on the Internet is in the public domain and that we must not speak or represent Tosoh in such activities or disclose other people's personal information or company trade secrets.

II. Meeting the Trust of Customers and Business Partners, Meeting Shareholders' Expectations

9. Bribery and Corruption Prevention

(a) We will not provide any gift or entertainment to government or public officers for them to perform their duties, locally or worldwide.

(b) We will comply with Japan's Public Official Moral Code and other related codes, and we will not provide any gift or entertainment to government or public officers even if they have no business relationship with us in Japan.

10. Gifts and Entertainment Control

(a) We will not give a customer or business partner any gift or entertainment that is outside accepted social norms.

(b) We will not receive any gift or entertainment from a customer or business partner that is outside accepted social norms.

11. Security Export Control

We will export our products and their related technologies only in accordance with applicable laws, regulations, and internal Tosoh policies and procedures to prevent them from being used for arms and weapons.

12. Compliance with Import and Export Laws and Regulations

We will export and import products only in accordance with applicable laws and regulations as well as the established custom procedures and, when necessary, with government approval.

13. Compliance with Antitrust Laws and Regulations

(a) We will compete fairly in the local and worldwide markets. We will not participate in a cartel on market prices or production/sales volumes with competitors or in bid rigging in the public sector.

(b) We will select our suppliers and contractors not only based on economic reasons, such as quality, price, and delivery terms, etc., but also after taking into account their activities in compliance and social responsibilities.

(c) We will place an order for production, maintenance, or other services to a contractor with a written document that specifies all purchase conditions, and we will not engage in unfair treatment of contractors, including unjustified delay in payment, unjustified return, or unjustified discount to the agreed price.

14. Product Quality and Safety Control

(a) We will obtain and maintain ISO or other appropriate certifications and will observe their procedures to enhance product quality assurances and keep the continued trust of our customers.

(b) We will provide our customers with accurate product information.

(c) We will design and develop our products in accordance with applicable laws and standards for product safety as well as in consideration of the environment, safety, and health.

(d) We will comply with the procedures of Chemical Material Safety Data Sheets (MSDS) when we supply our products to customers and carriers.

15. No Relations with Antisocial Forces

We will not engage with antisocial forces. If we receive a threat or demand from such forces, we will not resolve the situation by paying them money or complying with their threat or demand.

16. Compliance with Noncompetition Duty

Tosoh personnel may not be employed by others without appropriate permission from the company, and they may not conduct business that competes with the company.

17. Financial Integrity, Records Management, and Timely Disclosure

(a) We will process all business transactions using proper accounting procedures to ensure the reliability of our financial reports and their compliance with applicable laws, regulations, and internal Tosoh rules. We will not fraudulently record transactions or have unrecorded assets or liabilities.

(b) We will manage and maintain all records of our business transactions and activities properly and in accordance with applicable laws and regulations as well as relevant internal Tosoh rules.

(c) We will provide the appropriate cooperation to internal and external audits as well as investigations by public authorities, and we will not obstruct them by discarding, concealing, or tampering with records.

(d) For investor relations, we will disclose timely and precise information regarding company business operations and financial results that could materially influence investors' judgments.

18. Intellectual Property Rights Policy

(a) We will obtain intellectual property rights strategically and utilize them to the company's maximum benefit.

(b) We will use the intellectual property rights of other companies only pursuant to agreed contract terms and will not use them unlawfully.

(c) We will not infringe on the intellectual property rights of other companies. We will not use an illegal software copy.

19. Trade Secrets Control

(a) We must strictly control the confidential information of the company (including the trade secrets disclosed to us by other companies). Tosoh personnel must not disclose or use the confidential information of the company for any purpose other than to carry out assigned duties.

(b) When we disclose the confidential information of the company to a third party in conducting our assigned duties, we must enter into a nondisclosure agreement to prevent unauthorized disclosure and use.

(c) We will not acquire the trade secrets of other companies in a wrongful manner.

(d) We will not use the trade secrets of other companies that we know were acquired or possibly acquired in a wrongful manner.

(e) We will not disclose or use the confidential information of the company after leaving the employ of the company.

20. Prohibition of Insider Dealings

If a Tosoh employee is informed of an important fact (an issue that will influence the company's stock price as defined by the Financial Instruments and Exchange Law) concerning Tosoh Corporation, a Tosoh Group company, or a Tosoh business partner, he/she will not sell or purchase the relevant company's stocks or bonds until the important fact is disclosed publicly. Even if the stock trades are indirect or without any profit earned, they are not allowed.

21. Political Donation Control

We will comply with applicable laws, including Japan's Public Officers Election Act and Japan's Political Funds Control Law, when we donate to a politician, a political party, or any other political organization.

III. Contributing to the Healthy Development of Society

22. Environmental Conservation and Protection

(a) We will respect the value of environmental conservation and protection, and we will comply with applicable environmental laws, regulations, and internal Tosoh rules.

(b) We will be responsible for the entire process from research and development to waste disposal. We will endeavor to reduce material consumption, save energy, decrease waste, and protect the environment.

23. Workplace Safety and Health Control

(a) We will comply with Japan's Occupational Safety and Health Act as well as other applicable laws and regulations concerning workers' safety and health.

(b) In the event of an accident or disaster, we will take appropriate action to minimize damage and notify the relevant departments of the company and government authorities. We will conduct the appropriate investigation of the accident or disaster and provide the report required within the company promptly.

24. Stewardship of Social Responsibility

(a) We will endeavor to continuously innovate products that contribute to the healthy development of society, provide a reliable supply of our products, and acquire the trust of society.

(b) We will strive to be a prosperous business and a cooperative and contributing member of the local communities where we do business.