

**CHARMANT**

**CHARMANT Group's Charter:  
Our Philosophy, Guiding Principles & Code of Conduct**

# CHARMANT

## Introduction

Increasing its corporate value is at the heart of CHARMANT Group's strategy, and for that we endeavour to improve management quality through relentless efforts and global perspectives. We are also committed to establishing the CHARMANT brand as a trustworthy one, by providing our customers with peace of mind, pleasure and a comfortable visual experience.

As the business environment around us continues to change quickly and radically, it is imperative that we recognise and fulfil our social responsibilities. In the pursuit of sound business growth, CHARMANT Group is committed to keeping people at the heart of its business, and to understanding and complying with the relevant laws and regulations of all the countries and communities where we operate, while maintaining harmony with society as a global citizen, and actively working to preserve the environment.

It is with this determination, commitment, and high ideals that CHARMANT hereby establishes the Group's charter. We believe that good business conduct leads to the development of people and consequently to the development of the company, and we foresee hope that this charter will guide us in this direction. We also believe that business development is based on three types of satisfaction, and again this charter will help us to achieve these:

1. Customer satisfaction: creating added value for our customers
2. Shareholder satisfaction: creating added value for our shareholders
3. Employee satisfaction: providing rewarding work and a positive work environment

April 1<sup>st</sup>, 2010

The board of directors

CHARMANT Inc

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## Chapter I      **Our Philosophy**

- 1 We provide peace of mind and pleasure to our customers.
- 2 We think globally and always strive to achieve our new dreams.
- 3 We improve our lives and create a prosperous future through our work and creation.
- 4 We comply with all laws and regulations to achieve sound growth and development in our business and to fulfil our responsibilities to our stakeholders and society.

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## Chapter II Guiding Principles

- 1 We always undertake business fairly with all our customers and we act from a reasonable and balanced viewpoint.
- 2 We care about the peace of mind, satisfaction and trust of our customers, consistently striving to research and develop the most advanced technology and providing high-quality products and services based on superior techniques.
- 3 We provide consumers and customers with relevant & accurate information on our products and services.
- 4 We aspire to be an attractive company by improving bettering our corporate value consistently and long term.
- 5 We handle company property, whether tangible or intangible, properly and respectfully.
- 6 We aim to be a sound, healthy and highly transparent enterprise while complying with relevant international and domestic laws and regulations.
- 7 We provide information to our shareholders, proactively and in a timely fashion, to enable them to understand and evaluate the business fairly.
- 8 We carry out our duties with integrity, ethical principles, and a sense of responsibility while always keeping the interest of our stakeholders in mind.
- 9 We pursue a healthy working environment, respecting the character and values of each other.
- 10 We act both as a professional and a good citizen in the society to which we belong.
- 11 We respect the rights and intellectual properties of others to the fullest extent and do not infringe them unfairly.
- 12 We fully recognise the importance and necessity of environmental preservation and actively address ecological sustainability themes while creating public awareness of our responsible business activities.
- 13 We aim to develop our business while fully interacting with society, as we believe that our growth can only be achieved when society also progresses.

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## Chapter III Code of Conduct

### I Sound Enterprise

- 1 We develop and propose valuable products and services for society, paying best attention to safety and personal data protection, for the aim of complete customer satisfaction and trust.
  - a) We develop and propose valuable products and services based on good knowledge of customer needs.
  - b) We ensure the quality and safety of our products and services.
  - c) We provide consumers and customers with appropriate information about our products and services.
  - d) We respond sincerely to enquiries from consumers and customers.
  - e) We rigorously and lawfully protect personal and customer information.
  
- 2 We conduct our business appropriately and are committed to fair, transparent and free competition.
  - a) We comply with domestic and international laws and regulations on antitrust, fair competition and trade, and we ensure transparent, fair, and correct transactions within the company.
  - b) We strictly control and protect our own confidential information as well as safeguarding internal and third party's intellectual property.
  - c) We prohibit ourselves from giving or receiving gifts or entertainment for the purposes of obtaining an unfair advantage.
  
- 3 We always aim to comply with any relevant laws and regulations in every market around the globe where we operate. We also ensure that we respect local culture and customs whilst seeking to grow together with communities.
  - a) We ensure strict compliance with all relevant international as well local laws and regulations as required by this charter.
  - b) We build our business based on mutual trust in each market, respecting local culture and customs.
  - c) We empower local management.
  - d) We actively help our local partners establish their Corporate Social Responsibility (CSR) approach and support them where necessary.

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- 4 We engage in broad-based communication with society as well as with our shareholders, and we actively and properly disclose corporate information.
  - a) We encourage communication with investors and shareholders through general shareholder meetings and investor relations activities.
  - b) We disclose pertinent information to shareholders in a timely fashion.
  - c) We promote two-way communication with society through public relations activities.

## II Environmental Preservation

- 5 We commit to proactively addressing environmental issues as we recognise them as a common challenge for humankind and an essential element for the enduring existence of business.
  - a) We support initiatives in climate actions and in building a circular economy.
  - b) We strive to reduce the environmental impact and risks of our activities.
  - c) We endeavour to develop innovative technologies, products, services, and business models that contribute to helping to solve environmental problems.
  - d) We engage with nature conservation activities, including the preservation of all lives and ecosystems.

## III Respect for People

- 6 We respect the diversity, personality and individuality of our employees and ensure a safe and pleasant working environment.
  - a) We establish a fair human resources policy that allows diverse people to fully demonstrate their individual abilities.
  - b) We provide equal opportunities to all our employees and stand firmly against any discrimination.
  - c) We strive to provide and maintain a comfortable working environment for the health and safety of our people.
  - d) We respect the personality of each employee and support career and skills development plans.
  - e) We always engage in dialogue directly with employees or through their representatives in a cordial and respectful manner.
  - f) We do not tolerate child labour, forced labour and human trafficking under any circumstances.

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## **IV Harmony with Society**

- 7 We, as a good corporate citizen, are actively engaged in socially responsible activities.
  - a) We contribute our resources and expertise to solving relevant social issues and even to the challenges expected in the future.
  - b) We participate in socially responsible actions collectively as an industry and as a business community.
  - c) We support the voluntary participation of our employees in socially responsible activities.
  
- 8 We firmly confront antisocial forces and groups that threaten the order and safety of civil society.
  - a) We clearly set out our basic policy of excluding antisocial forces from our business activities.
  - b) We respond to threats from antisocial forces in cooperation with the police and other relevant authorities.
  - c) We work with industry associations and local businesses to exclude antisocial forces.

## **V Responsibilities of Senior Management**

- 9 Recognising that the implementation of this Group Charter, set out here to its fullest extent, is our priority, as senior management. We take the initiative in setting an example, to help our employees understand and adhere to it through education and training, and to ensuring that this Charter is widely shared among Group companies and business partners. At the same time, we respectfully listen internal and external voices to recognise and assess how the Charter is shared and implemented in day-to-day operations, and if deemed necessary, we do not hesitate to review our internal systems and processes to ensure ethical management based on these principles.
  
- 10 The board is fully aware of the internal risk management process, and we always endeavour to prevent unexpected events and emergency cases. In the event of such incidents going against our Charter, we ourselves take initiatives to investigate, analyse and establish preventative measures whilst guaranteeing the transparency of that process. We will also promptly and accurately disclose information and provide explanations to all relevant stakeholders and external parties with clarity, and then take appropriate counter measures and disciplinary actions, if needed, clarifying the responsibility of involved parties including ourselves.

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Charmant Inc  
Kawasari-cho, Sabae  
Fukui 916-8555  
Japan