



Respect for Individuals

We acknowledge the unique characteristics and values of each individual and strive to create an organization where people with diverse backgrounds and opinions are respected and treated fairly and equally.

- At PHC Group, we foster a culture of respect and collaboration by encouraging diverse communication, learning to understand and embrace differences, and supporting each other's growth, thereby strengthening trust and teamwork.
- We aim to build a workplace environment where diverse perspectives resonate, leading to richer ideas and solutions.
- We are committed to maintaining a healthy and positive work environment free from discrimination and harassment, and to building an organizational culture that respects diversity.
- Even when differences in communication styles, languages, or values make collaboration challenging, we promote inclusion so that every PHC Group employee is respected as a member of the team. This creates an environment where all individuals feel comfortable expressing their opinions and working towards problem-solving.
- We achieve equity by providing fair opportunities for growth and success, including recruitment, training, and career development, taking into account different backgrounds and circumstances.

Examples of Key Relevant Laws and Regulations, including but not limited to:

Laws and regulations related to diversity, inclusion, and equity (equal opportunity):

International Standards	: United Nations Sustainable Development Goals (SDGs), International Labour Organization (ILO) Standards
Japan	: Labor Standards Act, Equal Employment Opportunity Act, Act on Employment Promotion of Persons with Disabilities, Childcare and Family Care Leave Act
United States	: Civil Rights Act, Americans with Disabilities Act (ADA), Rehabilitation Act, Age Discrimination in Employment Act, Genetic Information Nondiscrimination Act, Equal Pay Act, Pregnancy Discrimination Act (PDA)
Europe	: European Convention on Human Rights, Charter of Fundamental Rights of the European Union, Equal Treatment Directive (Directive 2006/54/EC), Equal Pay Directive, Pay Transparency Directive, Gender Equality Directive, Pregnant Workers Directive (Directive 92/85/EEC)
China	: Labor Law, Law on the Protection of Women's Rights and Interests, Employment Promotion Law



Safe and Healthy Working Environments

We aim to help each individual work in a comfortable environment that is physically and mentally healthy, safe, and hygienic.

- We comply with Laws and Regulations, and Internal Rules related to occupational safety and health to support daily safety, including transparently reporting to the relevant authority.
- The company collaborates with employees to create an organized, safe, and hygienic workplace, by preventing accidents and injuries, and minimizing incidents.
- For handling hazardous substances, dangerous materials, other chemicals, and operating machinery, we establish and provide training on appropriate safety-conscious work procedures, which employees are required to follow.
- We do not tolerate any discrimination based on race, nationality, gender, religious beliefs, birth, age, physical or mental disabilities, sexual orientation or any other factor. We also promote a workplace environment free from harassment and aggressive behavior. Harassment includes acts or threats that cause physical, psychological, sexual, or economic harm.

Examples of Key Relevant Laws and Regulations, including but not limited to:

International Rules and Laws to Protect Workers' Rights and Working Conditions:

International Standards : International Labour Organization (ILO) Standards
Competition

Japan : Labor Standards Act, Industrial Safety and Health Act, Labor Contracts Act

United States : National Labor Relations Act, Fair Labor Standards Act, Occupational Safety and Health Act (OSH Act)

Europe : Working Time Directive, Equal Treatment Directive, Framework Directive on Safety and Health at Work

China : Labor Law, Labor Contract Law, Work Safety Law



Information Management

We properly use and protect the information owned by or under the control of the PHC Group in accordance with Laws and Regulations, and Internal Rules, designed to prevent loss, theft, misuse, unauthorized access, and leakage of information.

- We take appropriate measures to protect the information held by the PHC Group, such as product information, sales information, technical information, personal data, business records, and financial records, from external cyberattacks and internal misconduct or leakage.
- We correctly identify confidential information and take appropriate preventive measures to protect against leakage or damage.
- We properly manage confidential information obtained from other companies, to help distinguish it from our own information and avoid confusion.

Examples of Key Relevant Laws and Regulations, including but not limited to:

Laws to Promote Fair Competition and Prevent Unfair Competitive Practices:

Japan	: Unfair Competition Prevention Act
United States	: Defend Trade Secrets Act (DTSA), Uniform Trade Secrets Act (UTSA), Economic Espionage Act (EEA), Federal Trade Commission Act (FTC Act)
Europe	: Trade Secrets Directive (Directive (EU) 2016/943)
China	: Anti-Unfair Competition Law

Laws Establishing Basic Policies and Frameworks for Cybersecurity Measures:

Japan	: Basic Act on Cybersecurity
United States	: Cybersecurity Information Sharing Act (CISA)
Europe	: EU Cybersecurity Act
China	: Cybersecurity Law

Laws to Prevent the Misuse of the Internet and Computer Systems:

Japan	: Act on Prohibition of Unauthorized Computer Access
United States	: Computer Fraud and Abuse Act (CFAA)
Europe	: Directive on Attacks against Information Systems
China	: Cybersecurity Law



Accurate Record Keeping

We diligently and accurately record various business-related information to maintain the trust of all PHC Group stakeholders, including customers, shareholders, investors, auditors, and regulators.

- We create and record documents and data generated in daily operations accurately and in a timely manner, in compliance with Laws and Regulations, and Internal Rules, and store them appropriately.
- We do not engage in any fabrication or false alteration of records. We do not inappropriately destroy or conceal records.

Examples of Key Relevant Laws and Regulations, including but not limited to:

Laws and Regulations requiring the Creation, Storage, and Retention of Accurate Records:

Japan	: Companies Act, Financial Instruments and Exchange Act
United States	: Delaware General Corporation Law, Sarbanes-Oxley Act of 2002 (SOX), Securities Exchange Act of 1934
Europe	: EU Company Law Directives, Transparency Directive, EU Audit Directive, Market Abuse Regulation (MAR)
China	: Company Law, Securities Law, Accounting Law



Social Media

We utilize social media as a valuable communication tool to appropriately share information with stakeholders such as customers, shareholders, investors, employees, and business partners.

- We do not post or share internal information that has not been approved for external disclosure. We do not post or share information that is inaccurate or misleading, so as not to damage the values and reputation of the PHC Group.
- When posting, we respect the privacy of our customers and related parties, and strictly refrain from making false, inaccurate, misleading, defamatory, slanderous and/or derogatory remarks.

Examples of Key Relevant Laws and Regulations, including but not limited to:

Laws and Regulations regulating Statements or Posts that Damage the Reputation of Others:

Japan	: Laws regarding libel and slander on the Internet
United States	: Communications Decency Act (CDA), State Laws prohibiting Defamation, State Laws regarding Cyberbullying
Europe	: General Data Protection Regulation (GDPR), European Convention on Human Rights (ECHR), Defamation Act 2013 (United Kingdom), StGB (Criminal Code) (Germany), Penal Code (Poland), Civil Code (Poland), Penal Code (France), Civil Code (France)
China	: Criminal Law, Civil Code, Law on Penalties for Administration of Public Security