

**Makino Milling Machine Co., Ltd**  
**Code of Conduct**

March 1, 2022  
(Revised Date)

Based on our “Promise of Performance”, we, the officers and employees of Makino, hereby establish the following as our Code of Conduct. We will always keep in mind the spirit of the Code and promote good business activities that contribute to establishing a sustainable society.

**1 Compliance with Laws and Regulations**

We comply with laws and regulations and internal regulations, and conduct sensible corporate activities based on social norms.

**2 Respect for Human Rights**

**2.1 Respect for Human Rights**

We respect the human rights, society and culture of all individuals associated with our business activities.

**2.2 Prohibition of Discrimination**

We do not discriminate or allow discrimination against people involved in our business. We all have the right to be treated equally regardless of the race, ethnicity, gender, age, religion, beliefs, etc.

**2.3 Prohibition of Forced Labor and Child Labor**

We do not tolerate any human trafficking, slave labor, or any forced labor against the will of the individual in our business. Also, in accordance with applicable laws and regulations, we will not hire nor permit to work children under the legal working age. (Minimum working age is 15 years old, and 18 years old for hazardous work which is likely to jeopardize health or safety.)

**3 Sensible Corporate Activities**

**3.1 Sincere Implementation of Agreements**

We will fulfill our business contracts in good faith with a relationship of trust.

**3.2 Fair Competition**

We will maintain fair relationships with all our business partners and competitors and comply with all relevant laws and regulations.

**3.3 Prohibition of Improper Spending**

Excessive or inappropriate gifts, entertainment, political contributions, donations, etc. are prohibited in our business. When providing or receiving entertainment and gifts from business partners, we will take great care to ensure that the range of intention is appropriate.

### **3.4 Pursuit of Product Safety & Reliability**

We will make every effort to ensure that our products are safe and of high quality. In the event of a problem, we will respond promptly and provide the most suitable solutions.

### **3.5 Appropriate Disclosure of Information**

We are accurate and prompt in disclosing information about our business and comply with all applicable laws, rules and regulations.

### **3.6 Import-Export Compliance Procedures**

We will comply with national and regional import and export laws and regulations.

### **3.7 Sound transactions with Subcontractors and Retailers**

We outsource and purchase through fair and impartial transactions.

We will not engage in any unfair transactions using our superior position as an ordering party.

We will select subcontractors and suppliers that comply with laws and regulations and fulfill their social responsibilities based on corporate ethics, as well as reliable quality.

### **3.8 Use and Protection of Intellectual Property (IP)**

We recognize that our IP is an important corporate asset. We will ensure we properly manage all such IP and comply with relevant laws, regulations and contractual commitments.

### **3.9 Exclusion of Anti-Social Forces**

We do not associate and do business with anti-social forces, organizations, and groups that pose a threat to the social order and security of civil society.

### **3.10 Ensuring a Wholesome Working Environment**

We prevent harassment and ensure a safe and agreeable working environment. We also respect the right of employees to form and join labor unions and to bargain collectively on their own initiative in accordance with applicable laws and regulations.

## **4 Environmental Protection**

### **4.1 Environmental Concerns**

We will comply with relevant laws and regulations concerning environmental protection and carry out Environment-friendly business activities and raise awareness for taking responsibility of a sustainable society.

## **5 Internal Control**

### **5.1 Misconduct & Prohibition of Conflicts of Interest**

We shall comply with all laws, regulations and procedures, make a clear distinction between public and private matters, and always act in the best interests of the company. We will not engage in any conduct that harms the company's assets or interests by having relationships with business partners, customers, or competitors that may conflict with the company's interests.

### **5.2 Accuracy of Accounting and Financial Disclosure**

We create accounting books and records accurately, conduct appropriate accounting procedures in accordance with generally accepted accounting principles, and disclose appropriate information in accordance with laws, regulations, and standards.

### **5.3 Trade Secret Protection**

We protect not only our own trade secrets, but also the trade secrets of our business partners, in a way to prevent unauthorized use and leakage to third parties.

### **5.4 Prohibition of Insider Trading**

We will not indulge in any form of insider trading.

### **5.5 Protection of Personal Information**

We will strictly comply with Laws and regulations when handling Personal Information. The Company will use Personal Information only within the scope of the purposes permitted for use of Personal Information. The Company will continuously take all measures necessary from technical and organizational point of view to prevent unauthorized access to personal data, loss, destruction, falsification and leakage. The Company will educate its officers and employees on proper handling of personal data to prevent from alteration.

### **5.6 Internal Reporting System and Protection of Informant**

In the case we witness any illegal or other problematic activities, we will report them to the appropriate division of the company for early correction. We established an internal reporting system to ensure such reporting can be carried out appropriately, and we protect the informant not to be treated disadvantageously.

### **5.7 Disciplinary Action**

We will take appropriate disciplinary action in accordance with internal Rules of Employment and other rules against those who have violating the Code of Conduct and/or committed illegal or problematic acts including fraudulent acts, conflict of interest or insider trading.