

Questionnaire

Question 1: Overview of Your Company

Question 1-1

Please provide your company name, etc. (Note). [Essay format / Required response]

(Note) For the company name, please enter the name of the company to which this survey request was sent (the company name listed on the address label enclosed with this survey request).

- Company name of the recipient company for this survey request:_____
- Respondent Name:_____
- Respondent's Department Name:_____
- Respondent's Position Title:_____
- Contact Phone Number:_____
- Contact Email Address:_____

Question 1-2

Does your company qualify as a so-called “pure holding company” that does not engage in any specific business operations? If so, please state the name of the primary subsidiary responsible for your company's main business activities on a consolidated basis.

If your company qualifies as a so-called “pure holding company,” for all subsequent questions unless otherwise specified, please answer based on the situation of the company stated in this question. (If your company does not qualify as a pure holding company, please answer based on your company's situation.) [Select one / Required response]

- 1) No.
- 2) Yes.

- The name of the primary subsidiary responsible for your company's main business activities:

Question 1-3

Please state the following figures (in half-width numerals) for your company's most recent fiscal year-end:

- Amount of capital stock
- Amount of net sales
- Total number of employees (excluding temporary employees such as part-timers)

(non-consolidated basis (Note)) [Essay format / Required response]

(Note) If your company qualifies as a so-called “pure holding company,” please provide the information for the individual company described in Question 1-2 2), not the information for the pure holding company alone.

- Amount of capital stock (non-consolidated basis, Unit: million yen) :_____
- Amount of net sales (non-consolidated basis, Unit: million yen) :_____
- Total number of employees (non-consolidated basis, Unit: Person) :_____

Tentative Translation

Question 1–4

Please select the Tokyo Stock Exchange's 33-sector classification that corresponds to your company's primary business sector (Note). [Select one / Required response]

(Note) If your company qualifies as a so-called "pure holding company," please select the industry category for the company described in Question 1-2 2).

1) Fisheries, Agriculture & Forestry	12) Iron & Steel	23) Air Transportation
2) Mining	13) Nonferrous Metals	24) Warehousing & Harbor Transportation Services
3) Construction	14) Metal Products	25) Information & Communication
4) Foods	15) Machinery	26) Wholesale Trade
5) Textiles & Apparels	16) Electric Appliances	27) Retail Trade
6) Pulp & Paper	17) Transportation Equipment	28) Banks
7) Chemicals	18) Precision Instruments	29) Securities & Commodity Futures Trading Business
8) Pharmaceutical	19) Other Products	30) Insurance
9) Oil & Coal products	20) Electric Power & Gas	31) Other Financing Business
10) Rubber products	21) Land Transportation	32) Real Estate
11) Glass & Ceramics Products	22) Marine Transportation	33) Services

Question 2: General Discussion

How does your company prioritize the design and implementation of the Antimonopoly Act (AMA) compliance program (Note) within its efforts to establish systems and initiatives aimed at preventing violations of various laws and regulations, detecting them early, and responding appropriately after detection? [Select one / Required response]

(Note) "AMA Compliance Program" refers to the mechanisms and efforts to appropriately avoid and reduce the risk of the AMA violations and the losses incurred in case of the AMA violations.

- 1) Our company does not prioritize responses to various legal violations and other issues.
- 2) Lowest.
- 3) Rather low.

Tentative Translation

- 4) Neither.
- 5) Rather high.
- 6) Highest.

Question 3: Overall Efforts for Compliance Related to the AMA (Note)

(Note) Questions regarding "Integrated Efforts by Corporate Group, etc." will be addressed in Question 7.

Question 3-1: Commitment and Initiative of the Top Management

Question 3-1-1

Does your company's top management (meaning the President and Representative Director, Representative Director and CEO, or other individual with final decision-making authority and responsibility for your company's overall management; the same applies below) communicate messages related to the AMA compliance to your company's executives and employees? [Multiple selections allowed / Required response]

- 1) Nothing in particular is communicated . [-> Go to Question 3-2]
- 2) An abstract message emphasizing the importance of overall compliance is communicated.
- 3) With regard to compliance in general, a specific message that denies the motives of executives and employees who intend to engage in violations is communicated, such as "we do not want even 1 yen of profit from compliance violations".
- 4) An abstract message emphasizing the importance of the AMA is communicated.
- 5) With regard to the AMA, a specific message that denies the motives of executives and employees who intend to engage in violations is communicated, such as "we do not want even 1 yen of profit from the AMA violations".

Question 3-1-2

For those who selected any one of options 2) through 5) in Question 3-1-1:

How does your company's top management communicate messages to its executives and employees? [Select one / Required response]

- 1) Communicates via textual information (Note).

(Note) This includes posting in easily accessible locations on the company intranet, distributing internal emails, and publishing/distributing materials such as codes of conduct, compliance manuals, company newsletters, and cards.

- 2) Oral communication during in-house training sessions, various assemblies, meetings, gatherings, etc. (Note).

(Note) Includes direct statements during e-Learning or web conferences, as well as the distribution or screening, and other related handling of pre-recorded video messages.

- 3) Both textual and oral communication.

Question 3-2: Assessing the Risk of the AMA Violations in Accordance with Respective Situations of Companies and Responding to the Risk in Risk-Based Approach

Does your company implement measures to assess the risk of AMA violations within your company (meaning the risk that your company may violate the AMA; the same applies below) by

Tentative Translation

categorizing the types of AMA violations and evaluating them separately for each of your company's products, locations, and departments? If so, please specifically describe the method. [Select one / Required response (For the essay-type response section, free writing is permitted)]

1) No.

2) Yes. (Method: _____)

[Example]

- After assessing actual conditions through surveys and interviews, the department responsible for risk assessment quantifies the likelihood and impact of AMA violations by type of conduct and by product, location, and department. Based on these results, it evaluates the significance of the risk of AMA violations and deliberates and determines response policies.

Question 3-3: Design and Implementation of Policies and Procedures for Promoting the AMA

Compliance

Question 3-3-1

Has your company formulated or prepared internal rules, manuals, etc. (Note) that define basic policies and procedures for promoting AMA compliance? If so, please state the date of formulation or preparation (month and year) in the Gregorian calendar.

If the specific date of formulation or preparation (month and year) cannot be determined, please state the approximate date. If the date of formulation or preparation (month and year) is unknown, please state "Unknown." [Multiple selections allowed / Required response]

(Note) This includes not only internal rules and manuals specifically focused on AMA compliance, but also those covering general compliance that include provisions related to AMA compliance.

1) Nothing specific has been formulated or prepared. [-> Go to Question -4]

2) A Code of Conduct (Note) has been formulated. 3

(Date of formulation (month and year): _____)

(Note) "Code of Conduct" refers to guidelines that specifically and clearly indicate the ethical behavior and attitude to be taken by individual executives and employees in their daily business activities in order to realize the corporate philosophy and values.

3) AMA compliance basic rules (Note) have been formulated.

(Date of formulation (month and year): _____)

(Note) "AMA compliance basic rules" refer to internal rules that comprehensively stipulate matters concerning the design and implementation of an AMA compliance program.

4) AMA compliance manual (Note) has been prepared.

(Date of preparation (month and year): _____)

(Note) "AMA compliance manual" refers to a guidebook that summarizes knowledge and matters to be noted concerning the AMA in an easy-to-understand manner.

Question 3-3-2

For those who selected any one of options 2) through 4) in Question 3-3-1:

Does your company implement any measures to inform executives and employees regarding the internal rules, manuals, etc. selected in Question 3-3-1? If so, please specifically describe the method. [Multiple selections allowed / Required response (For the essay-type response section, free writing is permitted)]

Tentative Translation

- 1) No.
- 2) Yes, our company implements measures for the Code of Conduct. (Method: _____)
- 3) Yes, our company implements measures for the AMA compliance basic rules. (Method: _____)
- 4) Yes, our company implements measures for the AMA compliance manual. (Method: _____)

[Example]

- We distribute cards containing our Code of Conduct, which explicitly states compliance with the AMA, to all executives and employees and always require them to carry these cards.
- We have made the AMA compliance manual available on the business mobile devices carried by all executives and employees, ensuring it is always accessible. As a result, sales personnel now refer to the manual while performing their daily duties.
- We also utilize the AMA Compliance Manual as training material.

Question 3-4: Design of Organizational Structure and Allocation of Adequate Resources and

Authority

Question 3-4-1

What organizational structure (Note) has your company established for the AMA compliance?

[Multiple selections allowed / Required response]

(Note) This includes not only organizational structures dedicated to AMA compliance, but also organizational structures responsible for general compliance matters when such structures also oversee matters related to AMA compliance.

- 1) Not established organizational structure at all
- 2) Compliance officer
- 3) Compliance Committee
- 4) Department or designated personnel in charge of overall compliance with laws and regulations, etc. outside of business divisions
- 5) Department or designated personnel dedicated to the AMA compliance that independent from business divisions and separate from 4) outside of business divisions
- 6) Department or designated personnel in charge of overall compliance with laws and regulations, etc. within a business division
- 7) Department or designated personnel dedicated to the AMA compliance that independent from business divisions and separate from 6) within a business division
- 8) Department or designated personnel in charge of internal audit
- 9) Other (Please describe in detail:_____)

Question 3-4-2

How are your outside directors and outside audit & supervisory board members involved in the design and implementation of your company's AMA compliance program? [Multiple selections allowed / Required response]

- 1) There are no outside directors and outside audit & supervisory board members in our company.

Tentative Translation

- 2) They are not involved.
- 3) They make statements at meetings such as the board of directors or the compliance committee regarding the status of company's AMA compliance efforts.
- 4) They request to submit reports from the compliance department, internal audit department, and other relevant units regarding the status of company's AMA compliance efforts through methods other than making statements at the meetings described in 3).
- 5) They serve as one of the whistleblowing channels for executives and employees who witness or become aware of AMA violations.
- 6) They are included in the reporting channels when suspicions of AMA violations arise within the company.
- 7) Other (Please describe in detail:_____)

Question 4: Specific Measures to Prevent the AMA Violations

Question 4-1: Design and Implementation of Internal Rules for Contacts with Competitors

Question 4-1-1

Has your company formulated internal rules (Note) related to contact with competitors? If so, please state the date of formulation (month and year) in the Gregorian calendar. (If this rule is included in the internal rules/manuals, etc., asked about in Question 3-3-1, please select option 2)).

If the specific date of formulation (month and year) cannot be determined, please state the approximate date. If the date of formulation (month and year) is unknown, please state "Unknown."

[Select one / Required response]

(Note) This refers to internal rules designed to manage the risk of violating the AMA regarding contact with competitors, such as prohibiting contact with competitors or requiring applications, approvals, reports, etc., concerning contact with competitors.

- 1) No. [→ Go to Question 4-2]
- 2) Yes. (Date of formulation (month and year): _____)

Question 4-1-2

For those who selected option 2) in Question 4-1-1:

What rules has your company formulated related to contact with competitors? [Multiple selections allowed / Required response]

- 1) In principle, contact with competitors is prohibited.
- 2) Executives and employees must apply in advance to their department supervisor or superior and obtain approval before contacting competitors.
- 3) Executives and employees must apply in advance to the compliance department and obtain approval before contacting competitors.
- 4) Executives and employees must take an oath that they will not engage in any conduct that may violate the AMA prior to contacting competitors.
- 5) Executives and employees must take appropriate measures, such as protesting and leaving the meeting, if they encounter situations during contact with competitors that could potentially

Tentative Translation

violate the AMA.

- 6) Executives and employees must prepare minutes or notes regarding the circumstances of contact with competitors after such contact.
- 7) Executives and employees must report the circumstances of any contact with competitors to their department supervisor or superior after such contact.
- 8) Executives and employees must report the circumstances of any contact with competitors to the compliance department after such contact.
- 9) Evidence and records related to contact with competitors (including documents, emails, meeting minutes, memos, etc.) must be properly retained (including rules regarding retention periods and methods).
- 10) Other (Please describe in detail: _____)

Question 4-1-3

For those who selected option 2) in Question 4-1-1:

Does your company implement any measures to inform executives and employees of the Internal Rules for Contact with Competitors? If so, please specifically describe the method. [Select one / Required response (For the essay-type response section, free writing is permitted)]

- 1) Not implemented
- 2) Implemented (Method: _____)

[Example]

- Top management has sent a message regarding compliance with rules for contact with competitors.
- Rules for contact with competitors are clearly stated in the Code of Conduct and the AMA Compliance Manual.
- Rules for contact with competitors are explained during in-house training sessions.

Question 4-2: Providing In-House Trainings on the AMA

Question 4-2-1

Did your company provide in-house training sessions (Note) on the theme of the AMA during the most recent fiscal year? [Select one / Required response]

(Note) "In-house training sessions on the AMA" include sessions where your company's executives and employees served as instructors, as well as sessions where external organizations, groups, or individuals were commissioned as instructors. It also includes sessions provided in conjunction with training on other compliance-related topics. The same applies below.

- 1) No. [→ Go to Question 4-2-3]
- 2) Yes, face-to-face trainings were provided.
- 3) Yes, online trainings (e-Learning, web conferencing, etc. The same applies below) were provided.
- 4) Yes, both face-to-face and online trainings were provided.

Question 4-2-2

For those who selected any one of options 2) through 4) in Question 4-2-1:

Please select the applicable option regarding the content and format of your company's in-house training sessions on the AMA during the most recent fiscal year. [Multiple selections allowed /

Tentative Translation

Required response]

- 1) Explained general knowledge related to the AMA in lecture-style.
- 2) Explained matters requiring attention under the AMA based on the business activities of the departments subject to training and their respective risks of violating the AMA.
- 3) Created a drama based on actual AMA violation cases involving itself or competitors, using a story format to explain the disadvantages and other related issues that arise when involved in AMA violations.
- 4) Incorporated formats requiring active participant involvement, such as discussion-based and role-playing formats.
- 5) Other (Please describe in detail:_____)

Question 4-2-3

How often does your company provide in-house training sessions on the AMA for its executives and employees in the positions, ranks, and departments listed in the response field? For each position, rank, department, etc., select the applicable option. [Select one / Required response]

Position/Rank/Department, etc.	Do not provide in-house training	Provided irregularly	About once every quarter	About once every six months	About once a year	About once every two to three years	About once every four to five years
Top management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Management team members other than top management (Note)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Persons in managerial positions at the level of general manager or above	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
New employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees in the sales department	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees in the purchasing and procurement departments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(Note) This includes executive officers and similar positions that do not qualify as officers under the Companies Act. The same applies below.

Tentative Translation

Question 4-2-4

Over the past three years (FY2021 to FY2023), approximately what percentage of your company's executives and employees participated in in-house training sessions focused on the AMA? Please select the percentage of executives and employees in each of the following positions, ranks, departments, etc., who have participated in at least one in-house training session focused on the AMA over the past three years (an approximate figure is acceptable if the exact percentage is unknown). [Select one / Required response]

Position/Rank/Department, etc.	0% (Note)	Less than 25%	25% or more and less than 50%	50% or more and less than 75%	75% or more and less than 100%	100%
Top management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Management team members other than top management (Note)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Persons in managerial positions at the level of general manager or above	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
New employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees in the sales department	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees in the purchasing and procurement departments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(Note) This includes cases where no in-house training sessions on the AMA have been provided over the past three years.

Question 4-2-5

Does your company conduct tests to confirm the degree of understanding among its executives and employees regarding AMA compliance? [Select one / Required response]

- 1) No.
- 2) Yes, it is conducted before in-house training.
- 3) Yes, it is conducted after in-house training
- 4) Yes, it is conducted both before and after in-house training

Question 4-3: Design and Operation of a Consultation System on the AMA

Question 4-3-1

Have your company established an internal consultation desk where executives and employees could seek advice on whether their actions may constitute violations of the AMA? [Select one / Required response]

- 1) No. [→ Go to Question 4-4]

Tentative Translation

- 2) Yes, it has established only outside business divisions (legal and compliance departments, etc.).
- 3) Yes, it has established only within business divisions.
- 4) Yes, it has established both outside and within business divisions.

Question 4-3-2

For those who selected any one of options 2) through 4) in Question 4-3-1:

Does your company implement any measures to inform executives and employees of the acceptance of consultations on the AMA, the use of the consultation desk, and related matters? If so, please specifically describe the method. [Select one / Required response (For the essay-type response section, free writing is permitted)]

- 1) No.
- 2) Yes (Method: _____).

[Example]

- Top management has issued a message encouraging employees to freely consult the internal consultation desk regarding any AMA concerns or worries.
- The existence of the AMA consultation desk, how to use it, and related matters are clearly stated in the Code of Conduct and AMA Compliance Manual.
- The existence of the AMA consultation desk, how to use it, and related matters are explained during in-house training sessions.

Question 4-3-3

For those who selected any one of options 2) through 4) in Question 4-3-1:

How many internal consultations related to the AMA does your company receive annually? Please provide the annual number of internal consultations received related to the AMA (Note) in numerical form (half-width characters), keeping in mind the situation over the past three years (FY 2021 to FY 2023).

If there were no internal consultations related to the AMA during this period, please enter "0".

[Essay format / Required response]

(Note) "Number of internal consultations received related to the AMA" refers to the number of consultations received by your company's internal consultation desk concerning the AMA. If it is not possible to accurately determine the total number of internal consultations received—for example, if your company responds to inquiries verbally or via email outside the formal consultation desk—an approximate number is acceptable. (If you can accurately determine the number of internal consultations received related to the AMA over the past three years (FY2021 to FY2023), please state the average number received over those three years.)

- 1) Annual number of internal consultations received related to the AMA: Approximately _____ per year
- 2) No consultation desk was established during the period concerned.

Question 4-4: Design and Implementation of Internal Disciplinary Rules for the AMA Violations

Question 4-4-1

Could your executives and employees be subject to disciplinary action or other adverse measures (hereinafter referred to simply as "disciplinary action") for the AMA violations? [Select one /

Tentative Translation

Required response]

1) No, no executives or employees will be subject to disciplinary action. [→ Go to Question 4-4-4]

2) Yes, executives and employees could be subject to disciplinary action.

Question 4-4-2

For those who selected option 2) in Question 4-4-1:

At your company, could executives and employees in the positions/ranks, etc., listed in the response field be subject to disciplinary action for the AMA violations? For each of the following positions/ranks, please select the applicable option. [Select one / Required response]

positions/ranks, etc.	Not be subject to disciplinary action	It is clearly stated in the internal rules that executives and employees could be subject to disciplinary action for AMA violations	Executives and employees could be subject to disciplinary action though such a provision is not clearly stated in the internal rules(Note 1)
Top management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Senior managers other than top management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Those who are involved in AMA violations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Those who bear supervisory responsibility for the duties of an individual involved in AMA violations (hereinafter referred to as "superior")	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Those who unreasonably fail to make efforts to prevent AMA violations and detect them early (Note 2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Superior of those who unreasonably fail to make efforts to prevent AMA violations and detect them early	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(Note 1) This includes cases where general grounds for disciplinary action, such as violations of laws and regulations or damage to the company's reputation, are applied.

(Note 2) For example, individuals who repeatedly fail to submit required prior notifications regarding contact with competitors or attend mandatory in-house training sessions, or those who, despite knowing that antitrust violations are occurring around them, fail to report or consult with their superior or the appropriate department, are referred to.

Tentative Translation

Question 4-4-3

For those who selected option 2) in Question 4-4-1:

Does your company implement any measures to inform executives and employees that engaging in conduct that violates the AMA or unjustly neglecting efforts toward the prevention or early detection of such violations may be subject to disciplinary action? If so, please specifically describe the methods of informing. [Select one / Required response (For the essay-type response section, free writing is permitted)]

1) No.

2) Yes (Method: _____).

[Example]

- Top management has issued a message stating that involvement in AMA violations will be dealt with strictly.
- The Code of Conduct and AMA Compliance Manual explicitly state that involvement in AMA violations and related conduct is subject to disciplinary action.
- In-house training sessions explain that involvement in AMA violations and related conduct is subject to disciplinary action.

Question 4-4-4

Does your company have an incentive system (Note) in place that links cooperation in efforts to prevent promptly detect related activities of violations of the AMA to the benefits of its executives and employees? [Multiple selections allowed / Required response]

(Note) This question excludes the so-called "internal leniency program," whereby your company considers the voluntary disclosure of involvement in AMA violations by its executives and employees, or their cooperation in internal investigations, as grounds for mitigating or waiving disciplinary action.

- 1) Cooperation in efforts to prevent, detect and related activities regarding AMA violations does not benefit executives and employees.
- 2) The company commends executives and employees or departments that have demonstrated outstanding efforts in preventing, detecting, and related activities regarding AMA violations.
- 3) Financial rewards are provided to executives and employees who demonstrate outstanding efforts in preventing, detecting, and related activities regarding AMA violations.
- 4) The degree of cooperation in efforts to prevent, detect, and related activities regarding AMA violations shall be considered in personnel evaluations (promotions, grade advancements, and salary increases).
- 5) Other (Please describe in detail:_____)

Question 5: Specific Measures to Detect the AMA Violations at an Early Stage and Take Appropriate

Actions

Question 5-1: Conducting Audits on the AMA

Question 5-1-1

Does your company conduct audits on the theme of the AMA (Note)? [Select one / Required response]

(Note) "Audits on the theme of the AMA" include audits organized by your company, as well as audits entrusted to external organizations, groups, individuals, etc. It also includes audits conducted in conjunction with other compliance themes.

- 1) No. [→Go to Question 5-2]
- 2) Yes (irregularly).
- 3) Yes (approximately once every quarter or more frequently).
- 4) Yes (approximately once every six months).
- 5) Yes (approximately once every year).
- 6) Yes (approximately once every two to three years).
- 7) Yes (approximately once every four to five years).
- 8) Other (Please describe in detail:_____)

Question 5-1-2

For those who selected any one of options 2) through 8) in Question 5-1-1:

What procedures does your company implement in its audits on the theme of the AMA? [Multiple selections allowed / Required response]

- 1) Reviewing written documents such as agreements with competitors and meeting minutes related to meetings with competitors
- 2) Checking records of applications, approvals, reports, and other documents related to contact with competitors
- 3) Checking evidence such as invoices and receipts related to travel, transportation, and entertainment expenses
- 4) Conducting keyword searches of histories on email, chat, social media, etc.
- 5) Conducting surveys and interviews for executives and employees
- 6) Conducting data analysis related to expenditure status of travel, transportation, and entertainment expenses, changes in operating profit margins, and bid-winning rates in public tenders, etc.
- 7) Other (Please describe in detail:_____)

Question 5-1-3

For those who selected any one of options 2) through 8) in Question 5-1-1:

Does your company use AI when conducting audits on the theme of the AMA? If so, please specifically describe its use, and the advantages and disadvantages. [Select one / Required response]

Tentative Translation

1) No.

2) Yes.

- Method: _____

- Advantages: _____

- Disadvantages: _____

[Example]

Method: When checking emails, etc., we use AI to pre-filter highly relevant emails, etc., and then human eyes check only those highly relevant emails, etc.

Advantages: We used to check emails, etc., by hand, but by using AI, the time required for checking has been significantly reduced, which has lightened the burden on the department in charge of audit and, as a result, improved audit accuracy.

Disadvantages: There is concern as to whether the AI is really filtering only highly relevant emails, etc. (i.e., whether anything is being missed).

Question 5-2: Design and Operation of a Whistleblowing System

Question 5-2-1

Has your company established a whistleblowing hotline to receive reports from executives and employees regarding AMA violations (including voluntary reports from executives and employees who were involved in such violations)? [Select one / Required response]

1) No. [→Go to Question 5-3]

2) Yes, only outside the company (e.g., at a law firm).

3) Yes, only inside the company.

4) Yes, both outside and inside the company.

Question 5-2-2

For those who selected any one of options 2) through 4) in Question 5-2-1:

Does your company implement any measures to inform executives and employees about information on AMA violations and the use of the whistleblowing hotline, etc.? If so, please specifically describe the method. [Select one / Required response ((For the essay-type response section, free writing is permitted))]

1) No.

2) Yes (Method: _____).

[Example]

- The management sends messages to communicate the importance of speaking up through the whistleblowing system, that they will not suffer any disadvantages for speaking up, and that the confidentiality of the report will be strictly protected, etc.

- The fact that internal reports related to the AMA are accepted and how to use the whistleblowing hotline, etc. are clearly stated in the code of conduct and the AMA compliance manual.

- The fact that internal reports related to the AMA are accepted and how to use the whistleblowing hotline, etc. are explained in in-house training sessions.

Question 5-2-3

For those who selected any one of options 2) through 4) in Question 5-2-1:

How many whistleblowing reports related to the AMA does your company receive annually? Please provide the annual number of whistleblowing reports received related to the AMA (Note) in numerical form (half-width characters), keeping in mind the situation over the past three years (FY 2021 to FY 2023).

If there were no whistleblowing reports related to the AMA during this period, please enter "0."

[Essay format / Required response]

(Note) "Number of whistleblowing reports received related to the AMA" refers to the number of whistleblowing reports related to the AMA received by both the internal and external whistleblowing hotline of your company. If it is not possible to accurately determine the total number of whistleblowing reports related to the AMA, an approximate number is acceptable. (If you can accurately determine the number of whistleblowing reports received related to the AMA over the past three years (FY 2021 to FY 2023), please state the average number received over those three years.)

- 1) Number of whistleblowing reports received related to the AMA: Approximately _____ per year
- 2) No whistleblowing hotline was established during the period concerned.

Question 5-3: Introduction of an Internal Leniency System about the AMA

Question 5-3-1

Does your company have a system or initiative to consider the fact that an executive or employee has voluntarily reported their involvement in an AMA violation or cooperated with an internal investigation as a reason for mitigating or waiving disciplinary action? (Hereinafter, such a system or initiative is referred to as an "internal leniency system.") [Select one / Required response]

- 1) No, our company doesn't consider it. [→Go to Question 5-4]
- 2) Yes, it is not explicitly stated in our internal rules, but our company considers it.
- 3) Yes, it is not explicitly stated in our internal rules that our company considers it for AMA violations, but it is explicitly stated in our internal rules that our company considers it for fraudulent acts and other misconduct in general, and AMA violations are included.
- 4) Yes, it is explicitly stated in our internal rules that our company considers it for AMA violations.
- 5) Other (Please describe in detail:_____)

Question 5-3-2

For those who selected any one of options 2) through 5) in Question 5-3-1:

Does your company implement any measures to inform executives and employees that they can receive or have the possibility of receiving mitigation or a waiver of disciplinary action if they voluntarily report their involvement in an AMA violation or cooperate with an internal investigation? If so, please specifically describe the method. [Select one / Required response (For the essay-type response section, free writing is permitted)]

- 1) No.
- 2) Yes (Method: _____).

[Example]

Tentative Translation

- The top management sends messages to communicate the importance of voluntarily reporting involvement in AMA violations early by using the internal leniency system.
- The internal leniency system is clearly stated in the code of conduct and the AMA compliance manual.
- The internal leniency system is explained in in-house training sessions.

Question 5-3-3

For those who selected any one of options 2) through 5) in Question 5-3-1:

Over the past three years (FY 2021 to FY 2023), has your company received any voluntary reports from your executives or employees regarding their involvement in the AMA violations under circumstances where such facts, including voluntary reporting or cooperation with internal investigations, would be considered reasons for mitigating or waiving disciplinary action? [Select one / Required response]

- 1) No.
- 2) Yes.

Question 5-4: Appropriate Response to Suspected Violations of the AMA

Question 5-4-1

Has your company formulated internal rules, manuals, or similar documents (hereinafter referred to as an "emergency response manual") (Note) that specify the system, response policy, and procedures for when a suspected AMA violation occurs within your company as a result of an audit or whistleblowing report (including a voluntary report regarding involvement in an AMA violation), etc.? If so, please state the date of formulation (month and year) in the Gregorian calendar.

If the specific date of formulation (month and year) cannot be determined, please state the approximate date. If the date of formulation (month and year) is unknown, please state "Unknown."
[Select one / Required response]

(Note) This includes not only internal rules, manuals, or similar documents specifically for AMA violations, but also cases where matters regarding AMA violations are stated in internal rules, manuals, or similar documents regarding fraudulent acts and other misconduct in general, or where internal rules, manuals, or similar documents regarding fraudulent acts and other misconduct in general are also applied to AMA violations. Also, if the system, response policy, and procedures etc. for when a suspected AMA violation occurs within the company are specified in the internal rules, manuals, or similar documents asked about in Question 3-3-1, the rules for conducting audits, internal reporting rules, etc., please select option 2).

- 1) No. [→Go to Question 6]
- 2) Yes (Date of formulation (month and year): _____).

Question 5-4-2

For those who selected option 2) in Question 5-4-1:

If a suspected AMA violation occurs within your company, what kind of response is to be taken according to your company's emergency response manual? [Multiple selections allowed / Required response]

- 1) Report to the top management (or the final decision-maker other than the top management if the top management's involvement in the AMA violation is suspected) and seek their instructions

Tentative Translation

on the response policy.

- 2) Establish a system for implementing emergency responses such as internal investigations (e.g., an internal investigation committee).
- 3) Consult with pre-listed external experts such as a lawyer.
- 4) Inform executives and employees to cooperate with the investigation and not to destroy, conceal, alter, or otherwise tamper with evidence.
- 5) Conduct an internal investigation into the facts related to the AMA violation.
- 6) Conduct an internal investigation into similar cases other than the facts related to the AMA violation.
- 7) Consider using the leniency system and the reduction system for cooperation in investigation.
- 8) If an AMA violation is confirmed within the company, thoroughly analyze the cause of the violation.
- 9) If an AMA violation is confirmed within the company, formulate and implement measures to prevent recurrence so that the violation does not happen again.
- 10) Other (Please describe in detail:_____)

Question 6: Periodic Evaluation and Update of the Program

Question 6-1

Does your company periodically evaluate the effectiveness of your AMA compliance program and update the program if any points for correction or improvement are identified? [Select one / Required response]

- 1) No.
- 2) Yes (irregularly).
- 3) Yes (approximately once every year or more frequently).
- 4) Yes (approximately once every two to three years).
- 5) Yes (approximately once every four to five years).
- 6) Other (Please describe in detail:_____)

Question 6-2

Does your company implement any measures to measure the degree of improvement in the awareness and behavior of your executives and employees related to AMA compliance? If so, please provide specific examples or indicators to describe the degree of improvement in executives' and employees' awareness and behavior. [Select one / Required response (For the essay-type response section, free writing is permitted)]

- 1) No.
- 2) Yes (Degree of improvement in awareness and behavior: _____).

[Example]

- We conduct an annual compliance survey for all executives and employees, and the understanding of the AMA section

Tentative Translation

of the code of conduct has improved by ___ percent compared to ___ years ago.

Question 7: Integrated Efforts by Corporate Group and Related Initiative

Question 7-1

Does your company implement any measures to prevent and promptly detect, and take appropriate actions regarding AMA violations by your domestic consolidated subsidiaries, equity method affiliates (referring to non-consolidated subsidiaries and affiliated companies; hereinafter the same), outsourcing contractors, and business partners (including suppliers; hereinafter the same)? After checking the box in the first row of the table below for the existence of companies that fall into each category, please check the box in the answer field for each item from the second row onwards if the measure is being implemented for the companies that fall into each category (if there are no companies that fall into each category, or if no measures are being implemented for all categories, please check "Not applicable to all categories.") (Note). [Multiple selections allowed / Required response]

(Note) If your company is a so-called "pure holding company," please respond regarding the situation of the entire corporate group from your company's perspective. Also, for each category of domestic consolidated subsidiaries, equity method affiliates, outsourcing contractors, and business partners, even if you are not implementing measures for all companies that fall into each category, please check the box if you believe that you are implementing measures for companies where the risk of an AMA violation could also become a risk for your company.

Item	Not applicable to all categories	Domestic consolidated subsidiaries	Domestic equity method affiliates	Domestic outsourcing contractors	Domestic business partners
Existence of companies that fall into each category (Check if at least one company that falls into the category exists.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sending messages related to the AMA by the top management of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conducting risk assessment related to AMA violations (including consideration and decision on risk response policy)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Requirement to comply with the code of conduct of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Application of the AMA compliance basic rules of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Distribution of the AMA compliance manual of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Implementation of training on the theme of the AMA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Acceptance of consultations related to the AMA at the consultation desk of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Tentative Translation

Clarification of the response policy for AMA violations (e.g., claims for damages, contract termination)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Implementation of audits on the theme of the AMA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Acceptance of whistleblowing reports related to the AMA at the whistleblowing hotline of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sharing of information related to the AMA (including requiring reports when an AMA violation occurs within the company)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Periodic evaluation of the AMA compliance program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Implementation of due diligence related to the AMA during M&A and new transactions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Question 7-2

Does your company implement any measures to prevent and promptly detect, and take appropriate actions regarding violations of the AMA or foreign competition laws (hereinafter, both are collectively referred to as "competition laws") by your overseas consolidated subsidiaries, equity method affiliates, outsourcing contractors, and business partners? After checking the box in the first row of the table below for the existence of companies that fall into each category, please check the box in the answer field for each item from the second row onwards if the measure is being implemented for the companies that fall into each category (if there are no companies that fall into each category, or if no measures are being implemented for all categories, please check "Not applicable to all categories.") (Note). [Multiple selections allowed / Required response]

(Note) If your company is a so-called "pure holding company," please respond regarding the situation of the entire corporate group from your company's perspective. Also, for each category of overseas consolidated subsidiaries, equity method affiliates, outsourcing contractors, and business partners, even if you are not implementing measures for all companies that fall into each category, please check the box if you believe that you are implementing measures for companies where the risk of a competition law violation in those companies could also become a risk for your company.

Item	Not applicable to all categories	Overseas consolidated subsidiaries	Overseas equity method affiliates	Overseas outsourcing contractors	Overseas business partners
Existence of companies that fall into each category (Check if at least one company that falls into the category exists.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sending messages related to competition laws by the top management of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conducting risk assessment related to competition law violations (including consideration and decision on risk response	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Tentative Translation

policy)					
Requirement to comply with the code of conduct of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Application of the competition law compliance basic rules of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Distribution of the competition law compliance manual of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Implementation of training on the theme of competition laws	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Acceptance of consultations related to competition laws at the consultation desk of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Clarification of the response policy for competition law violations (e.g., claims for damages, contract termination)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Implementation of audits on the theme of competition laws	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Acceptance of whistleblowing reports regarding competition laws at the whistleblowing hotline of your company or your corporate group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sharing of information related to competition laws (including requiring reports when a competition law violation occurs within the company)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Periodic evaluation of the competition law compliance program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Implementation of due diligence regarding competition laws during M&A and new transactions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Question 8: AMA Compliance Guide

Question 8-1

On December 21, 2023, the Japan Fair Trade Commission (JFTC) published the "Guide for the Design and Implementation of an Effective Antimonopoly Act Compliance Program: Focusing on Responses to Cartels and Bid-rigging" (hereinafter referred to as the "AMA Compliance Guide") to support companies in their AMA compliance efforts.

URL : <https://www.jftc.go.jp/en/pressreleases/yearly-2023/December/231221.html>

We ask the respondent to this survey: Were you aware of this AMA Compliance Guide before this survey was conducted? [Select one / Required response]

Tentative Translation

- 1) No. [→Go to Question 8-4]
- 2) Yes.

Question 8-2

For those who selected option 2) in Question 8-1:

We ask the respondent to this survey: Where did you learn about the AMA Compliance Guide?

[Multiple selections allowed / Required response]

- 1) JFTC's website
- 2) Social media such as Facebook and X (formerly Twitter)
- 3) News reports in newspapers and on the internet
- 4) Articles/papers in legal magazines, etc.
- 5) Information provided by economic or trade organizations (including mailing lists, newsletters, and similar sources)
- 6) Information provided by external experts such as lawyers (including mailing lists, newsletters, and similar sources)
- 7) Seminars where JFTC staff served as speakers
- 8) Seminars where speakers other than JFTC staff (e.g., lawyers) served as speakers
- 9) Explanation meetings for enforcement actions such as cease and desist orders related to AMA violation cases
- 10) Other (Please describe in detail:_____)

Question 8-3

For those who selected option 2) in Question 8-1:

Did the AMA Compliance Guide help your company promote its AMA compliance efforts? Please describe in detail why it "helped" or "did not help," based on which parts of the AMA Compliance Guide "helped" or "did not help." [Select one / Required response (For the essay-type response section, free writing is permitted)]

- 1) No, it did not help (Reason why it did not help: _____).
- 2) Yes, it helped (Reason why it helped: _____).

[Example]

Reason why it did not help: We already have comprehensive measures in place within our company, so it wasn't very helpful.

Reason why it helped: The "Checkpoints" allowed us to easily measure and evaluate the level of our initiatives.

Question 8-4

The AMA Compliance Guide introduces a total of 14 items, which are also asked about in this survey form. In order to improve the awareness and behavior of your executives and employees related to AMA compliance, which items in the table below does your company prioritize? Please select five items from the table below, from first to fifth place in order of importance. Please also

Tentative Translation

provide specific details about any unique measures your company has implemented, tailored to the specific circumstances of your company or industry, or any examples where such measures have had a positive impact or change on the awareness and behavior of your executives and employees related to AMA compliance (including examples where IT technology/devices are effectively utilized). (For detailed information on each item, please refer to the AMA Compliance Guide.) [Select five / Required response]

Item	First place	Second place	Third place	Fourth place	Fifth place
Commitment and Initiative of the Top Management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Assessing the Risk of the AMA Violations in Accordance with Respective Situations of Companies and Responding to the Risk in Risk-Based Approach	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design and Implementation of Policies and Procedures for Promoting the AMA Compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design of Organizational Structure and Allocation of Adequate Resources and Authority	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Integrated Efforts by Corporate Group	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design and Implementation of Internal Rules for Contacts with Competitors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing In-House Trainings on the AMA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design and Operation of a Consultation System on the AMA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design and Implementation of Internal Disciplinary Rules for the AMA Violations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conducting Audits on the AMA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design and Operation of a Whistleblowing System	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Tentative Translation

Introduction of an Internal Leniency System about the AMA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Appropriate Response to Suspected Violations of the AMA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Periodic Evaluation and Update of the Program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Free-form response field]

- First place: Specific details about particularly devised measures and examples of positive impacts or changes in the awareness and behavior of executives and employees

[For examples, please refer to Attachment 1]
--

- Second place: Specific details about particularly devised measures and examples of positive impacts or changes in the awareness and behavior of executives and employees

[For examples, please refer to Attachment 1]
--

- Third place: Specific details about particularly devised measures and examples of positive impacts or changes in the awareness and behavior of executives and employees

[For examples, please refer to Attachment 1]
--

- Fourth place: Specific details about particularly devised measures and examples of positive impacts or changes in the awareness and behavior of executives and employees

[For examples, please refer to Attachment 1]
--

- Fifth place: Specific details about particularly devised measures and examples of positive impacts or changes in the awareness and behavior of executives and employees

[For examples, please refer to Attachment 1]
--

Question 8-5

Regarding each item in Question 8-4, are there any items where your company is facing problems or obstacles in improving the awareness and behavior of executives and employees related to AMA compliance, or any items that you are concerned about as a person in charge of the compliance department? If so, please select up to five items from the table below in descending order of the magnitude of the problem or concern, and then describe the specific details of those problems, obstacles, or concerns as a compliance department representative (including any examples of initiatives or revisions being implemented to overcome them). [Select up to five / Voluntary

Tentative Translation

response]

Item	First place	Second place	Third place	Fourth place	Fifth place
Commitment and Initiative of the Top Management	○	○	○	○	○
Assessing the Risk of the AMA Violations in Accordance with Respective Situations of Companies and Responding to the Risk in Risk-Based Approach	○	○	○	○	○
Design and Implementation of Policies and Procedures for Promoting the AMA Compliance	○	○	○	○	○
Design of Organizational Structure and Allocation of Adequate Resources and Authority	○	○	○	○	○
Integrated Efforts by Corporate Group	○	○	○	○	○
Design and Implementation of Internal Rules for Contacts with Competitors	○	○	○	○	○
Providing In-House Trainings on the AMA	○	○	○	○	○
Design and Operation of a Consultation System on the AMA	○	○	○	○	○
Design and Implementation of Internal Disciplinary Rules for the AMA Violations	○	○	○	○	○
Conducting Audits on the AMA	○	○	○	○	○
Design and Operation of a Whistleblowing System	○	○	○	○	○
Introduction of an Internal Leniency System about the AMA	○	○	○	○	○
Appropriate Response to Suspected Violations of the AMA	○	○	○	○	○

Tentative Translation

Periodic Evaluation and Update of the Program	○	○	○	○	○
---	---	---	---	---	---

[Free-form response field]

- First place: Specific details of challenges and obstacles within your company, and concerns or difficulties you face as the person in charge of the compliance department

[For examples, please refer to Attachment 2]

- Second place: Specific details of challenges and obstacles within your company, and concerns or difficulties you face as the person in charge of the compliance department

[For examples, please refer to Attachment 2]

- Third place: Specific details of challenges and obstacles within your company, and concerns or difficulties you face as the person in charge of the compliance department

[For examples, please refer to Attachment 2]

- Fourth place: Specific details of challenges and obstacles within your company, and concerns or difficulties you face as the person in charge of the compliance department

[For examples, please refer to Attachment 2]

- Fifth place: Specific details of challenges and obstacles within your company, and concerns or difficulties you face as the person in charge of the compliance department

[For examples, please refer to Attachment 2]

Question 9: Other Initiatives

Question 9-1

In recent years, as algorithms (Note) are being utilized for investigating competitors' prices and for setting prices for a company's own products and services, it is conceivable that cartel agreements and their implementation may become easier, or that new forms of cooperative behavior may emerge. Does your company implement any measures to prevent such AMA violations by algorithms and promptly detect them? If so, please specifically describe the content of the measures. (Even if your company does not use such algorithms internally, or if you are not sure whether you use them, if there are internal discussions regarding the competition law risks associated with using such algorithms, or if precautions and related information have been communicated internally, please select option 2) and describe the specific content of the measures.) [Select one / Required response]

Tentative Translation

(Note) In this question, "algorithm" refers to a set of computational procedures that convert an input into an output.

1) No.

2) Yes (Specific content of the measures: _____).

[Example]
- In training on the AMA, we explain the risk of cartels based on algorithms for price investigation and price setting, including examples of cases that have been an issue in foreign countries.
- We encourage employees to consult with the compliance department in advance when they plan to use algorithms for price investigation and price setting in their work.
- The person in charge of AMA compliance constantly updates information on recent topics related to the AMA, such as problems with algorithms for price investigation and price setting, by referring to public materials from the JFTC.

Question 9-2

Regarding labor costs, raw material prices, energy costs, etc., (1) maintaining transaction prices unchanged as before without explicitly discussing the necessity of reflecting these cost increases in transaction prices during price negotiations, or (2) maintaining transaction prices unchanged despite a counterparty requesting an increase due to these cost increases, without explaining the reasons for not passing on the costs to the counterparty in writing, email, or other forms of communication, may constitute an abuse of superior bargaining position under the AMA (Article 2, Paragraph 9, Item 5(c) of the AMA). Specifically, regarding labor costs, the Cabinet Secretariat and the JFTC published "the Guidelines on Price Negotiation for

Appropriate Pass-Through of Labor Costs" on November 29, 2023.

Related to the above, does your company implement any measures to prevent or promptly detect early instances of abuse of superior bargaining position concerning the passing on of labor costs, raw material prices, energy costs, etc.? If so, please specifically describe the content of the measures (Please address the establishment and operation of compliance systems aimed at facilitating price pass-through, rather than the pass-through itself through price negotiations with business partners. This includes the establishment and operation of internal management systems, etc.). [Select one / Required response]

1) No.

2) Yes (Specific content of the measures: _____).

[Example]
- Regarding the "Partnership Building Declaration," to prevent the declaration from becoming a mere formality, we regularly review and organize the implementation status and future challenges for each item, maintaining and managing these records.
- A specialized department has been established to promote fair transactions, including pass-through cost.
- Headquarters has instructed the price negotiation department to keep records of negotiations with all business partners, and when transaction prices are maintained, to formally respond to the partners via email or document, including the reasons for maintaining the prices. Based on these instructions, Headquarters regularly reviews the content of the negotiation records.

Question 9-3

Does your company implement any measures to prevent or detect violations of the AMA

Tentative Translation

committed by companies other than cartels or bid rigging (acts constituting Unreasonable Restraint of Trade under Article 2, Paragraph 6 of the Act), such as private monopolization (under Paragraph 5 of the same Article) or unfair trade practices (under the items of Paragraph 9 of the same Article), excluding the abuse of superior bargaining position related to price pass-through inquired about in Question 9-2? If so, please specifically describe the content of the measures (in addition to initiatives already covered in this questionnaire, such as messages from top management or in-house training, please actively describe any other initiatives you are implementing.). [Select one / Required response]

1) No.

2) Yes (Specific content of the measures: _____).

[Example]

- Regarding sales prices and conditions, if there is a possibility that actions such as unjust low-price sales, discriminatory consideration, trading on exclusive or restrictive terms, tie-in sales, or refusal to trade, etc. may constitute violations of the AMA, you are strongly encouraged to consult with the Legal Department without fail.
- To prevent the restriction of resale prices in advance, when notifying distributors of suggested retail prices and the like, non-binding expressions are used. Notification documents and related materials explicitly state that suggested retail prices or the like are for reference only, and that selling prices should be independently determined by each distributor.
- To prevent abuse of superior bargaining position in advance, the company clearly specifies in written contracts or similar documents the specific details and evaluation criteria concerning the quality of the goods or services being transacted, delivery dates, the amount of payment, payment due dates, payment methods, and other relevant terms.

Question 9-4

Please provide any comments or requests regarding future initiatives of the JFTC related to the AMA compliance (including updates to the AMA Compliance Guide). [Free-form]

[Example]

- We would like to have templates for internal rules, manuals, and related documents related to the AMA compliance.
- We would like to have materials that can be used as training resources for in-house training related to the AMA.
- We would like to enhance the section on [] within the AMA Compliance Guide.

This concludes the questionnaire. Thank you for your cooperation.

[Example of Q8-4]

Item name	Example
Commitment and Initiative of the Top Management	- A video message from the top management was recorded and distributed to all executives and employees via the company intranet. This revealed the seriousness of the top management to the executives and employees.
Assessing the Risk of the AMA Violations in Accordance with Respective Situations of Companies and Responding to the Risk in Risk-Based Approach	- By utilizing surveys and interviews with executives and employees during risk assessments, we are able to accurately identify the risks faced by the field operations.
Design and Implementation of Policies and Procedures for Promoting the AMA Compliance	<ul style="list-style-type: none"> - By regularly collecting annual written pledges from all executives and employees stating that “We will not engage in bid rigging. We will not be involved in bid rigging” as part of conduct, executives and employees have become more careful in performing their duties to avoid any involvement in bid rigging. - By establishing the AMA basic rule, we can grasp the overall framework of the AMA compliance program and systematically monitor and manage the progress of each initiative. - By making the manual focus on explaining key points requiring attention in light of our company's business characteristics, the sales department's understanding of the AMA has deepened.
Design of Organizational Structure and Allocation of Adequate Resources and Authority	- A dedicated department for AMA compliance has been established, with full-time staff assigned to collect information related to the Act, handle consultations, and check sales activities.
Integrated Efforts by Corporate Group	- By deploying the headquarters' competition law compliance program as the “core” globally and having overseas subsidiaries customize it to align with local competition laws and regulations, we have been able to establish a shared understanding globally regarding the importance of competition law compliance and related matters.
Design and Implementation of Internal Rules for Contacts with Competitors	- To prepare for unexpected encounters with competitors outside the office or elsewhere, employees were enabled to submit prior approval requests related to interactions with competitors anytime via company-provided smartphones. As a result, the number of requests increased.
Providing In-House Trainings on the AMA	- In lecture-style training, employees passively listened without engagement, so by adopting a group discussion format using concrete case studies, we encouraged participants to think deeply for themselves, and as a result, the participants' understanding deepened.
Design and Operation of a Consultation System on the AMA	- Employees from the Legal and Compliance Department are assigned to the Sales Department for a fixed period to gain hands-on experience in actual sales activities. This enables them to provide practical, real-world advice upon their return to the Legal and Compliance Department.
Design and Implementation of Internal Disciplinary Rules for the AMA Violations	- In personnel evaluations involving promotions and compensation, we decided to provide active incentives for legal compliance—such as considering an employee's status regarding AMA compliance—which led to heightened awareness among staff.
Conducting Audits on the AMA	- By implementing AI that automatically detects emails related to contact with competitors to routinely monitor emails of executives and staff members, executives and staff members began conducting business with greater caution.
Design and Operation of a Whistleblowing System	- The installation of a whistleblowing hotline within the tablets issued to sales representatives for business activities resulted in an increase in the number of reports submitted by executives and employees regarding violations of the AMA that they observed or heard about during their daily sales activities.
Introduction of an Internal Leniency System about the AMA	- When a report was received from a participant in an AMA violation, it was decided that the first person to report would be exempt from disciplinary action, leading to voluntary disclosures of involvement in the violation.
Appropriate Response to Suspected Violations of the AMA	- By leveraging AI during internal investigations to automatically extract data (such as emails) highly relevant to AMA violations, we were able to conduct investigations efficiently.
Periodic Evaluation and Update of the Program	- During audits, compliance with the AMA compliance program is verified. If deficiencies are identified, the audited department implements necessary corrective and improvement actions. These measures are then rolled out horizontally to other departments, enabling the continuous operation of the PDCA cycle to eliminate bid rigging.

[Example of Q8-5]

Item name	Example
Commitment and Initiative of the Top Management	- Although top management has issued messages regarding AMA compliance, the legal and compliance departments and internal audit departments lack sufficient budgets and personnel, preventing effective implementation.
Assessing the Risk of the AMA Violations in Accordance with Respective Situations of Companies and Responding to the Risk in Risk-Based Approach	- Considering the significance of AMA violation risks, the company-wide and uniform implementation of training, audit initiatives, and other related activities has resulted in an excessive burden on the Legal and Compliance Department and the Internal Audit Department.
Design and Implementation of Policies and Procedures for Promoting the AMA Compliance	<ul style="list-style-type: none"> - Although a code of conduct has been established, it merely copies the wording of an industry association's code verbatim and does not reflect the company's actual circumstances. - Specific procedures and related matters for implementing AMA compliance programs are only known personally by the responsible personnel and are not documented. This creates a situation where it is difficult to implement similar initiatives if the responsible personnel change positions. - Although an AMA compliance manual has been created, its content focuses on issues like cartels and bid rigging. It does not adequately address risks within the purchasing department, such as the abuse of superior bargaining position.
Design of Organizational Structure and Allocation of Adequate Resources and Authority	- Compliance in areas other than AMA takes priority, and due to budget constraints as well, we are unable to secure adequate personnel to advance AMA compliance efforts or to engage external experts.
Integrated Efforts by Corporate Group	- The company attempted to transplant its headquarters' AMA compliance program directly to its overseas subsidiaries, but it failed to align with the local legal systems or the mindset and culture of the local employees.
Design and Implementation of Internal Rules for Contacts with Competitors	- The criteria for determining whether contact with competitors is permissible are abstract, and since the approving authority is also a superior within the business division, it is unclear whether contacts that could raise AMA concerns are being properly prevented.
Providing In-House Trainings on the AMA	- We are conducting simultaneous training for employees in the sales, purchasing, and administrative departments, but the explanations remain overly general and broad in scope, failing to effectively enhance employee awareness and understanding.
Design and Operation of a Consultation System on the AMA	- Due to insufficient resources within the department handling consultations, we do not have a system to provide legal advice on specific individual matters, and are instead operating a system to respond to general inquiries regarding laws and regulations.
Design and Implementation of Internal Disciplinary Rules for the AMA Violations	- We consider involvement in violations of the AMA to be subject to disciplinary action; however, this is not clearly stipulated in the work rules and therefore does not function as a deterrent against such violations.
Conducting Audits on the AMA	- All locations within the group are designated as audit targets, and while the checklist items are extensive, the internal audit department's resources are insufficient, raising concerns about a decline in audit quality.
Design and Operation of a Whistleblowing System	- Due to insufficient internal resources, we wish to outsource the whistleblowing hotline and incident response to external entities such as law firms or specialized service providers. However, this cannot be realized due to budget constraints.
Introduction of an Internal Leniency System about the AMA	- We have established and communicated our internal leniency program, but I am concerned that employees might develop the perception that they can avoid accountability simply by retroactively utilizing the program.
Appropriate Response to Suspected Violations of the AMA	- The company did not have clearly defined internal procedures for emergencies, and the methods for utilizing the leniency program were not sufficiently shared within the company. This led to the creation of an emergency response manual.
Periodic Evaluation and Update of the Program	- We want to review our company's AMA compliance program, but we don't know what to review or how to go about it.