

# Fact-Finding Survey on the Status of Design and Implementation of an Antimonopoly Act Compliance Program in Companies (Overview)

Tentative Translation

**June 2025**



Japan Fair Trade Commission

## Purpose of the Survey

- To realize an environment where competitive business activities are conducted autonomously, it is important for individual companies and organizations to promote AMA compliance.
- From the perspective of supporting efforts by companies and others to comply with the AMA, the Japan Fair Trade Commission (JFTC) has conducted various surveys and, in December 2023, published the "Guide for the Design and Implementation of an Effective Antimonopoly Act Compliance Program" (hereinafter referred to as the "AMA Compliance Guide").
- On the other hand, even in recent years, cases have continued to occur in which companies found to have violated the AMA have been ordered to implement exclusion measures, including the establishment of compliance systems and recurrence prevention measures, indicating that AMA compliance may not be functioning effectively.
- In recent years, concerns have also been growing regarding algorithms and AI, the passing on of labor costs, as well as private monopolies and unfair trade practices.
- To further enhance the effectiveness of AMA compliance in companies, it is necessary to collect and analyze the latest examples of initiatives undertaken by companies.



⇒ Since 2012, for the first time in 12 years, a survey on AMA compliance was conducted targeting publicly listed companies.

## Overview of the Survey

### Questionnaire Survey

#### [Survey Target]

- 1,643 companies listed on the Tokyo Stock Exchange Prime Market (as of the end of August 2024)

#### [Survey Period]

- October 8, 2024 – January 17, 2025

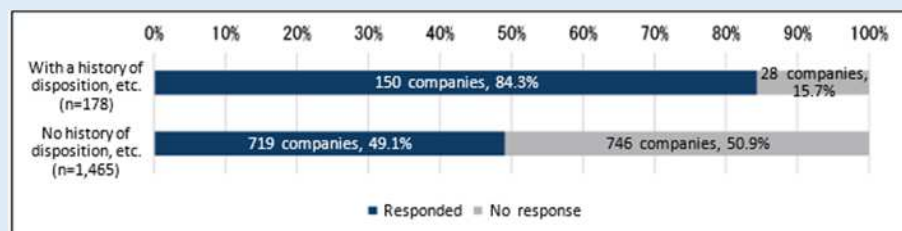
#### [Response Rate]

- 52.9% (Number of responding companies: 869)

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history within the past 20 years tend to respond to the survey more often.

⇒ This suggests that companies with a disciplinary history have a higher interest in the policies of the Fair Trade Commission and AMA compliance.



### Interviews

#### [Hearings for Listed Companies]

- From February 17 to April 25, 2025, face-to-face or web conference hearings were conducted with 21 companies that provided interesting responses in the survey.

#### [Hearings for Small and Medium-sized Enterprises (SMEs)]

- External experts and others expressed the opinion that the AMA Compliance Guide should include more information useful for SMEs.
- To better understand the current status of AMA compliance efforts among SMEs and to enhance information provision for them, face-to-face hearings were conducted with seven SMEs, voluntarily selected through introductions from economic organizations, from October 22 to December 3, 2024.

# Aggregation and Analysis Results for Individual Survey Items



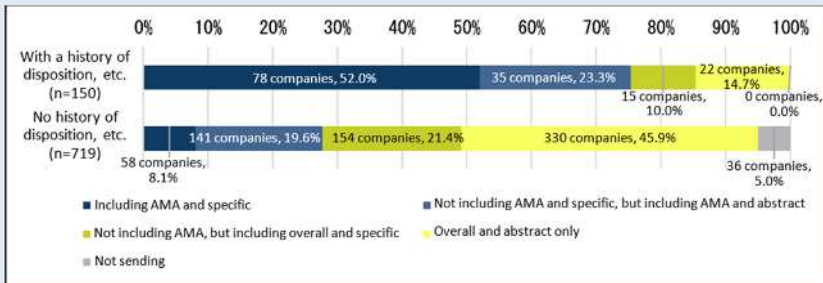
## Commitment and Initiative of the Top Management (See page 10 of the AMA Compliance Guide Part II.1.(1))

- About 90% of companies have their top management issuing some form of message regarding overall compliance.
- Only slightly more than 30% of companies have their top management issuing some form of message specifically referring to the AMA.
- Only slightly more than 10% of companies have their top management issuing specific messages regarding the AMA.

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history tend to issue more specific messages regarding the AMA.
- ⇒ This suggests that top management of companies with a disciplinary history are more aware of and committed to AMA compliance.

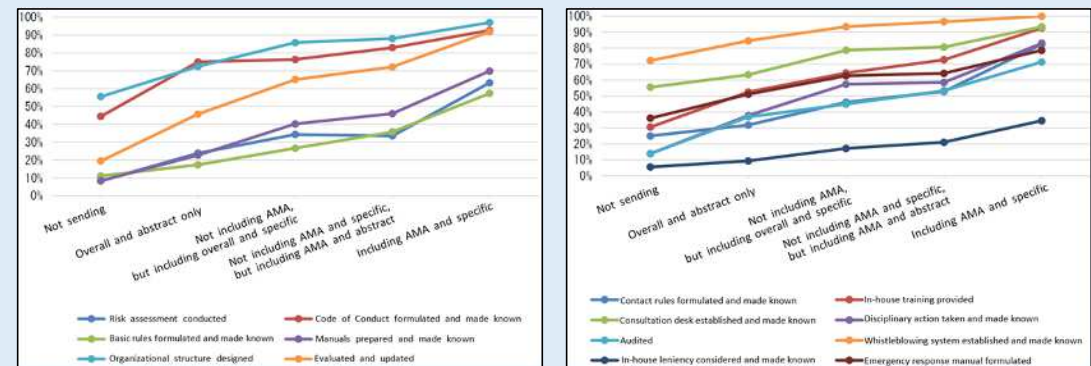
[Presence or absence and content of messages from the top management]



<Analysis Results of the Implementation Status of Various Initiatives Based on the Presence and Content of Messages from Top Management>

- ★ Companies whose top management issues specific messages regarding the AMA tend to implement various initiatives more actively.
- ⇒ This suggests that companies with top management issuing specific messages about the AMA are more proactive in their efforts.

[Implementation status of various initiatives based on the presence and content of messages from 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 (See page 16 of the AMA Compliance Guide Part II.1.(2))

[The importance of AMA compliance]

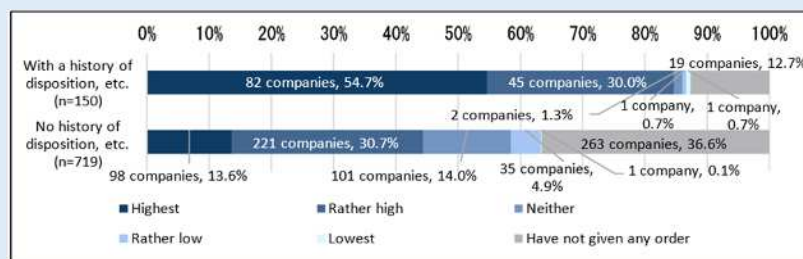
- More than 70% of companies that prioritize (Note) responses to various legal violations place a high importance on AMA compliance.

(Note) Regarding "prioritization," this refers to the process of considering and deciding which laws and regulations, among those applicable to the company, should be given particular focus and thorough attention.

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history tend to conduct prioritization more actively and place higher importance on AMA compliance.
- ⇒ This suggests that companies with a disciplinary history assign greater importance to AMA compliance.

[Importance of AMA compliance]



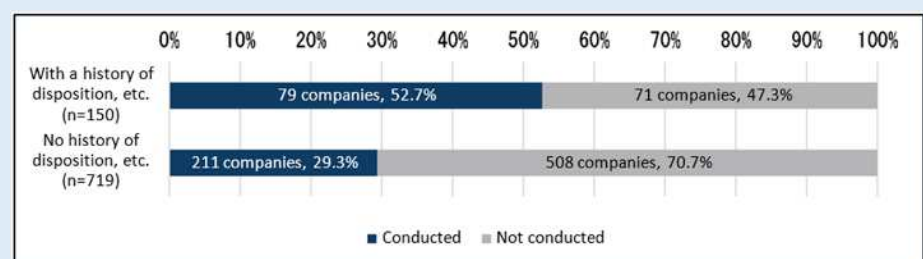
[Risk assessment by types of violations, products, locations, and departments]

- Only about 30% of companies conduct risk assessments by types of violations, products, locations, and departments.

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history tend to conduct risk assessments by types of violations, products, locations, and departments more actively.
- ⇒ This suggests that companies with a disciplinary history have a higher sensitivity to the risk of AMA violations.

[Risk assessment by violation type or by product, base and division]



## Design and Implementation of Policies and Procedures for Promoting the AMA Compliance (See page 24 of the AMA Compliance Guide PartII.1.(3))

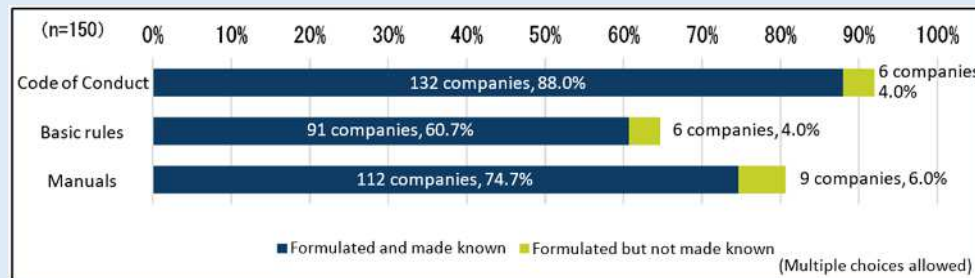
- About 90% of companies have established at least one of the following: a code of conduct, the AMA Compliance Basic Rules (hereinafter referred to as the "Basic Rules"), or the AMA Compliance Manual (hereinafter referred to as the "Manual").
- About 80% of companies have established a code of conduct, while only about 30% to 40% have established the Basic Rules or the Manual.

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

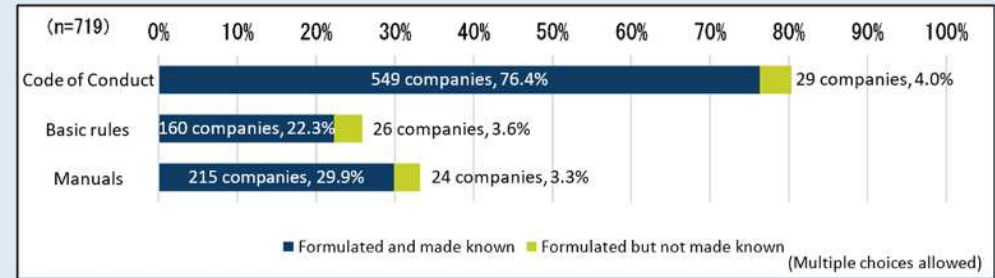
★ Companies with a disciplinary history are more likely to have established the Basic Rules and the Manual, with the timing of establishment tending to concentrate around the date of disciplinary action.

⇒ This suggests that, for companies with a disciplinary history, the Basic Rules and Manual may have been developed as part of the measures included in the disciplinary actions and recurrence prevention efforts.

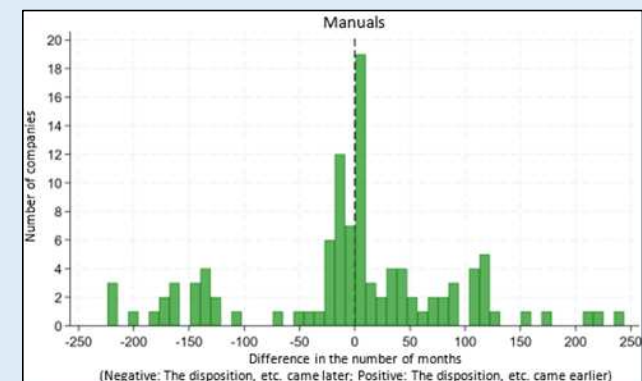
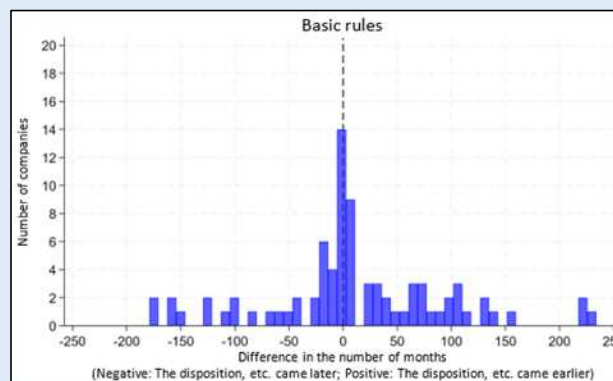
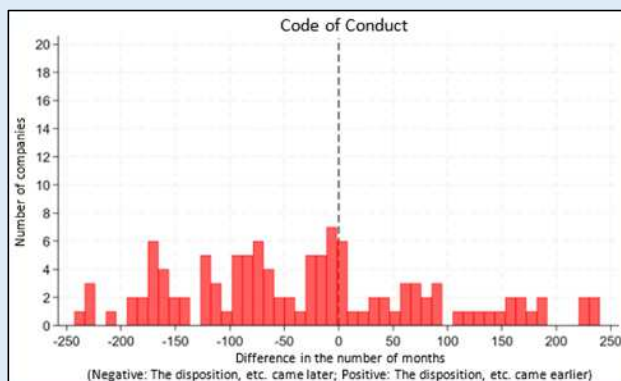
[Whether or not a Code of Conduct, etc. have been formulated and made known  
(With a history of disposition, etc.)]



[Whether or not a Code of Conduct, etc. have been formulated and made known  
(No history of disposition, etc.)]



[Difference (in months) between the month of disciplinary action and the month of policy or manual implementation for companies with a history of such actions]



## Design of Organizational Structure and Allocation of Adequate Resources and Authority (See page 35 of the AMA Compliance Guide PartII.1.(4))

[Provision of the AMA compliance organizational structure]

- In 97.8% of responding companies, some form of organizational structure has been established.
- About 70% of companies have appointed a compliance officer at the executive level.
- About 80% of companies have established a compliance committee.
- About 70% of companies have established a compliance department or appointed personnel responsible for various legal violations outside their business divisions.
- Only about 10% of companies have established a dedicated, independent department or personnel responsible exclusively for AMA compliance outside their business divisions.
- Only about 30% of companies have established a compliance department or appointed personnel responsible for various legal violations within their business divisions.
- Only a very small number of companies have established a dedicated, independent department or personnel responsible exclusively for AMA compliance within their business divisions.
- About 80% of companies have established an internal audit department or appointed personnel responsible for internal audits.

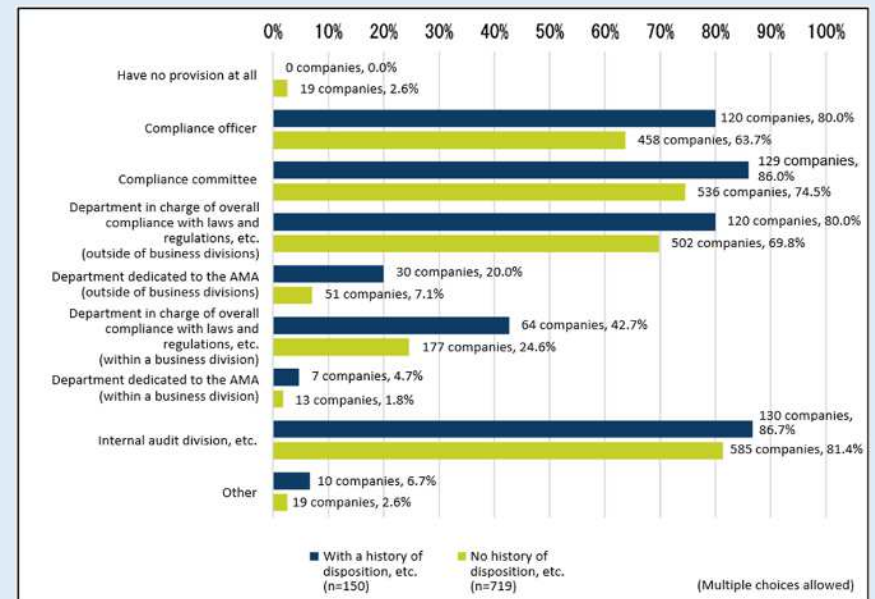
[Involvement of outside directors and outside audit & supervisory board members in AMA compliance]

- About 90% of companies have outside directors or outside auditors involved in some way with AMA compliance.
- The most common specific form of involvement was speaking at meetings such as the board of directors or compliance committee. This was followed by receiving reports when suspicions of AMA violations arise within the company, and requesting reports from compliance departments or internal audit divisions regarding the status of the company's AMA compliance efforts.

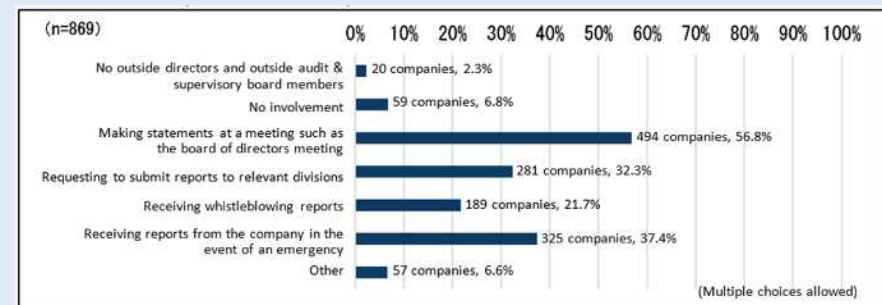
<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history tend to have more advanced organizational structures in place.
- ⇒ Even companies without a disciplinary history have established a certain level of organizational structure.

[Provision of the AMA compliance organizational structure]



[Involvement of outside directors and outside audit & supervisory board members]



## Integrated Efforts by Corporate Group (See page 44 of the AMA Compliance Guide PartII.1.(5))

- A common trend observed among both domestic and overseas consolidated subsidiaries and equity-method affiliates is that the headquarters (parent company) tends to be more involved in "requiring compliance with the code of conduct," "receiving consultations regarding the AMA," and "receiving reports related to the AMA."
  - On the other hand, there tends to be a lower degree of involvement from the headquarters (parent company) in clarifying policies for responding to AMA violations (such as claims for damages or contract termination), regularly evaluating the AMA compliance program, and conducting audits focused on the AMA.
  - A common trend among domestic and overseas contractors and business partners is that the "acceptance of consultations regarding the AMA" and the "acceptance of reports regarding the AMA" tend to involve a higher degree of engagement compared to other items.
- ⇒ Actively accepting consultations and reports from contractors and business partners may help prevent and detect early potential AMA issues related to the passing on of labor costs and other prices, not only for our company but also for the contractors and business partners themselves.

[Degree of involvement with domestic and overseas consolidated subsidiaries, equity-method affiliates, outsourced contractors, and business partners]

Item	Domestic consolidated subsidiaries (n=782)	Domestic equity method affiliates (n=408)	Domestic outsourcing contractors (n=583)	Domestic business partners (n=605)	Overseas consolidated subsidiaries (n=619)	Overseas equity method affiliates (n=274)	Overseas outsourcing contractors (n=385)	Overseas business partners (n=446)
Sending messages from the top management	59.7%	33.1%	15.4%	15.2%	57.7%	25.5%	8.1%	8.3%
Conducting risk assessments	44.8%	20.1%	5.3%	6.1%	40.5%	16.1%	3.4%	4.3%
Requiring compliance with the Code of Conduct	92.3%	45.3%	19.4%	19.0%	87.4%	34.3%	13.5%	13.7%
Applying basic rules	51.3%	21.8%	3.1%	2.0%	44.4%	16.4%	1.3%	2.2%
Distributing manuals	48.1%	20.8%	2.1%	1.7%	36.2%	13.9%	1.6%	1.8%
Providing in-house training	58.4%	23.5%	2.2%	1.5%	37.5%	14.6%	0.8%	0.7%
Receiving consultations	83.5%	45.1%	23.3%	21.3%	71.4%	35.0%	13.2%	11.4%
Clarifying the response policy	23.8%	10.8%	13.2%	13.4%	20.8%	9.9%	13.0%	11.7%
Conducting audits	41.2%	18.1%	0.9%	0.8%	29.6%	11.3%	0.0%	0.2%
Receiving whistleblowing reports	90.9%	56.6%	37.2%	34.0%	74.8%	40.9%	24.4%	21.5%
Sharing information	74.3%	37.0%	7.0%	5.8%	65.8%	27.4%	4.4%	4.0%
Periodically evaluating and updating the program	29.4%	11.5%	1.7%	1.5%	24.7%	8.8%	0.3%	1.1%
Conducting due diligence	47.6%	26.2%	8.1%	8.8%	48.1%	27.0%	8.3%	9.6%

(Note) The top three items are colored in red (Top 1: ■, Top 2: ■, Top 3: ■) and the bottom three items are colored in green (Bottom 1: ■, Bottom 2: ■, Bottom 3: ■).

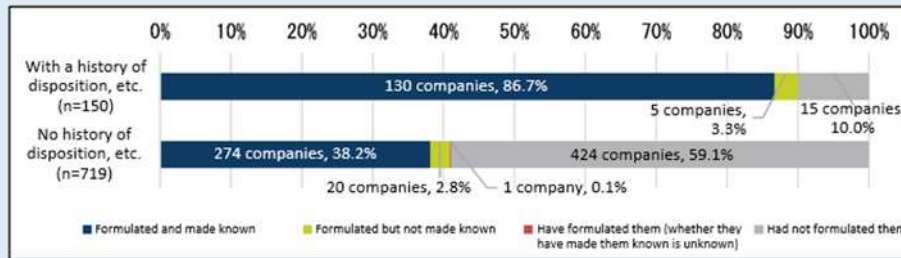
## Design and Implementation of Internal Rules for Contacts with Competitors (See page 49 of the AMA Compliance Guide PartII.2.(1))

- About half of the companies have established internal rules for contact with competitors (hereinafter referred to as the "Contact Rules").
- Regarding the content of the Contact Rules, relatively common provisions included protesting or leaving the meeting when encountering situations that could potentially raise AMA issues during contact with competitors, reporting to supervisors or managers after contact with competitors, and preparing minutes or memos following contact with competitors.

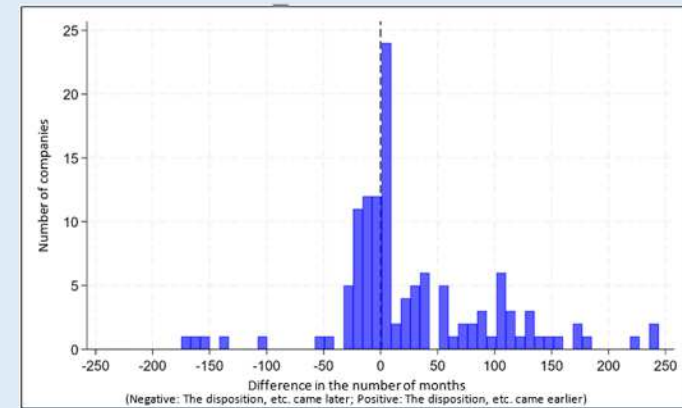
<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history are more likely to have established Contact Rules, but the timing of establishment tends to be concentrated around the date of the disciplinary action.
- ⇒ This suggests that, for companies with a disciplinary history, the Contact Rules may have been established as part of the measures included in the disciplinary action and recurrence prevention efforts.

[Whether companies have formulated Contact Rules and made them known]



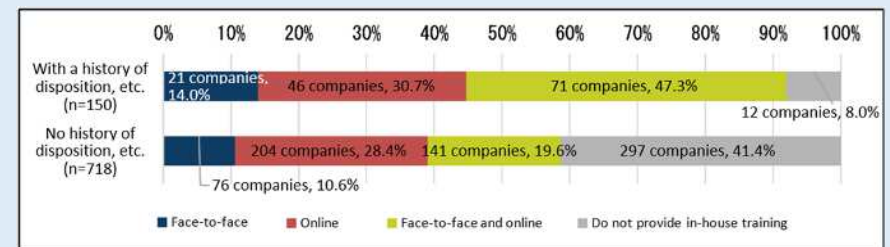
[Difference in months between when a company with a disciplinary history received the action and when the contact rules were established]



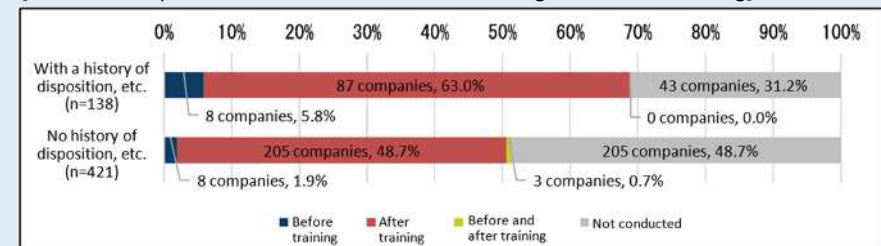
## Providing In-House Trainings on the AMA (See page 56 of the AMA Compliance Guide PartII.2.(2))

- About 60% of companies provided in-house training on the theme of the AMA.
- About 10% of companies incorporated dramas based on violation cases, as well as discussions and role-playing activities.
- By position, rank, and department, companies that did not conduct training or had a 0% training attendance rate over the past three years (FY 2021 to FY 2023) were relatively more common among management executives, including top management, and new employees, compared to other categories of employees.
- Among companies that provide in-house training on the theme of the AMA, just over 50% conduct comprehension tests.

[Whether companies provide in-house training on the AMA]



[Whether companies conduct a test to confirm the degree of understanding]



<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history tend to conduct in-house training on the theme of the AMA and comprehension tests more frequently.
- ⇒ This suggests that, for companies with a disciplinary history, in-house training on the theme of the AMA and related measures may be implemented as part of the disciplinary actions and recurrence prevention efforts.

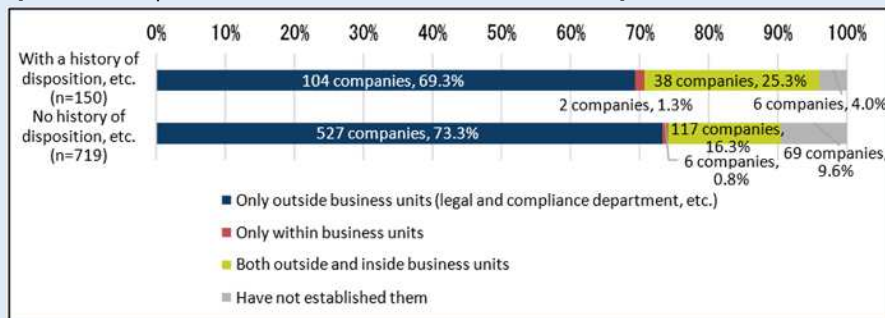
## Design and Operation of a Consultation System on the AMA (See page 63 of the AMA Compliance Guide PartII.2.(3))

- About 90% of companies have established consultation desks where employees can seek advice regarding whether their actions may constitute a violation of the AMA.
- About 80% of companies have informed their employees that consultations regarding the AMA are accepted.
- About half of the companies reported zero internal consultations related to the AMA annually, while about 40% had between one and ten consultations.

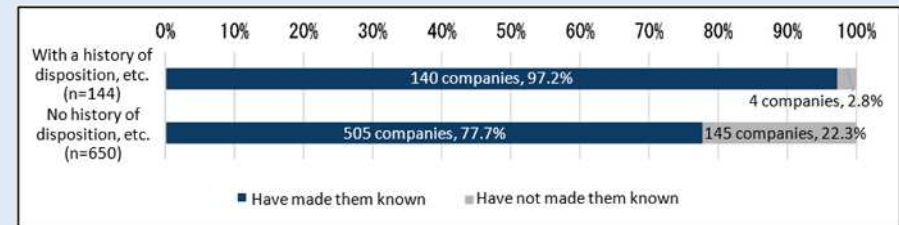
<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history are more likely to inform their employees that consultations regarding the AMA are accepted and tend to have higher usage of consultation desks.
- ⇒ This suggests that companies with a disciplinary history have a stronger awareness of the importance of early detection of actions that may constitute AMA violations and the prevention of such violations.

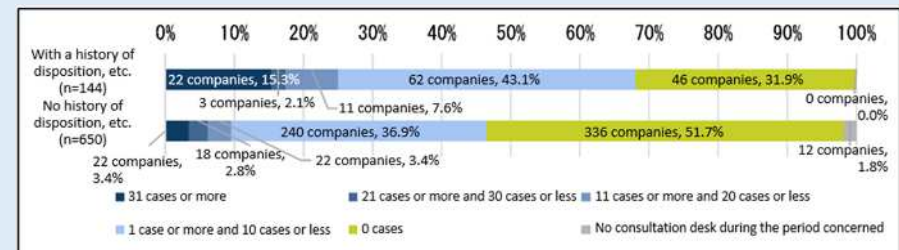
[Whether companies have established AMA consultation desks]



[Whether companies have made AMA consultation desks known]



[Annual number of internal consultations received on the AMA]



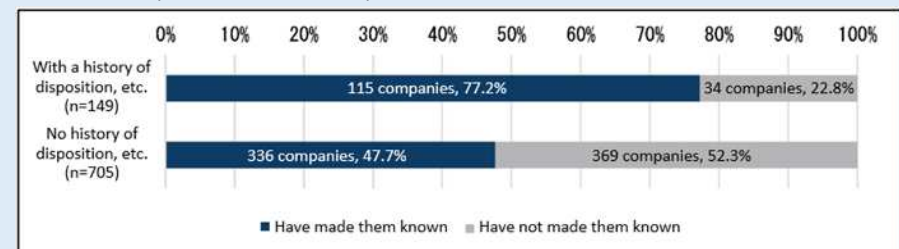
## Design and Implementation of Internal Disciplinary Rules for the AMA Violations (See page 70 of the AMA Compliance Guide PartII.2.(4))

- Only just over 30% of companies explicitly state in their internal rules that individuals involved in AMA violations may be subject to disciplinary action.
- About half of the companies have informed their executives and employees that they may be subject to disciplinary action for involvement in AMA violations.

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history tend to more actively inform their executives and employees that they may be subject to disciplinary action for involvement in AMA violations.
- ⇒ This suggests that, for companies with a disciplinary history, the establishment and enforcement of disciplinary rules for executives and employees involved in AMA violations are being promoted as part of disciplinary measures and recurrence prevention efforts.

[Whether companies have made Dispositions for AMA violations known]



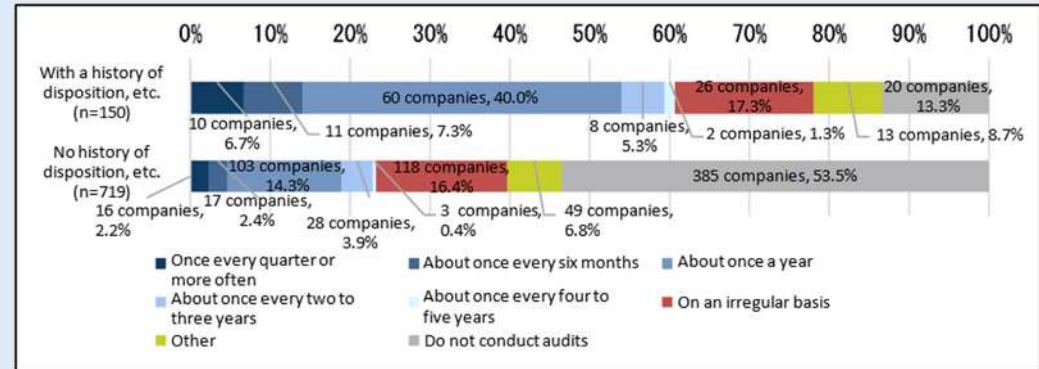
## Conducting Audits on the AMA (See page 76 of the AMA Compliance Guide PartII.3.(1))

- About 30% of companies conduct regular audits on the theme of the AMA, while just over 10% conduct audits irregularly.
- Regarding audit procedures, common methods included surveys and interviews, as well as verification of evidence such as applications, approvals, and reports related to contact with competitors.
- Some companies used AI during audits related to the AMA, such as email monitoring.

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a disciplinary history tend to conduct audits on the theme of the AMA more frequently.
- ⇒ This suggests that, for companies with a disciplinary history, audits on the theme of the AMA may be conducted as part of disciplinary measures and recurrence prevention efforts.

[Whether companies conduct audits on the AMA and how often]



<Process of Email Monitoring Using AI>



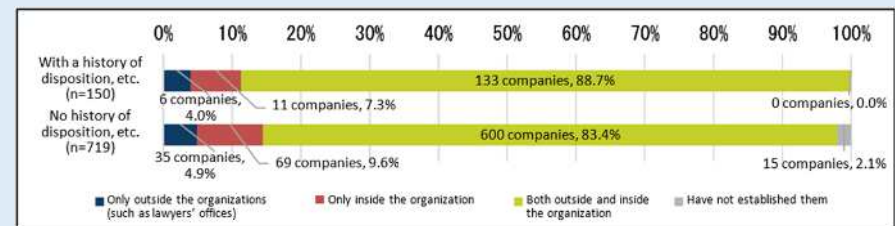
## Design and Operation of a Whistleblowing System (See page 84 of the AMA Compliance Guide PartII.3.(2))

- About 80% of companies have established whistleblower hotlines both externally and internally, representing an increase of more than 20 percentage points since the 2012 survey.
- Approximately 90% of companies have informed their executives and employees that an internal whistleblowing hotline for violations of the AMA is available.

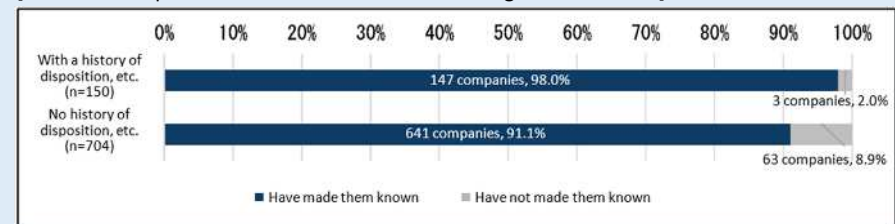
<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a history of disciplinary actions tend to have better awareness among their executives and employees regarding the availability of internal reporting channels for AMA violations.
- ⇒ This suggests that companies with a disciplinary history have a higher awareness of the importance of early detection of information related to AMA violations and aim to respond appropriately.

[Whether companies have established a whistleblowing hotline]



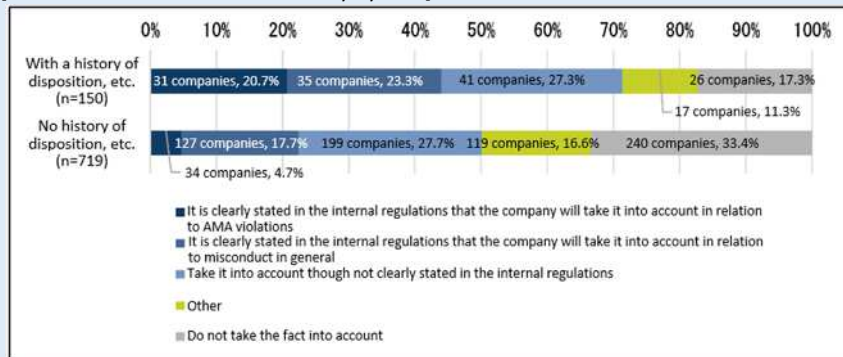
[Whether companies have made the whistleblowing hotline known]



## Introduction of an Internal Leniency System about the AMA (See page 92 of the AMA Compliance Guide PartII.3.(3))

- About half of the companies consider voluntary reporting of AMA violations and cooperation with internal investigations as grounds for mitigation or exemption of disciplinary actions.
- Among the companies that consider this, about half explicitly state it in their internal rules (of which about 30% specifically mention consideration for AMA violations), and about 30% have informed their executives and employees accordingly.

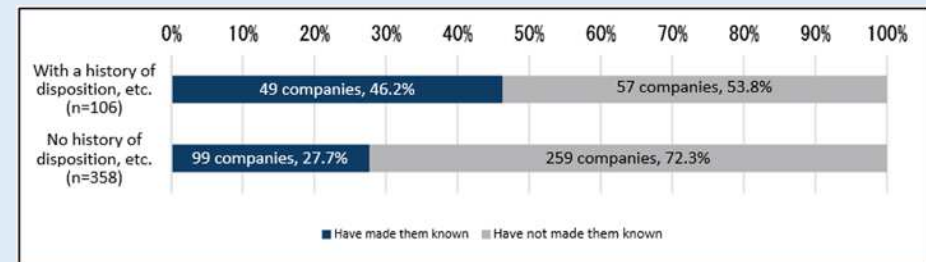
[Introduction of an Internal Leniency System]



<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a history of disciplinary actions tend to give greater consideration to voluntary reporting of AMA violations and cooperation with internal investigations as grounds for mitigation of disciplinary actions, explicitly state this more often in their internal rules, and communicate it more widely within the company.
- ⇒ This suggests that companies with a disciplinary history have a stronger awareness of the importance of early detection of information related to AMA violations through voluntary reporting by executives and employees, and aim to respond appropriately.

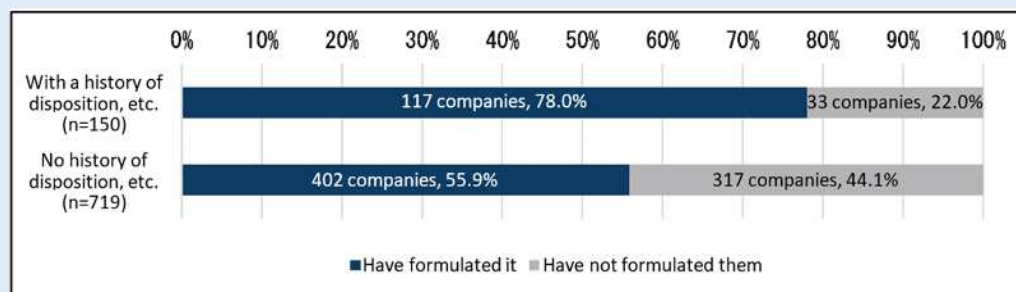
[Whether companies have made the Internal Leniency System known]



## Appropriate Response to Suspected Violations of the AMA (See page 96 of the AMA Compliance Guide PartII.3.(4))

- About 60% of companies have established an emergency response manual that sets out the system and response policies when a suspicion of AMA violation arises.
- Regarding the contents of the emergency response manual, a relatively large number of companies included items such as conducting internal investigations on incidents that occurred, establishing an emergency response system, and reporting to top management.

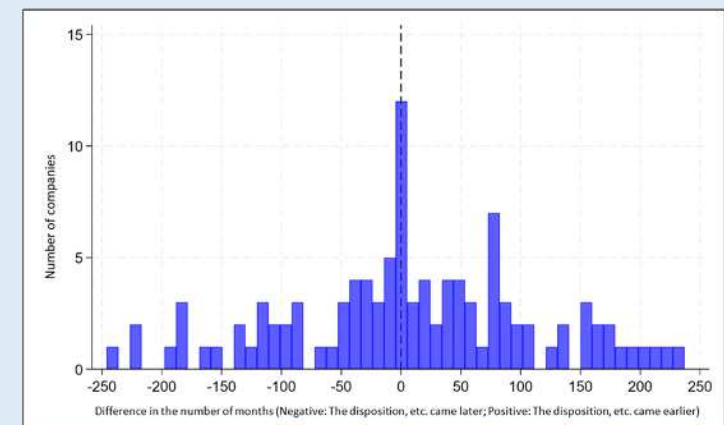
[Whether companies have formulated an emergency response manual]



<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

- ★ Companies with a history of disciplinary actions are more likely to have established an emergency response manual, but the timing of its establishment tends to be distributed around the date of the disciplinary action.
- ⇒ This suggests that companies with a disciplinary history may have developed the emergency response manual in response to the occurrence of AMA-related issues.

[Difference between the month a company with a disciplinary history received the action and the month the emergency response manual was established]



## Periodic Evaluation and Update of the Program (See page 103 of the AMA Compliance Guide PartII.4)

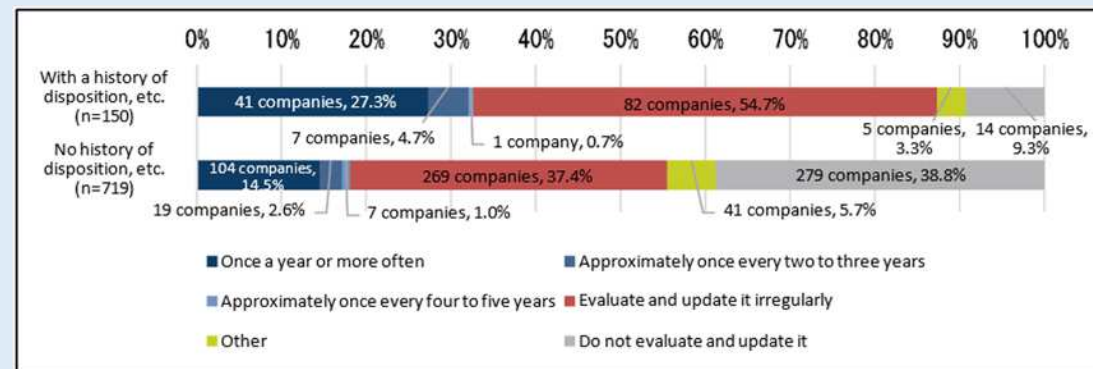
- About 20% of companies conduct regular evaluations and updates of their programs, while about 40% do so irregularly.
- Slightly more than 20% of companies measure the degree of improvement in executives' and employees' awareness and behavior regarding AMA compliance.

<Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

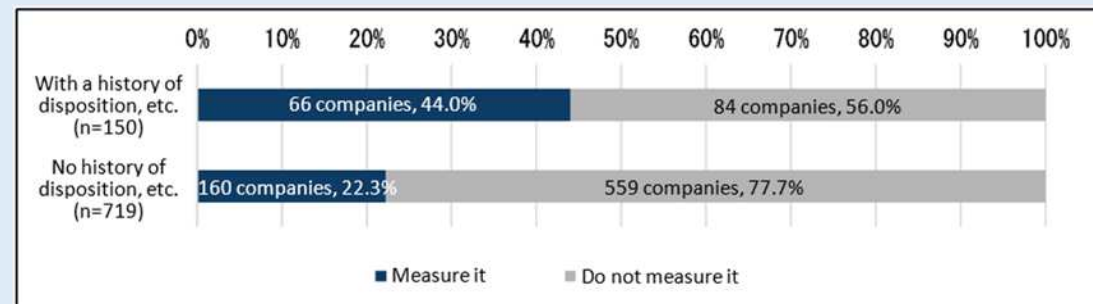
★ Companies with a history of disciplinary actions tend to conduct evaluations and updates of their programs as well as measure improvements in executives' and employees' awareness and behavior.

⇒ This suggests that companies with a disciplinary history are continuously working to strengthen and improve their programs and are striving to deepen AMA compliance at the level of executives' and employees' awareness and behavior.

[Whether companies evaluate and update the program and how often]



[Whether companies measure the degree of improvement in awareness and behavior of executives and employees]



## Responses to Risks of AMA Violations in the Use of Algorithms

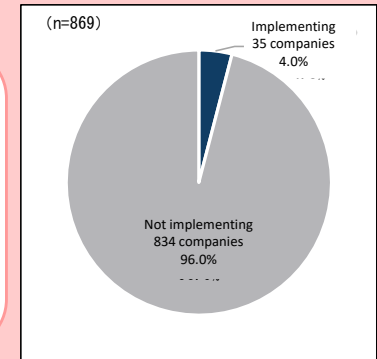
➤ Only 4.0% of companies are implementing some measures with the risk of AMA violations related to the use of algorithms in mind.

[Examples of current efforts]



- In the EC site operations department, a price survey system is being used; however, to prevent issues under the AMA, executives and employees of the EC site operations department are instructed not to have contact with executives and employees of other companies' EC site operations departments.
- The price survey system is provided to other companies; meanwhile, the legal department and others collect public materials from the JFTC and court cases from Europe and the U.S. to consider internal responses. They also conduct regular training sessions for the development department to raise awareness. During product development, there is a process in place where the legal department, etc., reviews for any concerns at three stages: (i) planning, (ii) development, and (iii) release. Even if product and service planning and development—including automated pricing—are advanced in the future, potential issues under the AMA will be carefully examined within this process.

...and so on



## Status of Design and Implementation of Compliance Programs for the Pass-Through of Labor and Other Costs

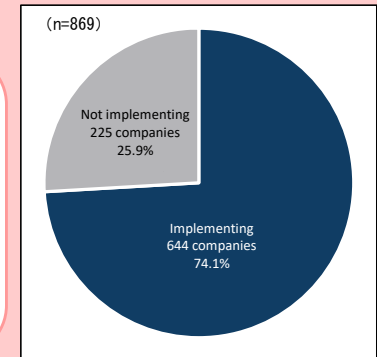
➤ About 70% of companies are undertaking some efforts related to the establishment and operation of compliance frameworks for the pass-through of labor and other costs.

[Examples of current efforts]



- In order to comply with the Guidelines for Labor Costs Pass-Through, we have prepared and internally disseminated a manual that summarizes specific action examples and key points related to regular discussions on prices with business partners and the preparation and storage of negotiation records.
- We have established a department dedicated to promoting price pass-through within the procurement department.
- We are providing training to all employees, including the group companies, on activities based on the Guidelines for Labor Costs Pass-Through.
- We have prepared a checklist for the prevention of abuse of a superior bargaining position with regard to pass-through of labor and other costs, and the procurement department at the Head Office, as well as group companies, conduct self-inspections while the legal department conducts audits of the operational status.
- We have established a whistleblowing hotline for business partners in the compliance department, separately from the procurement department.

...and so on



## Status of Efforts for Prevention and Early Detection of Private Monopolization and Unfair Trade Practices

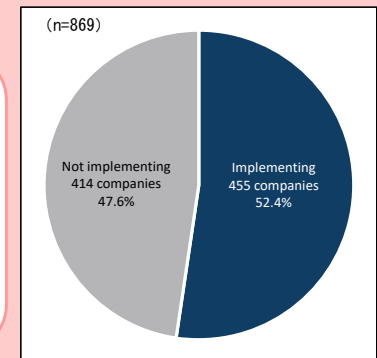
➤ About half of the companies are undertaking some efforts aimed at the prevention and early detection of private monopolization and unfair trade practices.

[Examples of current efforts]



- The manual includes explanations of the basic content of various types of private monopolization and unfair trade practices, points to be cautious about in light of the company's business, and specific contact information (including phone numbers) to reach out to when questions arise. Efforts are made to disseminate and raise awareness of this information.
- At the planning and design stages of new transaction schemes, as well as at the start of new transactions, if there is a possibility that the activity may constitute private monopolization or unfair trade practices in light of the company's market share, employees are always encouraged to consult the legal department.
- During contract reviews by the legal department, it is confirmed whether the transaction contents and conditions constitute private monopolization or unfair trade practices, ensuring that transaction schemes comply with the AMA and do not violate it.
- For cases requiring judgment, consultations are held with external attorneys specializing in the AMA, and, as necessary, consultations with the JFTC are also conducted.

...and so on

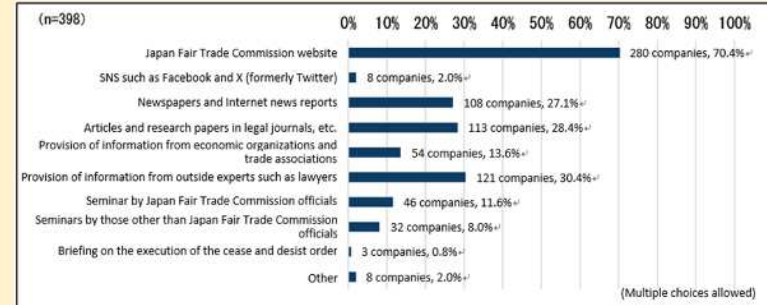


## Awareness and Usefulness of the AMA Compliance Guide

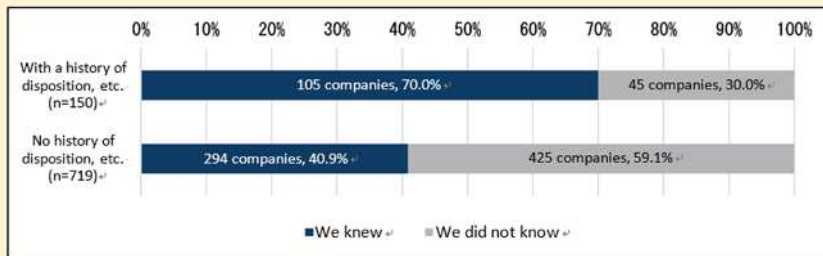
### [Awareness of the AMA Compliance Guide]

- Slightly over 40% of companies were aware of the AMA Compliance Guide before the survey began.
- Regarding how companies became aware of the AMA Compliance Guide, relatively many cited the JFTC's website, information provided by lawyers and others, articles and papers in legal journals, as well as news content from newspapers and the internet.

### [Opportunity to know the AMA Compliance Guide]



### [Awareness of the AMA Compliance Guide]



### <Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

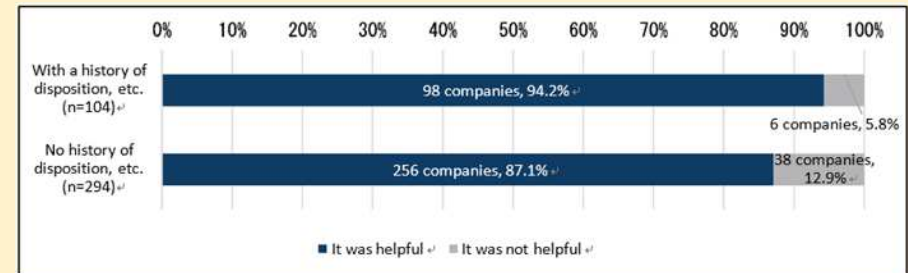
★ Companies with a history of disciplinary actions tend to have greater awareness of the AMA Compliance Guide.

⇒ This suggests that companies with a disciplinary history have a higher level of interest in the JFTC's initiatives.

### [Usefulness of the AMA Compliance Guide]

- About 90% of companies responded that the AMA Compliance Guide was helpful.

### [Usefulness of the AMA Compliance Guide]



### <Comparison and Analysis Results Based on the Presence or Absence of Disciplinary History>

★ Companies with a history of disciplinary actions tend to make greater use of the AMA Compliance Guide.

⇒ This suggests that companies with a disciplinary history are more actively referring to the guide in their efforts to ensure AMA compliance.

### [Comments from companies that found the guide helpful]

- In addition to clarifying key points for program enhancement, the checkpoints made it easy to compare the current program with the recommended items in the guide.
- Specific examples of initiatives were introduced, which were very helpful when considering concrete measures within our own company.
- It served as one of the opportunities to establish the basic AMA compliance regulations and contact rules with competitors.

...and so on.

### [Comments from companies that found the guide unhelpful]

- There is a lack of human resources to use the AMA Compliance Guide and improve our company's structure.
- There were no specific points to update in particular from our company's existing efforts.
- We have not made any efforts specific to the AMA, and have already been able to make comprehensive compliance efforts.

...and so on.

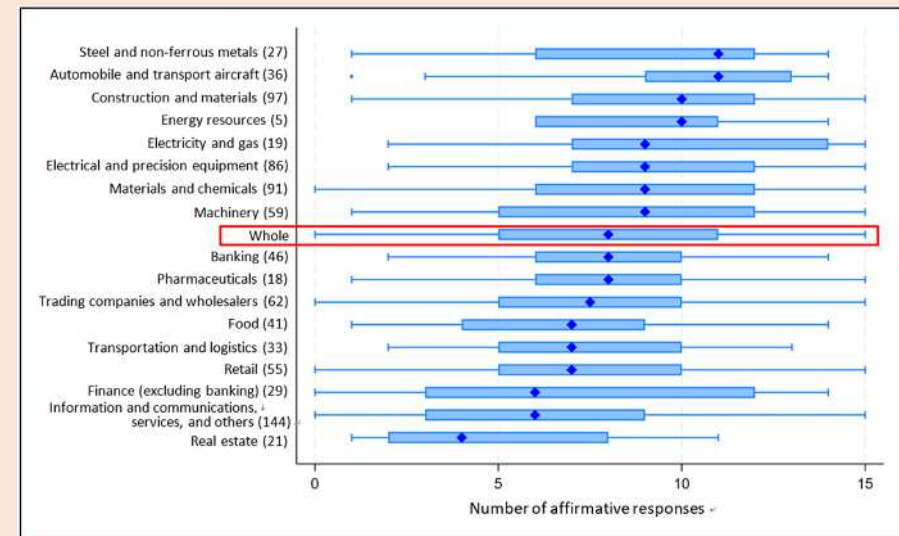
## Status of Efforts on AMA Compliance in Small and Medium-Sized Enterprises

- In all the companies interviewed this time, the risk of AMA violations was recognized as either nonexistent or extremely low, and no initiatives specifically focused on the AMA had been implemented.
  
- On the other hand, it was found that the following measures have been taken with regard to overall compliance.
  - ✓ Top management itself participates in training sessions, etc., held by industry associations, chambers of commerce and industry, corporate associations, partner professionals (certified public accountant, certified tax accountant, labor and social security attorney, etc.), business partners, etc., to collect information on laws and regulations related to the business.
  - ✓ The top management sends and communicates messages through internal newsletters, SNS, and daily communications.
  - ✓ We have incorporated thorough compliance into our corporate philosophy and management policy to ensure that all our executives and employees are fully aware of it.
  - ✓ If there are unfavorable cases within the group, we share information at a president's meeting where presidents of each company gather, and consider how to respond.
  - ✓ We have a system to consult with a legal counsel in the event of a legal problem within the company.
  - ✓ If there is a problem, disciplinary measures will be imposed in accordance with the work regulations.
  - ✓ The number of executives and employees is small, and there was a concern that the confidentiality of whistleblowers and the reported content would not be ensured if a whistleblowing hotline were established in-house. Therefore, we have entrusted a whistleblowing hotline to an external labor and social security attorney and consultant.
  - ✓ We have set an opinion box, and top management must respond to the opinions submitted in it, regardless of whether they are signed or anonymous.
  - ✓ Top management holds interviews with individual executives and employees, and when there are concerns about business operations, they are raised during an interview.
  - ✓ In order to strengthen internal communication, we are holding many events with families throughout the year (as a result, there is less awareness of hierarchical relationships in a good way, and the atmosphere in the company improves).
  - ✓ In order to resolve issues of the entire company, we are holding a cross-section meeting once a month with persons in charge from all departments. The agreed matters in this meeting body are positioned to take precedence over the agreed matters in any meeting body, including the board of directors.
  
- While it is difficult to say that small and medium-sized enterprises have sufficient resources to promote AMA compliance, it is believed that they can still implement certain initiatives, such as the following examples.
  - ✓ Taking advantage of the closer relationship between top management and employees compared to large companies, convey messages directly related to AMA compliance to individual executives and employees through face-to-face meetings.
  - ✓ Incorporate the commitment to comply with the AMA and engage in fair and free competition into the company's philosophy and management policies.
  - ✓ Include AMA violations as grounds for disciplinary action in the work regulations.
  - ✓ Actively utilize training sessions and other opportunities provided by industry associations and economic organizations to gather information on the AMA, and work to raise awareness and educate employees internally.
  - ✓ When concerns regarding the AMA arise, consult with the company's legal counsel. (If there is no legal counsel, proactively identify a nearby lawyer who can handle AMA-related consultations.)
  
- ⇒ **It is desirable to prioritize and address the items that are considered to have high cost-effectiveness according to the company's actual situation and the risk of violating the AMA.**

## Analysis of the Number of Affirmative Responses to Content of the AMA Compliance Guide in Each Company

### [Analysis by Industry]

- When the number of affirmative answers (from 0 to 15) to questions regarding each item of the AMA Compliance Guide for various companies was totaled and the median number was analyzed by industry, the following sectors—“steel and non-ferrous metals,” “automobile and transport aircraft,” “construction and materials,” “energy resources,” “electricity and gas,” “electrical and precision equipment,” “materials and chemicals,” and “machinery”—had median numbers of affirmative answers exceeding the median for all responding companies to the Questionnaire.
- As for “trading companies and wholesalers,” “food,” “transportation and logistics,” “retail,” “finance (excluding banking),” “information and communications, services, and others,” and “real estate,” the median number of affirmative responses was lower than the median for all responding companies.
- Since relatively many companies with a history of disposition, etc. belong to industries whose median numbers of affirmative responses exceed the median of all responding companies, it is considered possible that the results of taking measures included in disposition, etc., as well as recurrence prevention measures, are reflected in the number of affirmative responses.



<Reference: Conditions for Aggregating the Number of Affirmative Responses to Questions Regarding Each Item of the AMA Compliance Guide>

Classification	Number	Item	Aggregation conditions
			(An affirmative response is determined to exist when answers corresponding to the following conditions are received for each item of the Guide.)
Overall measures	1	Top management	Sending an abstract message related to the AMA or a specific message related to the AMA
	2	Risk assessment	Conducting risk assessment by type of violation and by product, base, and department
	3	Code of Conduct	Formulating and disseminating a Code of Conduct
	4	Basic rules	Formulating and disseminating the AMA compliance basic rules
	5	Manuals	Preparing and disseminating the AMA compliance manual
	6	Organizational structure	Establishing a department or person in charge of compliance (including one dedicated to AMA compliance) either outside or inside a business unit
	7	Evaluation and update	Conducting the evaluation/update of the AMA Compliance Program
Specific measures	8	Contact rules	Establishing and disseminating internal rules regarding contact with competitors
	9	In-house training	Conducting in-house training on the theme of the AMA
	10	Consultation	Establishing and disseminating a consultation desk concerning the AMA
	11	Disciplinary measures	Indicating that executives and employees may be subject to a disciplinary action in connection with AMA violations, and disseminating that information
	12	Audit	Conducting an audit on the theme of the AMA
	13	Whistleblowing	Establishing and disseminating a whistleblowing hotline
	14	Internal leniency	Considering voluntary reporting and cooperation in investigations by executives and employees as grounds for reduction or exemption of disciplinary measures, and disseminating to that effect
	15	Emergency response	Formulating an emergency response manual

## Analysis of the Number of Affirmative Responses to Content of the AMA Compliance Guide in Each Company

### [Relationship Between Overall and Specific Measures]

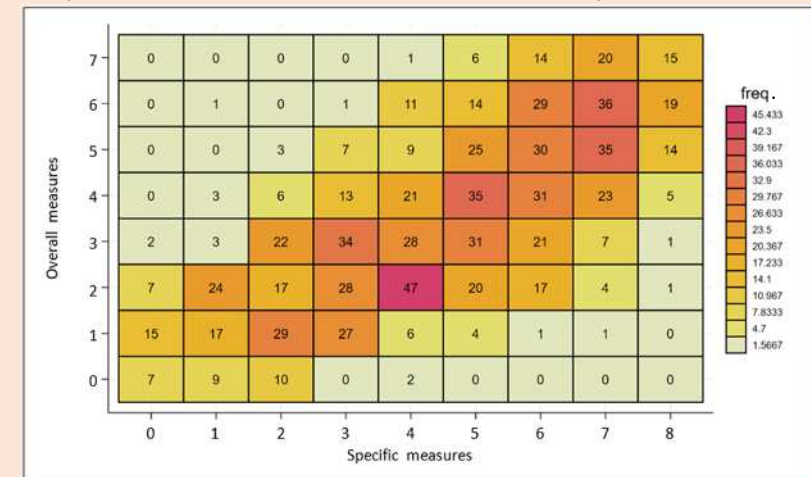
- Regarding the measures introduced in the AMA Compliance Guide, it is considered that by appropriately addressing the measures from 1) to 5) and 14) (general measures), the measures from 6) to 13) (specific measures) can be effectively implemented. It was observed that the greater the number of positive responses related to the general measures (for aggregation conditions, see the previous page), the more positive responses there tended to be related to the specific measures. (See the figure below)

<Reference: Measures Introduced in the AMA Compliance Guide>

Overall Measures	1) Commitment and initiative of the top management
	2) Assessing the risk of AMA violations in accordance with respective situations of companies and responding to the risk in risk-based approach
	3) Design and implementation of policies and procedures for promoting AMA compliance
	4) Design of organizational structure and adequate allocation of authority and resources
	5) Integrated efforts by corporate group
Specific Measures	6) Design and implementation of internal rules for contact with competitors
	7) Providing in-house training on the AMA
	8) Design and operation of a consultation system on the AMA
	9) Design and implementation of internal disciplinary rules for AMA violations
	10) Conducting audits on the AMA
	11) Design and operation of a whistleblowing system
	12) Introduction of an internal leniency system about the AMA
	13) Appropriate response to suspected violations of the AMA
Overall Measures	14) Periodic evaluation and update of the program

- Additionally, as a result of performing regression analysis with the number of positive responses related to specific measures as the dependent variable and the responses related to general measures as the explanatory variable, it was observed that companies implementing general measures or those with a history of disciplinary actions tend to implement specific measures more actively. (See the table on the right)

<Analysis of the Correlation Between Overall Measures and Specific Measures>



<Regression Analysis with Specific Measures as the Dependent Variable and Overall Measures as the Explanatory Variable>

Dependent Variable	Number of Affirmative Responses Related to Specific Measures
Explanatory Variable	
Messages from Top Management	0.0774** (0.0365)
Implementation of the AMA Violation Risk Assessment	0.109*** (0.0353)
Formulation and Dissemination of the Code of Conduct	0.187*** (0.0450)
Formulation and Dissemination of Basic Rules	0.151*** (0.0375)
Preparation and Dissemination of Manuals	0.176*** (0.0382)
Establishment of Organizational Structure	0.188*** (0.0509)
Evaluation and Updates of Program	0.292*** (0.0408)
History of Dispositions, etc.	0.113*** (0.0424)

※ The numbers in parentheses indicate the standard error.  
 ※ \*\* indicates statistical significance at the 5% level, while \*\*\* indicates statistical significance at the 1% level

(Note)  
 For details, please refer to Attachment 4 Economic Analysis Using Survey Results

## Items that Responding Companies Consider Important

- Among the items listed in the AMA Compliance Guide, respondents were asked to name their top five items they consider important and those they perceive as challenges. The responses were then weighted by assigning 5 points for first place, 4 points for second, 3 points for third, 2 points for fourth, and 1 point for fifth. As a result, the items that survey respondents consider important received high scores, including Commitment and initiative of the top management, Assessing the risk of 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 AMA compliance, Design and implementation of internal rules for contact with competitors, and Providing in-house training on the AMA.

<Top Items Considered Important by Survey Respondent Companies>

Order	Item	Points
1	Commitment and initiative of the top management	4.36
2	Assessing the risk of AMA violations in accordance with respective situations of companies and responding to the risk in risk-based approach	3.59
3	Design and implementation of policies and procedures for promoting AMA compliance	3.41
4	Design and implementation of internal rules for contact with competitors	3.10
5	Providing in-house training on the AMA	2.96
6	Integrated efforts by corporate group	2.61
7	Design and operation of a consultation system on the AMA	2.57
8	Design and operation of a whistleblowing system	2.55
9	Design of organizational structure and adequate allocation of authority and resources	2.42
10	Appropriate response to suspected violations of the AMA	2.27
11	Conducting audits on the AMA	2.16
12	Design and implementation of internal disciplinary rules for AMA violations	2.09
13	Periodic evaluation and update of the program	1.89
14	Introduction of an internal leniency system about the AMA	1.75

## Increase in the Number of Internal Consultations, and Initiatives with a High Degree of Contribution to Whistleblowing (See Attachment 4 Economic Analysis Using Survey Results)

- To measure the degree of contribution of employees' awareness and behavior toward the prevention and early detection of AMA violations through the establishment and operation of an AMA compliance program, an analysis was conducted on the “specific measures to prevent violations in advance” and the “specific measures to detect violations early and take appropriate responses” (specific measures), along with the number of internal consultation cases and the presence or absence of internal whistleblowing.
- In the analysis, the number of internal consultations or the presence of internal whistleblowing was used as the dependent variable, and the specific measures were used as the explanatory variable in a regression analysis.
- As a result of the analysis on the number of internal consultations, it was found that Implementation of in-house training, Incentive System, Formulation and Dissemination of Rules for Contact with Competitors, and Conducting Audits on the AMA tend to have an increased number of internal consultations. In particular, the Implementation of in-house training on the AMA showed a strong contribution to the increase in the number of internal consultations.
- Additionally, the analysis regarding the presence or absence of internal whistleblowing showed that Implementation of in-house training tends to have a higher likelihood of internal whistleblowing being reported.
- These results suggest that, through a flow from the implementation of overall measures → the implementation of specific measures → an increase in internal consultations and the detection of AMA violations through internal whistleblowing, companies as a whole are enhancing their compliance with the AMA.

<Regression Analysis on Specific Measures and the Number of Internal Consultations>

- ※ The numbers in parentheses indicate the standard error.
- ※ \*\*\* indicates statistical significance at the 1% level.
- ※ The specific measure directly related to the dependent variable (establishment and dissemination of consultation desks) has been excluded from the explanatory variables.

Dependent Variable	Number of Internal Consultations Related to the AMA	
Explanatory Variable		
Formulation and Dissemination of Rules for Contact with Competitors	<b>0.666***</b>	<b>(0.199)</b>
Implementation of in-house training	<b>1.138***</b>	<b>(0.235)</b>
Design and Dissemination of Internal Disciplinary Rules	0.184	(0.175)
Conducting Audits on the AMA	<b>0.615***</b>	<b>(0.160)</b>
Establishment and Dissemination of Whistleblowing Hotline	0.345	(0.362)
Design and Dissemination of the Internal Leniency System	0.179	(0.175)
Formulation and Dissemination of Emergency Response Manuals	-0.135	(0.174)
Incentive System (Number of Positive Responses)	<b>0.727***</b>	<b>(0.202)</b>

<Regression Analysis on Specific Measures and the Presence or Absence of Internal Whistleblowing>

- ※ The numbers in parentheses indicate the standard error.
- ※ \*\* indicates statistical significance at the 5% level.
- ※ The specific measure directly related to the dependent variable (establishment and dissemination of internal whistleblowing hotline) has been excluded from the explanatory variables.

Dependent Variable	Whether There are Whistleblowing Concerning the AMA	
Explanatory Variable		
Formulation and Dissemination of Rules for Contact with Competitors	0.441	(0.418)
Implementation of in-house training	<b>2.436**</b>	<b>(1.075)</b>
Establishment and Dissemination of Consultation Desk	0.097	(0.608)
Design and Dissemination of Internal Disciplinary Rules	-0.237	(0.400)
Conducting Audits on the AMA	0.533	(0.374)
Design and Dissemination of the Internal Leniency System	-0.091	(0.378)
Formulation and Dissemination of Emergency Response Manuals	0.155	(0.404)
Incentive System (Number of Positive Responses)	0.193	(0.304)

## Recommendations for Further Improving the Effectiveness of AMA Compliance

### 1. Confirmation of the Current Status Regarding the Design and Implementation of Their Own AMA Compliance Programs

⇒ Based on the results of this status survey, make sure to confirm whether the company's efforts are appropriate.

### 2. Points for Further Reinforcement and Improvement of AMA Compliance Program

⇒ For strengthening and improving the AMA Compliance Program, make sure to take into consideration the following matters.

#### (1) Transitioning from Passive to Proactive Responses

- According to the aggregation and analysis of individual survey items, there is a tendency that companies with no history of disposition, etc. have not implemented efforts.
- ⇒ For companies that have no history of disposition, etc., it is recommended to refer to examples of failures of companies that have a history of disposition, etc.

#### (2) Fostering an Organizational Culture that Faces Competition Head-On

- There were companies with a history of disposition, etc. whose executives and employees avoided competition to easily secure sales, profits, and market positions.
- ⇒ It is important to foster a company-wide organizational culture that faces competitions through the commitment and efforts of top management.

#### (3) Considering the Risk of AMA Violations in the Company-Wide Risk Assessment Process

- There were companies with a history of disposition, etc. that did not properly assess the risk of violating the AMA in the company-wide risk assessment process.
- ⇒ It is important to appropriately identify, analyze, and evaluate the risk of violating the AMA in the company-wide risk assessment process for violations of laws and regulations.

#### (4) Managing the Risk of AMA Violations in Day-to-Day Business Processes

- There were companies with a history of disposition, etc. that inadequately managed the risk of violating the AMA in their daily business processes.
- ⇒ It is important to incorporate rules for contact with competitors and consultation with the legal division, corporate lawyer, and JFTC into daily business processes.

#### (5) Raising Awareness and Knowledge of AMA Compliance Among Executives and Employees

- There were companies with a history of disposition, etc. whose executives and employees had insufficient awareness and knowledge of compliance with the AMA.
- ⇒ It is important to improve the awareness and knowledge of executives and employees through the AMA compliance manual and in-house training on the AMA.

#### (6) Monitoring from a Third-Party Perspective by the Internal Audit Department or External Personnel

- There were companies with a history of disposition, etc. that did not sufficiently conduct monitoring from a third-party perspective by the internal audit division and outside directors, etc.
- ⇒ It is important to incorporate third-party viewpoints of the internal audit division and outside directors, etc. when conducting audits and evaluating and updating the program.

#### (7) Proactively Using the Leniency Program

- There were companies with a history of disposition, etc. that gained advantages such as exemption from surcharge by actively utilizing the leniency program.
- ⇒ It is important to facilitate early application for the leniency program through information gathering using the internal leniency program and involvement of outside lawyers and outside directors, etc.

## Future Initiatives

We will continue to actively engage in supporting and advocating measures for compliance with the AMA at companies such as through dissemination of the report and the AMA compliance guide.