

JVCKENWOOD GROUP
Compliance Code of Conduct

This JVCKENWOOD GROUP Compliance Code of Conduct (hereinafter called “this Code of Conduct”) establishes the common values and ethics by which all Board Members, Auditing Officers, Corporate Officers (hereinafter called “Executive Officers”) and employees of the JVCKENWOOD GROUP (hereinafter called “the Group”) are to conduct themselves, in an honest and appropriate manner.

To conduct ourselves in an honest and appropriate manner, we shall steadily implement the seven principles stipulated in this Code of Conduct, while being fully aware of “Our Basic Position” as described below.

We shall fulfill the social responsibilities expected of the Group by always conducting ourselves in a socially conscientious manner both in our country and in other countries.

**Our Basic
Position**

<Don’t hide and delay, but act now!>

1. Complying with laws, ordinances, and rules

We recognize that the rules of society take precedence over in-house rules and social interests come before corporate interests, and shall comply with laws, ordinances, and rules in a socially conscientious manner.

2. Having the courage to be honest

If a problem arises, we shall make an initial report on the problem to the competent person without “hiding,” honestly and courageously even if it is inconvenient to the relevant company. This will benefit both the company and ourselves.

3. Acting without delay

We need to have the courage to face up to difficulties and have the ability to act, while not avoiding problems or delaying implementation of solutions, irrespective of immediate interests. A problem, if its solution is postponed, could escalate to an even larger difficulty and stand in our path in the future. Consequently, it is important to nip any problem in the bud while it is still small.

1. We shall develop products and technologies that are trusted by society and customers, and shall provide reliable services.

- 1.1 We shall place utmost priority on customer satisfaction and strive to establish credibility from customers.
- 1.2 We shall ensure that our products are labeled precisely and clearly to prevent causing any misconception or misunderstanding among customers.
- 1.3 We shall pay utmost attention towards the safety aspects of designing and manufacturing products, so that customers can enjoy the use of our products with assurance.
- 1.4 We shall promptly respond to and conduct thorough investigations to establish preventive measures, whenever failures are detected in products.

2. As a good corporate citizen, we shall accomplish our business activity to respond to social demands appropriately as envisioned by laws, ordinances, rules and company regulations (hereinafter called Regulations).

- 2.1 We shall strive to understand the Regulations which apply to each of our business activities, and shall comply with such Regulations.
- 2.2 We shall strive to protect our own intellectual property rights as well as to respect those of others.
- 2.3 We shall perform appropriate accounting practices and correct tax filing.
- 2.4 We shall not engage in any acts such as intentional formation and/or manipulation of stock market prices.
- 2.5 We shall not engage in any acts such as illegal or personal use of company assets and/or any transactions against the interest of the company.
- 2.6 We shall comply with the Regulations concerning international trade and investment, etc., and shall conduct international transactions in a free and appropriate manner.
- 2.7 We shall understand and comply with the Regulations of each country, whenever working abroad.

3. We shall engage in free competition and transactions, with fairness and transparency, in the pursuit of our every business activity.

- 3.1 We shall strive to understand the Regulations which apply both in our country and others, and shall not interfere with fair and free transactions.
- 3.2 We shall neither obtain the company's confidential information improperly, nor leak the same to any third parties, or obtain any other company's confidential

information improperly.

We shall pay close attention in obtaining and managing such information.

- 3.3 We shall recognize the importance of personal information and shall utilize/manage such information strictly pursuant to the related Regulations.

4. Based upon recognition of our close connections with society, we shall maintain appropriate and fair relations.

- 4.1 We shall strive to disclose information required from society such as customers, shareholders, etc., in a positive, timely and appropriate manner, through our corporate public relations organization.
- 4.2 We shall maintain appropriate relations with civil servants, public institutions, politicians and political groups in our country and others.
- 4.3 We shall not maintain any relations with any antisocial forces and/or groups which pose threats to the social order or security, and shall not comply with any illegal or unreasonable demands.
- 4.4 We shall, as a corporate citizen, strive to perform activities which contribute to society in a positive manner.

5. We shall be totally involved in the global environment through all of the Group's business activities, and shall contribute to achieving a society where sustainable development is possible by fulfilling social responsibilities as a green company.

- 5.1 We shall be thoroughly aware of the environmental impact of the actions, products, and services of the entire Group, and shall promote all possible technical and economic environmental protection activities.
- 5.2 We shall always consider the environmental impact of our business activities, and consistently reduce our environmental burden.
- 5.3 We shall conform to the Regulations, business standards and local agreements regarding environmental activities.
- 5.4 We shall use the earth's limited resources effectively with the aim of becoming a recycling society.
- 5.5 We shall reduce the burden on the earth's environment through product manufacturing.
- 5.6 We shall implement business activities that can contribute to the reduction of greenhouse gasses to prevent global warming.
- 5.7 We shall strive to undertake prompt response and shall conduct a thorough investigation for preventive measures, in case environment-related issues arise.

6. We respect each other's individual personalities and characters, are always highly conscious of human rights and safety, and ensure a favorable working environment.

- 6.1 We strive to understand and comply with labor-related laws, standards, regulations, etc.
- 6.2 We do not tolerate any actions such as discrimination and/or harassment, particularly those based on sex, gender, age, race, color, national origin, or religion, either inside or outside the workplace, and pay close attention to creating favorable working environment.
- 6.3 We shall prevent any threats to mental or physical health, and proactively take the necessary countermeasures to prevent job-related accidents or injuries.
- 6.4 We shall respect each other's enthusiasm to challenge and creativity, and work to provide opportunities and support for his/her self-development.
- 6.5 We shall strive to create a corporate climate and organization where smooth internal communications can be realized.
- 6.6 We shall aim to firmly establish this Code of Conduct, by confirming the status of its implementation, and providing appropriate educational training and instructions.

7. The Executive Officers shall recognize their role in the implementation of this Code of Conduct, bear full responsibility for its outcome, and impose on themselves strict disciplinary actions.

- 7.1 The Executive Officers shall provide full leadership, clarify the Group's corporate management principles and/or Code of Conduct, and disseminate them throughout the Group.
- 7.2 The Executive Officers shall externally announce the basic position on the Group's corporate management principles and/or Code of Conduct, and shall disclose information about specific approaches.
- 7.3 The Executive Officers shall provide for an internal reporting system (for improper conduct) which is supplemental and independent from the ordinary chain of command for reporting.
- 7.4 The Executive Officers shall check and evaluate the status of establishment and/or penetration of this Code of Conduct.
- 7.5 The Executive Officers shall undertake the tasks of risk management during normal times, and shall provide for a corporate structure to prevent occurrence of emergency situations.
- 7.6 The Executive Officers shall conduct a prompt factual investigation and causal determination of any emergency situation that should arise, and shall develop

appropriate countermeasure and enforcement policies, which are corporately responsible.

7.7 The Executive Officers themselves, shall promptly explain to their companies in a clear manner any fact situations, countermeasures, enforcement policies and preventive measures.

8. We shall comply with and implement this Code of Conduct as the basis for all rules of the Group.

8.1 This Code of Conduct is the basis of all regulations, subsidiary rules, manuals, etc. of the Group. We shall conduct ourselves in accordance with this Code of Conduct and the said regulations, subsidiary rules, manuals, etc.

8.2 In case any action is discovered that deviates from this Code of Conduct, we shall report the matter immediately to a superior or other competent person according to the circumstances, and take corrective actions.

8.3 We shall understand that an action that deviates from this Code of Conduct may be subject to punishment pursuant to separately stipulated regulations.