

Whistle-Blowing and Consultation Rules

The Whistle-Blowing and Consultation Rules set forth the general common rules for establishing and operating the whistle-blowing and consultation system at each company of our Group, including the receipt of reports and consultations, investigations, corrective actions, and the protection of whistleblowers and other related employees. The purpose of these Rules is to establish a framework that enables employees to report or consult with confidence regarding violations of laws and regulations, violations of internal rules, or conduct that may raise concerns from the perspective of corporate ethics in connection with business activities. Through this framework, the Rules aim to prevent compliance violations, detect them at an early stage, enhance the Group's self-correcting function, and maintain and improve social trust and corporate value.

Scope of Application and Approach to System Development

These Rules serve as the basic framework for the whistle-blowing and consultation system at each company of our Group. They require organizations managed by our Group to establish whistle-blowing and consultation channels and to define any detailed rules necessary in accordance with local laws and regulations and the circumstances of each company. If local laws and regulations conflict with these Rules, the Rules provide that local laws and regulations shall take precedence, while the intent of these Rules shall be reflected in operations to the greatest extent possible.

Reporting Channels, Responsible Employees, and Employees in Charge

Internal whistle-blowing and consultation channels are established to receive reports and consultations concerning compliance violations or suspected violations, and the roles of the responsible department, responsible person, employees receiving reports, investigators, and other relevant personnel are clearly defined. The responsible person for the reporting channel must secure the structure necessary for the appropriate development and operation of the system and create an environment that is easy for employees to use. In addition to internal reporting channels, an external reporting channel operated by an independent third party is provided, thereby ensuring a system that whistleblowers can use without concern about internal conflicts of interest or retaliation. Investigators are granted the authority necessary to conduct investigations and are required to verify the facts from a neutral and fair standpoint. Employees involved in handling

reports and consultations must endeavor to improve the knowledge and skills necessary for such work and must not disclose information that could identify whistleblowers without justifiable grounds.

Users and Matters Subject to Reporting or Consultation

Users of the Whistle-Blowing and Consultation system broadly include directors, officers, employees, or other forms of engagement. Users may report anonymously and may also seek consultation when they are unsure whether a matter constitutes a compliance violation or when they have questions about how to use the reporting channel. In addition, our corporate website provides a reporting and consultation channel that can be used by external stakeholders. Matters subject to reporting or consultation include all compliance-related concerns, including violations of laws and regulations, internal rules, codes of conduct, and other misconduct.

Reporting, Information Sharing, and Awareness of the System

With respect to the operation of the Whistle-Blowing and Consultation systems, the Rules provide that information on the mechanism for handling reports and consultations and the importance of compliance shall be regularly communicated to employees and thoroughly disseminated, and that appropriate use of the whistle-blowing system shall be encouraged.

Process from Receipt to Notification of Investigation Results

The process from receipt of a report or consultation through notification is provided as follows.

1. Reception: When receiving a report or consultation, sufficient care shall be taken to protect the confidentiality of the whistleblower or reporter.
2. Acknowledgment of receipt: When a report or consultation is made, the whistleblower or reporter shall be promptly notified that the report or consultation has been received.
3. Review of content: After receiving a report or consultation, whether an investigation is necessary shall be reviewed in a fair, impartial, and sincere manner, and the whistleblower or reporter shall be promptly notified of the future response.
4. Investigation:
 - 4-1. Investigations into the facts concerning reported or consulted matters shall be conducted by investigators appointed in advance by the responsible

person for the Whistle-Blowing and Consultation system. However, depending on the content of the investigation, the responsible person may add employees deemed necessary for the investigation.

- 4-2. Investigators must conduct investigations into the facts concerning reported or consulted matters while ensuring neutrality and fairness.
- 4-3. When conducting investigations, investigators must endeavor to ensure that whistleblowers or reporters are not identified to protect their confidentiality.
- 4-4. Investigators shall record, organize, and retain the details of investigations, facts, and response status concerning reported or consulted matters. Records shall be strictly managed and may not be viewed by anyone other than relevant parties.
- 4-5. Even when the responsible department for operating the Whistle-Blowing and Consultation system outsources work related to reports and consultations to an external organization, it must endeavor to ensure neutrality and fairness.
- 5. Notification of Progress: During an investigation, efforts shall be made to notify the whistleblower or reporter of the progress of the investigation as appropriate. However, when providing such progress updates, care must be taken not to damage the credibility or reputation of the person reported or consulted about, or of employees who cooperated in the investigation, and to protect their privacy.
- 6. Notification of Investigation Results: The results of the investigation conducted by the investigator shall be notified to the whistleblower or reporter.

Corrective Measures, Internal Disciplinary Action, and Notification of Corrective Results

If an investigation reveals a compliance violation, the Rules provide that corrective measures and measures to prevent recurrence shall be promptly taken. In addition, employees involved in the violation may be subject to disciplinary action in accordance with applicable rules. The outline of the results of corrective measures shall be notified to the whistleblower or reporter, while giving due consideration to the credibility, reputation, and privacy of the whistleblower or reporter and employees who cooperated in the investigation.

Follow-up and Prevention of Recurrence

After measures based on the investigation results have been implemented, checks

shall be conducted to confirm whether similar incidents have occurred, and necessary measures shall be taken. Even after the handling of a report or consultation has been completed, checks shall be conducted to confirm whether any disadvantageous treatment or workplace harassment has occurred against the whistleblower or reporter because of the report or consultation, and measures shall be taken as necessary.

These Rules clearly prohibit disadvantageous treatment of, and retaliation against, whistleblowers, consultees, and employees who cooperate in investigations. If disadvantageous treatment is confirmed, the Rules provide that such treatment shall be immediately discontinued, measures shall be taken to remedy the whistleblower or consultee who suffered such treatment, and appropriate measures shall be taken to ensure that the workplace environment of the whistleblower or reporter does not deteriorate because they made a report or consultation. Furthermore, any person who subjects a whistleblower or reporter to disadvantageous treatment may be subject to disciplinary action in accordance with applicable rules.

Yokogawa Electric Corporation
Business Ethics Headquarters