

Compliance

Legal compliance and the maintenance of corporate ethics are social obligations of companies and also the foundation for a company to continue operating and grow. We are strengthening the compliance system so that individual employees understand and comply with this concept.

Mabuchi Motor Ethical Standard

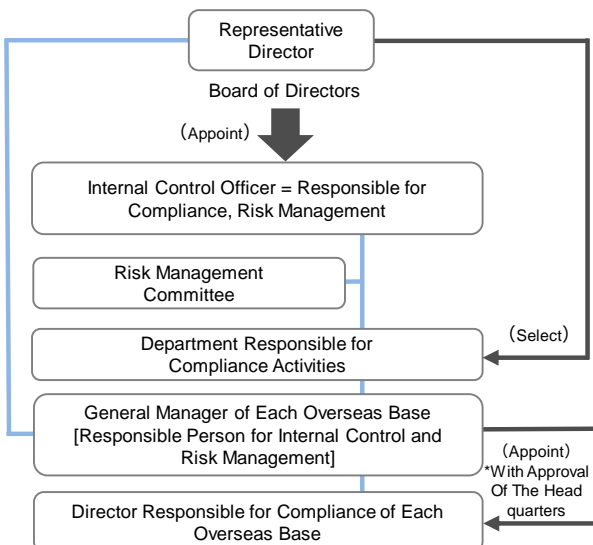
Mabuchi group sets “Contributing to international society and continuously increasing our contribution” as our Management Principle and conduct business activities to remain true to it. Still, in order to realize this principle, we believe in remaining in compliance with laws and regulations in a given country and region and also to implement activities based on corporate principles that are expected in societies.

We thus established the Mabuchi Motor Ethical Standard and presented specific social rules such as laws and regulations that all executives and employees should follow to promulgate them. We compiled the Ethical Standard in a booklet and distributed it to all executives and employees to further improve associated activities and spread the knowledge of it.

Our compliance education activities also continued as required in overseas production bases. We will provide various study sessions and training programs concerning compliance with laws, regulations, and social ethics to bolster our compliance system. The director responsible for compliance at each of the Mabuchi Group bases supervises compliance activities of that base under the overall control of the director responsible for internal control at the Head Office. They take a leading role in strengthening internal control and promoting continuous and autonomous compliance activities at each base.



Compliance Structure



To continuously rectify and improve inadequate points related to compliance activities in the entire Mabuchi Group, the Internal Audit Department conducts periodical and non-periodical audits on all Mabuchi Group bases to examine the conformance to compliance-related rules and procedures as well as acts of ethical violation and reports the results to the top management.

Handling of company properties

Company properties such as its facilities, office supplies and information equipment are allowed to be used only for the purpose of performing your duties. All directors and employees are responsible for properly managing and protecting the company's properties and preventing any loss, theft or misuse. The company's properties must be used with care and must not be used for personal interest.

Exclusion of antisocial forces

In light of our corporate social responsibility, we have signed a declaration that proclaims the severance of any relationship with any antisocial force, as a member of the Japan Economic Federation, along with other member companies.

Reliable financial reporting and Prohibition of insider trading

We ensure reliable financial reporting and we do not misuse nonpublic material company information.

Income tax liability

Our corporate activities are dependent upon the social infrastructures of the countries in which we operate, such as roads, ports, and water supplies. Those infrastructures are developed and maintained by tax money from people and companies of the country. Accordingly, it is one of our fundamental responsibilities to fulfill the tax obligation required by the laws of each country and region, and this recognition must be shared with the entire group.

Bribery Prohibition

It is strictly prohibited to give money, gifts, or any other illegal favor to any political group, politician, or government official for the purpose of gaining special treatment for the company in return.

Ethical Standard Hotline

We have set up the Ethical Standard Hotline in the company to allow all employees to directly inform or consult with the Internal Audit Department about compliance-related information under strict anonymity without using ordinary communication routes (senior managers or existing contact points of each division).

Mabuchi group is always striving to conduct honest and fair business with our suppliers and to build a relationship of trust with them. To address the current social situation, we extended the operational range of the Ethical Standard Hotline to some of our suppliers in addition to Mabuchi employees with a view to preventing problems in advance and strengthening the misconduct-prevention system.

We have also delivered a top management message promising that we will never allow those who have consulted with us to be treated disadvantageously because of their consultation, which is in accordance with the Whistleblower Protection Act.