

The Daido Group's Anti-Bribery Policy

We as Daido Steel Group set forth our mission to contribute to the development of industries and people's lives around the world through manufacturing, utilizing the technological capabilities we have cultivated since our founding based on our Group Management Philosophy: "Pursuing the potential of materials to support our future". We will work to put the Daido Steel Group Management Philosophy into practice and foster the well-being of people through fair, transparent, and free competition and appropriate transactions.

With regard to relationships with politics and government, bribe-giving to and bribe-accepting by (hereinafter collectively referred to as "Bribery") public officials and equivalent persons (hereinafter referred to as "Public Employees") exclude low-cost, high-quality products and services from the market, both inside and outside Japan, and undermine the fairness and credibility of their public duties, and aggravate human rights, labor, environmental problems, etc. in the relevant country. In addition, if a company is exposed for Bribery under the laws and/or guidelines of each country or region, such as conventions or the U.S. Foreign Corrupt Practices Act, it will be fined heavily and lose social credibility, which may shake it to its foundations. We have established the Daido Steel Group Anti-Bribery Policy based on recognition above and the Daido Group Management Philosophy, the Corporate Code of Ethics, and the Basic Policy on Sustainability.

1. Prohibition of Bribery

The Daido Steel Group shall not provide any money or other benefits, or promise, demand, offer or approve to provide such money or benefits, to Public Employees for the purpose of influencing the performance or decisions of official duties in order to obtain improper profits. In addition, we shall comply with applicable treaties and the laws and guidelines of each country and region (hereinafter referred to as "Laws and Regulations"), and shall not tolerate bribery for any reason.

2. Development and Operation of Organizational Frameworks

In order to prevent Bribery, the Daido Steel Group will develop necessary organizations and frameworks based on a risk-based approach and operate them appropriately.

In the event that an officer or employee of the Daido Steel Group (hereinafter referred to as "Daido Employee") receives a request from Public Employees that violates or is suspected of violating Laws and Regulations, the Daido Employee shall promptly report the facts to the organization in charge to ensure the effectiveness of this policy. In addition, if an act or suspicion of violating this policy or Laws and Regulations is recognized through an internal audit or whistleblowing, the Daido Steel Group will promptly investigate the facts and take appropriate measures such as suspension of the act, suspension of payment of actual or suspected Bribery, withdrawal of applications and promises, notification to relevant authorities, and cooperation in investigations. If the investigation results show that Daido Employee violated this policy or Laws and Regulations, the Daido Steel Group will strictly punish such Daido Employee in accordance with the work rules of each Group company.

3. Relationship with Business Partner

In case of appointing a Business Partner, the Daido Steel Group will request such Business Partner to comply with Laws and Regulations, for example, through the provisions of the Anti-Bribery clause in the Basic Transaction Agreement.

If the Daido Steel Group becomes aware of an actual or suspected violation of Laws and Regulations by a Business Partner, the Group will take appropriate measures, such as reporting to the relevant authorities and cooperating in investigations, and will take strict measures, including refusal of transaction with such Business Partner, for example, based on Anti-Bribery clauses.

"Business Partner" means a consultant, agent, distributor, joint venture partner, subcontractor, trading company, customs broker, accountant, lawyer, etc., who serves as an intermediary, agency, mediator, or the like in transactions between the Daido Steel Group and Public Employees, and who sells the products and/or services of the Daido Steel Group to public officials designated by the Daido Steel Group.

4. Education

In order to ensure a correct understanding of Anti-Bribery and a full awareness of this policy, the Daido Steel Group will provide education to Daido Employees.

5. Monitoring and Improvement

The Daido Steel Group will conduct regular monitoring to verify the effectiveness of this policy. The series of processes for preventing Bribery and for monitoring Bribery prevention procedures shall be regularly reported to management and further improvements will be made based on the monitoring results.

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Daido Steel Co., Ltd.
President and CEO,
Representative Executive Director
Tetsuya Shimizu
(Sign)

