Compliance

Basic approach

Compliance activities of the artience Group are based on the belief that it is important that every single employee should be aware of compliance. We discuss compliance in daily operations, aiming to steadily instill within the Group an awareness of the importance of compliance with laws and regulations.

When the Company changed its name and philosophy in January 2024, we reorganized our policies and guidelines regarding sustainability and revised them to clarify the Group's position and the actions it would take in consideration of the change of society. We traditionally used the Code of Business Ethics as an explanatory document in our compliance activities. We have reorganized and revised it into the "Code of Ethical Conduct."

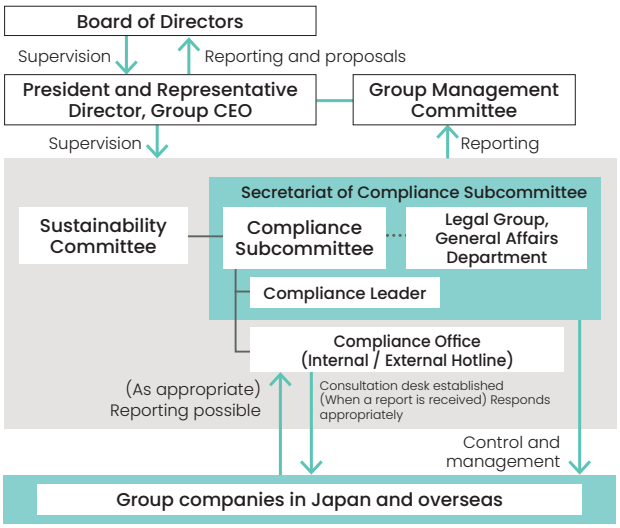
WEB For information about our compliance activity policy for FY2023, please visit our website and click on [Sustainability > Governance > Compliance.]

WEB Our policies can be read in the [Sustainability > Related policies and guidelines] section of our website.

Compliance system

We are planning compliance measures, disseminating the way of thinking about compliance and providing education on regulations throughout the Group, with the leading role played by the Compliance Subcommittee under the Sustainability Committee. We are also proactive in creating opportunities to deepen our awareness of compliance related to daily operations, with the central role played by compliance leaders in each operation site.

■ Compliance system (FY2024)



* Excerpts and additions from P.65 Sustainability promotion system (FY2024)

Whistleblowing system

We have established internal / external Compliance Office as a consultation desk for compliance. We have also established the "Operating Regulations of Compliance Office" to ensure fair and proper operation of the Office. Consultations and reports mainly cover violations of laws and regulations (including corruption such as bribery and violations of the Antimonopoly Act) and violations of internal rules. We investigate the fact based on consultation, and take measures immediately if there is any concern of problem occurrence. In addition, we give maximum consideration to protection and confidentiality of whistleblowers. In consultations with the Compliance Office in FY2023, no issues were reported that could lead to serious risks.

Major activities in FY2023

- Compliance meetings in each site (from March to June)
  We held meetings at numerous locations in Japan (3,386 participants,) using materials that are used Group-wide, to promote the identification of new compliance issues and the formulation and implementation of solutions.
- Compliance Improvement Month held in October
  We held meetings at each operation site (3,479 participants.) We confirmed and studied response status of the issues identified at each site, as well as any newly occurred risks. In addition, we sent the compliance materials, which are translated into local languages, to all representatives at overseas affiliates, and requested that they hold compliance meetings including local staff, and strengthen their awareness of compliance.
- Compliance education
  〈Programs tailored to each grade / level and job function〉
  Compliance seminar for new employees
  (held once a year)
  Advance training for overseas assignments
  (held twice a year)
  〈Theme-based programs〉
  Antimonopoly Act seminar (11 sessions, 408 participants)
  Subcontracting Act seminar (16 sessions, 272 participants)
- Compliance auditing, with the goal of creating an organization with integrity
  In FY2023, we conducted a questionnaire—based on Q&A previously published by the Japan Fair Trade Commission— to check whether transactions are being conducted in compliance with the Subcontract Act, at all Group companies which engage in transactions subject to the Subcontract Act. As a result, we found no illegal transactions.
- Response to overseas legal risks
  We also established external hotlines for overseas sites to facilitate whistleblowing and informed overseas representatives and local staff of these hotlines. Further, in China, we check the status of operations in the country every six months based on the "Bribery Prevention Regulations."