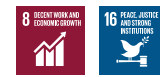


Compliance

Relevant SDGs



The ULVAC Group views compliance as a vitally important issue. In addition to conducting awareness-raising activities so that each person in the ULVAC Group acts with a spirit of compliance, we are establishing and operating a range of institutions and regulations to ensure thorough compliance.

Corporate Code of Conduct

ULVAC has established a Corporate Code of Conduct comprising 18 items, conducted education, and distributed booklets to inculcate a culture of compliance, in order to ensure that the execution of the duties of officers and employees is compliant with laws and regulations and internal rules, and that we fulfill our corporate social responsibility.



Compliance Education

ULVAC, Inc. is working to create a culture of compliance through awareness-raising activities. As part of this effort, we conduct periodic and ad hoc online training and face-to-face training on corporate ethics, export compliance, prevention of insider trading, prevention of harassment, and other topics, and test the degree of comprehension.

Whistleblowing System

ULVAC, Inc. has adopted a whistleblowing system operated through the Internal Auditing Office, which is an independent body. The Internal Auditing Office also serves as the secretariat for the Compliance Committee, and it is structured to give full consideration to confidentiality throughout the process of investigating the content of reports. This system does not prevent the person making the report from selecting other institutions or organizations within the Company as the destination for the report, and in such case, the report shall also be handled appropriately.

Individuals making reports are not treated unfavorably in any way. Reports can also be submitted anonymously.

After a whistleblower report has been received, the initial response is for the Compliance Committee of ULVAC, Inc. to conduct an investigation in order to establish the facts. This investigation is particularly mindful of fairness, and is conducted judiciously and thoroughly. If necessary, assistance may be sought from external experts, such as lawyers, and thorough interviews that are as wide-ranging as necessary may be conducted and analyzed.

The president chairs the Compliance Committee and the members of the Committee observe a strict duty of confidentiality in carrying out their duties.

Handling of Violations

In the event that, based on the results of an investigation by the Compliance Committee, it is deemed that a violation of laws or regulations has been committed, then the opinion of an external expert, such as a lawyer, may be sought as necessary, steps will be taken to ensure that the violation ceases with immediate effect and improvement measures will be implemented, and those involved in the violation will be dealt with after deliberation by the appropriate bodies. In addition, the root causes of the violation are also investigated in order to formulate effective measures for preventing recurrence.

Risk Management

Relevant SDGs



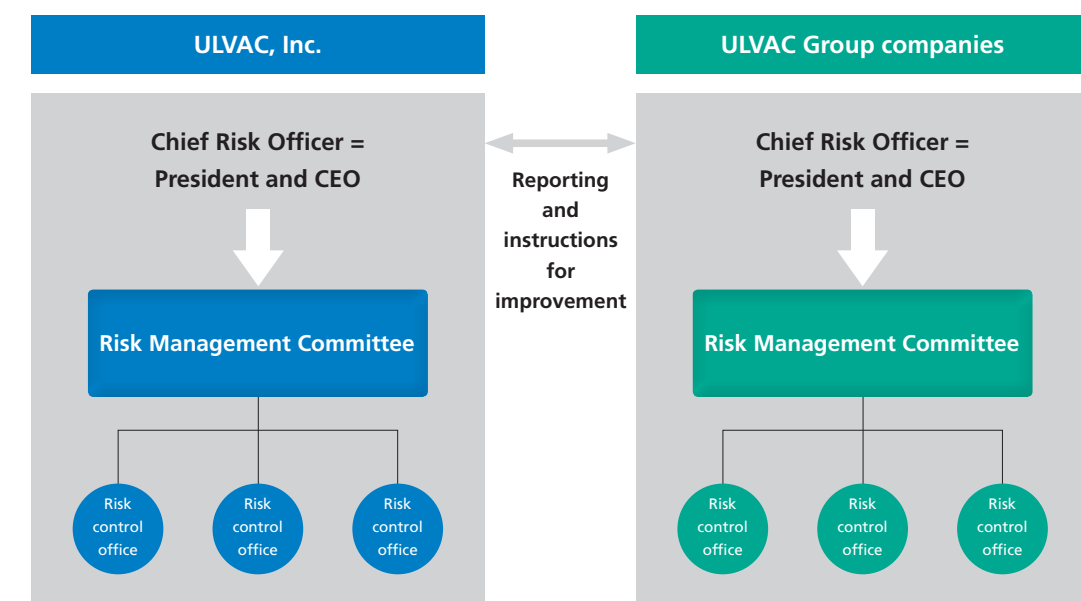
The ULVAC Group considers that responding appropriately to increasingly complex and diverse risk factors leads to the creation of governance structures that contribute to the fulfillment of legal requirements and the creation of internal control structures, and by extension, the medium- to long-term improvement of corporate value. We are expanding systems that can respond appropriately to risk factors through identification, classification, analysis, and evaluation, and we are working to increase corporate value by reflecting them in our management strategy.

Risk Management System

In regard to risk management initiatives, ULVAC, Inc. has established rules concerning its risk management system, classifying a broad range of risks from various perspectives, and designated the control offices primarily responsible for risk management according to the classification of risks. Furthermore, these risk control offices identify more specific risks and respond to them. We work to ensure that these offices efficiently gather important information in operating the risk management system. In addition, in order to share and evaluate information concerning the operation of the risk management system on a company-wide

basis, we have a Risk Management Committee, which is chaired by the president, and mainly comprises representatives of the risk control offices with primary responsibility for risk management. The Risk Management Committee holds regular twice-yearly meetings as an umbrella organization for risk management, and it determines company-wide basic policies, monitors the state of management and administration, and considers any improvements that can be made, etc. Furthermore, initiatives at ULVAC, Inc. are implemented at ULVAC Group companies as appropriate for the scale and business type of the company in question.

Risk Management System



- Risk control offices are designated according to risk classifications and they implement risk management through a PDCA cycle.
- Each Group company decides whether it is necessary to establish a Risk Management Committee in consideration of the size of the company in question and other factors.