

Star Micronics Group Sustainability Code of Conduct

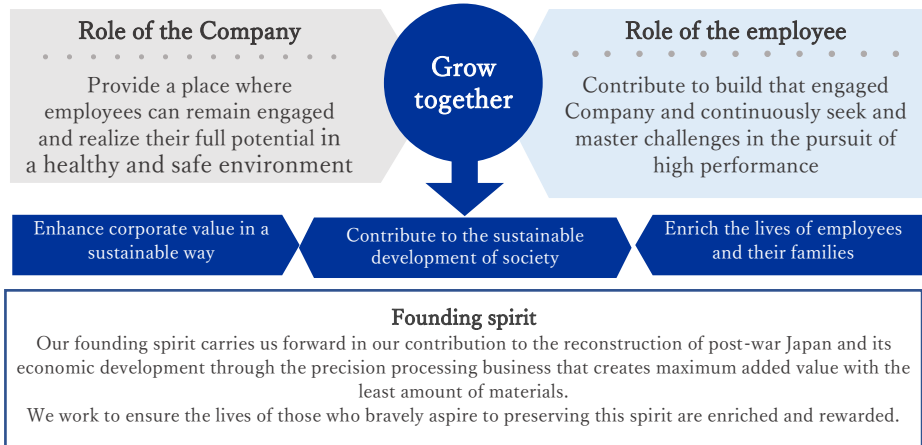
Star Micronics Group Sustainability Code of Conduct

The "Star Micronics Group Sustainability Code of Conduct" (hereafter referred to as the "Code of Conduct") is based on our corporate philosophy and basic sustainability policy to ensure that our Group conducts fair and appropriate management in harmony with society. In order to carry out corporate activities with the aim of achieving sustainable development as a company, "the Company and its employees will grow together and contribute to society" as outlined in the Basic Sustainability Policy. We will follow the three guidelines for growth in our corporate philosophy: "Enhance corporate value in a sustainable way," "Contribution to sustainable development of society" and "Enrich the lives of employees and their families". We will set standards in accordance with each guideline as a norm that each executive and employee should stand by in their daily actions. The executives and employees of our Group shall understand the contents of this Code of Conduct well, comply with the laws and regulations, respect social norms and act in good faith with common sense and responsibility. The term "employees" in this Code of Conduct refers to all persons engaged in the business of the Group. Additionally, we expect all business partners, including those involved with our products and services, to understand and respect our Sustainability Code of Conduct.

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Corporate Philosophy

A company and its employees must constantly evolve through a process of steady development while also making every effort possible to improve the lives of each individual. This growth must happen together.



Purpose

Contribute to the sustainable development of society as a “leading small and medium-sized enterprise” that seeks to excel on the world stage

As a technology group, Star Micronics strives to provide new value through unique technologies that increase corporate value. At the same time, the Company will enrich the lives of its employees by providing a place where diverse engaged employees can contribute their best. Our goal as a group is to stand at the forefront of Japan’s small and medium-sized enterprises by generating a high level of productivity that rivals large companies as we contribute to the sustainable development of society.

Management Policy

1

Do not pursue scale unnecessarily; position **capital efficiency and labor productivity** as primary evaluation indicators

2

Maintain the **ability to continuously offer new value** to society in response to changes in the environment

3

Constantly look to the global market for each business, and position “**global niche**” at the core of the Company’s strategy

4

Invest in building an environment that allows employees to realize their full potential and the pursuit of unique technologies from a long-term perspective, regardless of the business environment

5

Strive to become **a company that perpetually evolves** in harmony with society through its products and its people

Action Guidelines



Act with initiative and courage

Take accountability and pride in your work; think, inquire, decide, and then act ethically and with courage



Continue learning

Seek out challenges that will foster personal continuous learning and growth in ways that ultimately improve the Company’s value



Pursue technology

Seek to develop and refine technology in ways that bring unrivaled solutions to market



Focus on team productivity

Hold the utmost respect for colleague perspectives. Work collaboratively and decisively to achieve a high level of productivity

1. Enhance corporate value in a sustainable way

In order to sustainably improve corporate value, it is necessary not only to provide new value to society as a Company, but also to ensure that the executive and employees of the Group always respect the demands of the society such as laws and regulations, social norms and compliances, and continue to take actions that respond to their belief.

1- 1 . Compliance with social norms, etc.

We will comply with social norms and our rules and act in accordance with common sense.

1-1-1. Observing Working Regulations

- (1) All employees will abide by all internal corporate rules and policies such as stated in the company handbook and the Code of conduct.
- (2) All employees will act fairly and faithfully to the company and will maintain workplace discipline.

1-1-2. Observing Accounting Rules

Finance personnel will comply with all applicable laws and internal rules. They will not create false or fictitious entries nor build up off-the-book assets.

1-1-3. Observing Foreign Trade Laws

- (1) We will export/import the products and technology properly, in order to keep ourselves from unfair international business that would violate the international laws and regulations related to security.
- (2) We will never import or export any prohibited goods.
- (3) We will not only observe laws and regulations but also respect local cultures and customs in doing international business.

1-2. Fair trade and Ethics

We will conduct fair and equitable transactions and conduct business activities based on high level of ethics.

1-2-1. Observing Antitrust Law

We will not become involved in any cartel, dumping, resale-price maintenance, abuse of dominant bargaining position or other acts that violate the provisions of the Antitrust Law. We will pursue fair and free inter-corporate competition.

1-2-2. Preventing Unfair Competition

We will never acquire other companies' trade secrets in dishonest manners for any reason, nor will we use other companies' trade secrets if we know that they are acquired in dishonest manners.

1-2-3. Fair Business with Suppliers and Subcontractors

- (1) We will do fair and equitable business with our suppliers and subcontractors.
- (2) When selecting suppliers and subcontractors, we will fairly compare and evaluate them based on objective criteria, including quality, price, delivery time, technical capabilities, commitment to human rights, environmental considerations, and social responsibility, in order to determine the optimal business partners.
- (3) We never offer a preference treatment to a particular supplier by making use of an advantageous position or influence over suppliers' selection and evaluation.
- (4) As an individual, I will never receive a rebate, commission, or reward from any supplier or subcontractor.

1-2-4. Fair Business with Agents and Customers

- (1) We will do fair and faithful business with our agents and customers in accordance with the related laws and contracts.
- (2) We will always follow procedures for the approval of any kind of commissions, rebates or discounts to give our agents or customers.
- (3) We will not pay commissions or rebates to any party or by any means unless it is duly contracted with proper documents.

1-2-5. Business Entertainment and Gifts

- (1) We will never provide entertainment or give gifts to public officials.
- (2) Entertainment and gifts to customers and business connections are allowed only with the company's previous approval.
- (3) Entertainment and gifts from business connections will be accepted only within the bounds of common sense.
- (4) We do not give money nor make such an offer to foreign public officials with intention of dishonest gain in international business.

1-2-6. Donations

We will not become involved in a bribe, profit share, illegal political donation or other acts that would violate the provisions of the laws related to election and political fund control. We will keep strictly away from misleading behaviors in relation to political groups and administrative agencies, and try to establish sound and transparent relationship with them.

1-2-7. Antisocial Organization

- (1) We will not associate with any organization or group engaged in unlawful or antisocial activities. We will not provide money or any other type of benefit and will stand firmly against all unreasonable demands.
- (2) We will not do business with any antisocial organizations or groups nor with any entity which has relation thereto, in order to bring money or other kind of benefit to oneself or to the company.

1-2-8. Abolishing Empty Formalities

We will abolish empty formalities except for ceremonial occasions. We neither accept nor give monetary gifts inside the company or with our business connections, for the sake of personal gain.

1-2-9. Political and Religious Activities

- (1) Employees will not do political, ideological, or missionary activities in the office.
- (2) Employees will be careful regarding all private activities outside the office, not to be misconstrued as official activities in the competence in the Group.

1-3. Respect for corporate information and corporate assets

We will handle the corporate information and corporate assets appropriately.

1-3-1. Privacy Protection

- (1) We respect privacy of the customers, business connections, all officers and employees of the Group.
- (2) We will use personal information only for business purposes and keep them under strict confidentiality. We never disclose such information either inside or outside without explicit personal consent.

1-3-2. Appropriate use of corporate assets

- (1) Recognizing the need to make efficient use of the corporate assets and keeping them in a usable condition at all times, we will handle the assets appropriately to prevent damage, theft, etc., regardless of whether they are tangible or intangible.
- (2) The corporate assets, information systems and expenses are used only for business purposes and not for personal purposes.
- (3) ID and password related to the company's information systems are strictly managed to prevent leakages outside the company. We do not misuse other people's IDs and passwords and do not break into their computer system.
- (4) Within the scope permitted by relevant laws and regulations, I consent to be monitored and inspected for the usage of corporate assets and information systems (including data, files, etc. stored in emails, computers, etc.)

1-3-3. Prohibiting Insider Trading

- (1) We never disclose unpublished important information of the Group until it is officially published. We do not buy or sell relevant stocks nor urge others to do so until the information is officially published.
- (2) We will obtain due permission before trading the stock of the Star Micronics.

1-3-4. Avoiding conflicts of interest with the Company

- (1) Employees will not involve themselves in business or activities which would make conflicts with the interest of the Group, in order to benefit themselves or others.
- (2) Employees will not work as an employee or consultant for any competitor, nor have monetary relationships with them.
- (3) Employees are not permitted to be in another party which might do business with the Group.

1-3-5. Protecting Trade Secrets

- (1) We will keep trade secrets of the company and other companies strictly confidential. We will use them only for business purposes and will impose a confidentiality obligation to a party who receives our trade secrets to prevent unexpected leak.
- (2) We will continue to keep them secret and never use them at any purpose after retirement.

1-3-6. Protecting Intellectual Property Rights

- (1) We will keep the intellectual property rights of the company properly maintained as one of the company assets.
- (2) We will apply for a patent for an invention related to our duties and make efforts to expand the coverage of our intellectual property rights.
- (3) We respect the intellectual property rights of others and avoid infringement thereof.

1-3-7. Appropriate information disclosure

In accordance with the applicable laws, regulations, and business practices, we will disclose information appropriately regarding labor, health and safety, environmental activities, business activities, organizational structure, financial position, performance, and efforts to respect human rights. We will engage in dialogue with society and take the opinions of stakeholders seriously.

1-3-8. Protection of the informant

- (1) We will consult and report to the Compliance Consultation Desk, etc. if a wrongful act is done or is about to happen, such as bribery, corruption, extortion or misappropriation.
- (2) We will protect the confidentiality of the information related to the informant and their anonymity, and will not treat them in a disadvantageous manner.

1-4. Responsibility of the Top Management

The managers will strive to enhance corporate value as the top management.

1-4-1. Responsibility of the Top Management

- (1) Top management will lead CSR (Corporate Social Responsibility) with social contributions and awareness of earth environment and aim to enhance the company's value.
- (2) Top management will establish a compliance system and inform all employees thoroughly of the importance of law obedience and moral business activities.
- (3) Top management will express efforts to take the leadership to solve all problems and fulfill the social responsibility to research the cause and prevent the reoccurrence of them.

2. Contribute to the sustainable development of society

The sustainable development of society is based on the assumption that the global environment is adequately protected. We aim to reduce environmental impact and conduct business activities in harmony with the environment. In addition, as a member of the society, we will actively contribute to the regions and countries of the world through the provision of high-quality and safe products and social contribution activities, and aim to develop together.

2 - 1 . Environment

We will actively promote environmental conservation activities in consideration of the global environment.

2-1-1. Awareness of Earth Environment

- (1) Through our business activities, we will work to reduce greenhouse gas emissions and create environmentally friendly products.
- (2) We will guide the realization of the recycling society, trying to utilize all possible resources at all steps from designing to disposal of our products and promoting the environmental load reduction.
- (3) We will work to prevent leakage and dispersal of chemical substances in order to prevent water and soil pollution. If in case leakage or dispersal occurs, we will try to minimize the damage.

2-2. Quality and Safety

We will provide safe and high quality products and services and disclose information about the products appropriately.

2-2-1. Providing Safe and Quality Products

- (1) When developing, manufacturing, selling and repairing products and services, we always pay attention to safety and comply with relevant laws and regulations and safety standards while aiming for higher levels of safety.
- (2) We will pursue customer satisfaction and provide socially useful products and service of a higher level of quality and reliability.
- (3) We will maintain and grow the system to collect information of defective products, inferior service or accidents properly and promptly and make our most efforts to avoid any reoccurrence.

2-2-2. Fair Advertisement

We will provide correct and proper information for our products and services so that customers may consider and select them in a rational way. We do not use libeling statements nor discriminatory words in our advertisement documents.

2 -3. Contribution to Society

We will actively work to implement social contribution activities.

2-3-1. Contribution to Society

- (1) We will participate actively in social programs as good corporate citizens contributing to the development of society. We will make an effort to implement continual action programs including local and international cooperation.
- (2) The Group will support the employees' participation in voluntary social action programs.
- (3) We will report social action programs of the Group widely and promote communication with the society.

3. Enrich the lives of employees and their families

In order for employees to work together and act as motivated and like-minded groups, it is necessary to build a safe and protected work environment that is free from discrimination and harassment. In addition, our business activities are supported by many stakeholders besides our employees. Diverse colleagues and respect to each other will enrich the lives of all our colleagues along with the lives of employees themselves.

3-1. Human rights and labor

We will conduct business activities based on respect for human beings with the aim of realizing comfort and open mindedness.

3-1-1. Respect for Human Rights and Antidiscrimination

- (1) We do not use labor derived from coercion, detention, inhumane prison labor, slavery or human trafficking. We also protect the right of employees to quit or terminate their employment voluntarily without forcing them to work.
- (2) Children under the minimum working age are not allowed to work. Further, we will not allow young workers to engage in hazardous work that may impair their health and safety.
- (3) We will not allow working beyond the limits prescribed by the laws and regulations of the region where one works. We will also appropriately manage working hours and holidays.
- (4) We will comply with the laws and regulations of the region where one works and compensate them appropriately.
- (5) We respect human rights and do not engage in inhuman treatment such as mental and physical abuse, coercion, or harassment.
- (6) Religious practices will be given due consideration.
- (7) While complying with the laws and regulations of the region where one works, we will respect worker's right to organize as a means of achieving labor-management consultations on issues such as working environment and wage standards.
- (8) We do not discriminate irrationally based on birth, nationality, race, ethnicity, skin color, creed, religion, gender, sexual orientation, age, disability, educational background, etc.
- (9) We will not use status in the company or position to pressure or coerce others.

3-2. Occupational Safety and Health

We will strive to create a safe, hygienic and comfortable working environment with consideration to health.

3-2-1. Occupational Safety and Health

- (1) We will keep our work environment in a safe, sanitary and comfortable condition for the workers, in accordance with all applicable laws and regulations.
- (2) We will minimize the effects, in the case of an accident and take immediate measures to prevent another.
- (3) Management never compels overwork, keeping watch on physical and mental conditions of the employees.

4. Supplementary Clause

4-1. Revisions and Abolitions

Any revisions or abolitions of our Sustainability Code of Conduct shall be subject to the approval of the Board of Directors.

4-2. Compliance Hotline

- (1) We will consult with Superiors on any question or problems in order to obey the Code of Conduct. The Superiors who have received the consultations, if necessary, will take appropriate actions to consult with their superiors or the Compliance Hotline of the Group.
- (2) We are privileged to consult with the said Hotline directly in case of being reluctant to consult with Superiors.

4-3. Penal Regulations

Infringement of the Code of conduct may be subject to disciplinary action according to working regulations and others.

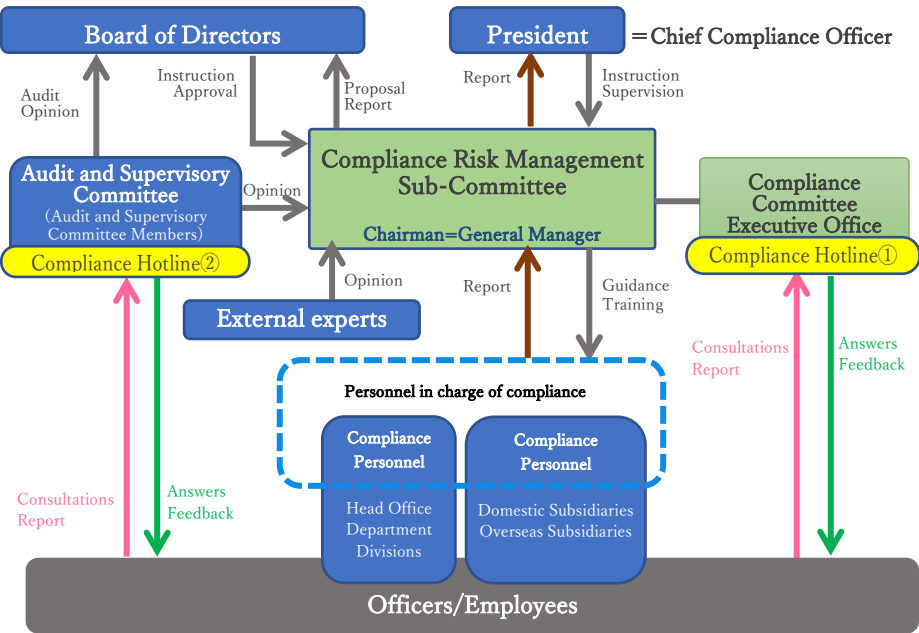
Date of Enactment and Revision and Abolition

1. Star Micronics Code of Conducts was brought into effect on March 1, 2005.
2. The same was partially revised and brought into effect as Star Micronics Group Code of Conducts on November 1, 2008.
3. The same was partially revised and brought into effect as Star Micronics Group Sustainability Code of Conducts on March 1, 2023.
4. Partially revised and brought into effect on July 1, 2024.

Compliance Promotion System

At Star Micronics Group, the President is the Chief Compliance Officer. A Compliance Committee is established under the direction and supervision of the President, and a compliance officer is appointed for each department. The Compliance Committee, chaired by the General Manager of Management, is composed of the Head of General Affairs and Human Resources, Head of Audit, Head of General Affairs, and special committee members. The special committee members shall be appointed by the Chairman according to the case to be deliberated. Measures and matters related to compliance are deliberated by the committee, and the deliberated measures are resolved by the Board of Directors. They are deployed to the Group from the CSR Promotion Division, which is the secretariat of the committee, through the compliance officers of each division.

Information regarding compliance issues at the site is collected by the committee through information from the compliance officers and reports to the Compliance Consultation Desk, etc., and the issues are promptly addressed. The contents of the consultation and report will be responded to according to the situation, and the answers and feedback will be provided to the relevant parties. We will also add external experts to the Committee as necessary to establish objective, fair, and honest compliance.



Compliance Consultation Desk System

If you have any concerns or doubts regarding compliance with the "Star Micronics Group Sustainability Code of Conduct", or if you want to report or prevent a wrongdoing that is about to happen in the workplace, please use the "Compliance Consultation Desk".

Specifically, the Compliance Committee Secretariat and the Audit and Supervisory Committee have established a compliance consultation desk to accept consultations and reports related to compliance violations.

We will also answer questions and concerns related to compliance and deepen our understanding of compliance within the company.

Please note that we cannot accept matters that are not related to compliance, such as mere dissatisfaction, expression of opinions, or slander of specific individuals.

In addition to the self-cleaning effect of the organization, the Star Micronics Group will enhance the self-cleaning effect of the company to discover and solve compliance problems by itself, and strengthen the compliance system through the operation of this Compliance Consultation Desk.

Compliance Consultation

If you are unable to solve the problem at your workplace or if you are unable to consult your supervisor, please consult the compliance consultation desk.

Although there are two compliance contacts, there is no particular distinction between them in terms of consultation content accepted.

When making an inquiry, use the contact desk which is convenient for you.

***Who can make an inquiry?**

Any and all persons engaged in the business of the Company, including executives, employees, and temporary employees of the Star Micronics Group (herein referred to as "Officers and Employees"), as well as Officers and Employees who retired within the last year.

- Kindly use your real name as much as possible so that the facts can be fully confirmed.
- Star Micronics will protect your privacy and rights and will handle all cases with complete confidentiality. Your discrete information will be handled in the most sensitive manner and any employee who discloses information will not be treated unfairly due to their statements.

Contact 1 Compliance Committee Executive Office
(Head of the General Affairs Office)
e-mail: c-soudan@star-m.jp

Contact 2 Audit and Supervisory Committee
(Standing members of the Audit and Supervisory Committee)
e-mail: c2-soudan@star-m.jp