

Group Charter of Corporate Behavior

Companies within the Group are not only economic entities that pursue profit through fair competition, but aspire to become useful entities that have credibility in society at large. Accordingly, the Group has established a set of principles to guide its corporate behavior, "Group Charter of Corporate Behavior" along with a set of principles to be carried out by each individual, "LIXIL Code of Conduct".

1. The Group strives to earn the confidence of its customers by pursuing their needs and by offering socially beneficial products and services.
 - The Group will always offer products and services focusing on customer satisfaction by seeing from customers' point of view.
 - The Group ensures the safety and quality of its products and services.
 - The Group provides its customers with appropriate and useful information regarding its products and services.
 - The Group communicates with its customers in good faith.
 - The Group protects personal data and customer-related information in a proper manner by following the Privacy Policy established by the Group.
2. The basic rule of the Group is to promote fair, transparent, free competition and sound trade in all business activities.
 - The Group makes thorough efforts to achieve compliance (with the law and corporate ethics) by understanding and abiding by laws related to corporate activities.
 - The Group conducts fair and right purchasing activities.
 - The Group protects and makes appropriate use of its intellectual property as well as respects the intellectual property rights of others.
 - The Group does not accept or offer gifts or entertainment to gain unfair business advantage.
 - The Group will maintain highly transparent relationships between political bodies and government agencies, with a firm commitment to law.
3. The Group engages in communication with members of society at large, including active and fair disclosure of corporate information.
 - The Group discloses necessary information to its stakeholders in an appropriate and timely manner.
 - The Group promotes interactive communication with society through public relations and community-relations activities.
 - The Group promotes active communication with shareholders and investors through annual shareholders' meetings and investor relations activities.
 - The Group does not engage in insider trading.
4. The Group respects the individuality of its workers, and also assures a safe and comfortable working environment in order to ensure the mental and physical well-being of all workers.
 - The Group introduces fair personnel management and human resources systems so that all workers can fully exercise their abilities and feel happiness.
 - The Group will not discriminate against any person due to his or her sex, age, race, nationality, physical appearance, religion, thought, or creed.
 - The Group promotes the mental and physical well-being of all workers by prioritizing safety to realize an ideal working environment without any work-related accidents.
 - The Group supports the development of all workers' abilities.

5. The Group positively involves in environmental issues.
 - The Group develops environmentally friendly manufacturing technologies and products, both in Japan and overseas.
 - The Group engages in corporate activities and conservation of nature by giving due consideration to biodiversity conservation.
 - The Group establishes a Basic Environmental Policy and communicates its environmental activities to society at large.

6. The Group makes social contribution as a "good corporate citizen".
 - The Group is aware that a company is a member of society, and as such it will contribute to resolution of social issues it should tackle.
 - The Group cooperates with its partners to develop business solutions, both domestic and overseas.
 - The Group has active involvement in social contribution activities.
 - The Group supports its workers' social participation.

7. The Group does not approve of any antisocial power or group, and stands against such in a determined manner.
 - The Group has no direct contact with any antisocial force, and by following laws it cooperates with relevant authorities in order to avoid any harm such force may have on our Group companies and workers.

8. The Group complies with international rules and contributes to the development of local communities by engaging in business activities while respecting local laws, cultures and customs.
 - The Group ensures that all workers comply with its code of conduct based on the international rules and local laws.
 - The Group respects local cultures and customs, and it engages in business activities based on mutual trust.
 - The Group maintains a highly transparent relationship between local political bodies and government agencies abiding by laws overseas, just like its activities in Japan.
 - The Group sternly disapproves of child labor and forced labor.

The Chairman and President of LIXIL Corporation (the highest and the second highest statuses among the group companies) regard the realization of this Charter as their own responsibilities, and constantly heed the voices of stakeholders, both internally and externally, to promote strong internal controls and thorough compliance to corporate ethics as a group, through their actions. In the case of incidents contrary to the principles of this Charter, the two will take the initiative to solve the issue by investigating its cause and develop countermeasures, transmitting information with speed and accuracy. At such times, those involved, including the Chairman and President as the case may be, in such issue's cause will be disciplined severely.