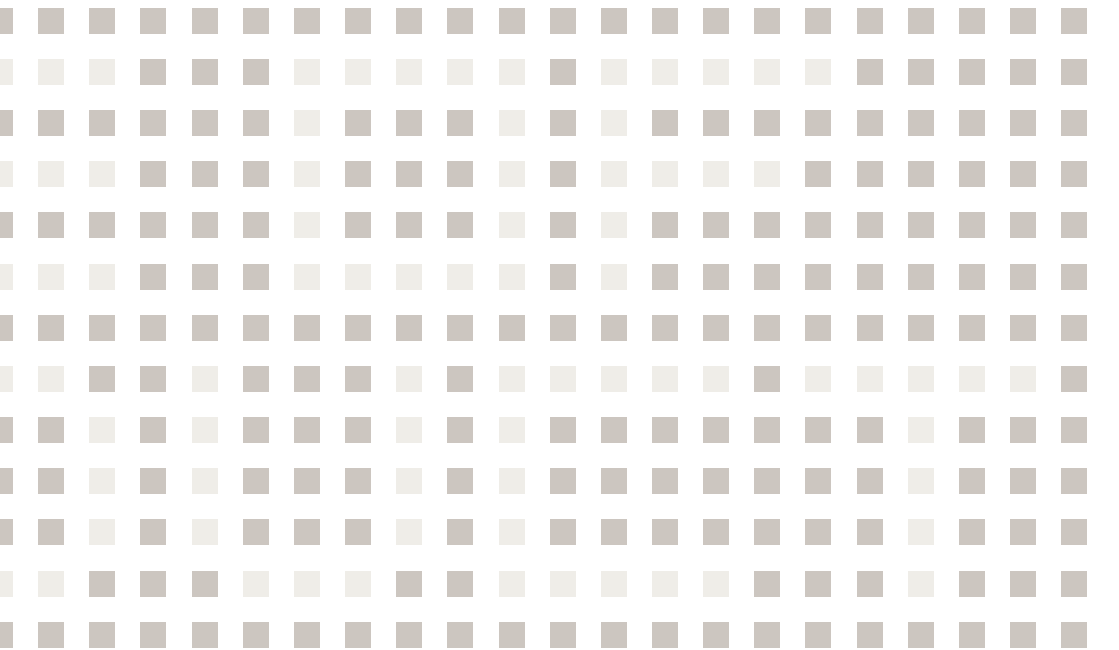




Link to Good Living

LIXIL GROUP

Code of Conduct



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Important notices

The standards outlined in our Group Code are by no means exhaustive. They do not necessarily replace other existing LIXIL Group policies and procedures, internal rules of the respective group companies, local policies, laws and regulations. In case of a conflict between our Group Code's standards and stricter local legislation, the stricter local legislation will prevail. However, any such conflict will not impact the remainder of our Group Code. Our Group Code contemplates global policies, detailed implementing procedures and guidelines to be issued for certain key risk areas of our Group Code. LIXIL Group's Entities may establish local Compliance policies and procedures in line with our Group Code, global policies, implementing procedures and guidelines, to incorporate stricter local legal and regulatory requirements or unique business or local risks not covered by our Group Code. The Chief Legal Officer of the LIXIL Group Corporation is responsible for maintenance of our Group Code.

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To all LIXIL GROUP members



Kinya Seto

President and CEO

A handwritten signature in black ink, appearing to be 'K. Seto', written in a cursive style.

Message from the President and CEO

For LIXIL to remain a company trusted by its stakeholders, it is important that we foster and further embed a culture of compliance at LIXIL. One of our LIXIL Behaviors, “Do the right thing,” not only encourages us to follow the rules and ethics, but it also pushes us to think and ask ourselves whether we believe what we are doing is the right thing.

If something doesn't feel right, then discuss it openly with your manager and your colleagues. Take the time to go through the LIXIL Group Code of Conduct, which should guide you in the appropriate way.

If you have any concerns or questions, you can talk with your manager or with the relevant department. You can also use our concern raising system “Speak Up!,” which ensures the confidentiality of your report. Rest assured that you will be protected from retaliation if you use “Speak Up!” in good faith to ask a question, seek advice or raise a concern.

Compliance truly is one of the most important parts of business. As CEO, I take responsibility for implementing a culture of compliance. Everyone at LIXIL should think about what doing the right thing means in their daily work and carry out their duties fairly. To establish an environment where we can do the right thing, we need to work as One LIXIL. Together, let's build a company that we can all be proud of.



Eiri Higuchi

Chief Compliance Officer

A handwritten signature in black ink, appearing to read 'Eiri Higuchi', written in a cursive style.

Message from Chief Compliance Officer

To achieve sustainable growth of the LIXIL Group, compliance-based business operations and behaviors from each member of LIXIL is essential.

Compliance is not only achieved by following laws, regulations and other rules, but by understanding and responding to our stakeholders' expectations. The LIXIL Group Code of Conduct provides each member of LIXIL with the foundation for their behaviors and alignment with high ethical standards. I hope that you will fully understand this Code of Conduct and use it as the guide for your behavior.

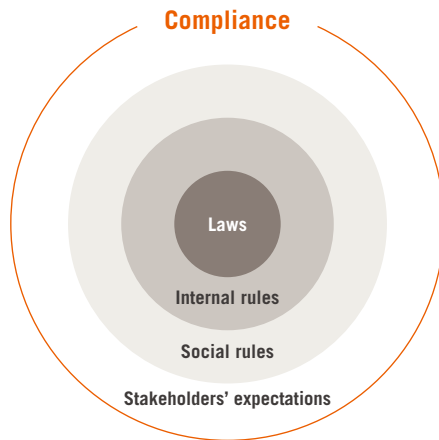
In addition, if you have a concern or anything you have perceived to be a potential compliance violation, you can raise such an issue by talking to your manager and colleagues, or using our Speak Up! Hotline or other local concern raising system. The Global Compliance team and other divisions will cooperate to investigate each concern. Your voice is a required starting point to solving a potential issue in its early stages and in making LIXIL a more excellent company.

With this Code of Conduct in mind, let's work together to ensure LIXIL is a global company we can be proud of.

The Road to Good Living: Compliance and Integrity

What is Compliance?

As a company, LIXIL Group's role is not just pursuing our own growth. We must be recognized as a good corporate citizen, adding value to society and meeting society's expectations, to ensure LIXIL maintains support and a place in the market. Therefore, when it comes to Compliance, merely following laws and regulations is insufficient - this is only a minimum requirement. It is critical that we continue our efforts to further embed a culture of Compliance by having a deeper understanding of what our stakeholders, including customers, expect from us. We should never act in a way that conflicts with those expectations.



In addition, Compliance should never be understood to be promoted by one specific department. Each individual's behavior is key to embedding and continuously strengthening a culture of Compliance. Therefore, every one of us must have deeper understanding of the meaning of Compliance and act to meet stakeholders' expectations in our daily work.

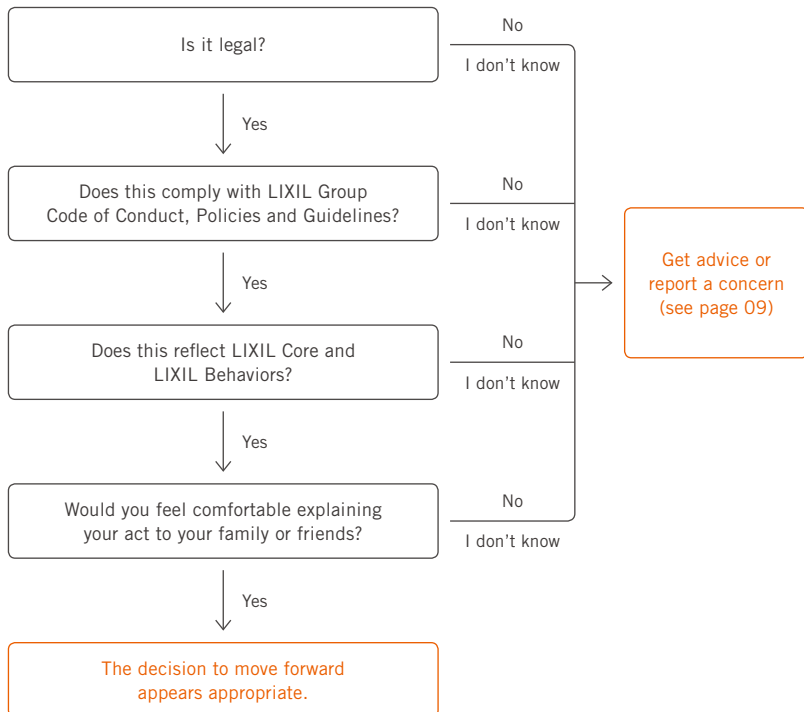
As a responsible company and a global leader in our industry, building trust with our customers, investors, business partners, and employees is critical to LIXIL Group's long-term performance and success.

The LIXIL Group Code of Conduct (“our Group Code”) guides us in the appropriate way to do business worldwide. Our Group Code is a common set of rules for the LIXIL Group members’ business activities. With the goal of achieving complete Compliance and internalization of ethically sound attitudes and behaviors, all LIXIL Group members must strictly adhere to our Group Code.

Our Group Code addresses what we should be doing in our day-to-day work with respect to certain key risk areas. The result of non-compliance in these areas can have significant legal and reputational consequences. You should utilize our Group Code to spot potential issues early so we may make the right decisions every day, regardless of where we work.

*Integrity: doing the right thing at all times and in all circumstances.

Ask yourself – Ethics Decision Tree



Who must follow Our Group Code?

Our Group Code applies to all members of the LIXIL Group including employees (including full-time, part-time, contract, fixed-term etc.), and officers (including directors and executive officers).

Our Group Code also applies to LIXIL Group joint ventures in which a LIXIL Group member controls more than 50% of voting rights, has management control or has other indicia of control. These joint ventures are required to adopt and follow our Group Code, which applies to their employees and officers, including directors and executive officers.

We expect our business partners, including suppliers, service providers and distributors, to uphold ethical rules equivalent to our Group Code. We have a [Supplier Code of Conduct](#) which we expect our suppliers to adhere to.

Complying with our Group Code

We are committed to complying with the laws and regulations of the countries in which we operate. Local laws and regulations are often complicated and enforcement of regulations is becoming stricter and broader. As LIXIL Group grows rapidly across the globe, it is a challenge for us to know and comply with all relevant laws and regulations throughout the world. Because it guides the actions you should take in conducting your work, following our Group Code will help you comply with applicable laws and regulations wherever you are.

It is our responsibility to read our Group Code thoroughly and understand its contents. You will periodically be asked to acknowledge Compliance with our Group Code.

Lead by example

Establishing a culture of Compliance is our most important responsibility. Part of this culture is dedicating the necessary resources to preventing, detecting and responding to Compliance violations.

As managers and supervisors, officers and other senior leadership of LIXIL Group bear responsibility for implementing this high standard, in addition to their responsibility to comply with our Group Code themselves. We encourage everyone to speak up and to create an environment where employees can report any concern without fear of retaliation. As managers and supervisors if another LIXIL member comes to us with a concern we will listen and evaluate the concern and ensure that it is dealt with appropriately.

Asking questions, seeking advice and raising a concern

It is our responsibility to ask questions, seek advice and raise concerns if we suspect or risk a breach of our Group Code, relevant policies or laws and regulations.

You do not need to be an expert on every law and regulation or certain that a violation has occurred. The earlier we could identify an issue, the better we can deal with to minimize impacts to the company and our workplace.

In raising your concern, you may choose to remain anonymous. However, you are asked to report enough details to allow the issue to be addressed, such as the name of the company, region, place of business and participants. Without such information, it is often difficult to take measures to address the issue.

LIXIL Group will not retaliate against an employee who has asked a question, sought advice or raised a concern in good faith, even if the concern after investigation turns out to be unsubstantiated.

Where to get advice or report a concern?

There are several channels through which you can ask a question, seek advice or report a concern regarding a suspected breach of our Group Code, relevant policies or laws and regulations:

- ▶ Your manager
- ▶ Your Human Resources representatives
- ▶ Your Legal/Compliance representatives
- ▶ Your relevant department
- ▶ Chief Legal Officer or Chief Compliance Officer of your region or business
- ▶ Concern reporting system of your business.
(The name of this channel may vary among different LIXIL Group entities – e.g., Compliance helpline or whistleblower system, ombudsman system.)
- ▶ Speak Up! the LIXIL Group Compliance Hotline available to almost all employees globally (lixil.ethicspoint.com)



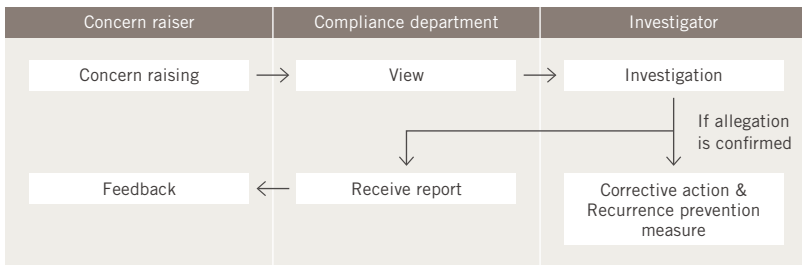
For more details, please refer to [Concern Raising Policy](#) and [Speak Up! FAQ](#).

What happens if I ask a question, seek advice or raise a concern?

The Legal/Compliance Department will review your report and screen it appropriately. Compliance-related reports will be investigated through the Legal/Compliance Department. Reports that do not raise Compliance issues will be forwarded to HR or other appropriate department.

We ensure confidentiality of the report to the extent possible by law. If you raise a legitimate concern, a limited number of people will be informed, on a need-to-know basis, in order to assist in resolving the potential issues, properly.

In seeking to cooperate in good faith with audits and investigations by governments and regulators, we may choose to self-report violations, which could result in government action.



Investigation

The investigation process will be neutral and conducted without any presumption of wrongdoing. The focus will be on clarifying the facts, implementing necessary changes based on the findings, ensuring that lessons are learned and avoiding similar issues in the future. You are expected to cooperate in the investigation of a possible violation of our Group Code, relevant policies or laws and regulations.

Once the investigation starts, you should refrain from speaking with anyone about the investigation other than the investigators.

If notified by the government or relevant regulators for an audit or an investigation, you should contact the Legal/Compliance Department or relevant department of your business to seek advice and instruction.

Disciplinary action

Violating our Group Code, relevant policies or laws and regulations could result in disciplinary action up to and including termination of employment pursuant to each LIXIL Group Entity's disciplinary policies and local laws.



1

Integrity in our marketplace

We are passionate about our customers and their experience with our products and services. When dealing with our customers and business partners, we should strive to earn their business fairly and honestly, avoid unfair or deceptive trade practices, communicate our sales programs clearly and deliver on our promises everywhere we work.

-
- 1-1 Product quality and safety
 - 1-2 Marketing communication
 - 1-3 Suppliers

Product quality and safety

We ensure our products and services throughout the world meet high quality standards.

Our customers should have every reason to trust the quality of our products and services. We give the utmost priority to product quality and safety. We comply with applicable international and local regulatory requirements as well as our own high standards. Furthermore, we ensure that our suppliers and distributors meet our quality standards.



Marketing communication

We are truthful in our advertising, promotions and public statements.

Being passionate about customers means that our advertising, promotions and public statements must be truthful. We do not make misleading or deceptive statements about our products or their attributes.

We compete fairly, with no misleading or unsubstantiated statements about competitors' products or infringement of their trademarks or other legal rights.

We comply with all applicable laws and regulations governing advertising, trade practices, competition and customer promotions.



Suppliers

We require our suppliers to obey applicable laws and ethical rules equivalent to our Group Code, including worker safety and environmental requirements.

LIXIL Group's supplier relationships must be based on lawful, efficient and fair dealings. As part of our supply chain, the suppliers we choose must, among other things, comply with anti-corruption and competition laws, obey fair work laws, provide a safe and healthy workplace and strive to protect the environment. It is our duty to provide high quality products and services as well as respect the environment and human rights. We ensure that each LIXIL Group Entity has procedures to review suppliers' qualifications, and to use objective selection criteria.



Policy on Third Party Compliance for Suppliers





2

Ethics in our business activities

We have an unwavering commitment to compliant, fair, ethical and responsible business conduct and we make business decisions based on these principles. We work against corruption in all its forms, including extortion and bribery. We will compete fairly and in compliance with competition laws throughout the world.

-
- 2-1 Anti-corruption: Proper and transparent relationships with government officials and our stakeholders
 - 2-2 Conflicts of interest
 - 2-3 Prohibition of involvement with criminal organizations and individuals
 - 2-4 Anti-money laundering
 - 2-5 Fair competition
 - 2-6 International trade
 - 2-7 Political and religious activities

Anti-corruption:

Proper and transparent relationships with government officials and our stakeholders

LIXIL Group prohibits giving of money or improper benefits, including excessive services, gifts and entertainment, to government officials and ensures transparent relationships with them. We also do not give or receive money or other benefits, including excessive gifts and entertainment, to or from private business partners in order to secure an improper benefit.

We are committed to working in a corruption-free business environment.

Thus, we do not give or promise money of any value, nor excessive services, gifts and entertainment, to governments or government officials (a term which includes employees of state-owned enterprises, political candidates and their employees, and all other public officials) that could be construed as intending to improperly influence their decisions. These prohibitions include what are known as “facilitation payments.” We also do not provide such benefits to the employees of customers or business partners.

Problematic benefits include, among others: hiring someone who is a current or former government official or his/her family member to obtain even an indirect benefit from the government official without the prior approval in accordance with company’s procedure; paying unofficial “fees” or “tips” to licensing authorities or customs officials; or using a third party, such as a travel agency, to arrange a personal trip for an customer’s executive at the company’s expense in exchange for arranging for his/her company to purchase our products.

We may offer and accept unsolicited gifts and entertainment that are business courtesies, designed to build relationships and goodwill, if they are not intended to secure a particular business or personal benefit, are appropriate to the circumstances and are moderate in terms of value, frequency and quantity. We do not solicit gifts or entertainment of any value, nor may you provide gifts or entertainment in response to solicitations.

We must document and keep records of gifts and entertainment in accordance with our Group Code, policies and procedures.

Additionally, you may not use a third party as an intermediary to confer any benefits that would be prohibited if you were to offer them directly. We will seek to ensure our third parties are aware of and compliant with our anti-corruption standards, including conducting risk-based anti-corruption diligence before engaging third parties.



Anti-corruption Policy

Policy on Third Party Compliance for Sales Intermediaries

Global Guidelines on Performing Due Diligence on Sales Intermediaries

Global Gifts and Entertainment Guidelines

Conflict of Interest Policy

No matter where in the world we work, there is an anti-bribery law that applies to us. Under some countries' laws, such as Japan, the US, UK and Germany, a LIXIL Group Entity or its employees and officers may be held liable for activities that occur outside those countries.

What is a “facilitation payment”?

A facilitation payment is the provision of money or goods to a government official to perform, or speed up the performance of, a duty the official already has to you. For example, paying a customs official to clear goods for import, where he/she is technically required to clear them anyway, would be a facilitation payment.

What is a “kickback”?

A kickback is a form of corruption that involves two parties agreeing that a portion of sales or profits will be improperly given, rebated or kicked back to the purchaser in exchange for making the deal. For example, a kickback might involve a supplier who offers us a certain percentage of our purchases as a monthly payment as an inducement to retain their services.

Conflicts of interest

We avoid conflicts of interest and the appearance of conflicts, and disclose any potential conflicts to the company.

A conflict of interest will occur where there is a conflict between the best interests of LIXIL Group and the personal interests of a LIXIL Member. We act in LIXIL Group's best interests and avoid any action or appearance that puts our personal needs ahead of LIXIL Group's interests.

We should not put ourselves in situations where our business decisions can be influenced or appear to be influenced by personal or family interests or friendships.

It is our obligation to voluntarily and proactively disclose any actual or potential conflict promptly to the company. In most cases, conflicts can be resolved by an open and honest discussion. Certain material conflicts may require the acknowledgement of confidentiality obligations, reassignment or recusal from certain business decisions.

Where can we find the situations that may lead to conflicts of interest?

- ▶ Engaging in activities that compete with LIXIL Group's interests;
- ▶ Personally receiving any amount of cash, benefits, entertainment or gifts of more than modest value from any customer or supplier of goods and/or services to LIXIL Group Entities;
- ▶ Serving as an officer or director of, or working for, any customer, business partner or competitor of LIXIL Group without receiving prior approval in accordance with company's procedures;
- ▶ Acquiring or maintaining an ownership interest in any customer, business partner or competitor of a LIXIL Group Entity;
- ▶ Influencing the hiring of any family members of LIXIL Group employees at any customer or business partner of LIXIL Group or seeking to get such people treated favourably.



Anti-corruption Policy

Policy on Third Party Compliance for Sales Intermediaries

Global Guidelines on Performing Due Diligence on Sales Intermediaries

Global Gifts and Entertainment Guidelines

Conflict of Interest Policy



Prohibition of involvement with criminal organizations and individuals

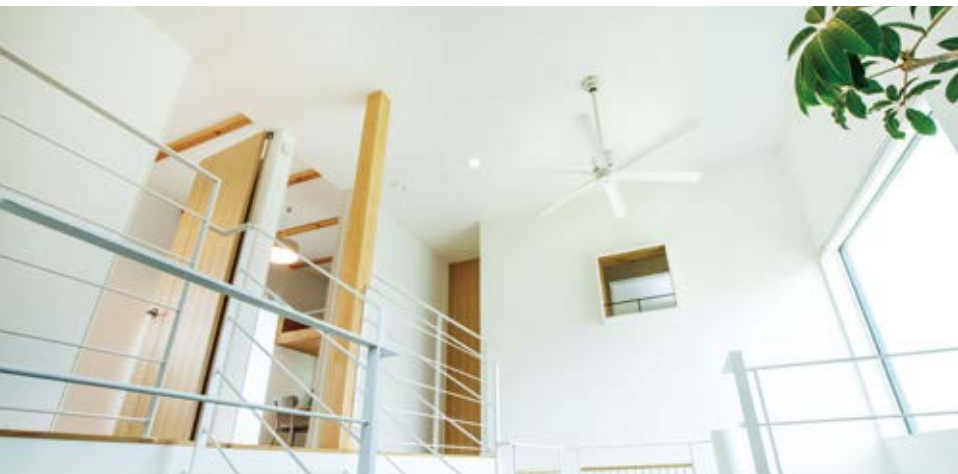
LIXIL Group shall never have any relationships with criminal organizations or individuals.

We will not be voluntarily involved with any act which may endorse or contribute to the activities of criminal organizations or individuals, such as corporate extortionists and members of organized crime, including as customers, business partners, or otherwise. We will not give in to threats by such parties and will promptly report any such threats to the company.



Policy on Third Party Compliance for Sales Intermediaries

Global Guidelines on Performing Due Diligence on Sales Intermediaries



Anti-money laundering

LIXIL Group ensures it has procedures to prevent money laundering and comply with anti-money laundering reporting requirements.

We are committed to the international fight against money laundering. Money laundering is the criminal practice of filtering the proceeds of crime, or 'dirty money,' through a series of transactions so that the funds are 'cleaned' in order to disguise their illegal origin. We ensure that LIXIL Group Entities conduct business in accordance with all local legal requirements, including compliance with any currency reporting requirements.

We do our best to conduct business only with customers and business partners who have legitimate business purposes and are using legitimate funds. Therefore, we do not allow and are not involved with criminal activities and, if we become aware of them, keep ourselves away from them.



Anti-money Laundering Policy

Policy on Third Party Compliance for Sales Intermediaries

Global Guidelines on Performing Due Diligence on Sales Intermediaries

What are red flags for money laundering?

For example, if a customer or supplier requests cash or other unusual payment terms, you should suspect money laundering activity. Don't ignore it; you should report your concern.

Fair competition

We support free and fair competition and do not use illegal or questionable measures to gain an advantage over a competitor.

LIXIL Group's policy is to compete independently, and never to engage in illegal anticompetitive activities. We operate in accordance with all applicable antitrust and competition laws and regulations wherever we do business.

We do not collaborate or create the appearance of collaboration by discussing with, or disclosing to competitors, whether directly or through third parties, sensitive information which has an impact on competition such as prices, customers, and future planning. When we collect competitive information, we do not use illegal means or misrepresentation, or induce customers, business partners or (current or former) employees of competitors to provide confidential information, whether directly or through third parties.

We do not mandate or agree on a customer's resale prices or incentivize customers to follow recommendations through any form of coercion or punishment. We also do not impose conditions of sale that can exclude competitive products or limit a customer's scope of resale. These restrictions can lead to severe violations against competition laws. Consult your business's Legal/Compliance Department before you discuss exclusive sales or services agreements, termination of sales, refusals to sell, tying the sale of one product to the purchase of another or territorial or customer restrictions on the resale of products.

We do not abuse dominant market positions. Consult your business's Legal/ Compliance Department if you suspect that a LIXIL Group Entity holds a dominant market position in a certain region or product category.

*A dominant market position could exist if a LIXIL Group Entity controls 1/3 or more of the market for particular products or services.



Fair Competition Policy

Policy on Third Party Compliance for Sales Intermediaries

Global Guidelines on Performing Due Diligence on Sales Intermediaries



International trade

When importing or exporting goods, services, software or technology, we comply with applicable laws and regulations.

When transferring goods, services, software or technology across international borders, we comply with all applicable laws and regulations, including those related to customs duties, country of origin labelling, and import/export taxes and levies.

We must pay attention to laws and regulations relating to transfers across international borders, particularly those:

- regarding the import/export of goods, services, software or technology
- restricting or prohibiting doing business with specific countries or regions, companies, or individuals

Such laws and regulations* include export control laws and economic sanctions of Japan, U.S., EU and the United Nations.

* These laws and regulations including those relating to economic sanctions as well as those restricting or prohibiting

- the export of specific goods, services, software or technology, or
- doing business with specific countries or regions, companies, or individuals

for reasons relating to

- national security and prevention of military use
- prevention of development of conventional weapons and weapons of mass destruction
- restriction on doing business with terrorists and criminals

These laws and regulations are highly technical and require utmost attention. When in doubt, please always seek advice from specialized department or the Legal/ Compliance Department in charge of your business.



International Trade Controls Policy
Policy on Third Party Compliance for Sales Intermediaries
Global Guidelines on Performing Due Diligence on Sales Intermediaries



Political and religious activities

We do not use LIXIL Group funds or resources for personal, political or religious activities.

LIXIL Group encourages its employees to participate in their local communities, which may include political and/or religious activities. However, that we cannot use the name of LIXIL Group or a LIXIL Group Entity or our own position within the company to promote particular political or religious causes.

Any payments on a LIXIL Group Entity's behalf to political candidates or parties are strictly regulated and must be pre-approved in accordance with the company's procedures.

LIXIL Group does not support or associate with political or religious activity that incites extremism or challenges our commitment to cultural diversity and equal opportunity.

On occasion, LIXIL Group may communicate information and opinions on issues of public concern that affect our company. These communications are not intended to compel us to adopt certain ideas or support certain causes. Your political beliefs and actions are entirely personal and voluntary.



3

Respect in our workplace

We encourage open and honest communication that demonstrates respect toward others, rooted in the understanding that a diverse and inclusive workplace enables more creativity and collaboration, leading eventually to an environment of greater trust and success.

-
- 3-1 Diversity and inclusion
 - 3-2 Human rights
 - 3-3 Anti-harassment
 - 3-4 Health and safety at workplace

Diversity and inclusion

We treat everyone equally and fairly.

We value diversity and equal opportunity in our workforce.

We provide equal employment opportunity for all applicants and employees. In our employment processes, our decisions are made without considering race, color, religion, national or ethnic origin, ancestry, age, disability, gender, pregnancy, marital status, sexual orientation, gender identity or expression, political or personal belief, union membership or any other characteristics protected by local laws and regulations. These principles extend to all employment decisions including recruiting, training, evaluation, promotion and rewards.

We also make reasonable accommodations for employees and applicants with disabilities, and comply with all local laws protecting disabled employees.

We respect the diverse religions and traditions of our employees around the world. We strive to make reasonable accommodations, to the extent permitted by local laws, for religious practices.



Anti-discrimination and Harassment Policy



Human rights

We respect human rights everywhere we work.

LIXIL Group supports and respects the protection of internationally proclaimed human rights, and we will ensure we are not complicit in human rights abuses.

We recognize the importance of maintaining and promoting fundamental human rights everywhere we work and do business, including in our supply chain.

LIXIL Group is committed to upholding the freedom of association and the effective recognition of the right to collective bargaining. All employees have the right to freely form and join groups for the promotion and protection of their employment interests to the extent permitted by law. We also comply with laws and regulations concerning privacy, immigration, working time, wages and hours, as well as laws prohibiting forced, compulsory and child labor, trafficking in persons and employment discrimination.



LIXIL Group Human Rights Principles



Anti-harassment

We are free to do our jobs without fear of harassment or bullying.

LIXIL Group seeks to provide a work environment that is free from discrimination, harassment and bullying of any kind and any other offensive or disrespectful conduct. Harassment could be in the form of unwelcome verbal, visual, physical or other conduct that creates an intimidating, offensive or hostile work environment.

We do not tolerate sexual harassment of any kind against any employee, such as unwanted touching, sexual or lewd language and sexual coercion.

Everywhere we operate, we are expected to treat one another with respect and dignity and to speak up if we have been a victim of or have witnessed discrimination, harassment or bullying. LIXIL Group does not allow retaliation against anyone for raising in good faith a complaint about discrimination, harassment or bullying.



Anti-discrimination and Harassment Policy

Health and safety at workplace

We work in a safe, healthy and unthreatening workplace.

LIXIL Group is committed to providing a healthy and safe workplace for employees, customers, visitors, contractors, vendors and others on our property.

We comply with health and safety laws and regulations, standards, guidelines and related requirements applicable to our business.

We do not tolerate violence of any kind, whether explicit or implicit, physical or mental, including threatening behavior, physical intimidation, coercion and acts of physical violence.

We do not work under the influence of alcohol or any substances that may impair our own ability to work safely and do not process, sell, use, transfer or distribute illegal drugs or controlled substances.



LIXIL Group Occupational Health and Safety Principles





4

Proper use of LIXIL Group's assets

We value LIXIL Group's assets as our own and keep confidential information private and secure.

-
- 4-1 Accurate accounting and financial reporting
 - 4-2 Insider trading
 - 4-3 Protection of LIXIL Group's assets
 - 4-4 Privacy
 - 4-5 Intellectual property
 - 4-6 E-mail, internet and information systems
 - 4-7 Communicating with external parties

Accurate accounting and financial reporting

We keep true, accurate and complete business records.

We are committed to keeping true, accurate and complete business records and reporting including our financial statements, contracts, internal reports such as meeting minutes or daily business report, and external reports such as a research reports as well as tax filings.

Our financial reports are prepared on time, and with accuracy and completeness. All accounting and financial reporting activities at LIXIL Group must be consistent with all applicable laws, regulations and other rules, including International Financial Reporting Standards (IFRS).

LIXIL Group keeps all business records in accordance with applicable document retention rules, ensuring they are retained in a responsible manner and destroyed only in accordance with such rules.

In particular, records relating to a pending litigation, audit or government investigation may not be destroyed. Destruction or falsification of records to avoid disclosure in a legal proceeding or to a regulatory agency may constitute a criminal offence with severe penalties for the company and the individual employee.

When submitting expense reimbursements, we will claim only genuine business expenses based on accurate records and reports. Claiming inaccurate expenses for business trips and requesting/receiving reimbursements using falsified or fictitious receipts are criminal acts. LIXIL Group may pursue civil and criminal remedies in such matters.

Insider trading

We do not trade securities on the basis of non-public information gained through our employment at a LIXIL Group or its entities.

Insider trading is prohibited in many jurisdictions in which we conduct business. We must not trade in a LIXIL Group Entity's stocks, bonds or derivatives when we have material, non-public information relating to a LIXIL Group Entity. The same rule applies for securities of a LIXIL Group Entity's customers, business partners and affiliates if we have material, non-public information relating to them by virtue of working at a LIXIL Group Entity. Trading these securities through third parties, including family members or friends, is also not allowed.

We are also careful to avoid the appearance of insider trading to prevent an assumption that we have engaged in a transaction while aware of material, non-public information. We do not sell or buy securities of LIXIL Group Entities, their customers, business partners and their affiliates at around the time when an announcement is made that would affect its share price.

We do not pass along inside information to third parties, including family members or friends. It is illegal in many jurisdictions to share inside information with other people who then trade on the information, even if the person who provided the information does not personally gain from sharing it.



Insider Trading Policy

Protection of LIXIL Group's assets

We spend considerable resources to develop, maintain and improve our business assets. It is our responsibility to protect all of LIXIL Group's assets and use them only for legitimate business purposes.

LIXIL Group relies on us to protect our assets from loss, leakage, theft or wrongful use. We have a duty to protect LIXIL Group's assets. These include equipment, inventory, land, buildings, facilities and corporate funds, as well as intangible assets such as intellectual property, confidential information, our name and reputation.

We use LIXIL Group's assets only for legitimate business purposes. We may not use LIXIL Group's assets for personal purposes unless properly authorized to do so. For example, taking home office equipment and supplies for unapproved personal use is a violation of our Group Code.

Information forms an important part of LIXIL Group's assets and safeguarding confidential information is a priority for us. We need to keep LIXIL Group's confidential information to ourselves and do not disclose such information outside the company without obtaining proper authorization. This includes not just intellectual property and business trade secrets, but also information on product development, pricing, customers, business partners and business trends. As a general principle, we assume that all internal information obtained in the course of our duties should be treated as confidential.

Even after our employment is terminated, whether through voluntary resignation or otherwise, we will not disclose confidential LIXIL Group information nor use such information.

All of the information, work product and other materials that we have produced in the course of our work is LIXIL Group's property. Therefore, we will return all documents, data and other LIXIL Group property upon termination of our employment, and management will confirm that the property has been returned.



Privacy

LIXIL Group protects the personal information of its stakeholders.

We hold and process a variety of personal data of customers, business partners, employees and other individuals. Each LIXIL Group Entity fully complies with privacy laws that are in effect in the countries where we operate, as well as the LIXIL Group's Personal Data Protection Policy and all other relevant guidelines and procedures.

We ensure that personal data we process and transfer are:

- ▶ Fairly and lawfully obtained;
- ▶ Processed only for limited or stated purposes;
- ▶ Adequate, relevant and not excessive;
- ▶ Accurate and, where necessary, up to date;
- ▶ Not kept for longer than is necessary;
- ▶ Processed in accordance with applicable laws; and
- ▶ Held securely pursuant to organizational, personal, physical, and technical requirements.

We ensure that third parties that process personal data on our behalf adhere to applicable laws and regulations, our policies and relevant minimum standards including those set out in our Group Code.

What is personal data?

The definition of personal data varies by country. Generally, personal data is any information which relates to a living individual who can be identified: (a) from that information or (b) from that information and other information which is in the possession of, or is likely to come into the possession of, the data controller. In EU countries where privacy law is said to be the strictest in the world, personal data includes any expression of opinion about the individual and on-line identifiers. Typical types of personal data that must be protected include names, addresses, telephone numbers, e-mail addresses, government identification numbers, banking information, compensation information and medical history.



Privacy Policy
Personal Data Protection Policy
Email Investigation Guidelines



Intellectual property

LIXIL Group values its and others' intellectual property.

Intellectual property is one of LIXIL Group's core assets, including its patents, designs, copyrights, trade secrets and trademarks. We vigorously protect LIXIL Group's intellectual property by enforcing its rights against those infringing LIXIL Group's rights. We do not allow any third parties to use LIXIL Group's intellectual property without the company's proper authorization. Our intellectual property rights are adequately protected in contracts with our business partners.

We respect others' intellectual property as well. We do not use others' intellectual property unless authorized by the legitimate owner of the intellectual property. We will also review our suppliers and obtain their agreement to respect others' intellectual property.

Intellectual property created by LIXIL Group employees, in the course of conducting LIXIL Group's business, belongs to LIXIL Group to the extent permitted by law, regardless of the location of the work or whether created during or outside of working hours.



E-mail, internet and information systems

We use LIXIL Group's e-mail, internet and information systems responsibly with utmost care towards security.

Efficient use of information technology including e-mail, internet and information systems is key to developing our business. We are aware of the security risks in using information technology tools provided by the company to conduct business.

We use the company's e-mail, internet and information systems only for legitimate business purposes in compliance with all relevant laws, regulations and applicable information security policies.

The company may monitor, record, share or otherwise use any communications undertaken via the company's information systems to the extent permitted by local law.



Email Investigation Guidelines



Communicating with external parties

Reputation and brand are critical assets of the LIXIL Group.

Forthright and accurate communication with our stakeholders helps us to successfully manage both our reputation and brand. We should refrain from commenting about our company or any of its divisions to outsiders without appropriate authorization. In general, we should direct requests from external parties for internal information to the appropriate function.

Posting information on social media sites such as Facebook, LinkedIn, etc. is considered speaking to external parties, so the same rules apply. Therefore, unless it is on an internal company social media site such as Workplace, we do not discuss LIXIL on any social media platform without appropriate authorization.





5

Contribution to society

LIXIL Group believes in the stewardship of the environment and our communities. We encourage contributing to valuable public causes outside of work.

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- 5-1 Environment
 - 5-2 Local community

Environment

LIXIL Group cares about the planet.

We acknowledge the value of preserving the global environment. The planet is an irreplaceable asset that we must leave in good condition for future generations. We are committed to local and international environmental protection laws, regulations and principles. When evaluating LIXIL Group's business operations, including our supply chain, we consider environmental impact and our duty of environmental stewardship as important criteria.

We install, maintain and monitor environmental controls to ensure our emissions meet legal limits. We assess environmental risks when we begin any new activities, including product design, entering a new market, building a factory and purchasing another business, as well as when we divest a business. In acquiring and disposing of real estate, we will conduct all required environmental surveys.

We strive to preserve the global environment. Accordingly, we work to reduce the environmental strain caused by our business activities, promote greener processes (e.g., using environmentally friendly materials, saving water and raw materials, energy conservation, reducing GHG emissions), develop environmentally friendly products and take other actions to contribute to the preservation of the global environment.

We take a precautionary approach to environmental challenges, undertake initiatives to promote greater responsibility and encourage the development and diffusion of environmentally friendly technologies.

We will seek to have our suppliers similarly comply with these principles and requirements.



LIXIL Group Environmental Sustainability Principles

Local community

LIXIL Group supports the communities in which it operates.

LIXIL Group acknowledges the value of winning the local community's trust. As a community-minded company, we strive to contribute to, and engage in activities that promote development of, the local community.

LIXIL Group supports and encourages us to participate in programs advancing local welfare, including volunteer activities.

There are some occasions where a LIXIL Group Entity makes charitable contributions, reflecting our corporate citizenship and community involvement. Charitable contributions may only be made after a formal approval process has been followed. In case of any doubts regarding the ethical, moral and legal correctness of a specific charitable contribution, consult with your business's relevant department or Legal/ Compliance Department.



