

# What is the Compliance Hotline?

The final part of the Charter of Corporate Behavior, “Sound Corporate Ethics,” states that the JPX Group management will develop an effective internal structure to realize the principles of the Charter. As one practical part of this internal structure, JPX has established an internal reporting system called the Compliance Hotline.

The Compliance Hotline is set up so that if an employee (of any kind) witnesses an act that violates or could possibly be seen as violating laws and regulations or internal rules such as the Charter of Corporate Behavior, the company can be swiftly made aware of the act through a report from the employee and take corrective action.

Information gathered through the Hotline is investigated in a responsible manner by the Hotline secretariat, as well as being reported to a limited number of others as prescribed in the rules, such as the Chief Compliance Officer (the Group CEO). If the investigation confirms a problematic act took place, the individual who carried out the act will be given a strict penalty, and this is reported to the necessary people. The person who reported the information will also be told the results of the investigation as far as possible.

## ■ Important details about the Compliance Hotline

- ★ In addition to the internal line, reports can also be made to an external line.
- ★ Reports can be made anonymously to both the internal and external lines.
- ★ Those reporting information can receive an outline of the investigation results (unless reporting anonymously).
- ★ Reported information, investigation results, and corrective action/recurrence prevention measures are reported to relevant people such as Audit Committee members as well as the CEO.
- ★ The company’s internal rules protect those reporting information or making enquiries from detrimental treatment as a result of using the Hotline
- ★ All those involved in cases reported to the Hotline have a duty of confidentiality as prescribed by the company’s internal rules
- ★ Reports or enquiries can be made by non-regular workers such as those hired through agencies and secondees.

# How the Compliance Hotline Works

