

The Japan Steel Works Group's Policy Concerning Operation and Management of Public Research Funds and Prevention of Research Misconduct

Establishment: April 1, 2017

Revision: April 1, 2018

October 1, 2018

April 1, 2021

October 1, 2023

November 1, 2025

In the fundamental framework for internal control that is stipulated in the Fundamental Policy for Internal Control, the Japan Steel Works Group (hereinafter referred to as the "Company Group") will stipulate the policy below for initiatives for the prevention of misconduct related to public research funds (hereinafter "Operation and Management of Public Research Funds") and will strive for proper handling of public research funds as well as the appropriate handling of misconduct and inappropriate actions in research and development activities.

I. Responsibility system

The managers below will be established for the purpose of conducting the proper Operation and Management of Public Research Funds in the Company Group.

1) Chief Administrator: The officer in charge of CSR and risk management

This person will oversee the overall matters within the company and will bear ultimate responsibility for the Operation and Management of Public Research Funds.

2) General Administrator: The officer in charge of technology (CTO)

This person will assist the Chief Administrator and have substantial responsibility and authority for overseeing overall matters within the company concerning the Operation and Management of Public Research Funds, and he or she can, as necessary, appoint a Compliance Promotion Officer who will share practical work for that oversight.

3) Compliance Promotion Officer: The manager of a business department to which public research funds are allocated

This person will have substantial responsibility and authority for the Operation and Management of Public Research in each department.

II. Clarification of rules and improvement of related people's awareness

The Compliance Promotion Officer will conduct the matters below.

1) Instructions will be given to all of the people involved in research and development activities related to public research funds so that operation and management will be conducted according to the rules for internal administrative procedures that are stipulated by all companies' regulations and individual standards.

2) Education for the purpose of preventing misconduct and inappropriate actions in research and development activities and the unauthorized use of public research funds will be provided.

III. Handling, investigation, and disposition of whistleblowing

- 1) A contact point that will accept whistleblowing from internal and external parties in relation to misconduct and inappropriate actions in research and development activities and in relation to the unauthorized use of public research funds will be established based on the Whistleblowing Regulations.
- 2) Other handling, investigation, and disposition of whistleblowing, including the protection of whistleblowers, shall be according to the Whistleblowing Regulations and the manual for those regulations.

IV. Monitoring

Monitoring and audits related to whether public research funds are being properly employed will be conducted.

Supplementary provisions

1. This policy (revision) will go into effect on November 1, 2025.