

Competition Law Compliance Rules
(Decision by Board of Directors)

May 27, 2010

Japan Petrochemical Industry Association

Taking into account the status of administration of countries' competition laws, Japan's Antimonopoly Act and other factors in recent years, the Japan Petrochemical Industry Association (hereinafter, "Association"), a trade association, shall set forth the following Compliance Rules at the Association in regard to competition laws because, among other reasons, it has been deemed that abiding by competition laws including Japan's Antimonopoly Act (hereinafter, "Competition Laws") in the operation of the various committees and other meetings under the auspices of the Association as well as in the exchange of statistical data and other trade association activities consequently also has advantages for members of the Association.

1. Scope of Application

The scope of application of these Compliance Rules shall extend to the Association's Senior Managing Director and Secretariat employees (hereinafter, "Secretariat Employees.") as well as members of the Association and any other person who is not a Secretariat Employee that participates in a meeting of the committees or other bodies sponsored by the Association (hereinafter, "Members.").

2. Responsible Persons & Division in Charge

(1) The person responsible for these Compliance Rules shall be the Association's Senior Managing Director, and the assistant shall be the Manager of the General Affairs Division (hereinafter, "Responsible Persons").

(2) The division in charge shall be the General Affairs Division.

3. Training

Reflecting the fact that Secretariat Employees having knowledge about competition law compliance leads to the fostering of a feeling of trust and a sense of security among members, the Responsible Persons shall strive to enhance the knowledge of each person by, among other actions, conducting training utilizing outside seminars or by inviting experts and other knowledgeable persons in departments responsible for compliance at member companies.

4. Rules for Meetings

(1) Prior confirmation of agenda items and data

Secretariat Employees shall satisfactorily confirm in advance agenda items, materials for distribution, and other items pertaining to meetings so that no content is included that may pose a problem with regard to Competition Laws.

(2) Proceedings

1) At meetings, member companies shall avoid contact particularly when such contact is only among rival and otherwise competing companies, and no less than one Secretariat Employee shall be present.

2) In the event an attendee's remark during the proceedings of a meeting is determined likely to become an issue in regard to Competition Laws, a person present at the meeting shall request the Chairperson to call attention to the speaker or take other action, and the fact that the corresponding request was made shall be mentioned in the minutes of the meeting proceedings.

3) In the event a speaker does not discontinue his remarks despite the Chairperson having taken action to remind the person who made the remark that such remark is likely to become an issue with regard to Competition Laws, the Chairperson shall conclude said meeting and the reason for said conclusion shall be mentioned in the minutes of the meeting proceedings.

(3) Content of Meetings

Persons attending meetings shall not exchange information about the following matters. In addition, Secretariat Employees shall strive not to allow Members and other persons attending a meeting to conduct any of these acts.

1) Matters concerning pricing and similar matters that member companies treat in commercial transactions and are listed hereinafter: pricing, price changes, price differences, discounts, credit terms, costs, etc. However, this provision shall not apply to matters which have already been made public.

2) Matters which concern quantity and similar matters that member companies treat in commercial transactions and are listed hereinafter: production volumes, production capacity, inventories, intended areas concerning the sale or marketing of particular products, etc. However, this provision shall not apply to matters which have already been made public.

3) Member companies' demand forecasts and trends

4) Member companies' freight rates, policies related to freight rates, etc.

5) Member companies' supply restrictions, distribution of customers and sales territories, retailer strikes, boycotts, etc.

(4) Confirmation after Conclusion of Meetings

After the conclusion of a meeting, the Secretariat Employees shall depart the meeting room after verifying that only Members do not remain in said meeting room.

5. Work Concerning the Collecting, Managing and Providing Statistical Data

Secretariat Employees shall personally undertake the work of collecting, managing and providing statistical data, and Members may not undertake such work and the following listed matters shall be observed.

(1) In cases or other situations where the number of companies from whom statistics are to be collected does not exceed two and it would be easy to discern the individual companies after collection, statistical data shall not be obtained.

(2) In cases or other situations where collection, management or provision of statistical data is outsourced, the information procured from the relevant third party shall be only the aggregate statistical data.

(3) Statistical data provided by a member shall only be the actual values, and the provision of anything related to future forecasts shall not be received.

(4) Statistical data collected from a member shall be treated as confidential, and the employees in charge of statistics among the Association's proper employees shall handle such information.

(5) Separate statistical data collected from a member shall not be disclosed nor distributed to Members.

(6) Statistical data which a person comes to know internally through the Association shall not be divulged externally.

(7) When statistical data is disclosed externally to Members, the information shall be disclosed after it has been assembled to the extent that extraction of individual companies would be difficult, and information from which individual companies may be inferred shall not be disclosed.

6. Requests to Members Attending Meetings

Secretariat Employees shall put forward a request prior to commencement of a meeting to the Chairperson or other person presiding to adopt a method such as distributing, reading aloud or otherwise disseminating the Accompanying Guidelines (Guidelines Pertaining to Competition Law Compliance at Meetings of the Japan Petrochemical Industry Association (hereinafter, the same shall apply)) in order to make it known to Members attending meetings held under the auspices of the Association that the Association is addressing compliance with Competition Laws.

7. Preparation of Minutes of Proceedings

In principle, Secretariat Employees who attend a meeting shall prepare the minutes of the

proceedings at a meeting as stipulated under the Articles of Association from the standpoint of leaving a record of the appropriate responses taken at the meeting. However, even in cases where minutes of proceedings are not prepared, an appropriate response shall be taken by utilizing the Accompanying Guidelines which have been distributed or otherwise disseminated in accordance with numeral 6, and it shall be recorded to such an effect.

8. Internal Audits and Preventive Measures Against Recurrence

(1) The Responsible Persons shall at least once a year conduct an internal audit of each division of the Secretariat in order to ascertain the status of observance of these Compliance Rules.

(2) In the event a situation arises that conflicts with these Compliance Rules, the Responsible Persons shall, with the cooperation of the Secretariat divisions, conduct an investigation and analysis of such cause and shall adopt appropriate measures preventing recurrence.

(Attachment)

Guidelines Pertaining to Competition Law Compliance at Meetings of
the Japan Petrochemical Industry Association

These Guidelines are for the purpose of complying with competition laws including the Antimonopoly Act (hereinafter, "Competition Laws") at meetings held under the auspices of the Japan Petrochemical Industry Association. Members are hereby requested to adopt conduct which takes into account these Guidelines when attending meetings of the Association, recognizing fully that there is a real possibility stern social sanctions may be imposed on the companies concerned in the event an agreement or other mutual meeting of the minds between rival or otherwise competing companies is held to be in violation of Competition Laws.

1. Persons attending a meeting shall not exchange information regarding the matters enumerated below (hereinafter, "Prohibited Matters").

(1) Matters concerning pricing and similar matters that member companies treat in commercial transactions and are listed below.

- Pricing, price changes, price differences, discounts, credit terms, costs, etc.

However, this provision shall not apply to matters which have already been made public.

(2) Matters which concern quantity and similar matters that member companies treat in commercial transactions and are listed below.

- Production volumes, production capacity, inventories, intended areas concerning the sale or marketing of particular products, etc.

However, this provision shall not apply to matters which have already been made public.

(3) Member companies' demand forecasts and trends

(4) Member companies' freight rates, policies related to freight rates, etc.

(5) Member companies' supply restrictions, distribution of customers and sales territories, retailer strikes, boycotts, etc.

2. Even at social gatherings or other events connected with a meeting, persons attending the meeting shall not talk nor exchange information concerning Prohibited Matters.

3. In the event a person attending a meeting raises a topic for discussion which possibly conflicts with Competition Laws or in the event a person indicates his intention opposing said topic and continues to discuss the matter, the Chairperson shall immediately move to conclude the meeting, and moreover, in the event the meeting is not concluded, the Chairperson shall withdraw and consult an attorney or other individual.

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