

# Points to note when making a report

Please be aware of the following three points when creating a report.

Please also refer to the specific examples on the following pages.

\*All report examples are fictitious.

## Point (1)

Please **be sure to clarify the following five points** regarding the content of the compliance violation in order for us to be able to understand the facts accurately:

- |  |   |
|--|---|
| [1] <b>What kind</b> of fraud/violation was committed? | ( <b>Content</b> of the violation)              |
| [2] <b>When</b> was the fraud/violation committed?     | ( <b>Time</b> of the violation)                 |
| [3] <b>Who</b> committed the fraud/violation?          | ( <b>Person(s)</b> who committed the violation) |
| [4] <b>Where</b> was the fraud/violation committed?    | ( <b>Location</b> of the violation)             |
| [5] <b>How</b> was the fraud/violation committed?      | ( <b>Method</b> of the violation)               |

## Point (2)

If you have any other **more detailed information** in addition to the above, then please also include it in your report.

- Example:
- **Background** leading to the compliance violation
  - The **specific situation** when the fraud/violation was committed
  - **Persons** involved in the fraud/violation
  - **Documents and data** to be investigated

\*The above are just examples.

If you have any other information, then please include it where possible.

## Point (3)

If you have **evidence of the compliance violation** (such as documents, receipts, received e-mails, etc.), then please include a statement to that effect in your report.

## Example report #1

### Point(1)

Please describe the content of the violation/fraud in detail to facilitate effective investigation. Specifically, please clearly indicate:

(1) The **content** of the violation; (2) the **time** of the violation; (3) the **person(s)** who committed the violation; (4) the **location** of the violation; and (5) the **method** of the violation.

#### (2) The time of the violation

The other day, we decided to raise the price of product A to 510 yen per kg; however, I thought that this price increase may constitute a compliance violation, so I am reporting it.

At around 〇〇:〇〇 on 〇〇, 20XX, myself, manager X, and manager Y from Company P in the same industry, went to “□□” pub near △△ station.

Manager X had invited me out at the end of the industry group meeting held on that day. Manager Y was Manager X's junior at university, and Manager X said, “seeing as we're all here, I'll introduce you to Manager Y”, and so we went drinking. I knew it wasn't a good idea to go out drinking with other people in the same industry without any particular reason, even despite the old friendship between X and Y, but I didn't want to spoil the mood and I joined them anyway.

#### (4) The location of the violation

#### (3) The person(s) who committed the violation

#### (5) The method of the violation

At first, we engaged in mindless conversation, but the topic gradually turned to business and we started talking about Product A handled by Manager X's department.

Manager X said, “Given the current situation, we have to increase the price above 500 yen per kg. What about at your company?”.

Manager Y responded, “Same here. I think everyone in the industry is going to raise prices to this level next business year. It looks like we will have to set our price somewhere around there”.

Manager X and Manager Y didn't mention an exact price, but there is no doubt that they were exchanging product price information in their conversation.

## Example report #1

### Point(1)

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(1) The **content** of the violation; (2) the **time** of the violation; (3) the **person(s)** who committed the violation; (4) the **location** of the violation; and (5) the **method** of the violation.

(1) The **content** of the violation

We subsequently decided to raise the price of Product A and, just like Manager X had talked about in the pub, the price was set at over 500 yen per kg. We also got word that Company P would soon increase their price to over 500 yen per kg as well.

I know price collusion within the industry is punishable, and I think that this may be a case of that. I don't know anything more than what I saw and heard at the pub that day, but I thought it would be a big problem if the conversation between Manager X and Manager Y prompted the decision to hike prices, so I made this report.

☞ It's no problem if the text is long. Please describe the contents of the compliance violation and fraud that you wish to report in as much detail as possible.

## Example report #2

### Point(2)

- **If you have any other more detailed information** in addition to the content, time, persons involved, location and method of the violation, then **please also include it** as in the example below.
- The length and format of the text does not matter, so long as the content of the report is clear.

- Quality inspection of Product A manufactured at ○○ Plant is being conducted fraudulently.
- If pre-shipment testing of Product A returns a value below the acceptable value, then that value is falsified to the average value of the accepted products, etc. and the product is allowed to pass inspection.
- Numerical values have been falsified in this way in the ○○ Section on and off for around the last 6 months.
- How this all started is when section chief X instructed, “increasing the product pass rate is the top priority. Change the values if you have to. We have no choice if we want to achieve our targets.” So the employees in that section began to falsify values in accordance with the section chief’s instructions. I am also guilty of doing this myself.
- At first, we were all reluctant to falsify the values, but gradually we came to prioritize how to prevent rejected products over guaranteeing the quality of the product. These days, there is an atmosphere within the section that falsification of the values is inevitable.
- Section chief X told us not to tell anyone outside the ○○ Section what we were doing, and as far as I know, none of the employees in other departments know about the falsification.
- As a result of the falsification of values, it is highly likely that products that do not meet the catalog specification quality have been shipped to customers.

Information about the background leading to fraud/violation and the specific situation at that time

Please describe the content, time, persons involved, location and method of the violation.

Information about other witnesses to the violation and persons involved in the violation

☞ The information contained in this example report is just an example. If you have any other information, then please include it in your report.

☞ The length and format of the text does not matter, so long as you provide specific information.

## Example report #3

### Point(3)

- If you have relevant evidence of the fraud/violation and are willing to provide it for the investigation, then **please include a statement to that effect in your report.**
- Our business partners and their officers/employees may also use this Help Desk.

I work for Company P, which is engaged in transactions involving Product A with your company.

Please describe the date and time

\*We will not subject whistleblowers and business partners to disadvantageous treatment.

From around the summer of last year, Mr. X, your company's Product A sales rep, would personally invite me out around once a month by saying things like, "let's go to that restaurant for a meal" and "let's play golf together". At first, I took him up on his invitations, but his demands gradually started to escalate and recently he has engaged in acts of sexual harassment. I can no longer stand his company, so I declined another of his invitations. Then, on ○○, 20XX, he called my phone and said, "you're going to refuse my invitation!?" Then this is going to affect my transactions with your company."

Please describe the means (telephone, e-mail, face-to-face, etc.)

Please describe the other party's remarks

My company would be seriously damaged if your company changed the terms of our transactions or, even worse, terminated transactions with my company. So, I think Mr. X definitely went too far by saying what he did while knowing the situation of my company.

I decided to report Mr. X's series of compliance violations after I found out about this Help Desk. I look forward to your prompt response in dealing with this matter.

Please also note that I have kept a record of my personal interactions with Mr. X. If you contact me, I can forward it as evidence for the investigation. Thank you.

If you have relevant evidence, please indicate so in your report.

➡ Receiving specific information and evidence allows us to effectively investigate compliance violations, and can also facilitate our effective response and formulation of recurrence prevention measures.