

Sakura Quality Code of Ethics

Hotels and accommodations are professional accommodation service providers in the sense that they assume responsibility for the lives of their valued customers, have organic relationships with local community, and play an important economic role as social infrastructure. The accommodation industry shall be required to have all related organizations and personnel maintain and adhere to an appropriate and stringent code of ethics. This code of ethics must be complied with in order to build a strong relationship of trust between hotels and accommodations and their customers, as well as to convey, to the customers, a strong message that these facilities offer true safety and peace of mind.

The Sakura Quality Code of Ethics is composed of 1) Sakura Quality Service Philosophy; 2) Sakura Quality Code of Ethics; 3) Professional Code of Conduct; and 4) Penalty Clauses for violations, etc.

Sakura Quality Service Philosophy

Sakura Quality's service philosophy is to pursue "spiritual beauty" and consistently provide service focusing on the spirit of love, gratitude, and sincerity.

In other words, hotels and accommodations that adhere to this philosophy and put it into practice must serve customers with the concept of a "safety", "a sense of security", "a sincere".

Implementing these efforts is the first step to build a strong relationship of trust with customers and local communities and to be recognized as a hotel or accommodation that can offer the required safety and peace of mind.

Sakura Quality Code of Ethics

1) Accommodation business operators and employees engaged in the accommodation business shall at all times refrain from committing acts that damage the reputation of the *Sakura Quality Network* and the accommodation profession earned from entire society that needs the accommodation function.

Example: Employees shall neither accept bribery from affiliated companies nor have a relationship or similar interaction with organized crime syndicates.

- 2) Accommodation business operators shall have an operational viewpoint that pursues an increase in employee satisfaction and a high level of care for customers, while maintaining adequate transportation and other systems for supporting, in particular, the elderly and people with disabilities.

Example: Accommodation business operators shall not only refrain from taking any discriminatory attitudes towards customers, for racial, religious, or whatever reasons, but also shall ensure as much flexible and sincere customer service as possible.

Further, they shall operate their business operation focusing on the employee motivation management that is supported by appropriate labor control, while complying with the work-style reform laws.

- 3) Accommodation business operators and all employees engaged therein shall fulfill the confidentiality obligations by ensuring, for instance, the complete safety and security of customers' personal information.

Note: The requirement above must be well communicated to all staff members.

- 4) Accommodation business operators and all employees engaged therein shall make all endeavors to comply with laws and regulations (including ordinances) that are relevant to the accommodation business.

- 5) Accommodation business operators and all employees engaged therein shall be fully aware that the accommodation business has an organic relationship with local communities. Accommodation business operators shall also strive to develop an amicable relationship with local communities as much as possible.

Example: Accommodation business operators and all employees engaged therein shall understand that the requirement above is an important part of the code of conduct to underpin the sustainability of the accommodation business and shall aspire to play a leading role in the local contribution activities (e.g. periodic cleaning of surrounding areas including public spaces around their accommodation facilities, maintenance of exterior walls, etc. so that the accommodation facilities, which serve as the region's showroom/showcase, can keep a fairly clean appearance).

- 6) Accommodation business operators and all employees engaged therein shall understand the importance of taking a social leadership role in giving serious consideration to the environment and shall attach importance as much as possible on initiatives that support ecotourism.

- 7) Accommodation business operators shall refrain from providing information on their cancellation policy, details of the service they offer, etc. in a manner that may confuse or mislead customers or cause them make an error of judgment.
- 8) Accommodation business operators must never place exaggerated advertisements that significantly differ from the reality, when conducting promotional or marketing activities, developing accommodation plans, and creating websites.
- 9) Facilities certified as meeting the Sakura Quality shall be entitled to use the certification mark on their websites, business cards, and other forms of media, on condition of using the logo mark directly received from the Tourism Quality Accreditation Association as it is without any modification.
- 10) Of the SAKURA QUALITY concepts of "safety," "security," and "integrity," we must strive to be thorough and sincere in dealing with "safety" in particular, since it is a concept that is invisible to customers and can easily be sacrificed to economic rationality and profitability (e.g., public telephones should be installed to perform a particularly important function in times of earthquake).

Professional Code of Conduct

Accommodation business operators and all employees engaged therein shall have a consciousness of being a professional expert operating the accommodation business and shall commit themselves to improving their company's quality by, for example, referring to the Sakura Quality Detailed Investigation Standards, which are composed of 2,233 items each for both the hotel version and the ryokan (traditional Japanese inn) version.

Penalty Clauses

When it is pointed out that there is a possibility of violating the code of ethics, an accommodation business operator shall provide required information and at the same time undertake corrective measures in a sincere and prompt manner. The code of ethics to be applied shall be the one that is considered effective at the time when the violating act is observed, while penalties and procedures to be applied shall be based on the provisions of rules, etc. that are effective at the time when the violation is pointed out.