

KOKUYO Group Anti-Bribery and Anti-Corruption Policy

Article 1 (Definitions)

In this Policy, the meanings of the words and terms listed in the following paragraphs shall be as set out in those paragraphs.

- (1) **“Bribery”** is defined as any act by which money or other benefits (money or other benefits include "money, vouchers, gift certificates, loans, guarantees, warranties/invitations/donations, sponsorship/gratuities, rebates, promotional expenses, discounts/job opportunities for oneself or one's relatives, etc.") are given, offered, solicited or promised, directly or indirectly, to a public official or counterparty for the purpose of obtaining an improper advantage.
- (2) **“Public Officials”** means (i) any person who engages in public services for a national or local foreign (or domestic) government, (ii) any person who engages in services for an agency affiliated with a domestic government or a foreign national government, (iii) any person who engages in services for a domestic or a foreign Public Enterprise, (iv) any person who engages in public services for an International Organization and (v) any person who exercises a public function on behalf of a foreign national government, etc. as delegated, etc.
- (3) **“Public Enterprise”** means any enterprises for which: (i) a majority of its voting shares are owned by; (ii) a majority of its total capital is contributed by; or (iii) a majority of its officers are designated or appointed by; one or more or national or local foreign (or domestic) government (including public interest corporations), and such enterprise equivalents as defined by government ordinance. An enterprise defined by government ordinance as equivalent to any of the foregoing refers an enterprise: (i) a majority of the voting rights of all shareholders of which are owned by; (ii) which is under the control of, through the holding of golden shares that require permission, license, approval or consent, etc. in order for all or some resolutions at general shareholder’s meetings cannot be effective; or (iii) which is under the control of, via indirect ownership of a majority of its stock, etc; one or more or national or local foreign (or domestic) governments.
- (4) **“Private Sector Entities”** means all business partners involved in the business of the KOKUYO Group, including but not limited to suppliers, and their directors, officers and employees.
- (5) **“Facilitation Payments”** are small payments intended to facilitate or expediate procedures for routine administrative services carried out by Public Officials so that the person in question can make any wrongful gain in business.
- (6) **“Agents, etc.”** means third parties to whom the KOKUYO Group outsources its business, including but not limited to sales distributors and/or agents.

Article 2 (Purpose)

The purpose of this Policy is to establish the basic requirements for the KOKUYO Group to comply with laws and regulations and to prevent **Bribery** and corruption, with the aim of maintaining sound and transparent relationships with politics, governments/public authorities and Private Sector Entities. In addition, this Policy shall be an internal regulation of KOKUYO Co., Ltd. and each of its subsidiaries (hereinafter referred to as "**KOKUYO Group Companies**". The same shall apply hereunder.) shall be subject to and comply with this Policy in common and shall also comply with the rules and regulations established by each company.

Article 3 (Compliance with Laws and Regulations)

KOKUYO Group Companies shall comply with anti-Bribery laws and regulations in all countries and regions in which they operate. In Japan, KOKUYO Group Companies shall ensure that all employees are familiar with the internal rules based on the discipline of the National Public Service Ethics Act. In addition, KOKUYO Group Companies shall also pay attention to the extraterritorial application of foreign laws and regulations.

Article 4 (Prohibition of Bribery of Public Officials)

KOKUYO Group Companies shall not bribe Public Officials, whether directly or indirectly. In the event of a Bribery demand from Public Officials, such a demand shall be rejected and immediately reported to the Risk Management Division or its designated department for action.

Article 5 (Prohibition of Bribery with Private Sector Entities)

KOKUYO Group Companies shall not, directly or indirectly, engage in Bribery of Private Sector Entities in violation of the law applicable to KOKUYO Group Companies. KOKUYO Group Companies shall not accept Bribes from Private Sector Entities in violation of the law applicable to KOKUYO Group Companies.

Article 6 (Appropriate Entertainment, Gifts, etc.)

KOKUYO Group Companies shall establish its own rules on entertainment and gifts in order to prevent Bribery and ensure compliance with the law in conducting business.

Article 7 (Prohibition of Facilitation Payments)

KOKUYO Group Companies are prohibited from making Facilitation Payments, whether directly or indirectly.

Article 8 (Prohibition of Bribery by Agents, etc.)

KOKUYO Group Companies shall never give Bribery instructions to Agents, etc or other third parties. When appointing Agents, etc or other third parties, KOKUYO Group Companies will require them compliance with this Policy in contracts and other agreements.

Article 9 (Anti-Bribery System)

KOKUYO Group Companies shall continuously work on its anti-Bribery management system, including the adaption of internal rules to prevent Bribery, regular assessment of Bribery risks in the group and the establishment of a consultation service and monitoring. In addition, the group shall work to prevent Bribery by educating relevant directors, officers, employees and others on this Policy and the prohibition of Bribery through education and training on anti-Bribery.

Article 10 (Disciplinary Action)

The KOKUYO Group may take any disciplinary actions against any director, officer or employee who violates anti-Bribery laws and regulations, this Policy or the internal anti-Bribery rules of each company, in accordance with the internal rules of KOKUYO Group Companies.