

Asahi Kasei Group Basic Policies for Prevention of Bribery

1. Basic Policies

- (i) Based on our Group Philosophy “We, the Asahi Kasei Group, contribute to life and living for people around the world”, the Asahi Kasei Group holds “progressing in concert with society, and honoring the laws and standards of society as a good corporate citizen” as a company’s basic principle and “the prevention of bribery” and “the maintenance of sound and appropriate relationship with customers and suppliers” as a rule for corporate conduct in the Corporate Ethics – Basic Policy and Code of Conduct. The Asahi Kasei Group must implement thorough anti-bribery measures based on these basic policies.
- (ii) The Asahi Kasei Group must not engage any acts that would be in violation of any applicable laws and regulations regarding the ethics of Public Employee. The Asahi Kasei Group complies with the Foreign Corrupt Practices Act of the US, the Bribery Act of the UK and relevant laws and regulations in other countries that prohibit of bribery or stipulate penalties for bribery.
- (iii) In the relationship with customers and suppliers, the Asahi Kasei Group must not violate laws or public standards, nor provide or receive any money, goods or services that would depart from the norms of common sense or from the commonly accepted customs and practice of society.
- (iv) The Asahi Kasei Group must not purvey any improper gifts, entertainment, favor or other economic benefits to Public Employee in any country.

2. Detailed guidelines for actions

(1) Prohibition on bribery

The Asahi Kasei Group must not conduct the following.

(i) Giving bribes to Public Employee

To directly or indirectly give, promise to give or offer Economic Benefits to Public Employee with the intention of affecting their duties in and out of the country, or to give approval to our employees or business partners to conduct such acts.

(ii) Giving bribes to those other than Public Employee

To directly or indirectly give, promise, to give or offer Economic Benefits to officers and employees of business entities (regardless of whether they are a legal entity or a natural person) for the purpose of receiving and retaining Business Advantage in and out of the country, or to give approval to our employees or business partners to conduct such acts.

(iii) Receiving bribes

To demand, promise to receive and receive Economic Benefits from other business entities and Public Employee in exchange for the provision of Business Advantage both in and out of the country.

(iv) Aiding, arrangement and participation in conspiracy of bribery

To aid and arrange bribery or participate in conspiracy of bribery.

(v) Facilitation Payment (including cases where such payment is not prohibited by laws and

regulations of the related countries and regions)

(2) Maintenance of Records

The Asahi Kasei Group must record all expenditures, including payments to a third party, in the accounting ledger in an accurate and appropriate manner and in reasonable detail so as to prove that no bribery is conducted.

3. Requests to our business partners

We would kindly ask you to make your officers, employees, and business partners of officers and employees aware of these basic policies. Should you detect any violations or suspected violations of these basic policies and applicable laws and regulations, promptly contact any of our group companies with which you have business. Moreover, please cooperate with investigations on violations or suspected violations, which are conducted by our group companies or relevant authorities.

4. Definition of terms

- “Public Employee” shall mean any person who falls under any of the following items
 - (i) Those who are engaged in public duties of the government or the local municipalities.
 - (ii) Those who are engaged in administration of government-affiliated institutions.
 - (iii) Officers and employees of state-owned corporations
 - (iv) Those who are engaged in public duties of international organizations.
 - (v) Those to who are engaged in duties of organization in which authorities are delegated from the government, the local municipalities, or international organizations.
 - (vi) Officers and employees of political parties.
 - (vii) Candidates for public office.
 - (viii) Those equivalent to the above (i) to (vii).
- “Business Advantage” shall mean tangible and intangible economic and other benefits that can be obtained in the course of business.
- “Economic Benefits” shall mean not only property benefits but also benefits that can satisfy demands and desires of people including, but not limited to, cash, gift and entertainment.
- “Facilitation Payment” shall mean the payment of small amount of money to Public Employee in order to facilitate and accelerate the procedures of daily administrative services.

Enacted on April 20, 2016