



Anti-Bribery Policy

Policy Number: PER-042

Effective Date: 12/1/2018

Revision Date: 12/1/2018

PURPOSE: This policy is designed to help the directors, officers and employees (“Team Members”) of North American Lighting, Inc. (“NAL”) understand the requirements and expectations to prevent any bribery practices at NAL.

SCOPE: This policy is applicable to all business activities of all Team Members including temporary, part-time and seasonal employees wherever and whenever that Team Member is representing or working on behalf of NAL.

PROCEDURES:

A. Definitions.

Common terms used in this policy are defined as follows:

1. “Money” shall include money, gift certificates, entertainment, gifts, travel arrangements, donations, contributions, medical opportunities, educational opportunities and sexual services.
2. The term “Public Officials” shall mean civil servants, politicians and elected officials whether local, state or federally campaigning or elected. In addition, a “Public Official” shall include:
 - a. Employees of government operated companies;
 - b. Employees of public universities;
 - c. Employees of public hospitals;
 - d. Employees of domestic and foreign governments and local authorities;
 - e. Employees who represent public service as well as officials;
 - f. Government owned enterprises without regard to the share owned by the government; and
 - g. People who belong to private international organizations such as the International Olympic Committee, the International Red Cross, and their affiliates.
3. “Private Civilian” shall mean all other persons not acting as a Public Official.

B. Prohibitions.

1. Prohibition of Bribery Toward Public Officials

No Money may be given, offered, promised or approved to any Public Official with the intention of affecting his or her duties. It is inappropriate whether the cost is borne by NAL or Team Members individually. It is also inappropriate for Team Members to supply Money through a third party such as friends, family, relatives, business partners or other associates.





2. Prohibition of Bribery Toward Private Civilians

Team Members may not provide, apply to provide, promise to provide, or authorize to provide Money for Private Civilians to make them perform illegal acts. It is inappropriate whether the cost is borne by NAL or Team Members individually. It is also inappropriate for Team Members to supply Money through a third party such as friends, family, relatives, business partners or other associates.

3. Prohibition of Acceptance of Bribes

No Money may be required, received or promised to be received from Public Officials or Private Civilians with the intention of affecting the duties of NAL or Team Members. It is not appropriate whether NAL or the Team Members accept or claim Money directly or through a third party such as friends, family, relatives, business partners or other associates.

4. Prohibition of Accounting Fraud

All transactions, whether related to this policy or not, must be accounted for and maintained reasonably and accurately.

5. Exceptions

- a. When NAL or its Team Members need to pay Money to avoid harm to life, body, or freedom (violence/threats/arrest/ imprisonment, etc.), Team Members may give top priority to his/her safety and must report the transactions and circumstances to NAL promptly in accordance with this procedure.
- b. Money or gifts are not in violation of this policy if they meet the following criteria:
 - i. Are not in violation of any laws or this policy.
 - ii. Are not in form of cash, stock or excessive in value
 - iii. Inexpensive (value less than \$50.00 US) gifts or promotional materials with NAL's logo or name on them.
 - iv. Cannot be interpreted as a bribe or payoff.
 - v. Are consistent with customary business practices.

6. Quick Reference

The attached Do's and Don'ts (Attachment I) may be used for a quick reference on acceptable and unacceptable transactions. All Money transfers to Public Officials or Private Civilians must be in accordance with this policy.

C. Procedures to Prevent Bribery

In the case of Money to a Public Official for NAL's legitimate business interests, the Team Member must comply with the Notification provisions specified herein.

D. Education and Training

NAL will regularly educate and train Team Members in order to impart accurate knowledge on anti-bribery and to improve compliance awareness.

E. Disciplinary Action

NAL shall address any violations of sections B and C above by its Team Members in accordance with its Corrective Action Policy (PER-011).





F. Audit

NAL shall conduct periodic audits to verify that measures to prevent bribery are properly implemented.

G. Obligation to notify and cooperate in investigations

When Team Members know of any bribery, accounting fraud, or procedural violation which is in contradiction with this policy or the possibility of a future violation (including cases where a third party is hired or consigned by NAL is suspected of bribery), Team Members shall promptly report the circumstances to the General Manager of Human Resources or call the Link Line at (217) 465-6666. All Team Members are expected to cooperate with the investigations.

H. Enforcement

This policy shall take effect of the day it was enacted.

I. Notification

1. If NAL or its Team Members give Money to or receive Money from a Public Official or Private Civilian in excess of \$50.00 in value, the attached Gift Notice (Attachment II) must be completed and submitted to the Team Member's supervisor and GM of Human Resources. The Gift Notice will include:
 - a. Confirmation that the transaction conforms to the procedures in this policy.
 - b. A statement of objectives, background and relationship between the Team Member and the Public Official or Private Civilian.
 - c. Description of frequency of the transaction(s) between the Team Member and the Public Official or Private Civilian.
 - d. Approval by an appropriate officer of NAL.
2. NAL prohibits the use of third parties or Team Members employment of a third party to deliver Money to Public Officials or Private Civilians.
3. All Notices will be retained for 5 years.

J. Supplementary Provisions

- a. The draft, revision or elimination of this policy is made by NAL's Compliance Department and is enforced by the Compliance Committee.
- b. Any breach of this provision may be made public and Team Members in violation will be subject to disciplinary action up to and including immediate termination.





Attachment I

Do's and Don'ts for Anti- Bribery

DO:

- ✓ Promote NAL by providing promotional materials and souvenirs including inexpensive novelty goods with NAL's name, and logo on them.
- ✓ Provide preapproved samples during plant tours, exhibitions, etc.
- ✓ Provide customary seasonal inexpensive gifts (be cautious on how many times Team Members can provide these gifts per region).
- ✓ Provide inexpensive gifts for Public Officials during a business trip.
- ✓ Using NAL's vehicle as means of transportation for Public Officials who visit NAL as a part of their duties.
- ✓ Pay for Public Official's travel expenses for inspecting NAL's plants and laboratories. (Sometimes, Public Officials need to inspect the NAL plants because it is difficult for them to understand the content and quality of the products and services just by inspecting the exhibition.)
- ✓ Have a rational and appropriate dinner accompanying any inspection.
- ✓ Provide meals and golf at the divisional account for the purpose of facilitating communication and human connections.

DON'T:

- ✗ Pay Money to Public Officials for customs clearance, inspection, approval of immigration or utilities.
- ✗ Pay Money to Public Officials for the reduction of customs duties, tax incentives, neglect of violations of law, avoidance or commutation of punishment.
- ✗ Provide Money to Public Officials and their families that are not gifts acceptable to local social customs.
- ✗ Provide high value gifts, preferential treatment, employment offer, etc. to Public Officials or their families.
- ✗ Frequently provide smaller gifts (under \$50) to Public Officials and their families.
- ✗ Perform acts for Public Officials such as using amusement shops, or entertainment, gifts, etc.
- ✗ Entertain and give gifts to Public Officials who may have an impact on the results of bids during and around the bidding period, regardless of the amount or economic value of the goods.
- ✗ Invite Public officials and their families to resort areas remote from branches, factories, etc.
- ✗ Appoint Public Officials as consultants without reasonable cause.
- ✗ Record entertainment expenses for Public Officials in improper account titles, such as "Business Outsourcing Expenses".
- ✗ Accept excessive entertainment and gifts, etc. from business partners to influence competitive decisions.





North American Lighting, Inc.

A **KOITO** Group Company

Attachment II Gift Notice

Department: _____

Date: _____

NAL Employee's Name: _____

Supervisor's Initials: _____

Donor/Recipient Name: _____

Public Official: Yes No

Form of Gift:

Entertainment

Exchange of gifts

Invitation

Donation

Other: _____

Amount/Value of the Gift in US Dollars: \$_____._____ (under \$50 need not be disclosed unless frequent)

Background / Purpose / Relationship between Donor/Recipient and Employee: _____

Description of Gift: _____

Past transactions between Donor/Recipient and Employee:

None; or

Date:_____ Amount \$_____._____

Date:_____ Amount \$_____._____

- Yes No I have not taken any actions with improper motive or intent relating to this gift.
- Yes No There is a rational reason for this gift and no expectation or reciprocal promises attached to this gift.
- Yes No I did not provide or receive money, cash, gift cards, stocks, bonds, or precious metals regarding this gift.
- Yes No I did not pay for the airfare of a first-class ticket relating to this gift.

BY SIGNING BELOW, EMPLOYEE STATES THAT THEY UNDERSTAND AND AGREE TO COMPLY WITH THE ANTI-BRIBERY POLICY INCLUDING THE DO'S AND DON'TS AND THE GIFT DESCRIBED HEREIN IS MADE IN ACCORDANCE WITH SAID GUIDANCE.

Employee Signature Date

Supervisor's Signature Date

