

Effective as of September 1, 2014

Amended as of July 1, 2015

## JT Group Anti-Bribery Policy

(Objectives)

### **Article 1**

The objective of this JT Group Anti-Bribery Policy (hereinafter referred to as “Policy”) is to comply with the Unfair Competition Prevention Act of Japan, the US Foreign Corrupt Practices Act, the UK Bribery Act 2010, the anti-bribery laws of China and all other applicable anti-bribery laws and regulations (these laws shall hereinafter be referred to as “Anti-Bribery Laws”), as well as to prevent conduct that constitutes, or that may constitute, the offering or receiving of bribes, so as to conduct business activities in a sincere, fair and highly transparent manner. This Policy applies to JT, the companies which JT owns the majority of voting rights in or whose management is substantially controlled by JT (these companies shall hereinafter be referred to as “Subsidiaries”, JT and Subsidiaries shall be collectively referred to as “JT Group”) and any Agents acting for JT Group.

(Definition)

### **Article 2**

In this Policy, the definitions of terms are as follows:

1. **Employees:** refers to all of the members of the board, audit and supervisory board members, executive officers and employees (and any other person including contracted and part-time employees) of JT Group
2. **Government Officials:** refers to all public and foreign officials, the staff of political parties, and candidates for public office, as well as executives and employees of government owned or controlled entities
3. **Agents:** refers to persons or entities who act as agents or intermediaries for JT Group
4. **A bribe:** refers to anything of value either offered or received for the purpose of obtaining a reward or an improper business-related benefit, as prohibited by the applicable laws and regulations; and
5. **Facilitation Payment:** refers to small payments or fees made to speed up or facilitate the performance of routine government actions

(Prohibition of Bribery)

**Article 3**

Employees shall not offer or receive a bribe of any form to or from anyone directly or indirectly, whether at the expense of a company within JT Group or of the individual Employee. A facilitation payment is considered as a bribe in many jurisdictions.

(Guideline for Gift, Hospitality, Entertainment and other expenses for Government Officials)

**Article 4**

1. JT Group shall establish Guideline for Gift, Hospitality and Entertainment based on this Policy in order to prevent bribery and ensure the appropriateness of business operations of JT Group.
2. JT Group shall also establish standards, as necessary, for direct or indirect donations to Government Officials and/or travel expenses for the invitation of Government Officials for business necessities of JT Group.

(Education and Training)

**Article 5**

JT Group shall provide education and training for Employees to improve awareness of Anti-Bribery Laws and this Policy.

(Engagement with Agents)

**Article 6**

JT Group shall perform adequate due diligence procedures when JT Group engages Agents. Given that this Policy applies to Agents, JT Group shall also inform such Agents of Anti-Bribery Laws and this Policy and request such Agents to comply therewith. Payments to Agents should be consistent with this Policy.

(Risk Assessment)

**Article 7**

In order to prevent bribery, JT Group shall regularly assess and monitor bribery risks, and make improvements.

(Retention of Records and Establishment of Internal Control System)

**Article 8**

JT Group shall retain all business approval records, accounting records, and other internal records, and shall establish an internal control system to ensure compliance with Anti-Bribery Laws and this Policy.

(Regular Review)

**Article 9**

JT Group shall regularly review its efforts for preventing bribery and make improvements as necessary.

(Responsibility for Implementation)

**Article 10**

1. The executive officer of each business unit, as well as of the Corporate Division, of JT shall be responsible for implementation of items as set forth in Article 4 to Article 9 in this Policy (including the implementation of the same within Subsidiaries under his/her supervision) as Divisional Compliance Officers.
2. The JT Compliance Office shall provide the Divisional Compliance Officers with assistance to enable them to fulfill their responsibilities.

(Consultation and Reporting system)

**Article 11**

JT Group shall develop a consultation and reporting system for the purpose of receiving consultation and reporting from Employees regarding conduct that violates, or may violate, Anti-Bribery Laws or this Policy. JT Group shall encourage Employees to report any concerns they have, and any Employees who raise concerns through the consultation and reporting system shall not be subject to dismissal or any other disadvantageous treatment for reason of having raised such concern.

(Punishments)

**Article 12**

JT Group shall have the authority to take action against any violations of Anti-Bribery Laws or this Policy, in accordance with the provisions set forth in the office regulations and other internal rules, and may claim compensation for any losses caused thereby.

(Matters Not Provided for in this Policy)

**Article 13**

Any matters which are not expressly stated in this Policy shall be subject to laws, ordinances, and the internal rules and policies of each company within JT Group.

(Revisions and Abolishment)

**Article 14**

The owner of this Policy is the JT Compliance Office, and any revision or abolishment of this Policy will be determined by the JT Chief Compliance Officer.

***This translation is to be used solely as reference material.***

Supplementary Provision

This Policy shall take effect as from September 1, 2014