

COMPLIANCE POLICY
THIRD PARTY LICENSING RESPONSIBLE & ETHICAL BUSINESS CONDUCT
(“POLICY”)

In this Policy, the following terms have the following meanings:

- **“Function”** means: (i) a function of a Government; or (ii) any activity: (a) connected with or performed by, or on behalf of, a business; or (b) performed in the course of a person's employment;
- **“Government”** means any: (i) local, provincial, state or national government; wholly or partially government-owned or controlled organizations (e.g. public healthcare, education or media) or public international organization (e.g. The World Bank); (ii) department, or agency of any such government or organization; (iii) political party; and (iv) organization owned or controlled by, or acting in an official capacity on behalf of, any of the above;
- **“Government Official”** means any: (i) officer or employee of Government; (ii) person acting for or on behalf of Government; (iii) candidate for political or judicial office; or (iv) member of a royal family;
- **“Human Rights”** means rights and freedoms inherent to all human beings including, but not limited to, the right to life and liberty, freedom from slavery and torture and freedom of expression and opinion;
- **“Improper Performance”** means failing to perform a Function in accordance with an expectation that the person will act in good faith, impartially, or in line with the duties of trust expected of a person in their role;
- **“Modern Slavery”** means any practice where a person is deprived of their liberty for another person's gain, including, but not limited to, slavery, servitude, forced, compulsory or child labor, human trafficking, abusive or inhumane treatment of another person;
- **“Tax Evasion”** means any offence of: (i) cheating or defrauding an authority or agency appointed to collect taxes; or (ii) fraudulently evading, or being involved in or taking steps to, fraudulently evade a tax imposed by a Government; and
- **“Tax Evasion Facilitation”** means: (i) being involved in Tax Evasion by another person; or (ii) aiding, abetting, counselling or procuring the commission of Tax Evasion.

Any terms capitalized but not defined herein shall have the meaning assigned to them in the Merchandise License Agreement between Licensor and Licensee (the **“Agreement”**).

Licensee represents, warrants and covenants the following:

1. General Compliance

- 1.1 Licensee and its directors, officers and employees (together **“Licensee Persons”**) and owners are familiar with the requirements of applicable anti-bribery, anti-corruption, anti-tax evasion, anti-money laundering and countering the financing of terrorism laws (**“ABC/AML Laws”**), export controls and economic sanctions administered or imposed by Japan, the European Union, the United Kingdom, the United States, the United Nations and other relevant jurisdictions (collectively, **“Trade Laws”**); and none of them has violated nor will violate any ABC/AML Laws or Trade Laws.
- 1.2 Licensee shall, in performing its obligations under the Agreement, comply with the Sony Supply Chain Code of Conduct (posted at: <https://legal.playstation.com/policies.html#template-7bwgixq44>, which may be updated from time to time), or comply with substantially similar or more stringent industry standards, including recognized programs such as the Responsible Business Alliance Code of Conduct (posted at: <http://www.responsiblebusiness.org/code-of-conduct/>) or, where applicable, the Ethical Supply Chain Program (formerly known as the ICTI Ethical Toy Program, posted at: <https://www.ethicalsupplychain.org/>). In the event of any conflict, this Policy shall prevail.
- 1.3 Licensee and its affiliates maintain effective internal controls and procedures designed to prevent violations of ABC/AML Laws and Trade Laws and to promptly detect and remediate any such violations.
- 1.4 Licensee has provided, and will provide, information and documentation to Licensor as part of its due diligence process that is complete and accurate and will, upon request, provide updated due diligence information.
- 1.5 Neither Licensee nor any of its directors, officers, management, or owners is a Government Official or a member of the immediate family of any Government Official, nor is any of them a person subject to restrictions under any ABC/AML Laws or Trade Laws.

2. Bribery

- 2.1 Licensee Persons and third parties acting on Licensee's behalf will not: (i) offer, promise, give, request to, agree to receive, or accept from a third party a financial or other advantage (**“Advantage”**): (a) intending the Advantage to cause or reward Improper Performance; or (b) knowing or believing that the acceptance of the Advantage constitutes Improper Performance; (ii) carry out Improper Performance or request that a third party does so, in anticipation or consequence of requesting, agreeing to receive, or accepting an Advantage; (iii) make any facilitation payments to Government Officials to secure performance of routine compulsory governmental duties or actions; and/or (iv) bribe a third party or carry out any of the acts in sub-clauses (i) to (iii) above to obtain or retain business, or an Advantage in the conduct of business, for a party.

3. Tax Evasion

3.1 Licensee Persons and third parties acting on Licensee's behalf in connection with the Agreement will not engage in any activity, practice or conduct which would constitute Tax Evasion or Tax Evasion Facilitation.

4. Human Rights and Modern Slavery

4.1 Licensee Persons, any third parties acting on Licensee's behalf, or under its control or direction (including, but not limited to Manufacturers), will not, directly or indirectly: (i) engage in any activity that is a violation of Human Rights; nor (ii) subject any person to Modern Slavery; (iii) purchase any products that have been sourced from producers using forced labor.

5. Sanctions and Export Control

5.1 Licensee will: (i) comply with import and export laws of the European Union, the United Kingdom, the United States, and other territories and obtain and maintain any export and import license required for the delivery of the Licensed Merchandise to Licensee under the Agreement; and (ii) not sell the Products: (a) in breach of, or that would cause Licensor to be in breach of, any Trade Law; (b) to a third party in Afghanistan, Belarus, Cuba, Iran, North Korea, the Russian Federation, Russian held territories of Ukraine, Syria (except to the extent permitted under applicable Trade Laws) or in any other country or territory if such sale would result in a breach of Trade Laws (collectively, "**Restricted Territories**"); nor (c) to a third party who Licensee knows, or reasonably suspects, will sell the Products, directly or indirectly, to any third party based in the Restricted Territories.

6. Notification of Breach

6.1 If Licensee discovers or otherwise becomes aware of any breach or suspected breach of this Policy by Licensee Persons, any third party acting on Licensee's behalf, or under its control or direction, including, but not limited to Manufacturers or Contractors ("**Notifiable Breach**") then the Licensee will: (i) within 10 days of the Notifiable Breach, notify Licensor in writing, providing a summary of the Notifiable Breach and the measures taken to mitigate any possible adverse effect of the Notifiable Breach; and (ii) cooperate with Licensor in any investigation, claim or proceeding arising from the Notifiable Breach and provide all assistance and information requested by Licensor in connection with the Notifiable Breach.

7. Termination

7.1 Failure by the Licensee Persons, any third parties acting on Licensee's behalf, or under its control or direction (including but not limited to Manufacturers) to comply with the obligations in this Policy shall be deemed a material breach of the Agreement by Licensee as set forth in clauses 14 and 15 of the Agreement.