

## **Tetra Pak Group ANTI-CORRUPTION GUIDELINES**

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<i>Date of Approval:</i>	<i>2003.09.19</i>
<i>Date of Communication:</i>	<i>2003.12</i>
<i>Valid from:</i>	<i>2004.01</i>
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### **Scope**

This Group Guideline is issued to assist local management with the implementation of the Group Policy on Anti Corruption and to help in the preparation of local policies and procedures to address local circumstances.

Commitment and involvement of senior management is crucial. They should make it clear to staff that any malpractice will be investigated and acted upon. Senior management should promote the business integrity provisions of the Code of Business Conduct with third party contacts and require staff to do the same.

### **Gifts and hospitality**

When it comes to distinguishing between bribes and gifts, the perceptions and intentions of the donor and the recipient may differ. A recipient may believe that what he is receiving is a gift because it in no way binds him to the donor. This applies particularly when he receives a benefit rather than cash. The donor's intentions however, might be very different. A gift may become a bribe if it is not declared.

However, there are some useful distinguishing features:

- Bribes usually have to be made in secret as they are neither legally nor morally acceptable;
- Gifts are generally made openly as a gesture of goodwill or affection;
- Bribes are often made indirectly;
- A bribe creates an obligation on the recipient who then becomes to some extent subordinate to the donor and who is encouraged to alter his or her behaviour in some way;
- A gift comes with no such conditions and is intended to identify the donor with the recipient to seal a relationship or friendship.
- Gifts tend to be of lower value. A bribe, intended to oblige the recipient to do something against his/her judgment or normal ethical standards, needs to be of significant value in order to counter-balance the risk the recipient would take in so acting. A gift does not have such requirements.

When drawing up guidelines on gifts and hospitality operating companies may find the following points helpful.

- The two guiding principles are transparency and the need to uphold the corporate reputation for conducting business in accordance with our Core Values, our Code of Business Conduct, ensuring that we all act, and are perceived to be acting with integrity.

- Say no to the giving or receiving of gifts, payments, entertainment or benefits whenever this can influence a decision to be made, whenever the person offering intends to influence a decision, and whenever the parties involved, or others, could see this as a form of manipulation.
- Do not offer gifts, benefits or hospitality to officials during periods when important decisions are to be made by them which will affect Tetra Pak.
- Prevent gifts, payments, entertainment or benefits from making you dependent on those involved. So say no to the giving or receiving of gifts, payments, entertainment or benefits if this does not take place publicly or is not spoken of publicly. Discuss, in advance where possible, the acceptance of gifts, payments, entertainment or benefits with your own superiors and/or with colleagues.
- A common sense test is to consider how the gifts, payments, entertainment or benefits would be perceived if they were reported to the press or discovered in an audit.
- Understand the local customs for giving or receiving of gifts, payments, entertainment or benefits. Customs regarding tips and fees differ depending on the culture. The payment of a tip is acceptable whenever it is customary and is fair reward for genuine service. Tips are given after the service has been received not before. Adaptation to local customs is not acceptable when it leads to acting in conflict with Tetra Pak's Code of Business Conduct.
- Our Code of Business Conduct dictates that we comply with the laws and regulations of the countries in which we operate. The entertainment and providing of meals, gifts, gratuities, or other things of value to government employees and officials is highly regulated. Do not provide such gifts, entertainment, gratuities, or other things of value unless you have determined that it is permitted to do so by applicable laws and regulations, our policies, and the policies of the recipient's employer.
- Only gifts or entertainment of little value (as defined locally) should be used to support a working relationship and due regard to the frequency should be observed. Special occasions can be a justification for more valuable presents or entertainment. This could be a present for an anniversary or entertainment for an official opening. All expenditure on gifts and entertainment must be properly authorized and accounted for.
- Do not differentiate between giving or receiving of gifts, payments, entertainment or benefits via an intermediary or directly.
- In contact with new or existing business partners, discuss possible problems whenever conflicts arise between adhering to the Code of Business Conduct and local customs regarding the giving or receiving of gifts, payments, entertainment or benefits. Make it clear from the start what the imposed limitations are for your own business.

### **Using intermediaries**

Where a company, organization or person might reasonably be perceived to act on behalf of Tetra Pak that company, organization or person will be expected to conduct business in accordance with our commitment and policy expectations on business conduct or with a code of business conduct that is at least as rigorous. We should not employ or expect anyone to do something that we would not condone ourselves. We have a duty to ensure that agents, advisors, consultants and other third parties are aware of our commitments and that we do not condone either explicitly or implicitly breaches of our principles.

- Payments or commissions to agents, advisors, consultants and other third parties should be commensurate with provision of the relevant and proper services they are contracted to provide.

- A formal approval process should be established prior to the selection decision for the appointment of new agents, advisors and other third parties.
- Review should be sought from senior Tetra Pak management, Cluster VP or Operating Unit Vice-President when such relationships have the potential to impact on Tetra Pak's reputation.
- Before a contract is signed, a due diligence check should be performed and documented over new agents, advisors, consultants and intermediaries who may be expected or perceived by third parties to act on Tetra Pak's behalf.
- Contractual agreements should address our commitments and policy expectations. They should provide clear terms of reference detailing boundaries within which the third party may act on behalf of Tetra Pak.
- Actions or payments constituting deviations from these guidelines should be brought to senior management's attention, investigated appropriately and resolutions documented.

### **Facilitation payments**

Facilitation payments are small payments to low-level government officials in order to enable or speed up a process, which is the official's job to arrange so business can be conducted efficiently. Typically this involves issuing licenses or permits, clearing goods through customs etc.

The Group's attitude on facilitation payments is that small payments to low-level officials to expedite routine approvals are not condoned. Tetra Pak companies should therefore develop a process to deal with this problem, with the aim of eliminating it. This is consistent with the line taken by the International Chamber of Commerce, in the introduction to its "Rules of Conduct to Combat Extortion and Bribery".

Tetra Pak companies should outline their approach to facilitation payments in their local guidelines and procedures.

### **Application**

This Group Guideline represents sound practice and should be followed in the absence of clear business reasons to the contrary. If in doubt about a specific situation it should be referred to a specialist area or escalated to senior management.