
SUNTORY BEVERAGE AND FOOD EUROPE

ANTI-BRIBERY AND CORRUPTION POLICY

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ANTI-BRIBERY AND CORRUPTION POLICY

1. POLICY STATEMENT

- 1.1 Suntory Beverage and Food Europe Ltd ("**SBFE**") is a division of Suntory Beverage and Food ("**SBF**"), which includes Lucozade Ribena Suntory Ltd ("**LRS**"), Orangina Schweppes Holdings B.V. ("**OSH**") and all of their subsidiaries (the "**Business Units**"). The use of "we", "us", "our" and SBFE in this document are references to SBFE and all or any one of the Business Units.
- 1.2 At SBFE we are committed to maintaining the highest level of ethical standards in the conduct of our business affairs. In view of the nature, scale and geographic reach of SBFE's activities, it is important that we address the risk of bribery and corruption in order to avoid bribery and corruption occurring, help protect SBFE's reputation and protect it from liability. The purpose of this document is to set out our policy in relation to bribery and corruption (the "**Policy**").
- 1.3 At SBFE we are committed to:
- (a) a zero-tolerance approach to bribery and corruption. Bribery and corruption are never acceptable by or on behalf of SBFE - we will not tolerate bribery and corruption in our business or by those with whom we do business;
 - (b) acting fairly, honestly, openly and with integrity in all our business dealings and relationships wherever we operate;
 - (c) upholding national and international laws and regulations relevant to countering bribery and corruption wherever we operate; and
 - (d) implementing and enforcing effective systems within SBFE to counter the risk of bribery and corruption.
- 1.4 We recognise that market practice varies across the territories in which SBFE operates and therefore what is normal and accepted in one place may not be accepted in another. However, we are fully committed to complying with our obligations under applicable legislation, including the UK Bribery Act 2010 (the "Bribery Act"), and ensuring that no bribes or corrupt payments are made or offered to anyone or sought or obtained by anyone acting on our behalf anywhere in the world.
- 1.5 The Policy supports our anti-bribery and corruption commitments. It sets out in practical terms how you should behave and what you should do if you are confronted with bribery and/or corruption. You are expected to adhere to the Policy at all times in all aspects of your work.

1.6 To assist SBFE in ensuring absolute compliance with this Policy, you must ensure that you have read and understood it.

1.7 If you are ever in doubt about a situation with which you are presented or if you believe or suspect that bribery or corruption has occurred or may occur, always seek advice. The relevant hotline details for each Business Unit are provided at Appendix 1.

2. ANTI-BRIBERY AND CORRUPTION LAWS

2.1 This Policy is designed to ensure compliance with the anti-bribery and corruption laws to which SBFE and its employees are subject. These laws can apply to acts wherever in the world they take place and irrespective of local standards or cultural norms.

2.2 In addition to the requirements of this Policy, you must also comply with any requirements of applicable local anti-bribery and corruption laws, which may impose stricter requirements. When conducting business abroad, you should request guidance on any additional requirements in respect of applicable local anti-bribery and corruption laws from the relevant legal department.

3. THE PENALTIES

3.1 Breach of applicable anti-bribery and corruption laws may result in criminal, civil and regulatory penalties for SBFE and personal liability for individual directors and employees. Penalties include unlimited fines, imprisonment and repayment of profits. Under UK legislation, for example, bribery and corruption are punishable for individuals by up to ten years' imprisonment and/or an unlimited fine. If SBFE is found to have participated in bribery or if its employees engage in bribery and SBFE is found to lack adequate procedures to prevent an occurrence of bribery, then it could face an unlimited fine and be excluded from tendering for public contracts. Actual or perceived breaches of these laws may therefore result in severe financial and reputational damage to SBFE.

3.2 SBFE will take firm action against anyone found, after investigation, to be involved in bribery and corruption. This includes disciplinary action in respect of an employee who is found to have breached this Policy, which could result in the dismissal of that employee for gross misconduct. Furthermore, SBFE may, whether required by law or not, report such acts to the relevant authorities, which could lead to criminal prosecutions.

4. WHO IS COVERED BY THIS POLICY?

4.1 This Policy applies to:

(a) SBFE; and

- (b) every individual working in or with SBFE, at any level or grade, wherever located, regardless of title including all employees (whether permanent, fixed term or temporary), directors and officers.

4.2 This Policy may also apply to a third party who performs a service for SBFE, including, but not limited to:

- (a) consultants;
- (b) agents;
- (c) contract manufacturing; and
- (d) distributors.

4.3 A third party where referred to under this Policy covers any individual or organisation you have contact with in any capacity whilst working for SBFE.

5. UNDERSTANDING AND RECOGNISING BRIBERY AND CORRUPTION

5.1 Acts of bribery or corruption are designed to influence an individual in the performance of their duty and induce them to act in a way that a reasonable person would consider to be improper in the circumstances.

5.2 In essence, a bribe is offering an inducement to someone to act improperly or as a reward for someone already having acted improperly.

5.3 Corruption is any form of abuse of entrusted power and may include, but is not limited to, bribery.

5.4 Depending on the circumstances, bribes can take many different forms. If given or received as an inducement or reward for an improper act, the following could be bribes:

- (a) cash payments;
- (b) gifts (including gifts of cash or cash equivalents);
- (c) disproportionate expenses, such as lavish travel and accommodation;
- (d) other "favours" that are of value to the recipient (e.g. engaging a company owned by a customer's family);
- (e) free use of company services, facilities or property for activity unrelated to the business relationship; or

- (f) political contributions or charitable donations.

6. IMPROPER CONDUCT

6.1 The following are examples of types of conduct that are strictly prohibited under this Policy:

- (a) offering, promising, authorising or providing any payment, gift or hospitality or anything else of value to any person;
 - (i) with the expectation or hope that a business or other advantage will be obtained by or rewarded to SBFE, you or any other person;
 - (ii) in order to induce any person to act improperly or to reward them for doing so; or
 - (iii) knowing or believing that acceptance by the other person would itself be improper;
- (b) requesting, soliciting, accepting or receiving or agreeing to receive any payment, gift or hospitality or anything else of value from any person where you know or suspect that;
 - (i) it is offered or provided with the intention of inducing SBFE, you or any other person to provide any business or other advantage to any person, or to act improperly or to reward SBFE, you or any other person for doing so; or
 - (ii) the request itself is improper;
- (c) otherwise using any means to obtain, retain or reward any business or other advantage for SBFE, for you or for any other person;
- (d) acting as an intermediary for any third party in any of the actions referred to in this paragraph 6; and
- (e) threatening or retaliating against another person who has refused to commit a bribery offence or who has raised concerns under this Policy.

7. HIGH RISK AREAS

7.1 We have identified the following as particular bribery and corruption risks to our business:

- (a) use of business partners;

- (b) gifts and hospitality;
- (c) unusual payment terms and cash payments;
- (d) risk of bribery of public officials;
- (e) facilitation payments;
- (f) political and charitable donations; and
- (g) social programs.

7.2 The following seven sections of this Policy deal with each of these particular risks in turn.

8. BUSINESS PARTNERS

- 8.1 Most anti-bribery and corruption laws, including the Bribery Act, impose liability on companies which become involved in direct or indirect bribery. This means that SBFE may incur liability where a business partner engaged to represent SBFE or provide a service on behalf of SBFE makes or receives an improper payment or otherwise engages in improper conduct in the course of their work on SBFE's behalf. This exposure may arise notwithstanding that the payment or conduct in question is prohibited by SBFE.
- 8.2 It is very important, therefore, that you take steps to ensure that a third party engaged to represent or provide a service to SBFE does not make or receive any improper payment or otherwise engage in improper conduct in the course of acting on SBFE's behalf.
- 8.3 A business partner can include agents, distributors, joint venture partners and partners in SBFE's supply chain who act on behalf of SBFE or anyone else engaged to represent SBFE or provide services to SBFE.
- 8.4 Where there is a significant bribery risk in relation to a business partner, you must consult the relevant legal department in relation to appropriate anti-bribery compliance measures **before**:
- (a) either appointing or entering into a business relationship with the business partner; or
 - (b) entering into a new contract or amending the terms of an existing contract with the business partner.
- 8.5 Whilst there is corruption risk in every country, and this Policy applies to SBFE business worldwide, for the purposes of paragraph 8.4, a significant bribery risk will arise if:

- (a) a business partner is based or operates in a high risk country with a score of below 50 in the Transparency International Corruption Perceptions Index¹;
- (b) the services provided involve work being undertaken, directly or indirectly on SBFE's behalf in any high risk country;
- (c) the services involve business partners obtaining official permits, permissions or agreement from public officials or agents; or
- (d) there are particular reasons to suspect that the risk of corruption or bribery is higher than normal.

8.6 The following questions should be asked before engaging a third party to provide services to or to represent SBFE:

- (a) Do I know the identity of the individual or individual(s) who will be providing the services?
- (b) Can I describe in detail the services being provided?
- (c) Can the fee for the services be justified as being value for money?

If the answer to one or more of the above questions is no, then please liaise with the relevant legal department before engaging the third party.

8.7 The relevant legal department will advise you on both the level of due diligence required (such as carrying out a background check on the business partner) as well as the form of any appropriate provisions relating to anti-bribery and corruption required in relation to an agreement or contract. Any due diligence must be completed before any contract between SBFE and a business partner is signed or renewed or before a business partner does any work or undertakes any activities.

8.8 SBFE will, wherever possible, reserve the right to terminate contractual relationships with any business partner who works with or for SBFE if they breach any applicable anti-bribery and corruption contractual provisions.

9. GIFTS AND HOSPITALITY

9.1 This Policy does not seek to prohibit normal hospitality, given or received, to or from third parties and provided in good faith with the intention only to build or maintain legitimate business relations or offer normal courtesy.

9.2 However, you are strictly prohibited from:

¹ To establish whether and where the jurisdiction in which you are working is ranked, please go to: <http://www.transparency.org>

- (i) offering, promising, authorising or providing any gift, hospitality or other promotional expense to any person; or
- (ii) requesting, soliciting, accepting or receiving or agreeing to receive any gift, hospitality or other promotional expense from any person;

if such a gift, hospitality or other promotional expense is:

- (a) provided with the intention of obtaining, retaining or rewarding any business or other advantage for SBFE, for you or for any other person or in order to induce any person to act improperly or to reward them for doing so;
- (b) received where you know or suspect that it is offered or provided with the intention of inducing SBFE, you or any other person to provide any business or other advantage to any person or to act improperly or to reward SBFE, you or any other person for doing so;
- (c) comprised of cash or cash equivalent (including gift cards, gift certificates, vouchers, cheques, loans and shares or other securities);
- (d) not considered a token or of minimal or nominal value or not considered modest in value but considered unduly lavish or extravagant both in isolation and when considered in the context of other gifts, hospitality and other promotional expenses offered to or by the same party;
- (e) given in your personal capacity rather than in your capacity as a representative of SBFE or is concealed (that is, provided secretly rather than openly);
- (f) not appropriate in the circumstances (taking into account reason, type, value, the occasion and frequency of provision in the particular circumstances, including the level of influence the person receiving it has on relevant business decisions and local cultural sensitivities);
- (g) in breach of any applicable laws or regulations, including local laws; or
- (h) offered to, or accepted from, government officials or representatives, political parties or politicians, or any relatives or friends of such persons, without the prior approval of the relevant legal department.

9.3 At all times you should consider whether, in all of the circumstances, including the intention behind it, the gift, hospitality or promotional expense is reasonable and justifiable. If you are uncertain whether a gift, act of hospitality or promotional expense is acceptable you should ask your line manager for guidance. It may also be helpful to consider whether you would be embarrassed if your manager or colleagues or anyone outside SBFE were to become aware of the gift.

- 9.4 Bidding processes are higher risk events for bribery because they present a clear opportunity to win business. The desire to win large projects could heighten the incentive to pay a bribe. Particular care should be taken in the period leading up to the award of a public tender. For example, it would be inappropriate to provide gifts or hospitality to a party involved in the bidding process in the period leading up to the award of the contract.
- 9.5 Expenditure conforming to the Policy on hospitality and gifts to any individual external to SBFE can be made without prior consent where it is below a threshold value. The threshold value will vary between the Business Units depending upon the jurisdiction in which they operate. A table setting out the threshold value for each of the Business Units is provided at Appendix 2. Any expenditure in excess of the threshold value on hospitality and gifts to any individual external to SBFE can only be made with the prior written consent of your line manager. If you are offered a gift or invited to an event and the value exceeds the relevant threshold set out in Appendix 2 you should seek permission from your line manager.
- 9.6 If you are invited to an event where the offer includes payment for travel and/or accommodation, or to attend premium events such as a World Cup Final or Olympic Opening Ceremony, you should seek permission from your line manager before accepting the offer.
- 9.7 If you are still in doubt about whether you may accept an offer, you should seek guidance from the relevant legal department.
- 9.8 If it is decided (by your line manager or by legal) that you cannot accept an offer you should write to the giver to politely decline the offer. A proposal form of words for declining is provided in a letter at Appendix 3. If declining an offer would offend the giver, or the circumstances under which it was given preclude its return, you may accept the offer, but should notify the relevant legal department.
- 9.9 Each Business Unit maintains a gift and hospitality register. Any form of gift, entertainment or hospitality that is given, received or offered exceeding the threshold value set out in Appendix 2 must be recorded in actual value and in the relevant denomination and a receipt must be provided for any hospitality or gift provided. A copy of the written consent of your line manager to accept the gift must also be provided. There will be no reimbursement of expenditure until it has been registered. If a prohibited gift has been offered or inadvertently accepted this must be recorded in the register and notified immediately to the relevant legal department.

10. UNUSUAL PAYMENT TERMS AND CASH PAYMENTS

- 10.1 A bribery risk is created by the following types of payments:
- (a) To third parties not named in contracts;

- (b) To offshore bank accounts;
 - (c) Those made in cash; and
 - (d) Those made up front before work is done or goods supplied.
- 10.2 Prior to any payment being made to a party not named in a contract, documentation identifying the owner of the entity to whom the payment is being made should be ascertained. No payment of this nature should be made without prior discussion with the relevant legal department.
- 10.3 Prior to any payment being made to an offshore bank account documentation identifying the owner of the offshore bank account should be obtained.
- 10.4 Contractual cash payments should not be made where an alternative is available. Where there is no option but to transact in cash, no payment should be made unless an invoice has been provided. Following a cash transaction, proof of payment should be obtained.
- 10.5 No payment should be made in advance of work being done or goods supplied unless such a payment is required by a contract entered into and approved in accordance with the relevant chart of authority.

11. RISK OF BRIBERY OF PUBLIC OFFICIALS

- 11.1 Bribery of public officials is taken extremely seriously across the world. It is illegal under the Bribery Act as well as under the laws of many other countries in which SBFE operates.
- 11.2 Any bribe offered, promised or paid to public officials at any level in order to influence them in the performance of their public function (e.g. in respect of granting permits, inspections and licensing matters) would constitute a breach of the Policy.

12. FACILITATION PAYMENTS

- 12.1 Facilitation or "grease" payments are usually small payments or gifts of small value given to (junior) government officials to secure, facilitate or expedite a routine government action (such as the provision of a permit or licence).
- 12.2 Whilst facilitation payments may be common in many countries, they are illegal under the Bribery Act and potentially in other countries in which SBFE operates. Accordingly, facilitation payments are not permitted under the terms of this Policy.
- 12.3 You must make the relevant legal department immediately aware of any requests for a facilitation payment.

13. POLITICAL AND CHARITABLE DONATIONS

- 13.1 We respect the right of individual employees to make personal contributions, provided they are not made in any way to obtain advantage in a business transaction.
- 13.2 No charitable or political donation must be offered or made on behalf of SBFE without the prior approval of the relevant CFO and the relevant legal team.

14. SOCIAL PROGRAMS

- 14.1 Companies operating in many jurisdictions, notably those in Africa, are often asked to become involved in and make financial contributions to local programs. For example, companies are asked to contribute to local infrastructure projects.
- 14.2 These projects are often connected to the interests of public officials. There is a risk that contributions to social programs are in fact channeled to public officials as bribes.
- 14.3 No involvement in or payment to a social program on behalf of SBFE should take place without the prior approval of the relevant CFO and the relevant legal team.

15. RECORD KEEPING

- 15.1 You must ensure that accurate and appropriate financial records are kept and that you abide by all internal procedures and controls to ensure that bribery does not occur and to enable SBFE to defend itself against any allegations of bribery or corruption that may be made. This includes:
 - (a) retaining all paperwork (including accounts, invoices, memoranda, receipts and other documents) associated with third party dealings and specifically recording the reason for all expenditures;
 - (b) submitting all expenses claims relating to hospitality, gifts or promotional expenses incurred promptly and in accordance with SBFE's finance policies and procedures;
 - (c) ensuring all records retained or submitted are accurate and not misleading; and
 - (d) declaring and keeping a record of all hospitality or gifts accepted or offered in the gift and hospitality register mentioned in paragraph 9.9, which will be subject to managerial review.

16. REPORTING BRIBERY AND/OR CORRUPTION

- 16.1 You are encouraged to report any concerns about any issue under this Policy as soon as possible. If you are unsure as to whether a particular incidence constitutes bribery or

corruption, you should also raise this concern or query. All such concerns should be raised with the relevant legal team or via the relevant ethics and compliance hotline, as soon as possible.

- 16.2 SBFE will deal with any reports or concerns in confidence and prompt investigations will be carried out in all cases of actual or suspected bribery or corruption.
- 16.3 SBFE aims to encourage openness and will support anyone who raises genuine concerns under this Policy. Further, it is committed to ensuring that no one suffers detrimental treatment as a result of refusing to participate in bribery or corruption or because they reported their suspicion of actual or potential bribery or corruption. If you believe you have suffered detrimental treatment connected with your raising a concern, you should inform the relevant HR Director immediately.

17. PREVENTATIVE ACTION

- 17.1 SBFE requires participation from all members of staff in mandatory anti-bribery training and the implementation of this Policy. This training will be repeated periodically. Those employees working in higher risk areas of the business will receive tailored and more frequent training.
- 17.2 You are expected to ensure that SBFE's zero-tolerance approach to bribery and corruption is communicated to all business partners at the outset of the business relationship and as appropriate thereafter.
- 17.3 Senior management will conduct regular reviews of this Policy and any associated finance policies and procedures to ensure they are in line with changing legislation and best practice. Changes will be communicated to you as and when they are made.
- 17.4 This Policy may be amended at any time.

APPENDIX 1: HOTLINE NUMBERS

COMPANY	HOTLINE NAME	HOTLINE NUMBER
LRS	Ethics and Compliance Hotline	0800 915 1571
SBFE EUROPE	TBC	TBC
SBFE AFRICA	TBC	TBC

APPENDIX 2: THRESHOLD VALUES FOR GIFTS AND HOSPITALITY

COMPANY	THRESHOLD VALUE
LRS	£100
SBFE EUROPE	€100
SBFE AFRICA	\$20

APPENDIX 3: FORM OF WORDS FOR DECLINING A GIFT OR AN OFFER OF HOSPITALITY

Dear [●]

Thank you for your kind offer of **[gift / invitation]**. Unfortunately, however, I / we must decline the offer as our company policy does not allow us to accept **[gifts / hospitality]** of significant value.

[I / We must therefore return your generous gift with thanks.] I / We hope that you understand my / our position and thank you nonetheless for the gesture.

I look forward to continuing to work together.

Yours sincerely

[●]