

MONDE NISSIN GROUP

Anti-bribery and Corruption Policy Statement

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- Appendix 1 **Certification of having received a briefing on, and compliance with, Monde Nissin Group’s Code of Conduct and Anti-bribery and Corruption Policy Statement**
- Appendix 2 **Annual Employee Anti-bribery and Corruption Policy Statement Certification**

GUIDELINES REFERRED TO IN THIS POLICY STATEMENT (NOT ATTACHED)

Guidelines for Engaging Business Partners – includes guidelines for conducting due diligence, as well as anti-bribery and corruption contractual clauses for use in agreements with Business Partners and annual compliance certifications for use with Business Partners.

Guidelines for Gifts, Meals, Entertainment and Sponsored Travel – includes monetary thresholds for provision of Gifts, Meals, Entertainment and Sponsored Travel with respect to both Public Officials and private individuals.

Guidelines for Corporate Sponsorships, Charitable Donations and Political Contributions – includes guidance for the provision of Corporation Sponsorships, Charitable Donations and Political Contributions in connection with Monde Nissin Group’s business.

Guidance for Corporate Transactions – includes guidance on how to conduct anti-bribery and corruption due diligence in relation to corporate transactions, including joint ventures, acquisitions and investments.

ANTI-BRIBERY AND CORRUPTION POLICY STATEMENT

1. POLICY STATEMENT PURPOSE

- 1.1 Bribery and corruption prevents competition, limits innovation, and harms local communities. In committing acts of Bribery, Employees and Business Partners may be exposing themselves, Monde Nissin Corporation (“MNC”) and its Subsidiaries (collectively called “Monde Nissin Group” or “Group” and each a “Group Company”) to criminal liability, substantial financial loss and reputational harm.
- 1.2 Monde Nissin Group is committed at all times to acting in compliance with the anti-bribery laws in all countries in which they operate. Bribery of Public Officials, in particular, presents a particularly heightened risk to Monde Nissin Group due to the severe consequences of specific anti-bribery and corruption laws around the world relating to government sector Bribery.
- 1.3 Monde Nissin Group is committed to complying with the highest standards of ethical business practices and conduct and the requirements of all potentially applicable laws, rules and regulations, including, but not limited to:
 - a. Philippines law such as the Revised Penal Code, the Anti-Graft and Corrupt Practices Act, the Act Punishing the Receiving and Giving of Gifts for Public Officers and Employees, Presidential Decree 46;
 - b. the U.S. Foreign Corrupt Practices Act (the “FCPA”),
 - c. the UK Bribery Act (“UKBA”);
 - d. legislation enacted in accordance with the Organization for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; as well as
 - e. anti-corruption laws enacted in each country where Group Companies conduct business(together, the “Compliance Laws”).
- 1.4 We note, in particular, the requirements of the FCPA and UKBA which we are committed to complying with even though we are not headquartered in the U.S. or UK. This is because of our operations in those jurisdictions and the potential extraterritorial reach of the FCPA and the UKBA. Extraterritoriality means that even non-U.S. and non-UK corporations such as ours can be impacted by these laws.
 - a. The FCPA is comprised of two parts: (1) the prohibition of giving, providing or offering Anything of Value to “foreign” (non-U.S.) Public Officials, political parties, political party officials or candidates for political office; and (2) the requirement to maintain accurate books and records and a system of internal accounting controls.
 - b. The UKBA: (1) prohibits the offering and/or receipt of any financial payment, benefit or advantage where doing so would induce improper performance by the recipient; (2) prohibits the bribing of Public Officials; and (3) creates a corporate offence of

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failing to prevent Bribery by “Associated Persons” (e.g. Business Partners, Employees, agents, representatives, joint venture partners).

Both the FCPA and UKBA also prohibit the bribing of an official of a public international organization, for example, the United Nations, World Bank, World Health Organization, World Trade Organization, or European Union.

- 1.5 This Anti-Bribery and Corruption Policy Statement (the **ABC Policy Statement**) identifies Monde Nissin Group’s expectations of Employees and Business Partners with respect to its commitment to prevent corruption and to act in accordance with Compliance Laws.
- 1.6 This Policy Statement seeks to build upon the existing ethical culture of the Group and provide a robust anti-bribery and corruption framework by which Monde Nissin Group Employees and Business Partners may be guided.

2. GUIDING PRINCIPLES

“WE ARE EXPECTED TO DO THE RIGHT THING AT ALL TIMES”

- 2.1 Monde Nissin Group expects all Employees and Business Partners to conduct themselves with the utmost integrity as representatives of the Group. Monde Nissin Group recognises that market custom and acceptable practice varies across the countries in which the Group operates; however Monde Nissin Group is fully committed to acting in compliance with all local laws. Monde Nissin Group is committed to a zero-tolerance approach to Bribery and corruption.
- 2.2 Monde Nissin Group will not tolerate any form of bribery and corruption, including any form of unethical inducement or payment including facilitation payments and “kick-backs”.

“COMPLIANCE IS EVERYONE’S RESPONSIBILITY EVERYDAY”

- 2.3 Every one of Monde Nissin Group’s Employees is required to become familiar with this Policy and to ensure that Monde Nissin Group conducts its activities in compliance with the requirements of applicable Anti-Bribery Laws and the requirements of this Policy.
- 2.4 The Board of Directors is responsible for ensuring that the Policy is properly implemented and followed. All directors, officers, Employees and agents of Monde Nissin Group will cooperate fully with Monde Nissin Group in order to properly implement, maintain, monitor, and enforce the requirements and procedures of this Policy.
- 2.5 Likewise, the person(s)/department(s) charged with the book-keeping, accounting, auditing, and financial functions of each Group Company must implement, monitor and maintain appropriate controls and systems so that they are in compliance with Compliance Laws and this Policy Statement.

3. SCOPE

- 3.1 This Policy applies to Monde Nissin Group as well as to those acting on behalf of any Group Company, including officers, directors, Employees and Business Partners of a Group Company. All such persons are expected to become familiar with and comply with this Policy Statement and to participate in relevant training sessions when required.
- 3.2 If Employees have any doubts or questions as to whether their conduct is permissible under this Policy Statement, or applicable anti-bribery or anti-corruption laws, there is an

expectation that they will contact their supervisor or the department or officer in charge of legal or compliance matters at their respective Group Company.

4. DEFINITIONS APPLICABLE TO THIS POLICY STATEMENT

4.1 **Anything of Value** – includes but is not limited to cash, gifts, travel, inflated commissions, offers of employment, unauthorised rebates, political/charitable/business donations, loans, training and sponsorships, as well as excessive entertainment expenditure. This definition recognises that Bribes can come in many shapes and sizes.

4.2 **Bribe and Bribery** – giving, agreeing to give, offering, or receiving Anything of Value to influence the behaviour of someone in government or business in order to obtain an improper benefit or advantage. Please note that there is no “small payment” or *de minimis* exception for payments made with a corrupt intent under this Policy Statement and many Compliance Laws. Thus, even minor payments can violate this Policy Statement and Compliance Laws if they are intended as Bribes.

4.3 **Business Partner** – any third party that: (i) will perform services on behalf of, or will otherwise represent the business interests of, Monde Nissin Group or any Group Company; and (ii) may have an opportunity to receive, offer, promise, or give a bribe on Monde Nissin Group’s or any Group Company’s behalf. Examples of Business Partners may include but are not limited to distributors, sales agents, promotion and marketing agents, lobbyists, customs agents, logistics providers, joint venture partners, and consultants.

For the avoidance of doubt, Business Partners do not include any entity which MNC or a Group Company directly or indirectly controls. “Control” is presumed when MNC or a Group Company directly or indirectly has more than half of the voting rights of the entity, or otherwise has the power to govern the financial and operating activities of the entity through such factors as the existence of contractual agreements with other shareholders or a mechanism that prevents other shareholders from exercising their rights.

4.4 **Employee** – any employee (permanent or temporary), officer or director of a Group Company.

4.5 **Facilitation Payment** – refers to a nominal amount paid to a Public Official in order to expedite a routine procedure that the Public Official is legally obligated to carry out (for instance, processing a travel visa, or scheduling an inspection). Payments made to Public Entities for which there is an official charge and which are legally authorised, such as to expedite a passport renewal, are not classified as facilitation payments.

4.6 **Group Company** – any company or entity belonging to Monde Nissin Group.

4.7 **Public Entity** – refers to a government; a government department, agency or instrumentality; a political party; a state-owned enterprise (for instance, a public hospital or public university); as well as any public international organization, such as the United Nations, World Health Organization, World Bank or the Red Cross.

4.8 **Public Official** – is a director, official or employee acting on behalf of any of the aforementioned Public Entities; a royal family member; or a candidate for political office. A person may be considered a Public Official regardless of their seniority.

4.9 **Quid Pro Quo ("something for something" in Latin)** – is money or Anything of Value intended to operate to influence an action or decision.

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- 4.10 ***Subsidiary*** – means either of the following any company or business which is 50% owned or more, whether directly or indirectly, by MNC or a Group Company.

5. SUMMARY GUIDANCE

DO NOT OFFER, GIVE OR ACCEPT BRIBES

A Group Company and anyone acting on behalf of a Group Company (including Employees, agents and other third parties) must not offer, give, agree to give, or authorize a Bribe, nor must they accept a Bribe in the course of their employment or work for a Group Company under any circumstances.

TAKE APPROPRIATE STEPS TO ENSURE BUSINESS PARTNERS DO NOT OFFER, PAY OR ACCEPT BRIBES

A Group Company and its Employees must be alert to the Bribery and corruption risks presented by their Business Partners and take appropriate steps to mitigate them in accordance with this Policy Statement.

DO NOT MAKE FACILITATION PAYMENTS

This prohibition applies even where Facilitation Payments are common and generally permitted.

REMAIN VIGILANT

You should remain vigilant, particularly in high risk corruption environments, and concerning any dealings that your Group Company has with Public Officials in connection with any other scenarios not specifically discussed in this Policy Statement. You should also be alert to the red flags listed in Section 6.2 of this Policy Statement. Bribery and corruption risks change and evolve over time, and although this Policy Statement seeks to identify some of the key areas where Monde Nissin Group is aware that risks may emerge, Employees must remain aware of their Group Company's exposure to requests for Bribery in the full range of the Group Company's operations.

DOCUMENT APPROPRIATELY

It is essential that a Group Company's books and records accurately reflect all payments and Anything of Value given or received. It is important that invoices received from Business Partners also accurately reflect the nature of payments and Anything of Value made in relation to our business.

UNDERSTAND THE CORRUPTION RISKS AND POLICY REQUIREMENTS APPLICABLE TO YOUR JOB

These will vary depending on the nature of your responsibilities and sometimes the risks are not obvious.

REPORT CONCERNS

If you have questions or doubts as to whether your actions or the actions of others are consistent with this Policy Statement, seek advice. You must also report any known or suspected violations of this Policy Statement in the same way. Monde Nissin Group does not tolerate or permit any form of retaliation against any person who reports a suspected violation in good faith.

VIOLATION OF THIS POLICY STATEMENT MAY RESULT IN DISCIPLINARY ACTION

Where an Employee is found to have acted in breach of this Policy Statement, that Employee will be subject to disciplinary action, up to and including possible termination of employment.

Business Partners who engage in practices inconsistent with, or in violation of this Policy Statement, are deemed to have violated their contractual obligations to the Group Company and are subject to immediate cancelation of their relationship with the Group Company.

6. DETAILED POLICY & GUIDANCE

6.1 Do not offer, give or accept Bribes

Each Group Company shall use all reasonable efforts to ensure, together with its Employees and Business Partners, that it will use only legitimate and ethical business practices in commercial operations and in promoting the Group Company's position on issues before Public Entities.

A Group Company and its Employees and Business Partners acting on behalf of the Group Company, must not make, offer, promise, agree to make, or authorize the payment, directly or indirectly, of monies or Anything of Value to any Public Official or any person while knowing that all or part of such value will be shared with a Public Official, for the purpose of influencing any act or decision of such person, causing such person to act or fail to act in violation of his lawful duty, or causing such person to influence any act or decision of any Public Entity, in order to assist a Group Company to obtain or retain business, secure any improper advantage, or direct business to any person.

A Group Company shall also use all reasonable efforts to ensure that it, its Employees, and its Business Partners will act in accordance with Compliance Laws criminalizing Bribes to private individuals where the intention of such Bribes are to induce that person to improperly perform a relevant function or activity such as his or her work or to reward a person for having improperly performed a relevant function or activity.

Example 1:

A Group Company is having difficulty obtaining a license which it requires to operate its business. The license has previously been refused due to safety concerns. An Employee of the Group Company is then approached by a Public Official, who intimates that they may be able to talk to the right people, and arrange for the license to be approved. The Public Official requests payment in order to make sure "things go smoothly". The Employee then arranges for payment to be made. Is this a Bribe?

Yes. A payment has been made to a third party (in this instance, a Public Official) for the purposes of obtaining an improper business advantage. The license does not need to be granted in order for this to be a Bribe.

6.2 Take appropriate steps to ensure Business Partners do not offer, pay or accept Bribes

This Policy applies equally to Employees and Business Partners. In certain circumstances, a Group Company and its Employees may be held liable for improper payments or the provision of Anything of Value by a Business Partner to a third party.

Accordingly, a Group Company and individual Employees may violate this Policy if they make a payment to a Business Partner—such as a consultant, sales representative or agent—while "knowing" that the Business Partner intends to give at least a portion of the payment to a Public Official as a Bribe. A knowing state of mind exists if the Employee is either aware that the Business Partner is engaging in improper conduct, or has a firm belief that improper conduct is substantially certain to occur.

This "knowing" requirement can also be met if it can be shown that the Employee consciously disregarded evidence that a Business Partner was engaging in improper conduct. Employees, therefore, cannot simply turn a blind eye to evidence of misconduct by Business Partners acting on behalf of a Group Company.

Example 2:

A Group Company has recently obtained the services of “Quick Imports”, a third party agent, to assist them in clearing customs in Country X, a market that is known to have relatively high levels of corruption. Shortly thereafter, an Officer of Quick Imports approaches an Employee of the Group Company, and advises that Quick Imports might be able to speed up the customs process if they were paid a little bit extra each month. As the Group Company would be able to increase its product output at the Group Company’s manufacturing plant in Country X, the Employee agrees. The Employee wonders how Quick Imports is planning on speeding up the customs process; however he does not enquire further. The timeliness with which Quick Imports delivers the Group Company’s products greatly increases, as does the Group Company’s product output as a result. The Employee who agreed to the payment soon hears a rumour that Quick Imports are notoriously dishonest and also notices a line item on Quick Imports’ invoices describing either “Liaison costs” or “Miscellaneous expenses”. The Employee does not know what those items are for; however, he is overall pleased with how quickly the Group Company’s products are arriving, and chooses to disregard this.

Meanwhile, the Officer of Quick Imports has been regularly paying a number of customs officials to bypass the customs clearance process all together, thereby greatly speeding up the customs process for Quick Imports. Can the Group Company be held liable for the actions of Quick Imports?

Yes. A Business Partner has been routinely making improper payments to Public Officials in order to obtain an improper advantage for the Group Company. Although the Employee may not have known that this was occurring, the “knowledge” requirement will be met as the Employee consciously disregarded evidence that the Business Partner may have been engaging in improper conduct.

What should the Employee do about the vague line items on the invoices?

The Employee should not approve an invoice for services that are unspecified. He should first check the custom brokers contract to see if there is a logical explanation for the charge. He should also consider arranging a meeting with the broker and seek to confirm what the charge is for and probe further if the explanation is unsatisfactory. Even if the broker’s explanation is satisfactory, the broker should be asked to re-issue the invoice with sufficient detail to explain the charges. The Employee should also take the opportunity to reiterate the Group Company’s expectations and understand how, in practice the broker manages the services it provides to the Group Company in a high corruption environment without making improper payments.

If the explanation is unsatisfactory the Employee must not approve the invoice and should immediately escalate the matter to involve the department in charge of legal or compliance in his/her organization.

To ensure all Business Partners act with the utmost integrity, all agreements with Business Partners who may have direct or indirect contact with Public Officials **must be in writing** and must describe the services to be performed, the fee basis, the amount to be paid, as well as any other material terms and conditions as required by the relevant compliance guidelines of the relevant Group Company. Further, payment amounts stipulated must reasonably correspond with the value of the services to be provided, must be fully and accurately documented, and must be in line with all relevant policy and guidelines of the relevant Group Company. Payments to Business Partners should be well documented, and should never be made in cash.

Thorough **due diligence** of potential or existing Business Partners ought to be carried out prior to any agreement being entered into or renewed to ensure that the Business Partner has

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both the requisite qualifications, as well as a solid reputation for business integrity. A written due diligence report must be prepared, and must be retained (along with any supporting documentation) in accordance with the relevant guidelines of each Group Company. A suggested due diligence check list of questions to ask, searches to conduct and information to request before engaging a Business Partner can be found in the **Guidelines for Engaging Business Partners** that should be read in conjunction with this Policy Statement.

If at any time an Employee becomes aware of, or has reason to suspect, that a Business Partner has engaged in potentially improper conduct, all payments to the Business Partner must cease immediately until an investigation has been conducted. Whilst not exhaustive, a number of potential “**red flags**” that a Business Partner may be violating Compliance Laws are outlined below:

- Unusual or excessive payment requests, including last minute payment requests, requests for up front payment, or requests for additional amounts without justification;
- Requests for payment to be made to a bank account located in a country other than that in which the Business Partner is located/primarily operates;
- Requests for payment to be made to a third party, to a numbered account, or in cash;
- Requests for political or charitable contributions;
- The Business Partner has a close relationship with, or is related to, a Public Official;
- The Business Partner is unwilling or reluctant to disclose its owners, partners or principles, or to commit in writing to abide by the Policy;
- The Business Partner uses holding companies or other methods to obscure its ownership;
- Previous charges have been laid against the Business Partner for violation of local or foreign laws;
- A demand or strong endorsement by a Public Official that the Business Partner should be retained;
- Lack of experience in the industry in which they work; or
- The Business Partner requests that their retention by the Group Company be kept a secret.

All contractual agreements between a Group Company and its Business Partners must contain a **compliance provision** requiring all Business Partners to comply fully with applicable Compliance Laws, and to refrain from giving Anything of Value to Public Officials in order to obtain or retain business, or to secure an improper advantage for the Group Company. The agreement should also stipulate a requirement that the Business Partner periodically certify that they have no knowledge of any such activities having occurred. Sample compliance provisions for use when entering into a relationship with a Business Partner can be found in the Monde Nissin Group **Guidelines for Engaging Business Partners**.

In addition, Monde Nissin Group expects that all Business Partners will agree to **annually certify** compliance with the compliance provision. A sample compliance certification can be found in the Monde Nissin Group model **Guidelines for Engaging Business Partners**.

6.3 **Entering into Corporate Transactions**

Corporate transactions, such as mergers and acquisitions, investments and joint ventures, are important to the ongoing business of Monde Nissin Group. It is particularly important in the context of conducting such corporate transactions that Monde Nissin Group conduct appropriate due diligence and negotiate contractual protections and remedies that would protect Monde Nissin Group if potentially problematic issues were to surface.

We have developed a separate guidance note, titled **Guidance for Corporate Transactions**, that provides information on how to think about the conduct of anti-bribery and corruption due diligence in the context of a corporate transaction, such as entering into a joint venture, acquiring another company, or investing in another company, as well as what protective measures might be able to be taken by Monde Nissin Group pre- and post-closing.

6.4 **Additional guidance regarding payment practices**

Employees and Business Partners must not give or offer to give Anything of Value to Public Officials or private individuals if such actions could be interpreted as an attempt to improperly influence such person(s) in order to obtain an improper advantage for a Group Company.

That said, this ABC Policy Statement 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.

In order to provide detailed guidance regarding certain payment practices, two sets of guidelines have been developed. First, with regard to gifts, meals, entertainment and sponsored travel, separate **Guidelines for Gifts, Meals, Entertainment and Sponsored Travel** have been developed and should be read in conjunction with this Policy Statement.

Second, a document titled **Guidelines for Corporate Sponsorships, Charitable Donations and Political Contributions** has been developed to set forth the standards, procedures and the record-keeping requirements for Monde Nissin Group when providing Corporate Sponsorships, Charitable Donations or Political Contributions in connection with Monde Nissin Group's business. That document should be read in conjunction with this Policy Statement.

(1) *Gifts*

Gifts bestowed upon Public Officials may be viewed as an attempt to improperly influence such person(s). As such, they are only permitted on an exceptional basis, and in accordance with this ABC Policy Statement.

Gifts to Public Officials:

- Must be permitted by, and given in compliance with, all local laws and regulations;
- Must be given in accordance with this ABC Policy Statement and the relevant Guidelines for Gifts, Meals, Entertainment and Sponsored Travel;

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- Must not be given if the circumstances may imply that the gift is being given as a Quid Pro Quo, for instance, where some action, decision or permit is pending at the Public Entity at which the Public Official works;
- Must not be made in cash or cash equivalents (i.e. gift cards), irrespective of whether such gifts are in line with local practices;
- Must have a commercial value no more than the monetary limit provided in the Guidelines for Gifts, Meals, Entertainment and Sponsored Travel (unless decreased due to applicable laws and regulations in any given jurisdiction, or a decision of management of the Group Company), and be given infrequently. Infrequently means that the same Public Official is not to receive more than four gifts from a Group Company per year; and
- Must be made transparently and be properly documented, reported and accounted for in the relevant Group Company's books and records.

Employees and Business Partners ought to err on the side of caution if they are unsure whether a gift may be viewed as an attempt to improperly influence a Public Official. If you are uncertain as to whether a gift is permitted, or if you have questions regarding monetary limits, you are expected to consult your supervisor and the department in charge of legal or compliance in your organization.

Example 3:

A Group Company has had a number of small, portable speakers branded with the Monde Nissin Group company logo produced to give as gifts to clients at the end of the year. Each unit costs approximately USD25. Is this gift permissible under this Policy?

Yes, so long as the gifts are permitted by local law, the value of each small gift is less than the monetary limit permitted for that market, and the gifts are being given to a number of clients, rather than one Public Official.

One of the gift recipients, a Public Official from Department X, expresses his thanks for the gift, and comments that his children would very much like to receive such a gift also. You are aware that the Group Company is currently engaged in an active dispute with Department X, and decide to give the Public Official two additional speaker sets, hoping that he will remember your kindness. Is this a permissible course of action?

No. Such gifts may be interpreted as an attempt to improperly influence the Public Official in order to obtain an improper advantage for the Group Company.

Occasionally, Public Officials may approach Employees and/or Business Partners of a Group Company to request a payment or gift. These requests are often more subtle than a direct request for a Bribe; however, they may still violate Compliance Laws. Great care must also be taken in circumstances where the Public Officials request the provision of travel or entertainment.

Example 4:

A Public Official from the Department of Customs in Country Y expresses his love of a particular Monde Nissin Group product, and comments that his children would very much like to receive sample products. You are aware that Monde Nissin Group is currently engaged in an active dispute with

Department of Customs in Country Y, and decide to give the Public Official a number of hampers of Monde Nissin Group products, hoping that he will remember your kindness. Is this a permissible course of action?

No. Such gifts may be interpreted as an attempt to improperly influence the Public Official in order to obtain an improper advantage for the Group Company.

Monde Nissin Group also has standards, procedures and record-keeping requirements for rules gifts to individuals in the private sector. Please refer to the **Guidelines for Gifts, Meals, Entertainment and Sponsored Travel** for further details.

(2) *Corporate Sponsorships, Donations and Political Contributions*

Although donations to charitable organizations are regularly viewed as a sign of good corporate citizenship, donations made to organizations following a request by a Public Official or to organizations in which a Public Official has a role such as a trustee or director may be viewed as improper under certain circumstances.

When making a donation to a charitable organization, the following must be considered:

- The purpose of such payment;
- Whether the payment is consistent with the **Guidelines for Corporate Sponsorships, Charitable Donations and Political Contributions**;
- Whether the payment has been made at the behest of a Public Official;
- Whether a Public Official is associated with the charitable organization (e.g. did he/she establish the organization or sit on its board), and if so, what their role and decision making capacity is; and
- Whether the payment is conditional upon the Group Company receiving some sort of benefit.

Monde Nissin Group prohibits the making of political donations on behalf of a Monde Nissin Group company.

Further guidance on Monde Nissin Group's standards, procedures and record-keeping requirements for corporate sponsorships, donations, charitable contributions and political contributions can be found in the **Guidelines for Corporate Sponsorships, Charitable Donations and Political Contributions**.

(3) *Hospitality, Entertainment and Travel*

In many instances, paying the hospitality, entertainment and travel expenses of a Public Official or individual in the private sector can be a legitimate part of doing business. However, as these activities may create or appear to create improper influence, they are only permitted in limited circumstances, and in accordance with both local law and this Policy Statement.

Expenses paid in relation to Public Officials:

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- Must be made in compliance with local law as well as this ABC Policy Statement.
- Must not be provided or reimbursed if the circumstances might suggest the payment has been made as a Quid Pro Quo, for instance, where some action, decision or permit is pending at the Public Entity at which the Public Official works.
- Must not be made in cash.
- Must be incurred for a genuine and legitimate business purpose only. No expenses are to be paid for any non-business related activities (i.e. “side trips”).
- Must be reasonable and not excessive or extravagant.
- Must only be paid for or reimbursed for the Public Official. Expenses are not to be paid for the family and friends of the Public Official.
- Must be supported by the appropriate documentation (i.e. receipts and invoices).
- Should, where possible, be paid directly to the vendor or third party supplying the goods or services (i.e. the airline, restaurant etc.). Where this is not possible, repayment should be made to the Public Entity, rather than the Public Official. Receipts and Invoices should be provided.
- Should, where possible, only be provided following confirmation by the Public Official’s supervisor that the expenses incurred by the Public Official are permissible.
- Must be made transparently and be properly documented, reported and accounted for in the Group Company’s books and records.

Example 5:

You are arranging a site visit for a Public Official at the factory at which you work. The purpose of the site visit is to inspect compliance with local health and safety laws. You are authorized to pay for any expenses incurred with respect to the Public Official's travel and accommodation costs, as well as for meals.

As there is a **demonstrable business purpose** for this trip, related expenses are permissible, so long as they are reasonable and not extravagant or lavish.

The Public Official requests that he make his own travel arrangements, as he has an excellent relationship with his local travel agent. Is this permissible?

Maybe. However, it would be more prudent for the Group Company to organise all travel arrangements, and make any payments directly to the third-party service provider (i.e. an airline), to ensure compliance with the Group Company's policy.

The Public Official advises that he would like to bring his spouse along with him for the site visit, and it is clear from the conversation that he is expecting the Group Company to pay for the travel and accommodation expenses of his spouse also. As it is in the Group Company's best interests that the site visit goes well, you agree to pay for any expenses incurred with respect to the Public Official's spouse also. Is this permissible?

No. Although there may be a demonstrable business purpose in paying the expenses of the Public Official, payment of expenses incurred by the Public Official's spouse may be viewed as an attempt to improperly influence the Public Official, and as such, is not permitted.

Monde Nissin Group has standards, procedures and record-keeping requirements for hospitality, entertainment and travel relating to Public Officials and individuals in the private sector. Please refer to the **Guidelines for Gifts, Meals, Entertainment and Sponsored Travel** for further details.

6.5 Facilitation Payments

This section is applicable to any Employee or Business Partner who interacts with Public Officials in the course of their work on behalf of Monde Nissin Group, or who works in or regularly travels to any country(ies) where Facilitation Payments or Bribes are routinely requested.

Facilitation or "grease" payments are usually small payments or gifts of nominal value given to Public Officials in order to secure, facilitate or expedite a routine process (such as the provision of a permit or licence). Payments made to Public Entities (rather than Public Officials) and which are legally authorised (such as the cost associated with expediting a passport application) are permissible, and are not classified as Facilitation Payments.

Whilst Facilitation Payments may be common in some countries, Monde Nissin Group regards these as inappropriate. Further, according to the UKBA, facilitation payments are illegal. Accordingly, the payment of Facilitation Payments by or on behalf of a Group Company (including by our Business Partners) is strictly prohibited under the terms of this Policy.

Monde Nissin Group has a reputation as an ethical company that is against Bribery. Maintaining this reputation by refusing to make Facilitation Payments and pay Bribes is not

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only the right thing to do in the short term, but also contributes to building and maintaining Monde Nissin Group's reputation. This in turn significantly lowers the risk of Employees receiving recurrent requests to make improper payments.

Monde Nissin Group understands that in practice, it can be difficult to know how to respond to a request for a Facilitation Payment. **Do not feel as though you must deal with the Facilitation Payment request alone.** You should utilise internal Monde Nissin Group resources, such as Monde Nissin Group's Legal Department. In some situations, it may also be appropriate to utilise external resources such as home country consulates or embassies.

In the event you are approached to make a Facilitation Payment:

- Remain polite.
- Ask that the request for payment be made in writing, so that you can report it to your supervisor. You may also ask the person to speak to his/her supervisor.
- If the person refuses to comply with this request, or if it is clear that the request refers to a Bribe, you should unequivocally refuse to pay, and advise the person that you do not have the authority to make such a payment and that Monde Nissin Group policy prohibits such payments.

Example 6:

You are travelling on business across land to Country Y. When you arrive at the border, you are informed by the immigration agent that there is a small fee of USD10 associated with the processing of the relevant documentation. You ask to see where the fee is provided for in writing, but are told that it is not. You are beginning to worry, as you need to be in Country Y for a meeting later that day. Under the circumstances, is payment of this fee permissible?

No. As the fee is not provided for in writing, it is unlikely to be a legally authorised cost associated with the expedition of a government process. You should refuse to pay the fee, and request to speak to the agent's supervisor.

Remember: legitimate fees are usually published in some sort of price list or schedule, and upon payment of such you should be provided with an official receipt or invoice.

Example 7:

An employee of a state-owned telephone company arrives to install a much needed telephone line at a Group Company facility but demands a cash payment in addition to the invoiced payment to complete the job. Under the circumstances, is payment of this fee permissible?

No. Employees must not pay this money, and must inform the telephone company employee that according to Monde Nissin Group policy, undocumented cash payments are not allowed, and that the Employee doesn't have the authority to pay. The Group Company should ask the telephone company employee to show an official document proving that such payments are legitimate official payments. The Employee must always document the whole process and archive the relevant documents in accordance with the Group Company's policy. The Employee(s) interacting with the telephone company employee must also report the payment request to his/her supervisor or the department in charge of legal or compliance who will look into the possibility of informing the supervisor of the person demanding the payment and working with the telephone company to ensure that future demands for payments do not occur.

When establishing the first contacts with the state-owned telephone company, the responsible Employee should identify in advance what all the possible official requirements for connecting the telephone are, and the details of any associated payments. He or she must then make sure the Group Company can comply with all these requirements prior to the agreed installation date.

Site/Country leadership should take steps to ensure that the Group Company's ethical reputation is well known, for instance by publishing the Group Company's commitment not to pay Bribes and Facilitation Payments in our reception or waiting area and on the Group Company's website.

In countries with high corruption risks, the responsible employee should consider outlining the Group Company's policy in appropriate correspondence with the state-owned telephone company ahead of the visit.

6.6 **Employment of and provision of services by Public Officials and their families**

Offers of employment to Public Officials and their family members may create improper influence or the appearance of improper influence and may be a way of disguising improper payments. Any employment of or service provided by Public Officials or their family members must be handled in accordance with this Policy Statement.

All applications for employment must be made in accordance with standard recruiting policies and procedures, and must be entirely transparent, with no preferential treatment for Public Officials or their family members. No employment or engagement may be offered to a Public Official or family member as a Quid Pro Quo, or when the circumstances suggest such a situation may exist.

If a Public Official or family member is employed or engaged by a Group Company and this gives rise to a potential conflict of interest, for instance because the Public Official has some influence over official decisions relating to Monde Nissin Group, the conflict should be reported and managed in accordance with the relevant policy or guidelines of the relevant Group Company. The conflict should also be reported immediately to Monde Nissin's Legal Department.

Contracts for services may only be offered to Public Officials or their family members on an exceptional basis and with a legitimate business reason. In these cases the following must be documented: (1) the business reason, including a specific description of the services to be provided; (2) the skills or other qualifications the person has to provide the services; and (3) the reasons why this individual was selected in preference to any others. In addition advice should be sought from the department in charge of legal or compliance in the relevant Group Company.

Employment of a Public Official or family member would create an issue even if it comes from a Public Official who is not currently involved in actions or decisions related to Monde Nissin Group but has been in the past or may potentially be in the future, because it could be seen as seeking to improperly reward past behaviour or influence future behaviour. For this reason, we should always insist on our normal recruitment procedures being followed.

6.7 Document appropriately

(1) *Accurate Books and Records*

Accurate and consistent books and records are essential for Monde Nissin Group to meet its legal and financial obligations, and to manage its business affairs. Integrity in the reporting and preparation of such books and records is necessary at all times to safeguard our services, our reputation, and our financial and legal standing with the public and the communities we serve, and to ensure that we are consistently acting in accordance with Compliance Laws.

Accordingly, the following activities are strictly prohibited by this Policy:

- The establishment of any undisclosed or unrecorded funds or assets of a Group Company or its subsidiaries;
- The intentional provision of misleading or incomplete financial information to an auditor;
- The use of a Group Company's funds or assets for any unlawful or improper purpose;
- The recording of false or misleading entries on the books and records of a Group Company or any of its subsidiaries; or
- A payment on behalf of a Group Company or any of its subsidiaries with the intention that any such payment is to be used for a purpose other than that documented in support of such payment.

(2) *Internal Accounting Controls*

Monde Nissin Group is required to implement and maintain a robust internal control system to ensure that all transactions are properly authorized. Employees must therefore follow all policies and procedures for accounting and financial reporting, and must obtain the necessary approvals for all transactions.

7. PENALTIES

- 7.1 Breach of Compliance Laws in any of the countries in which Monde Nissin Group operates may result in criminal, civil and regulatory penalties for Monde Nissin Group, as well as personal liability for individual Employees. Penalties include but are not limited to fines, imprisonment and repayment of profits.
- 7.2 Under the FCPA in the U.S., for example, criminal Bribery offences are punishable for individuals by up to five years imprisonment and/or fines of up to USD100,000 per violation. Individuals who violate the FCPA's "books and records" provisions may face fines of up to USD5million and/or up to 20 years imprisonment.
- 7.3 Monde Nissin Group will take firm action against anyone found, after investigation, to be involved in Bribery and corruption. An Employee who is found to have engaged in fraud, Bribery, corruption, misappropriation or any other irregularity will be subject to disciplinary action which may include termination of employment and/or legal action. Furthermore,

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Monde Nissin Group may, whether required by law or not, report such acts to the relevant authorities, which could lead to criminal prosecutions.

8. COMMERCIAL BRIBERY

8.1 While the focus of much of this Policy Statement has been on Compliance Laws relating to Bribery of Public Officials, Monde Nissin Group also prohibits "Commercial Bribery." Commercial Bribery refers to the furnishing of Anything of Value to an intermediary (e.g., an employee of a customer) without his or her supervisor's knowledge, with the intent to influence either the employee or the employee's supervisor's commercial conduct. Monde Nissin Group prohibits any Employee or Business Partner acting on such individual's behalf or on behalf of a Group Company from directly or indirectly engaging in commercial Bribery.

9. TRAINING

9.1 Employees are expected to attend in-person training on this ABC Policy Statement when requested by MNC or their Group Company. After attending any training session on the ABC Policy Statement, regular Employees of grade [x] as determined by the company will be expected to complete a Briefing Acknowledgement in the form set out at **Appendix 1** to this Policy Statement.

9.2 From time to time, Employees may also be expected to complete on-line training on this Policy Statement when requested by MNC or their Group Company.

9.3 All Employees above grade [x] as determined by the company will be required to execute periodic certifications of compliance with this ABC Policy Statement in the form set out at **Appendix 2** to this Policy Statement.

9.4 Subject to agreement with Business Partners and any applicable local laws, Monde Nissin Group Employees may also request that employees of Business Partners receive training on this ABC Policy Statement and the ethical standards of conduct expected by Monde Nissin Group of its Business Partners and execute periodic certifications of compliance.

10. AUDITING AND MONITORING

10.1 Monde Nissin Group will periodically monitor and audit compliance with this Policy Statement through scheduled, as well as random, anti-corruption compliance audits. Employees are expected to cooperate as required with such audits.

11. REPORTING OF POTENTIAL ISSUES UNDER THIS POLICY STATEMENT

11.1 We are all responsible for the detection and prevention of Bribery, corruption and other irregularities. Hence, all Employees have a responsibility not only to act honestly but also to report any instances of possible fraud, Bribery, misappropriation or other irregularities to MNC and their employer Group Company.

11.2 Monde Nissin Group has established a number of channels to enable concerns to be reported, including:

- your supervisor;
- the department in charge of legal or ethical compliance in your organization; or
- Monde Nissin Group Legal Department or Compliance Department.

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- 11.3 Reporting of violations may also be done anonymously through Monde Nissin Group's third party hotline provider, EthicsPoint (<http://mondenissin.ethicspoint.com/>). An anonymous report should provide enough information about the incident or situation to allow MNC or the Group Company to investigate properly.
- 11.4 If concerns or complaints require confidentiality, including keeping an identity anonymous, we will endeavour to limit disclosure to the extent practicable, subject to applicable law, regulation or legal proceedings.
- 11.5 As required, an investigation of the incident reported will be conducted. All Employees are expected to cooperate with an investigation into potential violations of this Policy Statement. Cooperation may include volunteering data contained on work devices and/or attending interviews. Employees who refuse to cooperate with an investigation, or who have knowledge of a wrongdoing and conceal, abet or suppress information of the wrongdoing would be subject to disciplinary action.

12. QUESTIONS?

- 12.1 If you require further information or have any questions about this Policy Statement, please do not hesitate to contact Monde Nissin Group Compliance or Legal Department.

APPENDIX 1

**CERTIFICATION OF HAVING RECEIVED A BRIEFING ON, AND COMPLIANCE WITH,
MONDE NISSIN GROUP'S CODE OF CONDUCT AND ANTI-CORRUPTION POLICY**

BRIEFING AND COMPLIANCE ACKNOWLEDGEMENT

I, _____ (insert individual's name) acknowledge that I have received a copy of Monde Nissin Group's Code of Conduct (**Code**) and the Anti-bribery and Corruption Policy Statement (**ABC Policy Statement**) and a briefing outlining the contents of these documents. Accordingly, I understand the content and procedures as contained in the Code and ABC Policy Statement and agree to comply with the contents of both documents and all applicable anti-bribery laws and regulations as it pertains to the conduct of my day-to-day business on behalf of [(insert the name of relevant group company)].

Signature of Individual

Name of Individual (in block letters):

Position/Title:

Date: _____

APPENDIX 2

**MONDE NISSIN GROUP ANNUAL EMPLOYEE CERTIFICATION OF COMPLIANCE
WITH CODE OF CONDUCT AND ANTI-BRIBERY AND CORRUPTION POLICY
STATEMENT**

COMPLIANCE CERTIFICATION

I, _____ (insert individual's name) hereby certify that, unless as otherwise provided below, I understand and have complied at all times with Monde Nissin Group's Code of Conduct and Anti-bribery and Corruption Policy Statement in performing my day-to-day business on behalf of [_____ name of relevant group company].

Signature of Individual

Name of Individual (in block letters):

Position/Title:

Date: _____