



FPS Flexible Packaging Solutions

Anti-Bribery Compliance Policy

Introduction

FPS Flexible Packaging Solutions and its affiliates (collectively, “FPS”), are committed to compliance with all applicable laws, rules and regulations. Every country in which FPS conducts business has laws that prohibit bribery of government officials in that country. These laws promote fair competition and the integrity of the political process and lower the cost of doing business.

Several countries also prohibit companies subject to their laws from bribing government officials located in other countries. These laws include the U.S. Foreign Corrupt Practices Act (“FCPA”) and the United Kingdom Bribery Act (“UK Bribery Act”), as well as treaties ratified by many countries such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (the “OECD Bribery Convention”) and the United Nations Convention Against Bribery.

Scope

This Policy applies to all directors, officers, employees and Consultants and Other Persons representing FPS (“Covered Persons”). “Consultants and Other Persons” include consultants, agents, sales representatives, distributors, independent contractors, sub-contractors and anyone who is hired to perform work for FPS or represent the interests of FPS. All Consultants and Other Persons should be made aware of this Policy. Before hiring a Consultant and Other Persons to represent FPS, an assessment should be made of that person’s willingness to comply with this Policy and whether that person presents a risk to FPS. The FPS Legal Department has access to various data bases that can assist the assessment process.

Policy

All Covered Persons must comply with all laws that prohibit the bribery of government officials and the bribery of persons involved in commercial transactions with FPS.

Further, Covered Persons:

1. Have no authority to engage in any activity inconsistent with this Policy or to authorize, direct or permit such conduct by any other Covered Person.
2. May not demand or solicit, or provide, any bribe whether in a transaction with a government official or in any other commercial transaction.

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3. May not use Consultants and Other Persons to violate laws against bribery or this Policy.

Guidelines

The laws of each country and laws such as the FCPA, the UK Bribery Act and the OECD Bribery Convention have many similarities, but there are also important differences. Each Covered Person is responsible for knowing the laws of the countries in which he or she works and all other laws that may be applicable to their conduct.

As a guideline, the **five key** components that constitute **an act of bribery** for purposes of this Policy are:

- 1- Making any payment or promising to make any payment;
- 2- Of money or any item of value
- 3- Directly or indirectly
- 4- To a Government Official or any other person in connection with a commercial transaction; and
- 5- To obtain or retain business or other consideration for FPS or

Each component must be interpreted in the broadest way possible. A summary of each component is set forth below.

Payment or Promise of Payment—The offer of a bribe and the authorization to offer a bribe, even if no bribe is ever made, is a violation of this Policy.

Item of Value—Bribes can be in cash, but can also be made in other ways. For example, bribes can involve providing a gift; extravagant travel, entertainment and meals; a gift card; a donation to a charity or a political party; investment opportunities; loans; and transactions that are not based on market values; hiring a relative or other designated person; and paying the expenses of another person, such as college tuition, country club dues or household expenses.

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In addition, a bribe of any amount is a violation of this Policy. There is no minimum amount that is permitted.

Directly or Indirectly—Bribes are bribes and violate this Policy whether they are offered directly or indirectly through Consultants and Other Persons for the benefit of FPS. Hiring a consultant or agent or someone else to provide the bribe is the same as doing it yourself.

Further, FPS is responsible for the conduct of any Consultant and Other Persons hired by FPS, so it is important to be informed on all activities and to know what is being done on FPS's behalf. Failure to monitor properly the activities of any Consultant and Other Persons hired by FPS is a violation of this Policy.

Government Official—The term “**Government Official**” includes government officials; officers or employees of a government or any other person acting in an official capacity for or on behalf of a government; political parties, political officials or candidates for political office; officials and employees of government-owned or government-controlled corporations (in some countries, the government owns or operates businesses and all employees of such businesses are considered Government Officials under this Policy); officers or employees of public international organizations (such as the World Bank, United Nations, or IMF); members of royal families; honorary government officials; relatives or family members of any of the foregoing; and anyone acting on behalf of any of the foregoing. A person does not cease to be a Government Official by stating that he or she is acting in a private capacity or by the fact that he or she serves without compensation. Remember that this Policy also prohibits bribery of persons that work for private companies and that are not connected with any government agency. This is sometimes called commercial bribery.

To Obtain or Retain Business or Other Consideration—Bribery is not limited to situations where FPS can obtain business or a contract directly from a government agency. The following situations can also involve bribery: obtaining a permit, license, certificate or other regulatory approval; inspections and audits; imports and exports of products, including customs duties and sales taxes; and obtaining favorable tax treatment. Obtaining favorable treatment or a special type of accommodation for FPS in exchange for payment or other item of value can be a bribe and violate this Policy.

Books and Records

FPS has strict policies to maintain internal accounting controls and to comply with generally accepted accounting principles. All business information and transactions must be recorded accurately and timely in FPS's books and records, with the detail reasonably necessary to fairly reflect transactions.

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Red Flags

The term “red flag” is used to refer to situations that provide a warning sign of potential problems. Acts of bribery are often accompanied by one or more red flags. Some of these red flags are summarized on the Annex attached to this Policy. All Covered Persons should be on the watch for any of these warning signs and take appropriate action if they see any red flags.

Penalties

Violations of this Policy will lead to disciplinary actions by FPS against a violator, up to and including termination of employment. The enforcement of bribery laws around the world is increasing, both in terms of the number of enforcement actions and the severity of punishment. The consequences for violating bribery laws include fines and penalties for the individuals involved and for FPS and can include prison terms for individuals involved in bribery, as well as serious damage to their reputation and career.

Report All Violations

Any individual who becomes aware of any violation of any law, rule or regulation or of this Policy, or who becomes aware of any suspicious activity or any “red flags”, has a responsibility to take action. Violations must not be ignored, hidden or covered up.

It is suggested that you contact one or more of the following:

- An appropriate supervisor or a member of senior management;
- Legal Department

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ANNEX

Red Flags that may Signal Potential Bribery Law Violations

1. Suspicious invoices, receipts and payments
 - a. Payments to governments, government officials, political parties or state-owned enterprises
 - b. Unusual payments to customers or suppliers (for example, additional or separate fees)
 - c. License fees
 - d. Unusual names or code names
 - e. Unusually complex transaction structures or payment processes
2. Suspicious payments to individuals
3. Suspicious travel and entertainment expenses, gifts, charitable contributions or other similar expense items
 - a. Lack of transparency in expenses in accounting records
 - b. Unusually large charges
 - c. Travel destinations outside the area of FPS facilities or that do not appear business related
 - d. Luxury hotels or travel, expensive event tickets, or sight-seeing expenses
4. Suspicious use of distributors or sales agents to sell goods or use of service providers such as consultants, agents, intermediaries, middlemen or professional firms or persons (including public relations, lobbying, legal and accounting)
 - a. Payment terms or financial arrangements that are unusual, such as:
 - (1) Up-front payments
 - (2) Payments to a bank account in a different name
 - (3) Payments to accounts in countries other than where the business is located or the services are to be performed
 - (4) Agreement to pay a "success fee"
 - (5) Payments that are split between persons or locations (one consultant, but two separate payments to different names or locations)
 - (6) Any significant cash payments
 - b. Unusually high or questionable commissions, consulting fees, expense reimbursements or other payments
 - c. History of corruption in country
 - d. Invoices cover the expenses of other persons, inflated invoices, requests for additional commissions or bonuses or unusual rebates
 - e. Employees express concerns or there is undue secrecy

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- f. Third party does not appear to be a legitimate company
- 5. Suddenly obtaining a permit, license or other government approval after a long delay
- 6. Off-book accounts or "slush funds"
- 7. Recent hiring of a government or state-owned enterprise official or a relative
 - (1) Training or internships
 - (2) Bonuses paid upon hiring
 - (3) Any other benefit or accommodations

Effective: 1 April 2022