

# Global Anti-Bribery and Corruption Policy

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## **Limitations and Disclaimers**

This policy is the Barry Callebaut group's general guideline and management reserves the right to apply different terms, as determined in management's sole discretion. This policy can be changed at any time, with or without notice by the employer. Nothing in this policy shall apply to the extent it would be inconsistent with any applicable law

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# Global Anti-Bribery and Corruption Policy

## 1 Introduction

### 1.1 Purpose of this Policy

Barry Callebaut is committed to ensure the highest standard of integrity and ethical conduct. We expect all employees to act responsibly and demonstrate good corporate citizenship in all business dealings, and to honor our company values, i.e. customer focus, entrepreneurship, team spirit, passion and integrity. These commitments are set out in our Code of Conduct and implemented in our policies and procedures which describe the correct ways of working. Barry Callebaut has also adopted processes to enforce the upholding of our values, Code of Conduct, policies and procedures.

This Global Anti-Bribery and Corruption Policy (the “Policy”) describes how Barry Callebaut is dealing with bribery and corruption exposure in its business activities. Corruption is detrimental to economic, political and social development. It distorts market competition, undermines productivity and ultimately impedes sustainable economic growth. The purpose of this Policy is therefore to ensure that Barry Callebaut actively manages controls and procedures to comply with international standards and worldwide regulations, such as but not limited to U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA), Russian Code of Administrative Violations (RCAV) and other similar legislation in other jurisdictions. This Policy sets the objectives for the anti-bribery management system by providing further guidance to Barry Callebaut employees on the procedures that must be followed to avoid such exposure and it outlines the reporting requirements of such compliance violations, if suspected or detected.

### 1.2 Scope of this Policy

The Policy applies to all Barry Callebaut employees and managers worldwide.

## 2 Definitions

### 2.1 Corruption

“Corruption” is generally a form of dishonesty or criminal activity undertaken by a person or organization entrusted with a position of authority, often linked to the abuse of entrusted power for private gain, including financial gain and non-financial advantages.

### 2.2 Bribery

“Bribery” is a category of corruption. It is defined as a receipt (passive) or offer (active) of any cash, Gift, fee, loan, reward or other advantage from (passive) or to (active) any person as an inducement to do something which is a breach of trust, dishonest or illegal conduct of Barry Callebaut’s business.

### 2.3 Indirect Bribery

“Indirect bribery” is a category of bribery. It can be defined as any action which involves or facilitates bribery payments through a third-party. Even if employees or managers of Barry Callebaut are not directly involved in such an action, when third parties are acting on behalf of the company, such actions fall under the company’s responsibility (e.g. a sales agent paying bribes to a customer to win a tender).

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### 2.4 Gifts

“Gifts” can be anything of value which is offered, given or received. For the purpose of this policy the term “Gift” should be broadly construed, including also hospitalities (such as dinners or trips and items related to travel or lodging).

### 2.5 Facilitation payments

“Facilitation payments” are payments of typically low amounts being made to accelerate government activities, such as custom clearance, visa process or similar activities. In some countries Facilitation payments are considered as unofficial fees rather than bribes but most countries do not make distinction.

### 2.6 Public Officials

As used herein, the term “Public Officials” means, without limitation, the following:

- government officials;
- any employee of a state owned company;
- any shareholder holding a political position;
- any officer or employee of any state owned company, department or agency; any political candidates for state owned company or political parties; any natural person acting on behalf of a government.

## 3 Exposed Business Partners

Barry Callebaut’s business processes may from time to time include activities with exposed business partners. For example, in Sourcing / Procurement (Purchase to Pay) or Sales (Market to Sales) processes which are so-called operating processes of Barry Callebaut. But also in supporting processes, such as Maintenance or Safety, Health & Environment. Therefore, specific Exposed Business Partners set out in Annex 1, are subject to specific rules (see sec. 5.2).

## 4 The Principles of Anti-Bribery Management at Barry Callebaut

1. Barry Callebaut conducts its business in compliance with applicable Anti-Bribery and Corruption laws and has instituted and maintains this Policy and procedures designed to promote and achieve compliance with such laws.
2. Barry Callebaut follows a risk based approach and maintains an Anti-Bribery and Anti-Corruption procedure driven by general (sec. 5.1.) and specific rules (sec.5.2).
3. Barry Callebaut applies specific rules for Exposed Business Partners in accordance with the definition of this Policy and forbids any business with high risk business partners, if they are not approved by the Group Compliance Officer (see Annex 4, level controls).
4. Barry Callebaut relies on information provided by Exposed Business Partners and, if necessary, delivered by independent external data providers.

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### 5 Barry Callebaut Anti-Bribery and Corruption procedures

Barry Callebaut's commitment to compliance is not only laid down in policy documents, but it is also found in the business processes within the organization. Besides the designated professional functions within the Legal & Compliance department, Internal Audit, and HR, compliance is a shared responsibility of all managers and employees.

#### 5.1 General rules

##### 5.1.1 Prohibition of offering or receiving bribery payments

Barry Callebaut's Code of Conduct strictly prohibits the offering or receiving of any bribes. This awareness is constantly reinforced to the employees through mandatory e-learnings and additional awareness trainings. Furthermore, general financial controls in accounting processes are in place to avoid such actions.

##### 5.1.2 Gifts

###### 5.1.2.1 Receiving Gifts

At Barry Callebaut, employees shall not accept any Gift or favor from actual or potential suppliers and clients unless the acceptance of such Gift or favor has been agreed by the superior, is associated with ethical business practices and does not influence ones sound business judgment.

Therefore, Barry Callebaut defines procedures which need to be followed. Further details can be found in the Conflict of Interest Policy.

###### 5.1.2.2 Offering Gifts

Offering Gifts is subject to Barry Callebaut's regional expense policies and the global travel policy. In general offering Gifts shall not influence a customer's business judgment and shall not be of significant value.

Gifts must not include services, activities or products that could embarrass existing or potential customers, suppliers or business partners, their company, or be considered in bad taste or violate Barry Callebaut's Code of Conduct.

Therefore Barry Callebaut defines guidelines on offering Gifts for specific countries (a list of regions and countries with detailed guidelines can be found in Annex 2).

###### 5.1.2.3 Dealing with Public Officials

Whenever public officials are involved in business activities, appropriate measures must be taken to avoid any appearance of an influencing action.

Offering Gifts must comply with local regulations and are not allowed during or before upcoming negotiations. Any offers of a Gift or Facilitation Payment (anything of value or even invitations to leisure time events) which might be seen as influencing public official's decision making process is strictly forbidden.

In any critical case prior consultation with Group Legal & Compliance is needed.

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### 5.2 Specific rules

#### 5.2.1 Third party Due Diligence

Besides customers, Barry Callebaut is also dealing with Exposed Business Partners. Such risk exposures will be constantly reviewed by the Group Compliance Officer and may be subject to appropriate due diligence controls to ensure a constant monitoring and continuous improvement of anti-bribery management systems.

Based on professional judgment, the Group Compliance Officer will review the risk exposure considering the outcome of the annual Compliance Risk Assessment. Specific due diligence procedures are being defined and applied accordingly (Annex 4).

#### 5.2.2 Supplier Due Diligence

In general, suppliers have to sign the Barry Callebaut Supplier Code and are therefore subject to further Compliance and Sustainability Standards outlined in the Supplier Code (Annex 3).

#### 5.2.3 Employment process

In general, the employment process is managed and maintained by Group Human Resources. For specific groups of employees additional background checks may apply. Whenever applicable, Barry Callebaut meets its obligations under the local jurisdictions for data protection and data privacy.

## 6 Consequences of breach

Violations of Anti-Bribery and Corruption Laws and Regulations may result in criminal and civil penalties for Barry Callebaut or/and Barry Callebaut employees, including potential imprisonment, in addition to disciplinary actions against involved employees, following consultation with Group Human Resources and responsible line-manager(s). Responsible managers or directors may also be held liable. Under US-FCPA criminal penalties can be up to \$25 million for corporations or other business entities and up to \$5 million for individuals. Individuals are also subject to a maximum imprisonment of 20 years for each offense.

## 7 Awareness

The Group Compliance Officer must ensure awareness for the business functions in scope of the potential exposure. Appropriate measures, such as training and assessment of existing processes, are subject to a continuous review.

## 8 Monitoring and reporting

This Policy is issued by Group Legal & Compliance following review and approval by the AFRQCC.

This Policy has been approved by the AFRQCC November 4<sup>th</sup>, 2019.



Jakob Bär  
Chairman of the AFRQCC



Martin Oesch  
General Counsel

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### A. Annex 1 – Exposed business partners

Barry Callebaut is dealing with different kinds of exposed business partners. Based on the professional judgment of the Group Compliance Officer, exposed business partners which are subject to specific rules outlined in section 5.2.1 include but are not limited to the following:

- ▶ Agents
- ▶ Brokers
- ▶ Intermediaries
- ▶ Distributors acting on behalf of Barry Callebaut
- ▶ Contractors (freelancer or companies with <10 employees)
- ▶ Consultants (freelancer or consultant companies with <10 employees)

### B. Annex 2 – Guidelines for Offering & Receiving Gifts & Hospitality

Based on the professional judgment of Group Legal and Compliance, the following region and/or country specific guidelines for offering and receiving Gifts apply:

Region:	Africa
Countries:	China

### C. Annex 3 – Anti-Bribery & Corruption clauses

Whenever possible, the following Anti-Bribery & Corruption clause should be included in contracts with Exposed Business Partners and Group Legal should be involved.

*The COMPANY will take reasonable measures to ensure that their subcontractors, agents or other third parties, subject to their control or determining influence, will comply with applicable Anti-Bribery and Corruption laws.*

*BC shall have the right to conduct audits on the COMPANY for determining compliance with these provisions or to request any certification of compliance with anti-corruption laws and regulations.*

*If the COMPANY breaches the terms of this article, BC may – at its discretion – either suspend or terminate this Contract immediately, without prejudice to any damages that might result from this breach.*

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### D. Annex 4 - Specific due diligence procedures

#### Anti-Bribery Management objectives

If business partners are subject to the due diligence procedures, the Barry Callebaut Anti-Bribery Management system includes three different objectives based on the level of due diligence.

Level controls 1 medium-risk	Compliance Due Diligence Questionnaire (CDDQ) needs to be implemented and answered by the responsible BC employee.
Level controls 2 high-risk	<p>If one or more questions of the Compliance Due Diligence Questionnaire (CDDQ) are answered with YES and provided countries are ranked CPI&lt;50, approval from Group Compliance is required, prior to the signing of any contract.</p> <p>Additional documentation minimum requirements may be applied.</p>
Level controls 3 very-high-risk	<p>If certain exposure incidents are given, the Group Compliance Officer is entitled to request a due diligence report on the business partner(s) in scope prior to any approval.</p> <p>In exceptional cases, the Group Compliance Officer may also interfere in paying processes, if a valid contract is already signed and payments are due.</p> <p>This preventive action might be required to avoid any potential bribery payments.</p> <p>Additionally to the requirements of level control 2, minimum requirements for payment processing may apply.</p>

#### Compliance Due Diligence Questionnaire (CDDQ)

The Compliance Due Diligence Questionnaire includes specific questions to assess the compliance exposure. It is recommended to implement these questionnaires in existing processes whenever possible (such as Supplier Portal, Master Data Management). Whenever possible, the CDDQ should be embedded in the CRM tools as mandatory requirement. In any event, each department needs to document the CDDQ for each third party contract in scope.