

The Royal NNZ Group

Ethical Business Policy

Version 1.0



Overview

As a globally leading packaging network, the Royal NNZ Group, is committed to conducting business ethically. All NNZ employees must conduct themselves with the highest standards of honesty, integrity and fairness, including compliance with relevant Policies, Directives and all applicable laws.

Purpose

The purpose of this document is to set out NNZ's policy to ensure compliance with all applicable anti-bribery and anti-corruption regulations, competing fairly in compliance with competition laws and to prevent the professional and personal interests of NNZ employees from influencing the performance of their duties on behalf of NNZ. The policy is designed to provide further guidance on standards of conduct as well as to ensure that NNZ's activities are conducted in a socially responsible manner.

Scope

This document is applicable to all NNZ employees, working at all NNZ locations worldwide at all levels and grades, including board members, management, employees (whether permanent, fix term or temporary), consultants, contractors, trainees, interns, working students or any other person associated with NNZ (in this policy collectively referred to as “employees”).

The term “third party” in this document refers to any individual or organization one may encounter during the course of their work for NNZ includes potential clients, customers, suppliers, distributors, business contacts, agents, advisers, non-governmental and international organizations and their representatives, government and public bodies, including their advisers, representatives and officials, politicians and political parties.

1. Policy

1.1. Corruption and Bribery

As a responsible company, NNZ must comply with the anti-corruption and anti-bribery laws and regulations in every country in which it operates. These laws are generally broad in their scope and application. However, they make it illegal for anyone to offer, promise, give, solicit or receive – directly or indirectly – money or “anything of value” in order to obtain or retain business or secure any other improper advantage.

“Anything of value” is broadly interpreted under the law and in addition to money can mean providing gifts, promising to pay medical, educational or living expenses, extending employment or an unpaid internship to the relative of a key decision maker, conducting business at below market value of a company controlled by a public official who would benefit personally, or giving any other reward in order to gain improper commercial advantage.

- Employees must not engage in any form of bribery or corruption, either directly or through any third party.
- The use of NNZ funds, assets or personnel for any unlawful, improper or unethical purpose is strictly prohibited.
- It is prohibited to offer, promise or directly or indirectly give any form of bribe to any person. Receiving of such bribes from any third party is strictly prohibited.

1.2. Gifts and Hospitality

Although criminal codes does not establish quantitative or qualitative limitations on hospitality expenses, any attempt to influence future business decisions by extending gifts and hospitality is impermissible.

Employees must not offer or give any gift of hospitality which could be illegal or improper or which violates the recipient’s policies. It is NNZ's policy that gifts and hospitality are allowed only under these circumstances:

- Giving gifts or items of nominal value bearing the NNZ logo or otherwise, generally distributed by NNZ to its business partners and vendors as a token of goodwill.
- Giving gifts permitted under applicable law and, for employees of a governmental or international organization, the rules of that organization.
- Reimbursing travel and lodging expenses that are properly recorded and approved in accordance with NNZ policies.
- Paying or being invited to entertainment meals that occur in connection with substantive business meetings as long as meal expenses are commensurate with generally accepted local customs for private business people and are permitted under applicable law for officers and employees of governmental or international organizations.
- Receiving gifts or items of nominal value bearing a company logo or otherwise, generally distributed by business partners and vendors as a token of goodwill.

1.3. Political Contributions

NNZ will not make donations, whether in cash or kind, in any area of operations, in support of any political parties or candidates, as this can be perceived as an attempt to gain improper business advantage.

1.4. Charitable Contributions

Contributions to charities in the countries in which NNZ operates or does business with must never be a condition for, or an effort to influence any action or decision. Before donating NNZ property or funds, all the relevant compliance policies must be taken into account and it must be assured that such a donation is not made in order to gain any improper commercial advantage.

1.5. Competition compliance

Competition laws (also known as “anti-trust laws”, “antimonopoly” or “fair trade practices laws”) apply whenever NNZ is doing business. Although the laws might differ in some respects, their general purpose is to protect and foster the efficient operation of a free market by assuring the preservation of competition among companies at all levels of trade. Any business practice which has the potential to interfere with fair competition in the marketplace may be in the scope of competition law.

The most serious example of an anti-competitive agreement is a cartel, where businesses agree on some of the following, resulting in the market no longer being fully competitive.

Key Principles of Competition Compliance

- It is forbidden to coordinate prices or other sales terms with competitors
- Coordinating bids, dividing geographical areas or any kind of market sharing agreements are forbidden
- Any information that may be misused to prevent free competition, such as future prices, costs or tender documents, needs to be treated as confidential

It is illegal to:

- Agree with a competitor to fix or offer to fix prices, raise prices, stop discounts, offer fix price ranges or adopt a standard formula for the forming of selling prices
- Maintain prices as part of an explicit or implied agreement with a competitor
- Discuss pricing policy with a competitor or agree with a competitor to allocate/protect certain territories, markets or clients

Certain types of information exchange may be pro-competitive. Under EU competition law, the following information exchanges/cooperation agreements between competitors are allowed:

- Develop quality or industry standards
- Improve production or distribution of goods
- Promote innovation

1.6. Conflict of interest

“Conflict of interest” is an interest that might affect, or might reasonably appear to affect, the judgment or conduct of any NNZ employee in a manner that is adverse to interests of NNZ. It may occur whenever an employee’s interest in a particular subject may lead them to actions, activities or relationships that undermine the company and may place it to disadvantage.

The situation of conflict of interest may take many different forms that include, but are not limited to:

- Using the position within the company to any personal advantage
- Hiring an unqualified relative or failing to disclose that one is related to a job candidate NNZ is considering hiring
- Accepting payment from another company for information about NNZ
- Making a purchase or a business choice to boost business that an employee has stake in
- Accepting consulting fees and providing advice to another company for personal gain
- Taking advantage of confidential information learned during work for NNZ for own personal benefit
- Using company equipment or means to support an external business
- Acting in a way that might compromise NNZ's legality (e.g. taking or giving bribes)

Guidelines

- As a general rule, an employee shall abstain or withdraw from taking part in any activities where conflict of interest exists or might arise.
- Employees shall disclose all relevant information that might lead to potential conflict of interest (e.g. report that a relative applied for a job with NNZ)
- Employees shall refuse the circumstances creating the conflict of interest (e.g. refuse a gift that is not in accordance with NNZ policy)
- If a potential conflict exists due to an employee’s personal interest in a matter, the employee shall advise their superior and/or HR Manager.

2. Employee Responsibilities

All employees are obliged to read and comply with this policy.

The prevention, detection and reporting of any misconduct is the responsibility of all employees, and all employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Employees must report to the Board of Directors whenever they become aware of any issue or practice that involves a violation or a potential violation of this policy or any anti-corruption laws. In case employees are not certain if the activity would breach of this policy, they are obliged to seek advice from the HR Manager.

3. Sanctions

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. NNZ reserves the right to terminate its contractual relationship with an employee in the case of a breach or breaches of this policy.

Third parties who violate this policy are subject to termination of all commercial relationships with NNZ.

Additionally, depending on the nature of the breaches, the employee or third party might be held accountable under the local criminal code.

4. Compliance Procedures

A copy of this document is distributed to all employees and they are obliged to sign the acknowledgment form. Implementation and assurance of the Ethical Business Policy is part of the collective management responsibilities.

HR Manager shall retain records of all such acknowledgements.

Training on this policy forms a part of the induction process for all new employees. All existing employees will receive regular training on how to implement and adhere to this policy. In case of policy amendments, all employees will be asked again to formally accept conformance to the policy's newest version.

5. Disclaimer

This policy cannot and is not intended to cover every aspect of governing anti-corruption laws or provide answers to all questions that might arise. Accordingly, NNZ encourages each employee to seek guidance from the HR Manager on the appropriate course of conduct regarding issues arising under the policy.

This policy does not form part of any contract of employment and it may be amended at any time.