

FrieslandCampina

Avoiding Bribery policy

**including prevention of money laundering and
dealing with donations and sponsorships**



We do not give anything of value to a person to influence a business decision

Why this policy?

At FrieslandCampina we want to do business in the right way. Business decisions must be based on merit, not on personal favours. We therefore do not allow any offering or accepting of bribes. We also want to make donations and enter into sponsorships only for the right reasons, and avoid that FrieslandCampina is involved in money laundering. With these rules we aim to preserve the trust of our stakeholders, customers and consumers, and safeguard our good reputation. Engaging in dishonest business practices can have serious consequences for our company and the employees involved, including fines and imprisonment.

This policy outlines:

- How to avoid bribery
- How to prevent that third parties, such as agents, bribe on our behalf
- How to prevent money laundering
- How to deal with donations and sponsorships.

We have a separate policy on Gifts and Hospitality, which is related to avoiding bribery.



No bribery and no facilitation payments

Do not offer or give anything of value to any person, nor receive anything of value from any person, with the aim of receiving favourable treatment or to influence a business decision. We prohibit all forms of bribery, whether dealing with public officials or in commercial deals. Never offer, give or accept a bribe, and do not allow others to do so on our behalf. This applies even in countries where corruption is common.

Facilitation payments are small, unofficial payments to speed up routine government services, such as obtaining a work permit or visa. Regardless of the amount, these payments are considered bribes and are strictly prohibited.

Be extra cautious when dealing with public officials. When interacting with public officials, try to reduce face-to-face interactions by using electronic communications or e-government solutions (in areas such as licensing, customs clearance and taxes). This reduces the risk of someone asking you for a bribe.

The only exception for paying a bribe is if your life or the life of your family members is in immediate danger. In such cases, document the incident carefully and report it promptly to your Managing Director or Corporate Director.

What is 'something of value'?

Offering or receiving of 'something of value' is defined widely. Some examples:

- ✓ money
- ✓ free products or other gifts
- ✓ luxurious trip
- ✓ discount or preferential rate
- ✓ offering someone (or their family member) an internship or job
- ✓ political donation.

Facilitation payment or official fast track?

Not all payments to speed up a formal procedure are forbidden. If there is an official expediting service that is publicly available (e.g. for faster customs clearance or visa issuance) and the fee is paid to the public organisation (not an individual public official), it is allowed to use it.

Using third parties

In many countries we work with third parties such as agents, consultants or intermediaries who provide services or act on our behalf. These third parties may be paid an hourly fee or a commission, which is a percentage of the value of services or products to be provided.

The actions of these third parties can become our responsibility, especially if they violate the law. Therefore, only engage with third parties after following the customer acceptance procedure or agency approval process and do not engage in improper payments to get things done.

Make sure that agreements with such third parties contain provisions to properly protect FrieslandCampina and make the third party adhere to anti-bribery conditions. For further support, please contact your local legal counsel.

Only make payments to third parties:

- for services that are, or will be, actually delivered
- for amounts that are reasonable in relation to the services delivered
- which are properly documented, like with an invoice
- with proper record of the payments in our books and records.

Be alert to signs of improper business practices. Some examples of situations where you have to be extra cautious and you have to take action are:

- requests to select a specific third party by a public official
- third parties owned or operated by (former) public officials or employees of our customers
- third parties insisting on dealing with public officials without our participation
- vague work plans and/or relying on contacts or relationships
- unusual advance payments
- claims that illegal conduct is acceptable due to local norms
- requests for payments to "take care of things" or "finalise the deal"
- actions to keep payments off the books, such as cash payments, splitting payments in smaller amounts, payments to a bank account in the name of a different party, payments to different bank accounts and payments to a bank account in another country than where the services were delivered or the party is located.

When working with a third party, keep paying attention to any changes in behaviour. If you have a feeling that things are not right or if you are not sure, make further investigations or discuss with your manager.

No excuses

There are no excuses for offering or accepting a bribe. Below you see some common excuses used to justify bribery:

- ✓ Everyone else is doing it. If we don't, we lose business
- ✓ It has always been done this way
- ✓ I didn't know this was bribery
- ✓ I did not know that our agent was doing this
- ✓ I didn't do it for me, I did it for the company
- ✓ What's the problem? No one gets hurt

Always use your common sense and professional judgement: if something doesn't seem right, it probably isn't.

No money laundering

Money laundering is spending or concealing the proceeds of criminal activities. FrieslandCampina and its employees must take steps to prevent receiving such proceeds, as this can lead to criminal charges.

Always be alert to any signs of money laundering. Some examples of situations where you have to be extra cautious and you have to take action are customers who:

- make payments from a bank account in the name of a party with no apparent connection to the transaction (triangular payments)
- make payments from a bank account in another country than where the customer is operating
- pay in cash while they usually pay electronically
- split payments in smaller amounts (below € 10,000)
- make advance payments when this is not agreed with the customer
- suddenly cancel, abort or amend a transaction and request a refund to a third party, without a clear business rationale
- have no relevant business activity for the purchased goods or the country involved
- provide non-existent or false address details, or which are merely a correspondence address
- struggle to describe their business or lack industry knowledge
- order products disproportionate to their known volumes or revenues.

When engaging new business partners, you must follow our Procurement procedures and Customer Acceptance procedures.



Donations & sponsorships

When donating to humanitarian aid, charities or other non-profit organisations, and when entering into a sponsorship, the following principles apply.

Only make donations or enter into sponsorships that:

- strengthen or protect our company's reputation or its brands
- align with our purpose of nourishing by nature
- comply with the principles and rules of our Global Events and Sponsorships policy
- are transparent
- are made to the right recipient, at the right time and for the right reasons
- are properly recorded in our books and records.

Do not make donations to and do not sponsor (in money, time or products):

- political parties, political activities or related persons
- religious organisations, religious activities or related persons, or
- military organisations, military activities or related persons.

Avoid donations or sponsorships that:

- raise public debate in a negative way
- pose any danger to the safety or health of participants or the general public
- impose any additional burden on society or the environment.

Never donate to gain business advantages or obtain personal benefits. We donate without receiving or expecting anything in return.

If you make donations or sponsor in your spare time, ensure it does not give the impression that FrieslandCampina is involved or providing support.

Speak Up

We encourage employees to speak up about any suspected violations of Compass. We strive for a culture without fear of punishment or unfair treatment for raising concerns. If you are worried about something wrong happening at work, please report it. You will be protected. Our Speak Up procedure will guide you on how to raise concerns.

“ We have plans for building a new warehouse next to our production plant. Our consultant already contacted the municipality to see if we could get a permit for this. Then last week we received a friendly request from the mayor if we could donate milk to five schools in the neighbourhood. Our consultant says it would be a beautiful charity initiative, and it could help improving our relations with the municipality. I think we need further advice before agreeing to this.