

# UNODC in Cooperation with PricewaterhouseCoopers Austria

## Anti-Corruption Policies and Measures of the Fortune Global 500

Volume 4

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# Section 1

## Foreword

# Section 1.1

## Foreword

There are three myths about corruption. First, it wasn't me – it was the other guy. That's wrong. Corruption involves two parties – someone offering money and someone else accepting it. Both are guilty.

Second, corruption is a victimless crime – it's just a lubricant to grease the wheels. No, corruption erodes integrity, undermines trust, is a hidden overhead cost, and can destroy reputations.

Third, there's nothing that can be done about it – it's a part of doing business. Wrong again. There is nothing inevitable about corruption. The less it is tolerated, the more a culture of cheating will be replaced by a culture of integrity.

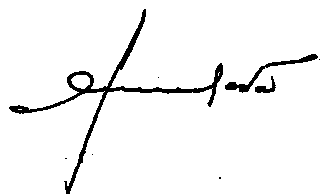
Generally, businesses want to do the right thing. But there are times when executives find themselves in tricky situations where a bribe is offered in order to gain a competitive advantage, or to facilitate a deal. What should be done?

This report, produced by the United Nations Office on Drugs and Crime (UNODC) in collaboration with PricewaterhouseCoopers (PwC), looks at what companies in the Fortune Global 500 (2008 Index) are doing to fight corruption. It highlights a range of measures, and different approaches. While there is no one-size-fits-all, businesses should not go below international standards contained in the United Nations Convention against Corruption. For example, a facilitation payment is just a fancy name for a bribe, yet some companies allow them up to certain threshold or under certain circumstances – or even consider them tax deductible. Some companies provide whistleblowers full anonymity, others promise that such employees will not be exposed to retaliation. Greater harmonization is needed, in line with international standards, to protect businesses and their employees against corruption.

Having collected existing practices, the next step is to highlight good practices and have them widely applied. That means that leaders and managers must set the tone from the top by enforcing a zero-tolerance policy, and checks and balances must be put in place to strengthen integrity and minimize wrong-doing.

The 3rd session of the Conference of the States Parties to the UN anti-corruption Convention, to be held in Doha in November 2009, is a golden opportunity to strengthen corporate responsibility in line with the world's only universal anti-corruption instrument.

The private sector has a lot to lose from corruption, and has considerable leverage to stop it. Based on the experience collected in this report, companies should be in a better position to do their part to say "NO" to corruption.



**Antonio Maria Costa**  
**Executive Director**  
**UNODC**



**Friedrich Rödler**  
**Senior Partner**  
**PwC Austria**

## Section 2

# Introduction, Acknowledgements and Disclaimer

# Section 2.1

## Introduction

The need to reduce corporate vulnerability to corruption has resulted in an increasing number of companies taking initiatives to improve internal integrity, transparency and accountability. The quest for corporate social responsibility received further impetus in 2004, when, at the first United Nations Global Compact<sup>1</sup> Leaders' Summit, the Secretary-General of the United Nations called for the adoption of the 10th Principle of the UN Global Compact, according to which "Business should work against corruption in all its forms, including bribery and extortion".

This report represents an attempt – the first of its kind – to take stock of companies' efforts to abide by the 10th Principle and to consolidate the body of existing knowledge on the matter. To this end, the report provides an overview of the direct and indirect measures that companies, listed in the Fortune Global 500 (2008 Index), have adopted to combat corruption and economic crime, including extortion, bribery and other forms of fraud. The results have been summarised in a table that is divided into *measures, practices and implementation mechanisms*.

For the purpose of this report, the word "*measures*" is understood as any act aimed at fighting corruption, bribery and money laundering. These terms, as well as other expressions such as "kickbacks" or "improper payments", have also been used as keywords when conducting the research. As there are a wide variety of expressions related to corruption, an attempt was made to limit the focus of the report: any word or expression other than "corruption", "bribery", "money laundering", "kickbacks", or "improper payments" have not been included in the keyword search criteria. Education, awareness raising and training<sup>2</sup> of employees on compliance and anti-corruption have also been considered when searching companies' anti-corruption "measures".

For the purpose of this report, "*practices*" have been defined as: i) "gift management", understood to encompass the offering, giving, solicitation or acceptance of a gift, entertainment, meal or travel; ii) "whistle-blowing"<sup>3</sup>, understood as any process that offers employees, or affected external persons, the possibility to raise concerns or report violations of codes of conduct or laws; and iii) "disciplinary actions", which include measures that can be taken against employees, managers or directors when misconduct has taken place. Such actions can reach as far as implying dismissal and prosecution.

"*Implementation mechanisms*" refer, for the purpose of this report, to any and all behavioural codes (internal code of conduct, code of ethics, etc.) adopted by the companies in question as well as to the officers and experts responsible for the preparation, implementation and surveillance of the rules and provisions contained therein (legal advisors, compliance officers, ombudsmen, etc.)<sup>4</sup>.

This report aims to serve as an inspirational tool, not as a commentary of corporate anti-corruption performance. It is designed for companies that wish to adopt and enforce effective anti-corruption policies but may not possess the necessary 'know-how', or that may wish to review and enhance their existing practices. This report does not purport to comment on either the nature of the information presented, nor on the adequacy and effectiveness of anti-corruption policies reported. However, it is anticipated that this report will stimulate further debate and analysis, leading to the identification of minimum standards and good practices of corporate anti-corruption policies and measures.

The United Nations Office on Drugs and Crime (UNODC) acknowledges the contribution made by PricewaterhouseCoopers (PwC), on a pro bono basis, for the benefit of the private sector. The research necessary to generate this report was conducted from November 2008 to March 2009 on the basis of a thorough web-based search. At times, if the parent company failed to outline the measures taken, information was gathered from the websites of affiliated companies.

This report does not purport to be comprehensive or complete. The fact that some companies listed in the Fortune Global 500 (2008 Index) have not been included in the present report should, in no way, be construed as an assumption that such companies do not possess internal anti-corruption policies and measures. Furthermore, this report does not account for: a) changes<sup>5</sup> in anti-corruption policies that might have occurred after a company's website had been surveyed by PwC; b) companies listed in the Fortune Global 500 (2008 Index) that have taken the form of a Group or Holding<sup>6</sup>; c) companies whose web-links were unserviceable; and d) companies that have chosen not to make information on their anti-corruption policies and measures available from their websites.

The language of this report is English. However, information in French and German has been also used.<sup>7</sup> While excerpts from company websites have been extracted, the content has remained unaltered and unedited. As a result, language and style through this report may vary. Screenshots of relevant excerpts have been used when information was not readily importable.



## Footnotes:

- <sup>1</sup> The United Nations Global Compact, established in July 2000, is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.
- <sup>2</sup> Although most of the companies surveyed mention training activities, only those passages of their websites that qualified such activities as mandatory, or provided the exact number of employees trained, have been included in this report.
- <sup>3</sup> The expression “whistle-blowing” is a word of art used for the first time by the Sarbanes-Oxley Act 2002 of the United States of America. The legislation, named after its main architects Senator Paul Sarbanes and Representative Michael Oxley, introduced major changes to the regulation of financial practice and corporate governance. The United Nations Convention against Corruption, adopted by the UN General Assembly in 2003 and entered into force in 2005, does not use the expression “whistle-blowing”. It rather refers, under article 33, to “reporting persons”, urging states to adopt any measure necessary to protect against unjustified treatment any person who reports in good faith and on reasonable grounds to competent authorities facts concerning the perpetration of an offence of corruption. To be included in the category “whistle-blowing” of this report, companies had to indicate the existence of standard procedures to handle identity of and information provided by whistler-blowers in a confidential manner, and to protect against retaliation.
- <sup>4</sup> Such terms as “Ombudsman” and “Chief Compliance Officer” have been duly noted, although not actively searched for.
- <sup>5</sup> For instance, the Annual or Sustainability Reports for the fiscal years 2007 and 2008.
- <sup>6</sup> This means that in cases where information on anti-corruption-policies was available only on an operating entity’s website rather than on the website of its parent or holding company, it could not be used for the survey.
- <sup>7</sup> While some companies have their websites available in multiple languages, often times the English version does not offer the same level of detailed information as the original language version.

## Section 2.2

# Acknowledgements and Disclaimer

This report has been produced with the pro bono research work of PricewaterhouseCoopers (PwC) and the financial assistance of the Government of Sweden (hereinafter, the donors). The United Nations Office on Drugs and Crime (UNODC) wishes to extend its gratitude to both.

Special thanks are due to Mr. Ferdinand Piatti, Mr. Michael Heider and Ms. Zsofia Kerkapoly of PricewaterhouseCoopers Austria, who spent many hours researching the material presented in this report.

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# Section 3

## Fortune Global 500

# Section 3.1

## Table 301-400

<b>301</b> Enterprise GP Holdings	<b>326</b> Australia & New Zealand Banking	<b>351</b> National Grid	<b>376</b> Holcim
<b>302</b> Cosmo Oil	<b>327</b> 3M	<b>352</b> Countrywide Financial	<b>377</b> Hochtief
<b>303</b> China FAW Group	<b>328</b> Rite Aid	<b>353</b> Tech Data	<b>378</b> Hyundai Heavy Industries
<b>304</b> Macy's	<b>329</b> Hanwha	<b>354</b> Nordea Bank	<b>379</b> Raytheon
<b>305</b> Delphi	<b>330</b> Softbank	<b>355</b> L'Oréal	<b>380</b> State Bank of India
<b>306</b> Delhaize Group	<b>331</b> GasTerra	<b>356</b> China Railway Construction	<b>381</b> Wyeth
<b>307</b> Magna International	<b>332</b> Merck	<b>357</b> Surgutneftegas	<b>382</b> International Paper
<b>308</b> Travelers Cos.	<b>333</b> Lafarge	<b>358</b> Schlumberger	<b>383</b> Sumitomo Electric Industries
<b>309</b> Liberty Mutual Insurance Group	<b>334</b> Deere	<b>359</b> McDonald's	<b>384</b> Electronic Data Systems
<b>310</b> William Morrison Supermarkets	<b>335</b> Oil & Natural Gas	<b>360</b> Publix Super Markets	<b>385</b> China State Construction
<b>311</b> Hartford Financial Services	<b>336</b> Bank of Nova Scotia	<b>361</b> Norinchukin Bank	<b>386</b> Onex
<b>312</b> Abbott Laboratories	<b>337</b> Apple	<b>362</b> Michelin	<b>387</b> KT
<b>313</b> Cepsa	<b>338</b> Alstom	<b>363</b> Asustek Computer	<b>388</b> Tesoro
<b>314</b> Groupama	<b>339</b> Iberdrola	<b>364</b> Nationwide	<b>389</b> Cemex
<b>315</b> Tata Steel	<b>340</b> Alliance Boots	<b>365</b> Edeka Zentrale	<b>390</b> Standard Chartered Bank
<b>316</b> Bertelsmann	<b>341</b> China Railway Group	<b>366</b> AMR	<b>391</b> Chubu Electric Power
<b>317</b> Mitsubishi Chemical Holdings	<b>342</b> Schneider Electric	<b>367</b> Toronto-Dominion Bank	<b>392</b> Accenture
<b>318</b> Washington Mutual	<b>343</b> East Japan Railway	<b>368</b> Evonik Industries	<b>393</b> EnCana
<b>319</b> Commonwealth Bank of Australia	<b>344</b> Qanta Computer	<b>369</b> Continental	<b>394</b> Arcandor
<b>320</b> Humana	<b>345</b> Aisin Seiki	<b>370</b> MAN Group	<b>395</b> Formosa Petrochemical
<b>321</b> Massachusetts Mutual Life Insurance	<b>346</b> Christian Dior	<b>371</b> Japan Tobacco	<b>396</b> Vattenfall
<b>322</b> Itochu	<b>347</b> Kansai Electric Power	<b>372</b> Nippon Yusen	<b>397</b> Otto Group
<b>323</b> Fujifilm Holdings	<b>348</b> Poste Italiane	<b>373</b> Shanghai Automotive	<b>398</b> COFCO
<b>324</b> CPC	<b>349</b> Noble Group	<b>374</b> Northwestern Mutual	<b>399</b> Constellation Energy
<b>325</b> Alcatel-Lucent	<b>350</b> Mitsubishi Motors	<b>375</b> Emerson Electric	<b>400</b> Canadian Imperial Bank of Commerce

## Section 3.2

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## 301. Enterprise GP Holdings

### CODE OF CONDUCT<sup>1</sup>

#### General Business Principles

##### Business Integrity

The Company insists on honesty, integrity and fairness in all aspects of its business and expects the same in its relationships with all those with whom it does business. The direct or indirect offer, payment, solicitation or acceptance of bribes in any form are unacceptable practices.

Company representatives must avoid conflicts of interest between their private financial activities and their part in the conduct of Company business. All business transactions on behalf of each Company must be reflected accurately and fairly in the books and accounts of that Company in accordance with established procedures and be subject to audit.

##### Company Compliance Policies

Most of the EPCO compliance policies covering the matters discussed below are recorded in written documents and generally may be obtained from the Company's Human Resources Department. Others are adapted specifically to certain work areas or to EPCO representatives dealing in the areas covered by the policy. It is the responsibility of every Company representative to conduct his or her job in strict compliance with such policies. Questions concerning all policies may be addressed to your immediate supervisor or your Human Resources representative (in the case of an employee), the Vice President, Senior Vice President or Executive Vice President of the business unit for which services are being performed (in the case of an EPCO Contractor) or the Company's Legal Department (in the case of any EPCO representative). The Company also conducts ongoing educational programs and training on certain compliance issues for employees. Because written policies and training programs cannot anticipate every possible factual situation, each EPCO representative has an obligation to seek clarification and advice whenever a question concerning compliance with our Code arises.

#### Conflicts of Interest

Each EPCO employee has a duty to avoid situations that might be adverse to Company interests or result in conflicting loyalties or interests. This includes prohibited involvement with suppliers, contractors, competitors or customers, prohibited gifts and entertainment and use of Company information.

While it is not possible to describe, or even anticipate, all the circumstances and situations that might involve a conflict of interest, they may arise where an employee, officer or director, or member of his or her family has any of the following with respect to any of the business units for which an EPCO employee provides services:

- Solicits or accepts, directly or indirectly, from customers, suppliers or others dealing with EPCO any kind of gift or other personal, unearned benefits as a result of his or her position at EPCO (other than non-monetary items of nominal intrinsic value).

#### Political Contributions and Foreign Corrupt Practices Act

EPCO has adopted a policy setting forth the standard of conduct to be observed and procedures to be followed in all matters pertaining to political contributions, illegal or questionable payments and related accounting procedures. The use of company funds or assets for any unlawful or improper purpose, including payments to governmental employees or any other person as a commercial bribe, influence payment or kickback, is prohibited. Specifically covered are matters dealing with entertainment of or gifts to government officials and employees. As a policy, the Company does not make payments with company funds to political parties or candidates for public office. This does not mean, however, that we will not participate in public debate. The Company has the right and responsibility, in pursuit of its legitimate commercial objectives, to make its position known on matters affecting the community if we have expertise and can make a significant contribution to EPCO and society.

<sup>1</sup>Source: [http://www.enterprisegp.com/pdfs/CodeofConduct\\_04-18-07.pdf](http://www.enterprisegp.com/pdfs/CodeofConduct_04-18-07.pdf)

### Gifts and Entertainment

Relationships with suppliers must be based entirely on sound business decisions and fair dealing.

Business gifts and entertainment can build goodwill, but they can also make it harder to be objective about the person providing them. In short, gifts and entertainment can create their own "conflicts of interest."

Gifts and entertainment include anything of value, including discounts, loans, cash, favourable terms on any product or service, services, prizes, transportation, use of another company's vehicles or vacation facilities, stocks or other securities, participation in stock offerings, home improvements, tickets, and gift certificates. The potential list is endless--these are just examples.

Some types of gifts and entertainment are never permissible, and no one can approve these.

You may never:

- Accept any gift or entertainment that would be illegal or result in any violation of law.
- Accept any gift of cash or cash equivalent (such as gift certificates, loans, stock, stock options).
- Accept or request anything as a "quid pro quo"--in other words, as part of an agreement to do anything in return for the gift or entertainment.
- Participate in any activity that you know would cause the person giving the gift or entertainment to violate his or her own employer's standards.

Before offering or accepting gifts or entertainment greater than \$250, or if the event involves recreational travel and/or an overnight stay you must obtain approval from senior management.

Forms for obtaining approval are found on the Company's portal.

### Procedures for Obtaining Guidance

Our compliance policies and training and our Code are all aimed at avoiding violations of law and unethical conduct. Our long-term success in this area will depend on each Company representative recognizing EPCO's sincere commitment to these goals, seeking advice before engaging in conduct that presents legal or ethical questions and obtaining correct and unambiguous advice.

When you have a concern or are called upon to evaluate the legal or ethical correctness of a course of action as a result of your employment:

- Seek out the appropriate policy statement and training manuals and ask your supervisor for clarification when needed.
- Don't debate alone; seek the advice of legal, environmental, human resources and other administrative organizations that can be of assistance.
- As a guide in making your decision, consider whether if all the facts surrounding your decision were published in the local newspaper, you would have any regrets or concerns.
- Understand that EPCO's best interests can never be served by illegal or unethical conduct and the Company will never condone it.

Any questions concerning legal compliance that cannot be answered promptly and clearly should be referred to the Company's Legal Department. Legal and other appropriate administrative organizations, working together, will seek to explain in a practical and readily understandable manner what is required of EPCO representatives in order to comply with the law and with our ethical requirements.

Our compliance policies and training and our Code are all aimed at avoiding violations of law and unethical conduct. Our long-term success in this area will depend on each Company representative recognizing EPCO's sincere commitment to these goals, seeking advice before engaging in conduct that presents legal or ethical questions and obtaining correct and unambiguous advice.

### Reporting Compliance Violations

If an EPCO representative has a good faith reason to believe that any violation of our Code or misconduct including fraud has occurred, he or she is required to report such violation through available communication channels. Additionally, any good faith reason to believe that a threat to human health, safety, and the environment or Company assets has arisen or exists in or as the result of conduct in the workplace must be promptly reported.

Two avenues are available for EPCO representatives reporting compliance violations.

- 1) Reporting to the Vice President, Senior Vice President, Executive Vice President in charge of the business unit for which you are working, or in the case of an employee, to that employee's Human Resources representative. These parties then have the responsibility to see that the Senior Vice President of Human Resources and Director of Internal Audit are notified. When compliance with law issues are raised, the appropriate representatives of the Company's Legal Department shall also be notified.
- 2) Reporting to the Company's anonymous reporting Hotline at 1-877-888-0002 also discharges this obligation. The Hotline is the preferred method for reporting Code violations including fraud since it's operated by an independent third party. All reports are directly communicated by the Hotline provider to the proper representatives of senior management and the appropriate Audit, Conflicts and Governance Committee chairperson.

The Hotline provides a method of reporting without revealing the name of the person who made the call. Any attempt at retaliation or intimidation against anyone reporting in good faith an actual or suspected violation of our Code, fraud, any law or any condition thought to constitute a threat to human health, safety, the environment or Company assets is a serious violation of our Code. Those retaliating are subject to disciplinary action.

All fraud involves the intent to deceive and any instance is therefore a reportable violation and must be communicated to senior management and the appropriate Audit,

Conflicts and Governance Committee. The concept of fraud encompasses acts such as:

- Misappropriation of Company assets (theft)
- Improper manipulation of accounting and financial reporting data
- Charging personal items to the Company
- Fabricating and falsifying actual work hours performed
- Diverting or utilizing Company assets for personal gain

### Discipline & Consequences for Actions

The EPCO companies will consistently and appropriately enforce compliance with the Code and Company policies. Discipline for non-compliance will be determined by the appropriate senior management and/or Company board members. This may result in discipline up to and including termination of employment (in the case of employees) or termination of services (in the case of contractors). In certain cases or when required by law, law enforcement officials will be informed of facts discovered by any investigation concerning non-compliance with the law. Such actions can lead to criminal prosecution, monetary fines and civil penalties.

### STANDARDS OF BUSINESS CONDUCT<sup>1</sup>

You are responsible for becoming thoroughly familiar with these Standards. If you have any questions concerning a particular situation, you are encouraged to discuss the matter with a member of Enterprise senior management or the Human Resources Department (in the case of employees) and the Vice President, Senior Vice President or Executive Vice President in charge of the business unit for which work is being

<sup>1</sup>Source: [http://www.enterprisegp.com/pdfs/EPE\\_StandardsofBusinessConduct.pdf](http://www.enterprisegp.com/pdfs/EPE_StandardsofBusinessConduct.pdf)



performed (in the case of a Contractor). Any suspected violations should be reported to the Human Resources Department. Every effort will be made to protect your confidentiality, to insure that your questions are answered and your concerns are investigated promptly. You may call anonymously to the Enterprise hotline at 1-877/888-0002, if you prefer.

#### **Dealing with Suppliers**

People who want to do business, or continue to do business, with Enterprise must understand that all purchases by Enterprise will be made exclusively on the basis of price, quality, service and suitability to Enterprise's needs.

Reciprocity will not be allowed. Suppliers will not be asked to buy goods and/or services from Enterprise, an Enterprise employee or his/her family or to donate money, goods or services to a school, charity or non-profit organization in order to become or to continue to be a supplier.

Employees or their families must not seek or accept and Contractors may not offer or give any type of payment (direct, indirect, under-the-table, or otherwise), kickback or rebate related to or based upon Enterprise's purchase or sale of goods or services. Any offer of this type should be immediately reported to the employee's Senior or Executive Vice President or the Human Resources Department.

#### **Gifts and Entertainment**

We recognize that common business practice permits the offer and acceptance of certain courtesies, usually meals and entertainment. Employees should not accept or offer gifts or entertainment if the other person would believe that the gift or entertainment obligates you or Enterprise to do business with that person or that person's company.

Many Contractors and customers have standards similar to Enterprise's which limit or prevent the acceptance of gifts or entertainment. Employees should insure that each company's Standards are complied with.

To avoid both the reality and appearance of improper relations between Enterprise employees and Contractors, suppliers or customers, the following standards will apply

to the receipt or offer of gifts and entertainment:

##### **1. Gifts**

Gifts include merchandise, products, personal services, and tickets to theater or sporting events. Employees must not solicit gifts, gratuities or any type of personal benefit or favor.

Employees are prohibited from accepting gifts of money. Employees may accept unsolicited gifts having a value of less than \$50.00. Gifts of greater value are Enterprise's property and should be reported to a member of senior management.

##### **2. Entertainment**

Employees are prohibited from soliciting entertainment from any company or person doing or attempting to do business with Enterprise. Similarly, Enterprise will not do business with companies or persons soliciting entertainment from Enterprise or its employees. Entertainment includes, but is not limited to, meals, golf outings, out of town trips and sporting events.

Permitted entertainment involves the people who would naturally deal with the issues to be discussed or the business to be transacted. Additionally, the expense and location of the entertainment must be reasonable, given the persons involved and the nature of the business to be transacted.

Entertainment involving recreational travel and/or an overnight stay must be approved in writing in advance by the Chairman, President, Group Executive Vice President or their designee. Business Entertainment Record forms are available for this purpose.

#### **Dealings with Customers and Potential Customers**

Enterprise gets and keeps business because of the quality of its products and services. Enterprise does not give unethical or illegal rebates, kickbacks, under the table payments or other improper favors to customers or their representatives.

### **Political Activities and Dealings with Public Officials**

Employees are encouraged to become active in political and/or governmental affairs on their own behalf. However, remember that only a member of senior management or other designated employee may act or speak on behalf of Enterprise. If you have any questions, please consult with the Law Department.

Enterprise funds or other assets cannot be used for payments, gifts, loans or any other transfer, either directly or indirectly to officials, agents or employees of political parties, labor organizations, governments or any other person or entity, where such transfer could reasonably be considered a bribe, kickback or other illegal or unethical payment.

### **Violations**

Representatives should immediately report violations of these Standards to their Vice President, Senior Vice President, Executive Vice President or the Human Resources Department (in the case of an employee) and to the Vice President, Senior Vice President or Executive Vice President in charge of the business unit for which work is being performed (in the case of a Contractor).

Violations may result in disciplinary action ranging from an oral reprimand to termination of employment (in the case of an employee) or termination of services (in the case of a Contractor). All proposed disciplinary action is subject to review by senior management.

In addition to any disciplinary action taken by Enterprise, some violations may require restitution and may lead to civil or criminal action against the persons or entities involved.

## **CORPORATE POLICIES<sup>1</sup>**

### **FAIR DISCLOSURE (REGULATION FD) POLICY**

#### **Potential Liability and/or Disciplinary Action**

A violation of Regulation FD will result in a violation of Section 13(a) or 15(d) of the Exchange Act and may subject the Public MLP (and, in appropriate cases, the individual at the Public MLP responsible for the violation) to an SEC enforcement action, a cease-and-desist order and/or civil money penalties.

Covered Persons who violate this Policy will be subject to disciplinary action up to and including termination of employment.

### **EXPORT CONTROL POLICY**

(formerly known as the COMPLIANCE WITH THE FOREIGN BOYCOTTS TITLE OF THE EXPORT ADMINISTRATION ACT)

EPCO, Inc., its subsidiaries and affiliates, and their respective employees or representatives ("EPCO") shall fully comply with U.S. Foreign Trade Controls, including export control licensing requirements, prohibitions and documentation requirements, and prohibitions on dealings with countries and parties subject to economic sanctions. In addition, EPCO is subject to the Foreign Corrupt Practices Act of 1977 ("FCPA"), an anti-bribery law that forbids corrupt payments or gifts to foreign officials for the purpose of obtaining, directing or keeping business. Failure to observe this policy may create substantial exposure, both to EPCO and to employees and other responsible individuals, including criminal prosecution, fines, imprisonment, civil penalties and the loss of export trading privileges.

<sup>1</sup>Source: [http://www.enterprisegp.com/pdfs/EPCO\\_Corporate\\_Policies.pdf#FairDisclosure](http://www.enterprisegp.com/pdfs/EPCO_Corporate_Policies.pdf#FairDisclosure)

## 302. Cosmo Oil

Sustainability Report 2008<sup>1</sup>

### Compliance and Risk Management

#### Corporate Ethics Consultation Helpline

Cosmo Oil has set up a helpline by which employees or persons outside the Company can discuss or report legal or ethical problems concerning Group operations or other related matters. In addition to the helpline, as part of the Corporate Ethics Promotion Office, a consultation helpline staffed by external experts has been established. Callers are assured anonymity to avoid any adverse repercussions. In fiscal 2007, five consultation cases were received and promptly addressed.

The Company has also set up a consultation helpline within the Personnel Department to respond to reports of sexual or power harassment.

#### Corporate Ethics Training

Cosmo Oil conducts annual corporate ethics training for Group employees. In addition to stratified training according to rank, training sessions are sponsored by both the general managers of offices and departments and the presidents of Group companies. In the fiscal 2007 training sessions, the Company worked to instill a greater awareness of compliance issues by reconfirming the content of its manual covering the Cosmo Oil Group Code of Conduct.

Code of Conduct<sup>2</sup>

### We engage in sensible activities as members of society

#### Enforce corporate ethics thoroughly

- Carry out thorough training in corporate ethics

We carry out thorough education and training in corporate ethics.

- Operate a Corporate Ethics Consultation Helpline in an appropriate manner

We have established the Cosmo Oil Group Corporate Ethics Consultation Helpline and operate it in an appropriate manner as a scheme for reporting and consulting on issues and cases involving corporate ethics.

### We are honest in our transactions

#### Restrictions on entertainment and gifts

- Restrictions on entertainment and gifts

We do not give or receive entertainment or gifts that deviate from social norms or internationally accepted conventions. Moreover, we do not give or receive inappropriate entertainment or gifts for the purpose of providing personal or other improper benefits.

### Build highly transparent relationships with government and administrative agencies

- Prohibit entertainment of, and gifts to, civil servants

We do not entertain or exchange gifts with civil servants or equivalent persons (including former civil servants).

- Prohibit improper monetary donations and payoffs, etc. to politicians and political organizations

We do not make improper monetary donations, payoffs or benefits to politicians (including political candidates) or political organizations.

- Prohibit bribery

Whether at home or abroad, we do not engage in bribery, or promise or request bribes.

<sup>1</sup>Source: [http://www.cosmo-oil.co.jp/eng/csr/sustain/pdf/2008/sus08e\\_all.pdf](http://www.cosmo-oil.co.jp/eng/csr/sustain/pdf/2008/sus08e_all.pdf)

<sup>2</sup>Source: <http://www.cosmo-oil.co.jp/eng/company/guideline.html>

## 304. Macy's

### Code Of Conduct<sup>1</sup>

#### Being Honest... Company Assets and Information

##### Protection and Use of Company Assets

###### What To Know

Company assets belong to the Company. We must protect them and use them only for Company business.

Associates must not use merchandise, intellectual property, data, supplies, samples, software, equipment, fixtures and other assets of the Company for personal benefit.

Company computers, for example, are intended for Company business use. Only limited personal use is allowed. An associate's use of Company equipment, Internet access or e-mail or voice mail systems is not private. The Company reserves the right to monitor our use, consistent with applicable laws.

Theft, fraud, carelessness and waste of Company assets directly affect our reputation and profitability.

###### What To Do

We should all protect our Company's assets by guarding against and reporting not only any suspicion we may have of theft or fraud, but also any waste or misuse we may observe.

We must not copy or inappropriately use software licensed to our Company, download unauthorized software onto our Company computers, or use our Company's trademarks or copyrights except as authorized by Company policy.

Similarly, we should not use Company assets, including merchandise, or funds for illegal, unethical or otherwise improper purposes. For example, we must not seek to advance the Company's business with any governmental authority by means of bribes or payments to any third party.

#### Being Loyal... Conflicts of Interest

##### Gifts and Entertainment

###### What To Know

The Company does business on the basis of sound business judgment and seeks to treat all of its business partners fairly. Accepting a gift from or giving a gift to any business partner or competitor could create the expectation that they will be treated more favorably than others. We could also appear to be unfair and dishonest in our dealings.

Gifts or gratuities could take many forms - cash, loans or non-cash gifts, such as gift certificates, discounts, gratuities, services, transportation, use of vehicles or vacation facilities, participation in stock offerings, tickets to sporting events or invitations to meals or events. The potential list is endless.

###### What To Do

Certain gifts and entertainment are permissible, while others are not. When receiving or offering gifts or entertainment, we must follow the Company's guidelines strictly and seek help when we are unsure.

###### Usually OK

Gifts that are of "nominal" value and are common courtesies in our business, unless they fall in the "Always Wrong" category below, are usually okay to receive or give. Associates may give gifts, such as gift baskets, of nominal value and may also receive such gifts so long as they are shared with co-workers. Occasional invitations to ordinary sports or cultural events and token gifts like pens, mugs and calendars, in each case with a combined retail value of \$100.00 or less, are considered nominal in value and may be received and may also be given if we have corporate authority to incur such expenses. As long as these types of gifts do not total more than \$100.00 from or to a single source in a calendar year, they do not require disclosure or approval.

<sup>1</sup>Source: [http://www.macysinc.com/investors/governance/documents/code\\_of\\_conduct.pdf](http://www.macysinc.com/investors/governance/documents/code_of_conduct.pdf)

We may participate as the guest or host in occasional meals with our business partners if:

- It is a common business courtesy in our industry,
- It is not too frequent or excessive in value, and
- There is mutuality in the “give and take” such that we and our business partners have a chance to both treat and be treated.

If we include business partners in meals that we host, the expense should be classified as “Entertainment” in our reimbursement requests.

We may accept invitations to vendor sponsored events or meetings only in compliance with our Company’s Vendor Paid Trip Policy.

Associates who have been or are likely to be invited to participate in events or trips that are fully or partially paid for by current or potential vendors or business partners, including all associates in buying organizations, must access, read and understand our Company’s Vendor-Paid Trip Policy.

#### **Always Wrong**

Some types of gifts and entertainment are NEVER permissible and no one can approve them. We may NEVER:

- Accept or give any gift or entertainment that is or could be illegal.
- Accept or give a gift of cash or cash equivalent (such as a check, money order or a gift certificate that is convertible to cash), loans, stock or stock options.
- Participate in any entertainment that is inappropriate, sexually oriented or otherwise violates our policy of mutual respect.
- Participate in any activity or accept or give any gift that you know would cause the person giving or accepting the gift or entertainment to violate his or her own employer’s policies.

#### **Always Ask**

It may not always be clear to us whether certain gifts and entertainment are permissible. In such situations we must not proceed without obtaining the written approval of our HR representative who will consult with the Law Department. Examples in this category include the following, when paid by a current or potential business partner:

- Gifts and entertainment from or to a single source with an aggregate retail value of more than \$100.00 in any one calendar year.
- Invitations to special events – such as special or major sporting events (since these usually have a value of more than \$100.00).
- Invitations to attend a seminar or a meeting that requires travel or is held in a resort location the cost of which is partially or fully paid by a third party.

When approval is requested, members of the Law Department will consider the following:

- whether the gift or entertainment would be likely to influence your objectivity,
- whether there is a valid business reason to attend the event,
- whether we would be setting a precedent by accepting or giving the gift or attending the event, and
- whether it could reasonably create a negative impression in the minds of our co-workers or outsiders.

## About This Code

### Is it really necessary to raise concerns?

Yes, it is absolutely critical to do so. By raising your voice, you help protect our Company, our co-workers, our Company's customers and other stakeholders. The Company is counting on each one of us to preserve and protect its image and reputation. A vital way you can do this is by expressing your concern if and when you suspect in good faith that a Company policy has been violated.

- Raise concerns early. If you wait, it may get worse.
- You can report anonymously. However, if you identify yourself, the Company may be able to follow up with you and provide feedback. If you choose to report anonymously, please give enough details so the Company can investigate fully and accurately.
- Confidentiality is respected to the maximum possible extent. If you provide your name, your identity and report will be shared only as needed to look into and address the concern, or if required by law.
- Retaliation is not tolerated. Our Company absolutely prohibits retaliation against anyone who raises his or her voice of integrity to report a potential violation that he or she reasonably believes has occurred or is likely to occur. Retaliation is grounds for discipline up to and including dismissal. If you believe you have been subjected to retaliation, report it promptly to your HR representative, the Office of Solutions InSTORE or through the ComplianceConnections. (ComplianceConnections are telephone and on-line facilities we may use for this purpose. Details regarding ComplianceConnections are provided further below.)

### If I report a possible violation, will I get in trouble if my concern turns out to be wrong?

No. You will not be punished or disciplined if you report a violation you believe has

occurred or will occur. In fact, as Company employees, we all have a duty to report suspected violations of Company policy. We must, of course, have a reasonable basis for suspecting that a violation has occurred or will occur.

### Is it okay to not raise concerns when I am uncomfortable doing so?

No, it is not okay. Integrity Always means doing the right thing, even when it makes us uncomfortable. By doing or saying nothing about actions we honestly believe are in violation of any Company policy, we are violating this Code and are subject to disciplinary action.

### How should I raise a concern?

Our Company tries hard to foster an environment of open and honest communications. Our Company's "open door" policy gives associates many options.

- Your supervisor – usually a good place to start.
- Your supervisor's supervisor.
- Your store manager or the head of your Department or location.
- Your HR Department.
- The Office of Solutions InSTORE
- The Law Department.
- ComplianceConnections.

Most issues can be resolved by direct conversations between the people involved. However, if an associate is unsure of where to go for answers, uncomfortable raising issues with individuals within the Company, or wishes to report a potential violation of Company policy anonymously, he or she may raise the concern by using one of the ComplianceConnections.

One of the ComplianceConnections is a toll-free telephone line that is answered by an operator, 24 hours a day / 7days a week. The other is an on-line facility. To access

Compliance Connections, call 1-800-763-7290 or visit [www.macyscomplianceconnections.com](http://www.macyscomplianceconnections.com). These contact details are the same as for the Office of Compliance Associate Hotline that we have had for nearly a decade to ask questions and report misconduct. The difference is that ComplianceConnections is operated by an independent third party, which is not a part of the Company.

#### **What happens when I raise a concern via ComplianceConnections?**

If an associate accesses ComplianceConnections by telephone, a live operator from our third party service provider will answer questions or will give guidance on how to obtain answers or will check with the right sources within the Company to get the associate's questions answered. This service is available 24 hours a day / 7 days a week.

If an associate calls to report suspected misconduct, the operator will guide the associate through the process and create a report with the details provided. The operator will promptly forward the report to the right sources within the Company for follow-up.

If an associate accesses ComplianceConnections online, via the web, to ask questions or report suspected misconduct the Company's third party service provider will promptly forward the web communication to the right Company sources for follow up.

In each case, the reporting associate will be told how feedback will be provided on the associate's questions or concerns. In some situations, however, because of the nature of the inquiry, the Company or ComplianceConnections may not be able to provide feedback on the investigation.

The Company will investigate concerns about compliance with Company policies as follows:

- The issue will be assigned for investigation to associates who are skilled and objective.
- The investigators will gather information and determine facts. The investigation will be prompt and thorough, and confidentiality will be maintained to the maximum extent possible.

- The investigators may recommend corrective action, if necessary, to appropriate managers for implementation.
- Where appropriate, the associate raising the concern will receive feedback on the outcome.

#### **Policies/Positions<sup>1</sup>**

##### **Compliance and Ethics Program**

The Company's Compliance and Ethics program is designed to foster a culture of ethical conduct and ensure compliance with Company policies and applicable laws.

The Company's Compliance and Ethics organization consists of (i) the Compliance and Ethics Executive Committee, whose members are the Company's General Counsel, Controller, VP of Internal Audit and Chief Compliance and Ethics Executive, and (ii) the Office of Compliance and Ethics, which is managed by the Chief Compliance and Ethics Executive who reports to the General Counsel.

The Company's Compliance and Ethics program seeks to achieve continuous improvement through a holistic approach that emphasizes our Company's core value of "Integrity Always." It has many components, including communications and training on the Company's Code of Conduct, legal compliance training, outsourced telephony and web reporting facilities, periodic legal compliance risk assessments and culture surveys.

The Office of Compliance and Ethics issues regular reports on significant developments and program activities to the Company's Chairman and Chief Executive Officer. In addition, the Office of Compliance and Ethics reports periodically to the Audit Review Committee of the Board of Directors.

<sup>1</sup>Source: <http://www.macysinc.com/AboutUs/Policies/ComplianceEthics.aspx>

## Vendor - Employee Conflict of Interest<sup>1</sup>

### General Policies

Macy's employees may not:

- Suggest that a Macy's current or prospective vendor may obtain or continue to do business with the Company in return for a personal benefit (financial or otherwise) or ask a current or prospective vendor to do something for, or to give something to, the employee or someone else that might represent a violation of our policies by our employees;
- Engage in improper accounting or payment practices; or
- Share confidential information about Macy's and our business in any unauthorized way. Sharing that kind of information with a current or prospective vendor could cost our employee his or her job; and Macy's may decide not to or cease to do business with a current or prospective vendor that seeks such information from our employees.

Macy's requires full, fair, accurate, timely and understandable recording and reporting of financial information. Accordingly, all invoices and other documentation provided by our vendors must accurately set forth the details of our transactions with the vendor.

### Policies Regarding Gifts

Macy's employees (including family members) may not request or accept gifts, gift certificates, discounts, gratuities or any other item of value (including services) of any nature that would violate our conflict of interest policies from our suppliers or prospective suppliers. Any attempt by a Company supplier or prospective supplier to influence an employee to purchase goods and services other than on the basis of quality, service, value and uniqueness could result in the loss of future business with the Company.

A conflict of interest arises only when favors or gifts become more than nominal and casual within the framework of the employee's business activities. For example, it would not violate our conflict of interest policies to offer occasional invitations to lunch or dinner which are normal in our business or to give items of nominal value (i.e. under \$100 value) that display the vendor's logo and are used for promotional purposes.

All other gifts (including cash or gift certificates of any value) are not appropriate and we ask that our vendors use good judgment in this regard.

If you have questions or need clarification on Vendor-Employee Conflict of Interest policies (gifts or hiring), please contact Macy's, Inc. Office of Compliance and Ethics - [www.macyscomplianceconnections.com](http://www.macyscomplianceconnections.com) or 1-800-763-7290.

### Macys ComplianceConnections<sup>2</sup>

"INTEGRITY ALWAYS." This is one of our core values - a value that requires us to do the right thing - always. It means that we have to be fair and honest in all our dealings with our co-workers, customers, business partners, shareholders, competitors and the communities in which we live and work. Failure to act with integrity will cost us dearly, in terms of loss of image and reputation, and ultimately, loss of performance.

Our Company has provided this website to enable you to report good faith concerns you may have about "INTEGRITY ALWAYS." This reporting program may be used to report a variety of ethics, integrity and compliance issues. When submitting a report, you may choose to remain anonymous or to identify yourself and provide information on how your Company may contact you directly if additional details are needed. In either case, your report will be handled promptly.

To submit a report, or to follow up on a report already submitted, please select from the links below. You will also find a link to Macy's Code of Conduct. If you would like to read an Overview of the Macy's Code of Conduct, please click here. Thank you for helping Macy's succeed the right way.

<sup>1</sup>Source: <http://www.macysinc.com/AboutUs/Policies/Conflict.aspx>

<sup>2</sup>Source: <https://www.macyscomplianceconnections.com/>



## 305. Delphi

### BUSINESS CONDUCT STANDARDS<sup>1</sup>

#### Excellence in Society & Our Communities

##### Avoiding Improper Payments

We believe in promoting good governance and the fair and impartial administration of laws. It is, therefore, strictly prohibited to give a government official anything of value, directly or indirectly, to influence his or her judgment in the performance of official duties. It is likewise prohibited to ask a third party to make any payment, or do any other act, that would be inappropriate for Delphi to do directly.

In addition, as a U.S. incorporated company, bribery payments to foreign officials by any Delphi employee or agent are illegal under the U.S. Foreign Corrupt Practices Act (FCPA). Under FCPA, Delphi is accountable for the actions of its employees, including non-U.S. citizens and employees of non-U.S. based subsidiaries and agents throughout the world. Similar legislation has been enacted in many countries, including France, Germany and Japan as part of a global effort to combat corruption and bribery. There are circumstances where facilitating payments may be appropriate, but those situations must be discussed with the legal staff prior to any action being taken. Any questions as to whether a gift or payment would be considered improper under our guidelines or national laws must be discussed with the legal staff.

#### Excellence in the Marketplace

##### Gifts and Entertainment

Delphi recognizes there are times when suppliers or customers will offer you gifts or entertainment opportunities and likewise, you may want to offer the same to our suppliers or customers. It is Delphi's policy that all relationships with suppliers and customers must be based entirely on sound business decisions and fair dealing. Business gifts and entertainment can build goodwill, but they can also make it harder to be objective about the person providing them. In short, gifts and entertainment can create their own "conflicts of interest."

The Delphi gifts and entertainment policy applies to company operations globally. The terms "suppliers" and "customers" are used in this policy in the broadest possible sense. A supplier is any person or organization, inside or outside Delphi, who furnishes goods or services to Delphi. A customer is an individual or organization, inside or outside Delphi, who receives goods and services.

##### Gifts and Entertainment to governmental officials and union officials raise special risks

Never offer or provide gifts, gratuities or entertainment to government officials without prior approval from a senior officer responsible for Delphi operations or government relations in the particular country or region involved. It may be illegal or unethical to offer such a gift. Delphi has policies on interacting with Government officials of various countries that reflect local custom and practice. Make sure you know and follow these policies. Similarly, it may be illegal to provide a gift, or entertainment to a union or union official in the United States or other countries. Employees should obtain advice from the human resources or legal staffs before providing a gift, entertainment or other gratuity to a union or union official.

Members of Delphi's Board of Directors or Executives may also discuss their specific questions regarding gifts and entertainment with the General Counsel or Chairman of the Board.

##### Soliciting Gifts and Entertainment

Employees and directors may not solicit gifts or entertainment from anyone. Soliciting gifts or entertainment, either directly or indirectly for yourself or family members, is strictly prohibited. The size of the gift or entertainment is immaterial. All conduct in this regard that creates even the appearance of impropriety must be avoided.

##### Accepting/Providing Gifts or Entertainment From/To Suppliers and Customers

As a general guideline you should not accept/provide anything that:

- Compromises, or appears to compromise the integrity of the business relationship;
- Places you or others in an unsafe environment (e.g., gifts of

<sup>1</sup>Source: <http://delphi.com/pdf/FoundationforExcellence10Jan2007.pdf>

alcohol or alcohol related activities);

- Potentially embarrasses or damages your reputation or the reputation of the Company (e.g., adult entertainment or establishments).

Accepting/providing gifts or entertainment from/to suppliers, customers, or potential suppliers or customers should be infrequent, freely offered, consistent with the customer or supplier's policy and/or practice, be reasonable and customary in scope, legal, and have a business related purpose that advances Delphi's interests. Infrequent is defined as uncommon, or occurring at widely separate intervals. Employees around the world and directors are to apply this understanding prior to accepting/providing gifts or entertainment. Cash gifts, or cash equivalents such as gift certificates, should not be accepted/provided. Gifts may not be lavish. Any gift in excess of \$50.00 U.S. must be reviewed with management. All gifts provided must be disclosed on an expense report. Depending on the country in which we are doing business, appropriate gifts or entertainment may vary. Certain exceptions to the following guidelines may be made in countries where differing practices are customary, with approval of your management, in consultation with your local Chief Compliance Officer. Any questions regarding the appropriateness of a gift should be addressed with local management and your local Chief Compliance Officer.

Examples of generally acceptable gifts/favors, assuming they do not exceed the generally acceptable \$50.00 U.S. maximum, include:

- Fruit baskets and other perishable foods;
- Flowers;
- Standard sales promotion, advertising or publicity items.

Business-related entertainment or social contact may be appropriate when properly conducted on a non-lavish, limited basis and must not involve adult entertainment, regardless of whether or not it is an acceptable practice in a particular part of the

world. Employees should make every effort to ensure the nature of entertainment would withstand public scrutiny.

Examples of permissible entertainment include:

- Refreshments before, during, or after a business meeting;
- Meals before, during, or after business meetings or when otherwise business-related;
- Infrequent business related invitations to engage in activities such as golfing, hunting, fishing, sporting, cultural events or a dinner invitation when accompanied by a representative of the supplier or customer.

If an overnight stay is involved, the employee should give consideration to the nature of the business purpose in relation to the entertainment provided. In any case, the employee should advise his or her supervisor that an overnight stay is involved and obtain approval prior to accepting.

### **Asking Questions and Raising Concerns**

#### **Your Duty to Speak Up**

No company can live up to its commitment to act with integrity if we, as individuals, do not speak up when we should. That is why, in addition to knowing the legal and ethical responsibilities that apply to your job, you should speak up if:

- You are ever unsure about the proper course of action and need advice; or
- You believe that someone acting on behalf of Delphi is doing – or may be about to do – something that violates the law or Delphi's business conduct standards.

### Where to Go for Help

If you do have a question or concern about ethical or legal standards, what should you do?

We work hard to foster an environment of open, honest communication. So if you have a concern about a legal or business conduct issue, you have options. The most important thing is that you use one of these options to ask the question or raise the concern.

Your supervisor is usually a good place to start with a legal or business conduct issue.

You may also get help or advice from:

- Your supervisor's supervisor;
- The head of your department;
- Functional experts such as the legal staff, internal audit services, security or human resources; or
- Delphi's Regional Compliance Officers or the General Counsel and Chief Compliance Officer.

Also, throughout this Code, resources are identified with the symbol where you can get help or guidance about that particular section.

### The Delphi EthicsLine

If you ever feel unsure about where to go or are uncomfortable using one of the other resources identified in this policy, Delphi has an additional resource that can help: the Delphi EthicsLine.

The purpose of the EthicsLine resource is to provide an opportunity to notify the Company, on an anonymous basis, if requested, about concerns regarding compliance, integrity and the Delphi business conduct standards described in this policy.

The Delphi EthicsLine is operated by an independent company that helps businesses respond to concerns about integrity and compliance. The line operates 24 hours a day/seven days a week, and has translation services available at all times.

- In the U.S. – Call the Delphi EthicsLine at 1-888-679-8848 or visit the website [www.tnwinc.com/webreport](http://www.tnwinc.com/webreport).
- Outside the U.S. – Visit the website <http://apollo.delphiauto.net/security/ethicsline1.htm> for the number in the country where you work.
- Write – DELPHI ETHICSLINE, c/o The Network, Inc., 333 Research Court, Norcross, GA 30092, USA.

### What Happens if I Call – Can I Call Anonymously?

If you call the Delphi EthicsLine, the attendant (who is not an employee of Delphi) will listen and make a detailed summary of your call. The detail will be forwarded to Delphi's headquarters, where the information will be given confidentially to the appropriate individual to look into the matter.

If you wish, your call can be made anonymously. The EthicsLine assigns tracking numbers so that employees who do not want to give their name can still check back to receive a response or provide more information. Of course, giving your name can often help us look into the matter, and as explained below, Delphi has a firm policy against retaliation for raising a good faith concern under this Code.

Every effort will be made to give your call a quick response, especially when circumstances make that important. If an investigation is undertaken, we will look into the issue promptly and, whenever called for, see that corrective action is taken.

### **Retaliation Will Not Be Tolerated**

Any employee who, in good faith, seeks advice, raises a concern or reports misconduct is following this Code – and doing the right thing. Delphi will not tolerate retaliation against that person. Individuals engaging in retaliatory conduct will be subject to disciplinary action, which may include termination. If you suspect that you or someone you know has been retaliated against for raising a compliance or integrity issue, immediately contact the Delphi EthicsLine or Delphi's regional or chief compliance office.

**WE TAKE CLAIMS OF RETALIATION SERIOUSLY. ALLEGATIONS OF RETALIATION WILL BE INVESTIGATED AND APPROPRIATE ACTION TAKEN.**

### **Your Personal Pledge to Do the Right Thing**

This Foundation for Excellence represents a commitment to doing what is right. By working for Delphi, you are agreeing to uphold this commitment. Understand the standards set forth in this policy and the guidelines that apply to your job – and always follow them. Those who fail to follow these standards put themselves, their co-workers, and Delphi at risk. They are also subject to disciplinary action, including termination.

- At the back of this policy is a pledge. After you have reviewed Foundation for Excellence, sign and return the pledge to the designated human resources representative. All employees who receive this policy must sign the pledge. It is your commitment to doing what is right.

### **Delphi's Compliance and Integrity Program – What Does It Do?**

The Delphi Foundation for Excellence is more than just a description of our standards. It is the centerpiece of the Delphi compliance and integrity program supported by our Board of Directors and senior management.

Administration of the compliance program is provided by the Company's Chief Compliance Officer. In addition, the Compliance Review Board reviews programs for adherence to Delphi's ethics and compliance standards. The Chief Compliance Officer reports directly to Delphi's CEO and to the Audit Committee of the Delphi Board of Directors.

Together, the Chief Compliance Officer and the Compliance Review Board monitor Delphi's ethics and compliance program. This responsibility includes:

- Assigning roles and responsibilities for the program;
- Overseeing compliance training and communications;
- Overseeing compliance auditing and monitoring;
- Overseeing internal investigation processes;
- Reviewing disciplinary procedures for Code violations; and
- Monitoring the operation of the Delphi EthicsLine.

## 306. Delhaize Group

### CORPORATE GOVERNANCE CHARTER OF DELHAIZE GROUP<sup>1</sup>

#### RELATIONSHIPS

##### Conflicts of Interest

The company respects the rights of associates and directors to manage their personal affairs and investments and does not wish to intrude upon their personal lives. At the same time, associates and directors must act in the best interests of the company and avoid situations that present a potential or actual conflict between their personal interests and the interests of the company.

It is not practical to list every activity or interest that might represent a conflict of interest. However, for example, a conflict, or appearance of a conflict, may arise by accepting an inappropriate gift (see “Relationships with the Business Community” below) from a current or potential customer, supplier, franchisee, or competitor; owning a significant financial interest in, or serving in a business capacity with, an outside enterprise that does or wishes to do business with, or is a competitor of, the company; serving as an intermediary for the benefit of a third party in transactions involving the company; using confidential company information or other corporate assets for personal profit; conducting business for another enterprise during our normal working hours; or using company property to conduct business for another enterprise. A conflict can also occur if an associate, a director, or a member of either’s family receives personal benefits as a result of the associate’s or director’s position in the company.

Actions by associates that might involve a conflict of interest, or the appearance of one, should be disclosed in writing to the associate’s local management for review and approval. The disclosure and approval will be filed in the associate’s personnel file. Associates who knowingly fail to disclose conflicts may be subject to discipline, including dismissal.

##### Relationships with the Business Community

The company strives to maintain a cordial, but professional, relationship with its

vendors, suppliers, franchisees, contractors, and other members of the business community. Each associate and director should endeavor to deal fairly with such members of the business community. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing facts. Also, associates must not be influenced by gifts or favors of any kind from other members of the business community. It is Delhaize Group policy to discourage the receipt of gifts either directly or indirectly by associates that may be misconstrued as an attempt to influence business decisions. The company expects each associate to exercise reasonable judgment and discretion in accepting any gratuity or gift offered to the associate in connection with employment at Delhaize Group. If an associate is not certain whether a gift or favor may be accepted, the associate should obtain permission in advance from the associate’s supervisor.

In any case, the company requires that an associate disclose to such associate’s supervisor the receipt of any gifts or favors of any kind from other members of the business community. This does not apply to unsolicited promotional materials of a general advertising nature, such as imprinted pencils, memo pads, and calendars, or other gifts of nominal value in the aggregate as long as the gift:

- is reasonable and customary, not lavish or extravagant;
- is accepted without any express or implied understanding that the recipient is in any way obligated; and
- would not embarrass our company if publicly disclosed.

Presents of a ceremonial nature in keeping with national custom may be permitted as long as what is accepted is not in violation of any applicable law, cannot be construed as a bribe or a payoff, and would not embarrass the company if disclosed publicly.

##### Relationships with Government Officials

Many countries in which Delhaize Group does business have specific laws on conducting business with government officials. Under such laws, typically, a company

<sup>1</sup>Source: <http://www.delhaizegroup.com/LinkClick.aspx?fileticket=oTQATaDixtE%3d&tabid=94>

(including its shareholders, directors, officers, other associates, and advisors) is prohibited from directly or indirectly offering, promising to pay, or authorizing the payment of money or anything of value to a government official to win or retain business or favorable treatment. The above does not apply to any fees, sometimes referred to as facilitating payments, charged by government or non-government bodies as required by law or for provision of a required service. Each associate and director should endeavor to deal fairly with government officials. None should take unfair advantage of any government official through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing actions. All associates should be familiar with and adhere to these requirements. Any questions should be referred to your local management or the Office of the General Counsel.

## **ADMINISTRATION OF THE CODE**

### **Role of Supervisors and Officers**

Supervisors and officers have important roles under this Code and are expected to demonstrate their personal commitment to this Code by fostering a workplace environment that promotes compliance with the Code and by ensuring that associates under their supervision are familiar with the Code and participate, as appropriate, in compliance training programs offered by Delhaize Group.

### **Investigations; Disciplinary Action**

Delhaize Group will initiate a prompt investigation following any credible indication that a breach of law or this Code may have occurred. The company will also initiate appropriate corrective action as deemed necessary, which may include notifying appropriate authorities.

If you violate any provision of this Code, you may be subject to disciplinary action, including discharge to the extent permitted by applicable law. Please be aware that Delhaize Group may seek civil remedies from you, and if your violation results in monetary loss to the company, you may be required to reimburse the company for that loss. If you are involved in a violation, the fact that you reported the violation, together

with the degree of cooperation displayed by you and whether the violation is intentional or unintentional, will be given consideration in the company's investigation and any resulting disciplinary action.

### **No Retaliation**

Delhaize Group will not retaliate against anyone who, in good faith, notifies us of a possible violation of law or this Code, nor will the company tolerate any harassment or intimidation of any associate who reports a suspected violation or participates in an investigation of a suspected violation. In addition, there are "whistleblower" laws in certain jurisdictions that are designed to protect associates from discrimination or harassment for providing information to us or governmental authorities, under certain circumstances, with respect to certain legal requirements such as those governing workplace safety, the environment, securities fraud, and fraud against shareholders.

## 307. Magna International

### CODE OF CONDUCT AND ETHICS<sup>1</sup>

This Code of Conduct and Ethics sets forth the basic principles we are committed to with respect to our dealings with all of our stakeholders and also acts as a guide to assist our employees in meeting the ethical standards reflected in the Code.

As a statement of the basic principles we are committed to with respect to our stakeholders, this Code complements our Corporate Constitution which forms a part of our Articles (charter documents), our Employee's Charter and a number of our corporate policies, including those dealing with insider trading, environmental responsibility, occupational health and safety, and the policies set out in our Employee Handbooks, all as amended from time to time.

As a guide to assist our employees, this Code cannot address every situation that may arise. Where an employee is in doubt about how to act in any situation, they should first consider whether their action is or would be legal, ethical, honest and fair. It may be helpful for an employee to consider whether he or she would be unwilling or embarrassed to discuss a possible course of action with a friend, family member or co-worker; if so, there is a strong chance that this course of action may violate this Code. If still unsure, an employee can discuss the matter with a supervisor as contemplated by our Open Door policy or call Magna's Good Business Line on an anonymous basis. Employees will not be penalized, discharged, demoted, suspended or discriminated against for enquiring in good faith about actions which may violate this Code.

This Code applies to all of our employees, including all of our officers, and to our directors. Failure to abide by this Code will lead to disciplinary action, proportionate to the breach. In the case of a serious breach, an employee may be dismissed for just cause. Our consultants, independent contractors, agents and other representatives will be required to meet the same ethical standards as our employees and will face the same types of consequences, up to and including termination of any consulting, contract, agency or representative relationship with us.

Waivers of this Code may from time to time be granted in limited circumstances to our directors, officers and employees. Any director or officer who requires such a waiver

must seek it in writing from our Corporate

Governance and Compensation Committee and any such waivers granted will be publicly disclosed in accordance with applicable law, rules and regulations. Any employee that is not an officer and who requires a waiver of this Code may seek such a waiver in writing from our General Counsel, Corporate Secretary or senior human resources officer.

From time to time, an employee may become aware of a violation of this Code by others in the Magna Family of Companies. Any violations of this Code should be reported through the Good Business Line which we have established, or directly to our Audit Committee. In either case, an employee may do so anonymously. We will ensure that an employee will not be penalized, discharged, demoted, suspended or discriminated against for reporting in good faith any violation of this Code.

We have developed a strong reputation for producing a "better product for a better price" and providing innovative solutions to customers, delivering consistent financial returns to shareholders, treating employees with fairness and respect and demonstrating our commitment to all our stakeholders. The success we have achieved has been based on the dedication and hard work of our employees, the entrepreneurial spirit of our operations managers and the leadership of our management. Our reputation and our success could not have been possible without our commitment to a corporate culture rooted in fairness, integrity, honesty and concern for people. We believe this Code will help strengthen these principles and allow us to build on our past successes.

#### Fair Dealing

We will seek to secure business from customers on the basis of having a "better product for a better price".

Our employees will not, directly or indirectly, offer bribes, kickbacks or other similar payments, nor promise any other improper benefit for the purpose of influencing any customer, supplier, public official or any other person, nor will they, directly or indirectly, accept bribes, kickbacks or any other improper benefit which could influence or appear to influence them in the performance of their duties, provided that any

<sup>1</sup>Source: [http://www.magna.com/magna/en/investors/governance/documents/pdf/Magna\\_Code\\_of\\_Conduct.pdf](http://www.magna.com/magna/en/investors/governance/documents/pdf/Magna_Code_of_Conduct.pdf)

payments which are permissible under applicable law are not prohibited under this Code. Reasonable business entertainment and gifts or favours of nominal value or those which are appropriate in the circumstances will not be considered a breach of our commitment to fair dealing, as long as such entertainment or gifts are consistent with business practice, not intended as an inducement, not contrary to applicable law and will not embarrass us or our employees if disclosed publicly.



## 308. Travelers Cos.

### CODE OF BUSINESS CONDUCT AND ETHICS<sup>1</sup>

#### Introduction

If you are unsure whether a situation is impacted by the Code of Conduct or other Company policies, you should discuss the situation with your supervisor, your HR generalist or the Compliance Officer or Group General Counsel for your business unit.

If you become aware of any existing or potential violation of any law, regulation or the Code of Conduct, you must notify the Chief Compliance Officer. You may contact the Chief Compliance Officer directly or you may provide notification by calling the Ethics Helpline in the U.S. or Canada at 866.782.1441. Persons calling from a country other than the U.S. or Canada may call the Ethics Helpline collect (toll-free) at 866.782.1441. Additionally, you may also use the Ethics Helpline Web site ([www.ethicspoint.com](http://www.ethicspoint.com)).

Every effort will be made to protect your identity when you contact the Chief Compliance Officer or appropriate designee directly. In some instances, however, it may be impossible to keep your identity confidential because of the demands of conducting a thorough investigation or because of legal requirements. If you are concerned about confidentiality, you may consider placing an anonymous call to the Ethics Helpline or submit your concerns via the Ethics Helpline Web site. To encourage the reporting of violations of the Code of Conduct and asking of questions related to compliance and ethics, Travelers will not permit retaliation or harassment for reports made or concerns raised in good faith. "Good faith" does not mean that the report or concern raised must be correct, but it does require that the person making the report or raising the concern believe that he or she is providing truthful information.

#### Conflicts of Interest

#### Receipt of Gifts and Entertainment

You may not accept, and may not allow an immediate family member to accept, gifts, loans, services or preferential treatment from anyone in exchange for a current or future business relationship with Travelers. You may accept a non-cash gift or

entertainment of reasonable value that may be part of the normal business process; however, you should decline gifts or entertainment that could be interpreted as an attempt to influence your judgment. You may never accept gifts of cash or securities. In addition, gifts should not be received on a regular or frequent basis.

The "reasonable value" for gifts and entertainment will be determined by Management Committee member responsible for your business group. Gifts or entertainment exceeding a reasonable value should not be accepted. The responsible Management Committee member may authorize acceptance of a gift that is then given to charity in order to avoid embarrassing a customer or business associate so long as it is clear that the gift was not given to secure a business relationship with the Company. The responsible Management Committee member may also require that the Company reimburse the provider of the entertainment or gift.

Individual business groups may adopt a more restrictive policy with respect to gifts and entertainment. You should become familiar with your business group's policy.

#### Gift Giving and Unusual or Illegal Payments

The Company, including its officers, directors and employees, does not offer or make payments to, and does not provide any other inducements or lavish entertainment to, government officials, regulators or customers in order to sell our products or services or obtain an unfair advantage in the marketplace.

Certain appropriate entertainment may be offered to customers by employees authorized to do so, subject to business expense reimbursement requirements applicable to your business. You must comply with all business specific policies relating to customer entertainment. If circumstances warrant a gift, carefully consider how it might appear to others. If your gift could be interpreted as a consideration for an official or business favor, you must not give the gift. If you are giving a gift in a personal, not a professional, capacity, that intent must be very clear.

Federal, state and many local jurisdictions have laws restricting gifts that may be provided to its officials. These laws range from absolute bans, regardless of value, to prohibitions on giving gifts in exchange for a favorable decision by an official. In addition, the U.S. Foreign Corrupt Practices Act outlines very serious provisions

<sup>1</sup>Source: <http://www.travelers.com/iwcm/trv/docs/codeofconduct.pdf>

against bribery, including the payment of anything of value to foreign officials. A foreign official includes any person employed by or representing a foreign government, officials of a foreign political party, officials of public international organizations and candidates for foreign office. Such payment need not take the form of cash. Providing or offering gifts, services, amenities or other types of consideration are also prohibited. Individuals may be imprisoned, and together with their organizations, may be fined for violating the Foreign Corrupt Practices Act. As a representative of the Company, you must not seek to influence the judgment of any employee or representative of any government by promising or giving money, gifts or loans or by any other unlawful inducements. To ensure compliance with these laws, gifts to foreign officials and regulators must be pre-cleared with the Chief Compliance Officer.

#### **Certification Obligations**

All employees, officers and directors are required as a condition of continued employment to annually certify their adherence to the Code of Conduct and all policies referenced herein. In addition, employees and officers may be required to complete training programs associated with the Code of Conduct and the policies referenced herein as determined by the Chief Compliance Officer.

Certification of the Code of Conduct signifies, among other things, that you understand and agree to comply with the Code of Conduct and all Company policies. The Company's policies and procedures, including but not limited to, the Employee Policy Guide, the Internal Dispute Resolution Policy, the Employment Arbitration Policy and the Code of Conduct for System Users are also available for your review on Inside.

Failure to adhere to the Code of Conduct and its associated obligations may subject you to disciplinary action up to and including immediate termination of employment.

#### **Compliance with Laws, Rules and Regulations**

It is the Company's policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each employee, officer and director to adhere to the standards and restrictions imposed by those laws, rules and regulations.

Where required by law or as directed by Travelers General Counsel, all employees, officers and directors must cooperate with all Company, governmental, regulatory and other investigations. Any action to fraudulently influence, coerce, manipulate or mislead an investigation will result in disciplinary action up to and including immediate termination of employment.

## 311. Hartford Financial Services

### CODE OF ETHICS AND BUSINESS CONDUCT<sup>1</sup>

#### Ethical Principles

The Hartford is committed to conducting its business according to the highest standards of honesty, integrity and respect for individuals and to demonstrating to our customers, investors, business partners and government officials that their trust in The Hartford is well deserved. Every employee is expected to abide by the ethical principles and policies set forth in this Code. The Code applies to all executives, officers and employees of The Hartford. The Company also expects its business partners to act in accordance with the standards or policies described in this Code whenever they are working with or on behalf of The Hartford. Throughout this Code, the term “business partner” will apply to agents, vendors, suppliers and independent contractors who provide products or services to or on behalf of the Company.

The success of The Hartford’s compliance programs depends upon each and every employee’s diligent efforts to comply with this Code. All employees are expected to perform up to the highest ethical standards and in accordance with applicable laws, rules and regulations. The Hartford will not tolerate corrupt or illegal practices, including bribery or kickbacks, and such actions will result in disciplinary action, up to and including termination. Every employee is responsible not only for his own conduct but also for reporting immediately any known violation of the Code. This reporting responsibility extends to situations that involve non-employees, such as business partners. When requested to do so, employees have the duty to cooperate fully with internal investigations, which duty includes the truthful disclosure of all relevant information. The refusal to cooperate constitutes grounds for disciplinary action up to and including termination. Any violation of this Code by an employee is against the Company’s interest and shall be considered activity beyond the scope of that employee’s authority to act.

#### Conflicts of Interest

**Forbidden Payments** – Employees shall not take or approve any action that will require payment from corporate funds if such an expenditure is not authorized or reimbursable under Company policy.

### Integrity in the Marketplace

#### Illegal, Unethical and Improper Business Practices

**Bribes** – Employees are strictly prohibited from offering, soliciting or accepting bribes. A bribe can be cash or anything of value that is offered or accepted as a “quid pro quo,” that is, as part of an agreement to do, or not to do, something in return for the payment or other thing(s) of value.

**Gifts** – For purposes of this policy, a “gift” is defined as “the voluntary transfer of an item by one person or enterprise to another without compensation” and can be anything of value including goods and services. The terms “gift” and “entertainment,” as used in this policy, shall have the broadest meanings possible, including, but not limited to any trips, entertainment, benefits, events and any other gratuitous item or thing of value.

Employees and their immediate family members may not give a gift to, nor may they accept a gift from, any third party beyond those courtesies deemed to be customary, reasonable and proper under the particular business circumstances.

As a general rule, accepting or giving a gift having a value in excess of US \$100, in any individual situation, is considered beyond what is customary, reasonable and proper. Inexpensive gifts of a promotional nature or social invitations that are considered customary, reasonable and proper under the business circumstances (such as a business meal) may be accepted. However, employees must never:

- Accept or give any gift of cash or cash equivalents (such as gift certificates, loans, stock, stock options, etc.); or
- Participate in any activity that they know would cause the person or party offering or receiving the entertainment to violate any law, rule, regulation or the specific ethical standards of their own employer.

Whenever possible, employees should obtain written approval from their supervisor or the appropriate compliance officer before accepting or giving any gift that might have

<sup>1</sup>Source: <http://www.thehartford.com/higfiles/pdf/CodeHIG.pdf>

a value exceeding \$100. When obtaining that approval is not practical prior to accepting a gift, such approval should be requested as soon as possible thereafter. Any supervisor granting such approval must forward a copy of the approval to the appropriate compliance officer who will maintain a log of all gift activity.

Questions regarding the appropriateness of accepting or giving gifts should be directed to the employee's supervisor and the appropriate compliance officer. It is every employee's responsibility to voluntarily seek clarification or approval without the need for any inquiry by their supervisor. In addition, employees must respect the policies regarding gifts and entertainment of our business partners and customers and avoid creating situations that may violate such policies. See also the Company's policy on Gift Certificates and Non-Cash Awards for Business Partners.

**Entertainment** – Providing or accepting entertainment in the course of an employee's work-related activities must always have a legitimate business purpose and should not compromise the business judgment, impartiality or loyalty of those being entertained. Employees may accept a reasonable level of entertainment from business partners with whom The Hartford has or is seeking a business relationship unless the employee's business unit/department has adopted more restrictive guidelines.

The term "reasonable" can vary depending upon the situation and the level and/or corporate positions of the parties involved, but in no event should the value of such entertainment, in any individual situation, exceed \$250 unless approved by a supervisor who reports directly to a member of the Office of the Chairman. Employees may provide a reasonable level of entertainment to business partners, customers or other third parties with whom The Hartford has or is seeking a business relationship. Employees must exercise good judgment in offering entertainment. It should not be lavish, unusual or extravagant in the eyes of an objective third party.

Any entertainment, in any individual situation, with a value exceeding \$250 must be approved, in advance whenever possible, by a supervisor that reports directly to a member of the Office of the Chairman. Such entertainment must not be offered if the employee knows that it would be prohibited by the specific policies of the other party. The Hartford's Travel and Entertainment Policy Guidelines will govern employee expense reimbursement. Entertainment expenses are routinely reviewed for

appropriateness during the reimbursement process and are subject to subsequent review by the Internal Audit Department.

Frequent business entertainment or gifts, given to or received from the same party, even if within the acceptable monetary threshold in each instance, may still be considered a conflict of interest. For approval of gifts and entertainment that exceed the monetary limits set forth above, employees should use the Travel & Expense Pre-Approval Authorization Form to document the required approval.

#### **Integrity in Government Relationships**

The Hartford is committed to contributing to the betterment of the communities in which it does business through active involvement in civic and public affairs.

This involvement includes participation in policy debates on issues that affect The Hartford, its customers, employees and shareholders. When representing The Hartford, employees must use care in all contacts and dealings with government officials and their employees and must comply with all applicable laws, rules, regulations and corporate policies. Employees are likewise encouraged to participate as private individuals, on their own time, in the civic and political life of the communities in which they live and work.

Government departments and agencies are governed by strict laws, rules, regulations and internal controls prohibiting acceptance by their employees of entertainment, meals, gifts, gratuities and other things of value from firms and persons with whom those organizations do business or over whom they have regulatory authority. All employees who have contact or dealings with government officials and their employees are required to be aware of and comply with those specific standards.

**Contacts with Government Officials** – Contacts on behalf of The Hartford with government officials to influence legislation, regulatory policy or rulemaking, including grassroots lobbying contacts, or contacts with senior level state insurance department officials on matters involving The Hartford individually, are undertaken only at the direction of the Government Affairs Unit of the Law Department. The hiring of outside counsel or public affairs firms to lobby on behalf of The Hartford requires the approval of the Government Affairs Unit.

Government Affairs is responsible for complying with all lobbying registration and filing requirements at the federal and state levels, as well as documenting lobbying activity for tax purposes. Contacts with state insurance departments and other government agencies to comply with routine regulatory requirements (such as market conduct exams or data calls) do not require clearance from the Government Affairs Unit.

Employees involved in sales activities with government entities may be subject to lobbying and gift laws in some jurisdictions and should consult with the Government Affairs Unit or the appropriate compliance officer before contacting public officials in connection with such activities.

**Entertainment or Gifts for Government Officials** – No Hartford employee shall authorize or offer any gifts, gratuities or non-business-related entertainment, even of a token nature, for the personal use of employees or officials of any government agency to which The Hartford is seeking to sell, is selling goods or services, or is lobbying without prior consultation with a member of the Government Affairs Unit or the Director of Compliance.

#### **Compliance with Laws**

**Foreign Corrupt Practices Act** – The Foreign Corrupt Practices Act (FCPA) strictly prohibits the use of bribes or illegal payments to any non-United States official, political party or political candidate to obtain or retain business or other improper advantage. Acts prohibited under the FCPA include illegal or questionable customer rebates; commercial bribes and kickbacks; financial transactions that involve manipulation of sales, earnings, or other financial data; use of interstate commerce to pay or facilitate payment to any non-United States government official, political party, or political candidate; and keeping inaccurate books and records that attempt to disguise or conceal illegal payments. In addition, the use of any third party agents or intermediaries to facilitate any of the illegal payments or actions described above is strictly prohibited. For more information, see The Hartford's Foreign Business Practices Standard.

**Anti-Money Laundering (USA PATRIOT Act)** – The Hartford is committed to complying with all applicable laws and regulations aimed at deterring terrorists and other

criminals from using our free enterprise system to fund terrorist and other criminal activities, including, the so-called USA PATRIOT Act of 2001. Money laundering is the process of engaging in a financial transaction, or a series of transactions, that involves funds used for or derived from criminal activities. The USA PATRIOT Act makes it mandatory for financial services companies to have an anti-money laundering program that contains four basic components:

- Internal Policies, Procedures and Controls;
- Designation of an Anti-Money Laundering Compliance Officer;
- An Independent Audit Function; and
- Ongoing Employee Training

The Hartford is committed to ensuring that its anti-money laundering program meets these requirements and that all employees and business partners comply fully with the laws and regulations designed to combat money laundering and the financing of terrorism.

Under no circumstances may any employee knowingly facilitate or participate in any money laundering activity. Any employee who does so will be subject to severe disciplinary action, including possible termination of employment, and may be referred to federal or state law enforcement and regulatory agencies for consideration of civil and criminal penalties. Employees with questions concerning their duties, responsibilities or obligations under the Company's antimoney laundering program should contact the designated anti-money laundering compliance officer for their business area or the Director of Compliance. For more information, see the company's Anti-Money Laundering Policy. **Economic Trade Sanctions/OFAC** – The Hartford must also comply with the various economic and trade sanctions programs administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"). These sanctions programs prohibit a variety of commercial activities with specified countries, including specific rules relating to insurance transactions, as well as specific entities and individuals included on OFAC's list entitled "Specially Designated Nationals and

Blocked Persons” which can be found at the OFAC website at <http://www.treas.gov/ofac/>. All employees must understand the obligations of these policies to ensure that prohibited transactions do not occur. Any questions concerning any situation that may involve a prohibited transaction should be immediately referred to the designated anti-money laundering compliance officer for that business area or the Director of Compliance. For more information, see the company’s Economic Sanctions Policy.

### **Reporting Violations of the Code**

**Where to Report Violations** – Violations of this Code may be reported using one or more of the following methods:

1. Talk to a supervisor. Whenever possible, employees should discuss the matter with their supervisor. Employees and supervisors are encouraged to work together to achieve a fair resolution of the alleged violation, problem or issue. Supervisors also have a responsibility to document the reported issue and to provide a copy of the report to the Director of Compliance. If the issue remains unresolved to the satisfaction of the reporting person, or if a particular situation does not allow that employee to seek assistance from his direct supervisor, he should contact the Hartford HR Service Center to speak with an Employee Relations Consultant or any of the other contacts listed below.
2. EthicsPoint. The Company’s outside service provider, EthicsPoint may be contacted by telephone at 1-866-737-6812 (for employees in the U.S. and Canada) and 1-866-737-6850 (for employees in all other countries), via The Hartford’s EthicsPoint secure Web site, or through written correspondence sent to The Hartford, c/o EthicsPoint, P.O. Box 230369, Portland, Oregon 97281-0369. Reports made to the General Auditor or to EthicsPoint on such matters will be made available to the Audit Committee of the Company’s Board of Directors.
3. Contact the Internal Audit Department - Investigative Services Unit. For all employees, the contact is Jack Jacewicz at (860) 547-6554.
4. Contact the appropriate Line of Business Compliance Officer.

### **Certification Requirements**

Every employee is responsible for maintaining the standards of ethical conduct as set forth in this Code. To help ensure compliance with the Code, The Hartford requires all employees to certify annually that they have received and read the Code and fully understand their responsibilities to comply with the Code.

New employees will receive training on the Code upon joining The Hartford. Employees also will receive additional training on the Code whenever a new or substantially enhanced version of the Code is adopted. Periodic training will be conducted for all employees as necessary. Managers and supervisors are responsible for ensuring that all employees under their supervision have undergone any required training.

The Hartford’s Director of Compliance will monitor the training and certification process for adequacy and compliance. Failure to comply with the required certification process or the requirements of the Code will result in appropriate disciplinary action, up to and including termination of employment.

## 312. Abbott Laboratories

2007 Global Citizenship Report<sup>1</sup>

### Governance Ethics and Compliance

#### Ethics & Compliance

Our integrity is based on decisions – large and small – that our employees at every level of the company make each day. Our decisions are guided by our values, a sense of ethics, and respect for the law.

To support our commitment to ethical conduct and compliance with the law, we have a long-standing ethics and compliance program. It is led by the Vice President and Chief Ethics and Compliance Officer and supported by a global staff of 61. Next steps include adding compliance directors in the fast-growing markets of Russia and India.

Our program is built on seven key tenets:

- providing strong ethics and compliance leadership
- clearly articulating our standards
- encouraging communication
- increasing awareness through training
- delivering accountability
- providing timely assessment
- delivering prompt remediation

Our Code of Business Conduct, which is available in 35 languages, helps ensure that all Abbott employees have a clear understanding of legal and regulatory requirements, Abbott's policies and procedures, and the company's shared ethical principles. Annually, all employees are required to certify to Abbott's Code of Business Conduct.

Two-way communication is key to a successful ethics and compliance program. Our

Ethics and Compliance Disclosure Program, which includes a telephone and Web-based hotline available around the clock, received approximately 700 questions and allegations in 2007. We analyze each allegation, take corrective action where warranted, and generate metrics that allow us to spot trends and respond to them as need be.

Employee training and education programs increase awareness of the legal and ethical implications of business decisions. We added a training module on Supplier Diversity Awareness and 99.81% of the 18,000 employees completed the training.

"When it comes to ethics and compliance, you must set the tone at the top and in the middle, and you also need to get far down in the organization. The further down in the organization you can get – both globally and locally – the more likely you are to be successful. That's what the people in Abbott's Ethics and Compliance program are really trying to do. You need to make sure the people producing, researching and marketing really identify with the company, really care about what they're doing. Abbott has the advantage of doing health care, something that really matters in people's lives."

— Patricia Werhane, who holds joint appointments in business ethics at DePaul University and the University of Virginia's Darden Graduate School of Business

We use a number of approaches to engage employees in our ethics program. One successful approach has been the use of interactive ethics challenge games in conjunction with a help desk or booth activity. These face-to-face interactions allow for informal discussions with OEC personnel and provide opportunities to learn more about the company's guidelines, regulations, and the importance of individual actions.

For example, "Score with Ethics," an interactive question and answer assessment based on the core values of our company, was developed to help international employees learn more about the Code and the resources available to them. This learning tool was made available to our affiliates worldwide to test and enhance their ethics and compliance knowledge. We also customized the U.S. awareness program and will introduce it in 2008 at our U.S. sales meetings and plant events. In 2007, we engaged more than 8,000 employees worldwide in this unique awareness and learning effort.

<sup>1</sup>Source: [http://www.abbott.com/global/url/content/en\\_US/40.20.10:10/general\\_content/General\\_Content\\_00258.htm](http://www.abbott.com/global/url/content/en_US/40.20.10:10/general_content/General_Content_00258.htm)

A key part of Abbott's ethics and compliance programs are the policies and procedures that the OEC has created to guide employees as they conduct their day to day activities within the global health care community. To ensure that all Abbott employees are always working within the standards set by federal, state and industry regulations, Abbott has made it a point to use PhRMA, AdvaMed, OIG guidance and various laws (Federal and State) as the foundation of Abbott's policies and procedures.

As the healthcare industry continues to grow, more and more laws are being created to monitor health care manufacturer's activities. Some of the new laws that have emerged recently include state reporting laws, which require health care manufacturers to report marketing costs for a particular state on an annual basis. Currently California, Nevada, West Virginia, Minnesota, Vermont, Washington, D.C., and Maine all have laws or regulations that require this type of reporting. Abbott continues to review new laws as they are passed and is in compliance with all required state reporting at this time.

### **Operating Globally, Acting Locally**

Understanding and adhering to local laws, regulations and other requirements is vital for our employees no matter where they work. The Affiliate Compliance Program was designed to formalize compliance programs, including distinct policies and procedures in each of the countries where Abbott operates. In 2007, we improved local implementation of the ethics program through better information sharing, training, and awareness across the business. The International Compliance Web site provides direction and guidance to help employees understand and operate in compliance with local policies and procedures.

We offer a number of resources to employees, such as Abbott's Ethics and Compliance Helpline, a telephone and Web-based hotline available 24 hours a day, seven days a week.

Ethical conduct and compliance with the law are central to fulfilling our responsibility to our stakeholders. Honesty, fairness and integrity represent the necessary conditions of an ethical workplace and are non-negotiable.

Our approach to ethics and compliance is multifaceted and covers seven key areas:

- **Leadership:** Abbott's Office of Ethics and Compliance (OEC) is led by our Vice President and Chief Ethics and Compliance Officer. The OEC has appointed dedicated ethics and compliance staff to support each of our businesses. The Chief Ethics and Compliance Officer makes periodic reports to the public policy committee of Abbott's board of directors and gives an annual report to the full board. This officer also chairs our Business Conduct Committee, which oversees implementation of the ethics and compliance program.
- **Standards:** Abbott's Code of Business Conduct provides guidance on business conduct and practices to all employees and agents. Our code includes contacts for asking questions, requesting further information or reporting suspected violations. The code requires that complaints or concerns regarding accounting, internal accounting controls or auditing matters be promptly communicated to Corporate Internal Audit or the OEC. We continually monitor the nature of employee inquiries and make appropriate adjustments to our training and communications.
- **Communications:** We offer a number of resources to employees, such as Abbott's Ethics and Compliance Helpline, a telephone and Web-based hotline available 24 hours a day, seven days a week. In addition, the OEC creates opportunities to engage in face-to-face interactions with employees by participating in national and regional sales meetings and local site meetings. Issues also are highlighted on our OEC intranet site and through other targeted communications vehicles.
- **Training:** Employee training and education programs increase awareness of the legal and ethical implications of business decisions.
- **Accountability:** Abbott does not tolerate retaliation against anyone who makes a good-faith report regarding a violation or potential violation of Abbott's code. This guideline is well publicized and enforced.
- **Assessment:** Results of program monitoring and compliance audits are shared with each Abbott business. Specified time frames are given to implement recommendations.



- Remediation: OEC responds promptly to detected problems with corrective action.

### 24-Hour Helpline

We offer a number of resources to employees, such as Abbott's Ethics and Compliance Helpline, a telephone and Web-based hotline available 24 hours a day, seven days a week.

### Code of Conduct<sup>1</sup>

#### Decision-Making; Operation of the Code

#### Disclosure Program

Third, Abbott recognizes that many decisions are not easy. So, any time we have a difficult decision to make, or we don't understand how the Code applies in a particular case, we should ask for advice and guidance. If we become aware of any violations or potential violations of the Code, or if we have complaints or concerns regarding accounting, internal accounting controls, or auditing matters, we must promptly notify the appropriate persons as indicated on page 5.

- For any questions or concerns about interpreting or applying this Code, or any related Abbott standard, policy or procedure, contact:
  - (1) Your manager;
  - (2) Another manager;
  - (3) A Human Resources representative;
  - (4) An attorney in the Legal Division;

- (5) Your Division's Divisional Ethics and Compliance Officer;
  - (6) The Vice President and Chief Ethics and Compliance Officer, or the Divisional Vice President, Ethics and Compliance; or
  - (7) The Ethics and Compliance Helpline (see contact information on page 5).
- To contact the Vice President and Chief Ethics and Compliance Officer, who manages the Office of Ethics and Compliance ("OEC"):
    - Telephone: 1-847-937-5210
    - Fax: 1-847-935-3969
    - E-mail: OEC@abbott.com

Address written communications to the Vice President and Chief Ethics and Compliance Officer, other than faxes and e-mails, to:

- Vice President and Chief Ethics and Compliance Officer  
Abbott Laboratories, Dept. 036X, Bldg. AP6A/1  
100 Abbott Park Road  
Abbott Park, Illinois 60064-6008, USA

Clearly mark the envelope with the following phrase:

"CONFIDENTIAL – TO BE OPENED BY THE VICE PRESIDENT AND CHIEF ETHICS AND COMPLIANCE OFFICER".

Mark e-mails "CONFIDENTIAL"

- The Ethics and Compliance Helpline is available 24 hours a day, 7 days a week. Calls to the Helpline may be made anonymously. To access the Helpline:
  - (1) From the United States, Puerto Rico or Canada, dial 1-866-384-2756.
  - (2) In all other countries, contact the local AT&T USA Direct Operator and then dial or request the operator to dial 1-866-384-2756.

<sup>1</sup>Source: [http://www.abbott.com/static/content/document/COBC\\_English.pdf](http://www.abbott.com/static/content/document/COBC_English.pdf)

If you have any problems with the toll-free number, place a collect call to 1-847-937-5210.

- Anyone who becomes aware of a violation, or potential violation, of this Code or any related Abbott standard, policy or procedure, must promptly notify the Office of Ethics and Compliance, either directly or through one of the contact alternatives listed on page 4. Such notification may be made anonymously. Any reports or concerns are kept confidential to the extent possible while still allowing Abbott to investigate and take appropriate action.
- Anyone who has a complaint or concern regarding accounting, internal accounting controls, or auditing matters must promptly notify Internal Audit or the Office of Ethics and Compliance.
- Abbott will not tolerate retaliation against anyone who makes a good faith report regarding a violation or potential violation of the Code.
- See Part VIII of this Code on page 29 (“Accountability for Adherence to the Code”) for more information on how Abbott handles reports of violations or potential violations of the Code.

### **Honest and Ethical Conduct**

#### **AVOIDING CONFLICTS OF INTEREST**

- We will not accept from or give to any supplier, customer, or competitor any gift or entertainment except as allowed under “Gifts, Meals and Entertainment” on page 9.

#### **GIFTS, MEALS AND ENTERTAINMENT**

We will not seek, accept, offer, promise, or give (directly or indirectly) anything of value—including payments, fees, loans, services, entertainment, favors or gifts—from or to any person or firm as a condition or result of doing business with Abbott.

Subject to that general prohibition and to the additional policies and procedures referred to on page 10:

- (1) Abbott’s policy is intended to permit gifts of reasonable value, normal business meals and entertainment, the exchange of customary reciprocal courtesies between employees of Abbott and their business associates, and similar customary and reasonable expenditures to promote general business goodwill; and
- (2) Reasonable expenditures for gifts to, meals for, and the entertainment of business contacts may be made if the expenditures are appropriate and are correctly recorded on the books of the paying entity.

Additional policies and procedures apply in certain situations, such as the following:

- For gifts, meals and entertainment involving suppliers, see Abbott’s Corporate Purchasing Policies.
- For gifts, meals and entertainment involving health care professionals and other customers, see the Divisional Operating Procedures for Program Funding (formerly “Operating Guidelines for Program Funding”) in the United States and Puerto Rico, and local policies and procedures in other countries.
- For gifts, meals and entertainment involving government officials or employees, this Principle is subject to the provisions of “Laws Relating to Payments to Government Officials/Employees” on page 19, as well as the Divisional Operating Procedures for Program Funding in the United States and Puerto Rico, and local policies and procedures in other countries.

## **Compliance with Laws**

### **Laws Relating to Payments to Government Officials/Employees**

We must not directly or indirectly pay, give, offer, or promise any form of bribe, gratuity, or kickback to any government official or employee.

We must comply with the United States Foreign Corrupt Practices Act, and with similar laws elsewhere, that apply to payments to government officials/employees of other countries.

Under the Foreign Corrupt Practices Act, we may not directly or indirectly pay, give, offer, or promise money or anything of value to any officer, employee or representative of a government outside the United States or of a public international organization, or to any political party, party official, or candidate for political office outside the United States in order to (1) secure an improper advantage in obtaining, retaining, or directing business, (2) influence any act or decision of the recipient in an official capacity, or (3) induce the recipient to do or omit to do an act in violation of such person's lawful duty.

An example of an impermissible indirect activity would be a payment made through an intermediary or agent where we know or should be aware that such payment would be passed along for prohibited purposes.

### **Federal Anti-kickback Statute**

The laws that regulate these programs include the Federal anti-kickback statute, which applies both to our sales and marketing activities and to a broad range of other activities, including grants, research contracts, and consulting agreements. It generally prohibits offering or paying (or soliciting or receiving) cash or other benefits to induce the purchase, order, or recommendation of products eligible for payment by a Federal Health Care Program.

The statute is aimed at fraudulent or abusive practices that could encourage overutilization, otherwise increase Federal Health Care Program costs, or bias treatment decisions by health care providers. But even normal business practices (discounts, for example) can sometimes violate the statute if they fall outside its "safe

harbors", particularly if they lack appropriate safeguards. To ensure Abbott's compliance with the antikickback statute, we must carefully evaluate and properly structure any arrangements with parties in a position to prescribe, purchase or recommend Government-reimbursed products (for example, physicians, hospitals, nursing facilities, HMOs, PBMs, GPOs, or pharmacies), and must always avoid any arrangements that could inappropriately influence treatment or purchasing decisions.

### **Anti-money Laundering Laws**

We will comply with all applicable anti-money laundering laws, rules and regulations of the United States and other countries having comparable laws.

The anti-money laundering laws prohibit us from engaging in a financial transaction if we know that the funds involved in the transaction were derived from illegal activities. If you believe that the other party to a business transaction is engaged in any illegal activity or is using proceeds derived from an illegal activity, you must obtain approval from the Legal Division prior to entering into the transaction.

### **Accountability for Adherence to the Code**

#### **Disciplinary Action**

To the extent legally permissible under applicable law, appropriate disciplinary action will be taken, in relation to this Code or any related Abbott standard, policy or procedure, for:

- Authorization of or participation in violations
- Failure to report a violation or potential violation
- Refusal to cooperate in the investigation of an alleged violation
- Failure by a violator's supervisor(s) to detect and report a violation, if such failure reflects inadequate supervision or lack of oversight
- Retaliation against an individual for good faith reporting of a violation or potential violation Disciplinary action may, when appropriate, include dismissal.

## Governance, Ethics & Compliance<sup>1</sup>

### **Training & Performance Data**

Abbott continually offers and updates a number of ethics and compliance training initiatives for our employees worldwide. Annually, all employees are required to recertify to Abbott's Code of Business Conduct. One hundred percent of our employees worldwide completed a certification that they have read, understood and will comply with Abbott's Code of Business Conduct. Many of these employees were also required to complete training on newly developed local policies and procedures. These policies covered topics such as promotional practices, professional services, privacy, trade associations and the World Health Organization Code on marketing infant formula (Abbott Nutrition International employees only).

Every employee in the U.S. and Puerto Rico participated in our Legal and Ethics Resource Network program, a Web-based training system designed to increase awareness of the legal and ethical implications of business decisions. We added the following courses to our training curriculum: Privacy Issues, Avoiding False Health Care Claims and Supplier Diversity.

<sup>1</sup>Source: [http://www.abbott.com/global/url/content/en\\_US/40.20.10.15:15/general\\_content/General\\_Content\\_00310.htm](http://www.abbott.com/global/url/content/en_US/40.20.10.15:15/general_content/General_Content_00310.htm)

## 313. Cepsa

Summary 2007 Corporate Responsibility Report<sup>1</sup>

### Suppliers

#### Case Study – RePro supplier Registration System

Some of the main Spanish and Portuguese companies operating in the energy sector have agreed to participate in a common system: the RePro supplier registration database which is a permanently updated tool allowing easy registration of suppliers and contractors in an objective and non-discriminatory way. This database belongs to the Achilles Group, a top information management supplier.

This joint registration system allows CEPESA access to a database containing complete, up-to-date information based on the annual presentation made by each supplier through a simple computerised questionnaire. The information contributed by the supplier is structured and updated, so that the same information is provided for all suppliers.

With a view to extending the Corporate Responsibility commitment to suppliers and service companies, a work group was set up in 2007, in which CEPESA participated, to include Corporate Responsibility (CSR) criteria in the RePro supplier registry. The following human rights and ethics-related content has been included as a result:

- Details of a contact person within the supplier company for CR issues.
- Details of whether the supplier has an assurance system for CR certified by third parties.
- In the absence of certification, whether this is expected to be obtained within the next 12 months.
- Whether the supplier has signed any recognised social, labour or ethical standards or guidelines, such as the Global Compact.
- Whether the supplier has produced a Corporate Responsibility Report.
- Whether the supplier can prove that their practices are in line with internationally

recognised labour principles (prevention of enforced labour, discrimination, working hours, etc.).

- Whether implementation can be demonstrated of appropriate labour practices on the part of the supplier, to prevent all manner of bribery and corruption.
- Whether suppliers and contractors are required to apply CR labour practices in accordance with international standards, and to have internal measures in place to prevent bribery and corruption.

<sup>1</sup>Source: [http://www.cepsa.com/corporativo/doc/c\\_1\\_48/informe\\_responsabilidad\\_2007\\_Ingles.pdf](http://www.cepsa.com/corporativo/doc/c_1_48/informe_responsabilidad_2007_Ingles.pdf)

## 315. Tata Steel

Corporate Sustainability Report 2007<sup>1</sup>

### **SOCIETY PERFORMANCE**

#### **CORRUPTION – Management of Ethics**

The Tata Code of Conduct and corporate values have been deployed in the Company through Management of Business Ethics (MBE). All the officers of Tata Steel have signed the Tata Code of Conduct. Tata Code of Conduct has a specific clause pertaining to bribery and corruption, which also addresses Principle 10 of the UNGC. The organisation has issued a Gift Policy, which clearly articulates the Gift Exchange procedures, values, etc. The Policy is presented in Annexure-VII. The Company has an Ethics Counselor to ensure that all the issues pertaining to ethics are dealt with as per the Code of Conduct. During the year 94 concerns were received, out of which about an average of only 25% concerns are valid. A summary is presented in Table 9.1. with regard to bribery and corruption. The organisation has taken very strict actions against 14 Officers, 12 Non-Officers and 25 Vendors. The Vigilance Group of the company deals with bribery and corruptions issues. The focus, this year, was on re-enforcement of Code of Conduct among all the stakeholders by the process of stakeholder involvement.

In order to enhance employees' involvement in the process, many activities including, ethics quiz contest were organised during the Ethics Month – July 06. The understanding on Code of Conduct was re-enforced through a story based e-learning module which was prepared in Hindi as well as English and was put on our Company's Intranet and is being used by all employees. The interaction with the shop-floor employees with the Ethics Group was enhanced through Business Ethics Manthan programme organised through Knowledge Group. In order to generate confidence in the system, the importance of whistle blowing was emphasised and employees were encouraged to report any misconduct they observe, without any fear of retribution. A major step in employees' involvement was taken by involving the office -bearers of Tata Workers' Union in the MBE process.

The other stakeholders like vendors, dealers and distributors were also included in MBE process by involving them in various dialogues and workshops. A uniform policy for penalty for vendors was prepared for dealing with vendors' misconducts. In order to involve the community for the success of MBE, a workshop was organised with eminent representatives of the various fields of the society to formulate a presentation module for MBE to take it to various levels of community.

In order to uniformly deploy various policies like Whistle Blower Policy and Gift Policy in their companies necessary support was extended to the Associate companies of Tata Steel. Eastern Region Ethics Conference was organised with CEOs and Ethics Counselors of the Tata Companies of Eastern Region in order to share and learn various aspects of MBE. Eminent speakers in this field were invited to share their knowledge. MBE process was initiated in the new companies such as Tata BlueScope and Tata Steel (Thailand) Public Company Limited.

The senior leadership team reinforces the ethical behaviour through various fora like the General Dialogue, Senior Dialogue, MD On-line etc. and encourages employees to bring to their notice instances of unethical behaviour. Punitive actions were taken against employees for unethical conduct, where necessary. The effectiveness of the process is periodically evaluated by the number of concerns received during that period and various assurance surveys conducted by internal and external agencies. These results are analysed and the necessary steps are taken to improve the system and processes.

Tata Steel takes a very serious view of involvement of its employees in bribery and corruption. The Vigilance Group of the Company deals with bribery and corruptions issues. Employees involved in such cases are immediately removed from the company.

#### **COMPLIANCE**

The Company has a well-established system, procedures and review mechanisms to identify and comply with various applicable laws and regulations concerning its operations, products and services. During the reporting period, no fines or non-monitoring sanctions were imposed for non-compliance with laws and regulations.

<sup>1</sup>Source: <http://www.tatasteel.com/corporatesustainability/pdf/CSR-06-07.pdf>

## **Annexure II – TATA CODE OF CONDUCT 2008**

### **Financial Reporting and Records**

A Tata Company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs.

Internal accounting and audit procedures shall reflect, fairly and accurately, all of the company's business transactions and disposition of assets, and shall have internal controls to provide assurance to the Company's Board and shareholders that the transactions are accurate and legitimate. All required information shall be accessible to company auditors and other authorised parties and government agencies. There shall be no wilful omissions of any company transactions from the books and records, no advance income recognition and no hidden bank account and funds.

Any willful, material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of the Code apart from inviting appropriate civil or criminal action under the relevant laws. No employee shall make, authorise or collude in an improper payment, commission or bribe.

### **Gifts and Donations**

A Tata Company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations, or comparable benefits, which are intended to or perceived to obtain business or un-competitive favours for the conduct of its business and shall participate in efforts to eliminate such forms of bribery, fraud and corruption. However, a Tata Company and its employees may accept and offer nominal gifts which are customarily given and are of commemorative nature for special events.

### **Government Agencies**

A Tata Company and its employees shall not offer or give any company funds or property as donation to any government agencies or their representatives, directly or through intermediaries, in order to obtain any favourable performance of official duties.

A Tata Company shall comply with government procurement regulations, and shall be transparent in all its dealings with government agencies as applicable.

### **Ethical Conduct**

Every employee of a Tata Company, which shall include wholtime directors and the chief executive, shall deal on behalf of the Company with professionalism, honesty, integrity as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties. Every employee of a Tata Company shall preserve the human rights of every individual and shall strive to honour commitments. Every employee shall be responsible for the implementation of and compliance with the Code in his / her professional environment. Failure to adhere to the Code could attract the most severe consequences including termination of employment.

### **Reporting Concerns**

Every employee of a Tata Company shall promptly report to the Management when she / he becomes aware of any actual or possible violation of the Code or an event of misconduct, act of misdemeanour or act not in Company's interest, which could affect the business or reputation of his / her or any other Tata Company.

Any employee can make a protected disclosure under the Whistle Blower Policy. The Protected Disclosure should be forwarded under a covering letter, which shall bear the identity of the Whistle Blower.

## **Annexure-VII**

### **GIFT POLICY**

Tata Steel recognises that exchange of gifts with people with whom we do business with is not unusual and is considered acceptable. The receipt and giving of gifts is part of normal social exchange. Such exchange is neither irregular nor is it unusual. However, the need is recognised for a stated policy setting caps on the value of such gifts and for defining circumstances under which it would be acceptable or not acceptable to retain gifts.

The cardinal principle would be that gifts should not be given or received either to obtain favours / preferential treatment or in return for favours/ preferential treatment. The policy will apply to all employees of Tata Steel as well as its subsidiary and associate companies.

1. Gifts could be either solicited or unsolicited. The Company, regardless of the circumstances, does not permit the soliciting of gifts. This policy defines the circumstances under which unsolicited gifts received either in India or abroad can be accepted and retained.
2. The circumstances under which gifts might be received fall into various categories.
  - a. Gifts received on New Year and other festive occasions.
  - b. Gifts received only on occasions of wedding of self or children.
  - c. Gift vouchers / gift cheques received in recognition of a professional contribution made by the recipient, such as for making a presentation, conducting a training programme/workshop for a professional and academic institution etc.
  - d. Gifts received on the occasion of a terminal event such as a transfer or on cessation of employment.
  - e. Gifts of any value received for any other reason (not stated in [i] to [iv], approval to be taken from Ethics Counsellor or PEO.
3. Declaration regarding receipt of gift:

In all instances, the recipient of a gift of more than the approved value, will make a declaration stating the description of the gift that has been received, the estimated value of the gift and the circumstances under which the gift was received and particulars of donor. Such declaration should be submitted in the office of Ethics Counsellor within 15 days of the receipt.
4. Kind of Gift
  - a. List of the kinds of gifts that might be received is provided below:
  - b. Articles of only an edible nature for festive occasions in item 2 [i].
  - c. Articles of use in an office such as table clocks, stationery, desk accessories on New Year only with company's logo in item 2 [i].
  - d. Gift worth up to Rs.1000/- for wedding only in item 2[ii].
  - e. Gift vouchers / Gift cheques only in the case of professional contribution in item 2[iii].
5. Circumstances under which gifts can be accepted:
  - a. Receipt of Cash Gift: Only in the case of retirement or cessation of employment. Cash gift of Rs.1000/- and more can be retained by employees.
  - b. However, in the case of transfers, collective gift in kind can be received. The value limit is not applicable in such cases.
6. Gifts received in recognition of a professional contribution made by the recipient, such as for making a presentation, conducting a training programme/workshop for a professional and academic institution etc.

Where the receipt of gift is in gift vouchers and gift cheque and more than Rs.1,000/-, the recipient will be permitted to retain the full amount received, if prior permission is taken from the company. However, information to the Ethics Counsellor should be given. No cash to be received.

Where the Company has borne expenses, such as travel or lodging, related to the event and such expenses are reimbursed by the organisers, all such reimbursements will be surrendered to the Company.
7. Receipt of gift from parties having business relationship with the Company including gifts from subordinates Gifts received from a donor where the donor has a business relationship with the Company and could derive benefits from the recipient should only be of a value up toRs.1,000/-. Illustrative categories of parties with business relationships with the Company would be vendors, dealers, contractors, consultant and customers etc. However, all such gifts should have donor's Company's logo or business identity.
8. No gifts should be accepted from any person or party who is in default of the



Company in any manner. By way of illustration, parties in default would be parties from whom monies are overdue or parties with whom the Company is engaged in litigation and parties against whom disciplinary action has been taken.

It is desirable that the recipient should check the status of the parties from Chief (Procurement) and Chief Financial Controller (Corporate) to make sure that the provisions of the above clause are not contravened.

9. It is recognised that at times gift exceeding the value caps contained in this policy are to be received as the return of these gifts may cause embarrassment. This situation may occur special during overseas visit of our officers where sometimes expensive gifts are given by the overseas hosts.

In this situation the recipient should surrender the gift at the earliest. The company will decide the procedure for utilisation of such gifts.

10. The company considers it good practice to share gifts of a nature, which an employee is permitted to receive, such as gifts of an edible nature, with fellow employees. The nature of the gift permitting, it would also be good practice to use gifts in the office.
11. Where an employee received gifts exceeding the value caps contain in this policy, it would be advisable to return the gift to donor with a covering letter thanking the donor for the same and quoting the relevant provision of this policy. The draft of the letter as and when required may be obtained from the office the Ethics Counsellor.
12. In case of any clarification / interpretation of this policy the employee should contact the office of Ethics Counsellor, Tata Steel.
13. The policy will become effective with immediate effect.

## **Annexure-VIII**

### **Whistle Blower Policy**

#### **1. Preface**

- a) The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the Tata Code of Conduct ("the Code"), which lays down the principles and standards that should govern the actions of the Company and their employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. There is a provision under the Code requiring employees to report violations, which states:

"25. Reporting Concerns every employee of a Tata Company shall promptly report to the management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of his or any other Tata Company."

- b) Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges has been recently amended which inter alia, provides for a non-mandatory requirement for all listed companies to establish a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.
- c) Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee of the Company.

## 2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

- a) "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 292A of the Companies Act, 1956 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- b) "Employee" means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- c) "Code" means the Tata Code of Conduct
- d) "Investigators" mean those persons authorised, appointed, consulted or approached by the Ethics Counsellor/Audit Committee and include the Vigilance Dept, auditors of the Company and the police.
- e) "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- f) "Senior Management" means personnel of the company who are members of its management/ operating council (i.e. core management team excluding independent directors). This would also include all members of management one level below the executive directors.
- g) "Subject" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- h) "Whistle Blower" means an Employee making a Protected Disclosure under this Policy.
- i) "Whistle Blower Protection Committee" means a Committee constituted under the Chairmanship of Dy. Managing Director (Corporate Services) to examine the grievances of Whistle Blower about the victimisation allegedly suffered by him/her.

## 3. Scope

- a) This Policy is an extension of the Tata Code of Conduct. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.
- b) Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Ethics Counsellor or the Audit Committee or the Investigators.
- c) Protected Disclosure will be appropriately dealt with by the Management / Ethics Counsellor / Audit Committee, as the case may be.

## 4. Eligibility

- a) All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

## 5. Disqualifications

- a) While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b) Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a malafide intention.

- c) Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

#### **6. Procedure**

- a) All Protected Disclosures concerning financial / accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- b) In respect of all other Protected Disclosures, those concerning the Ethics Counsellor and employees at the levels of Vice Presidents and above should be addressed to the Chairman of the Audit Committee of the Company and those concerning other employees should be addressed to the Ethics Counsellor of the Company.
- c) The contact details of the Chairman of the Audit Committee and of the Ethics Counsellor of the Company are as under:
- Mr. P.K. Kaul, House No. 225, Sector 15-A, Noida (UP) 201 301.
  - Mrs. Rekha Seal, Ethics Counsellor, Tata Steel Ltd. Jamshedpur 831 001
  - E-mail adds: ethics.counsellor@tatasteel.com, and mail@ethics.com
- d) If a protected disclosure is received by any executive of the company/Vigilance Group of the Company other than Chairman of Audit Committee or Ethics Counsellor, the same should be forwarded to the Company's Ethics Counsellor for further appropriate action. They must take appropriate care so that the identity of the Whistle Blower does not get divulged in the process.

- e) Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- f) If the protected disclosure is received by the Chairman of the Audit Committee, he shall detach the covering letter and forward only the Protected Disclosure to the Ethics Counsellor of the Company for investigation.
- g) Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- h) The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure.

#### **7. Investigation**

- a) All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Counsellor/Audit Committee of the Company in accordance with the normal procedure. The Ethics Counsellor/Audit Committee may at its discretion, consider the involvement of any investigators/Vigilance group of the Company for the purpose of investigation.
- b) The decision to conduct an investigation is not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- c) The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- d) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

- e) Subjects shall have a duty to co-operate with the Ethics Counsellor / Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- f) Subjects have a right to consult with a person or persons of their choice, save and except Ethics Counsellor / Investigators and/or the Audit Committee and/or the Whistle Blower. This may involve representation including legal representation. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- g) Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects. If he is found indulging in any such actions will make themselves liable for disciplinary action. Under no circumstances, subjects should compel investigator to disclose the identity of the Whistle Blower.
- h) Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- i) Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- j) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure

#### **8. Protection**

- a) No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy,

condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against the Whistle Blowers. Complete protection will be given to the Whistle Blowers against any unfair practice. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

- b) The Whistle Blower shall be protected from any retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure.
- c) The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Ethics Counsellor /Audit Committee (e.g. during investigations carried out by Investigators).
- d) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

#### Whistle Blower Protection Committee

The Company has constituted the Whistle Blower Protection Committee under the Chairmanship of Dy. Managing Director (Corporate Services) as under:

- Mr. A N Singh
- Dy. Managing Director (Corp. Services) Chairman
- Mr. D Sengupta VP (Shared Services) Member
- Mr. A D Baijal VP (RM & IM) Member
- Mr. Abanindra M. Mishra VP (HRM) Member
- Mrs. Rekha Seal Ethics Counsellor Convener

In case a Whistle Blower feels that he/she has been victimised in employment related matters because of reporting about the violation of the Code, he/ she can submit a 'Grievance' to the Ethics Counsellor, giving specific details of nature of victimisation allegedly suffered by him/her. All such grievances will be examined by the aforesaid committee. The Committee will meet at regular intervals and examine the grievances on their merits. The Committee will also conduct necessary investigation of the concern and recommend appropriate action as the case may be.

While Management is determined to give appropriate protection to the genuine Whistle Blower, the employees at the same time are advised to refrain from using this facility for furthering their own personal interest. If proved, such cases may be referred to the Whistle Blower Protection Committee for disciplinary action.

#### **9. Investigators**

- a) Investigators are required to conduct a process towards factfinding and analysis related to alleged improper or unethical activities. Investigators shall derive their authority and access rights from the Company/Audit Committee when acting within the course and scope of their investigation.
- b) Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c) Investigations will be launched only after a preliminary review, which establishes that:
  - i. the alleged act constitutes an improper or unethical activity or conduct, and
  - ii. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation should not be undertaken as an investigation of an improper or unethical activity.

#### **10. Decision**

If an investigation leads the Ethics Counsellor/ Audit Committee to conclude that an improper or unethical act has been committed, the Ethics Counsellor/Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as they deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

#### **11. Reporting**

The Ethics Counsellor shall submit a report on a quarterly basis to the Audit Committee regarding total number of disclosures received in previous quarter, nature of complaint, outcome of investigation, actions recommended by the Ethics Counsellor/Audit Committee and implementation of the same. The EC should also report to the AC the concern raised for victimization for employment related matters by the Whistle Blower and action taken by the Whistle Blower Protection Committee.

Such Reports on the above shall be reviewed and recorded by the Audit Committee.

#### **12. Retention of documents**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

#### **13. Amendment**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing. This supersedes our earlier Whistle Blower Policy (Ref. no. AO/2725/04 dated 11.01.2004)

## 316. Bertelsmann

### Code of Conduct<sup>1</sup>

#### Business and Finance

##### Financial integrity & antifraud

We conduct our business and manage recordkeeping and reporting with integrity and transparency.

- All transactions and records relating to our business must be maintained and handled accurately and appropriately. Fraud, theft, embezzlement, money laundering and terrorism financing are not allowed.
- Money laundering occurs when people or companies try to purge the proceeds of crime, terrorism or other illicit activity to make them appear legal. The scope of the relevant terms and obligations on this matter may vary from country to country, so the personnel concerned should seek the advice and support of the company's general counsel to ensure compliance.
- Making unauthorized use of company equipment, proprietary information or trade secrets is also prohibited.
- All transactions, assets and liabilities must be properly documented and recorded in accordance with the Bertelsmann AG Financial Reporting Guidelines.
- Maintaining recordkeeping integrity means applying high standards of accuracy and accountability in all business dealings. Financial accounts, documents, contracts and other company information may not include incorrect or misleading entries that are the result of manipulation, distortion or falsification.
- Employees who suspect the possibility of fraud or another financial crime should immediately contact their company's internal auditor or general counsel, the Corporate Audit department of Bertelsmann AG or the ombudsperson, or use the Internet-based whistle-blower system.

##### Anti-corruption & anti-bribery

We do not engage in corruption, bribery, kickbacks or other illegal transactions with private, commercial or governmental parties.

- Corruption and bribery entail the making of or promising or asking to make gifts or payments to others (private or public parties) in exchange for a favor, financial reward, improper official action or other benefit.
- When the exchange of improper gifts, payments or other benefits involves government officials, political parties or current or potential candidates for public office, there can be severe civil and criminal violations and consequences for the company and the individuals involved. This means that we may neither offer nor receive any improper favors (such as bribes to obtain a contract). The scope of the relevant terms and obligations in this matter may vary from country to country, so the personnel concerned should seek the advice and support of the company's general counsel to ensure compliance.
- Caution should be taken when requests or offers are made for a "charitable contribution" to a locality or community cause to ensure that it is not a request for or offer of bribery in disguise.
- If employees suspect that corruption or bribery is taking place, they should immediately contact their internal auditor or general counsel inside their company or at Bertelsmann AG, or the ombudsperson, or use the Internet-based whistle-blower system.

##### Gifts & entertainment

When giving or receiving business gifts or entertainment, we do so in a transparent manner that complies with company policy, industry standards and applicable law.

When giving or receiving business gifts or entertainment, we do so in a transparent manner that complies with company policy, industry standards and applicable law.

<sup>1</sup>Source: [http://benet.bertelsmann.com/imagescom/Code\\_of\\_Conduct\\_English\\_tcm12-189653.pdf](http://benet.bertelsmann.com/imagescom/Code_of_Conduct_English_tcm12-189653.pdf)

- We may not let our business decisions be influenced by gifts or entertainment.
- When necessary or appropriate in the ordinary course of business, it is generally acceptable to give and receive gifts or entertainment as long as such activity:
  - Is properly disclosed to next-level management
  - Complies with applicable law as well as company policies
  - Is reasonable and customary within the industry and national practice
  - Does not improperly influence the nature or continuation of the business relationship

### **Whom Should You Consult for Help?**

Bertelsmann puts different resources at your disposal to address any concerns you might have. Please choose the resources that seem most appropriate.

#### **1. In your immediate working environment**

You should be able to find a person in your immediate working environment whom you can contact to discuss questions regarding the Code of Conduct or to report violations; for instance:

- Your supervisor
- The senior management of your company
- The Human Resources, Legal, Finance, Audit or
- IT departments

A list of people to contact within specific Bertelsmann subsidiaries can be found online at [www.ethics.bertelsmann.com](http://www.ethics.bertelsmann.com).

#### **2. Ombudsperson**

Bertelsmann has appointed third-party ombudspersons to give employees a secure point of contact for providing information about observed misconduct. Employees and other parties can confide in this ombudsperson after having observed violations against the Code of Conduct, specifically illegal business practices. Like certified lawyers or auditors, the ombudspersons appointed by Bertelsmann are bound to professional secrecy. They are legally required to keep the identity of the person reporting misconduct confidential. The identity of a complainant may be revealed only with the complainant's express consent.

#### **3. Internet-based whistle-blower system**

You can also report substantial violations against the Code of Conduct, specifically illegal business practices, using an Internet-based whistle-blower system. Employees' reports will be treated confidentially. This system is managed by a third-party vendor, not a Bertelsmann-owned company.

#### **4. The Bertelsmann Corporate Center**

You may also contact the appropriate departments at the Corporate Center of Bertelsmann, i.e., the Corporate Departments for Ethics & Compliance, Human Resources, Legal or Audit.

## 317. Mitsubishi Chemical Holding

### CSR-Report 2008<sup>1</sup>

#### Compliance

##### ● Compliance Training for all Group Employees

MCHC Group companies conducts compliance training focusing on awareness inspired by recognition for all employees, including executives, and full-time, contract, and part-time staff.

##### ● "Compliance Top Training"

Designating October, already named "Corporate Ethics Month" by Nippon Kaidanren, as "Compliance Enhancement Month," MCHC holds "Compliance Top Training" for the presidents, and CCOs of all Group companies.

In FY2007, outside experts on the anti-monopoly laws were invited to speak at these training sessions.

##### ● Promoting Compliance Education Over an Intranet

Mitsubishi Chemical has made available through an intranet the "Compliance Forum" database. This database may be used by responsible compliance personnel in Group companies for training purposes, includes examples of compliance violations, information related to Group training sessions and talks, and other compliance-related information, and is regularly updated.

##### ● Establishment and Operation of Compliance Hotlines

MCHC requires that each Group company establish and operate a Compliance Hotline. As of March 31, 2008, the members of the Mitsubishi Chemical, Mitsubish Plastics, and Mitsubishi Tanabe Pharma groups had established and were operating hotlines, and responding rapidly to caller needs. MCHC began operating its own hotline in July 2008.

### Mitsubishi Chemical Holdings Group Compliance Code of Conduct<sup>2</sup>

#### Fairness, Equitability and Integrity

##### Ethical Business and Government Relations

We will abstain from illicit, political donations, illegal incentives and bribe-giving to politicians and public servants and strive to maintain healthy and transparent relations with political and governmental organizations at all times.

#### Prudence

##### Prudent Conduct

In our relationships with our customers, vendors and other business partners, we will not engage in misleading acts including offering or receiving business entertainment and gifts that go beyond social norms or exceed the bounds of socially accepted limits.

##### Discontinuance of Empty Formalities

Except for those within the acceptable social norms, in-house and inter-Group gift-giving and exchange of gifts and items should be shunned in view of abolishing empty formalities.

#### Transparency and Openness

##### Open Workplace

We will maintain an open environment at the workplace where members feel comfortable about discussing anything. If, at the workplace, one learns of acts committed that violate laws and regulations or transgress this Code of Conduct, or the possibility of such acts, one must not conceal or neglect it but report it to the Company for a solution through the management or other systems, such as the Compliance Hot Line.

<sup>1</sup>Source: <http://www.mitsubishichem-hd.co.jp/english/csr/pdf/20081204-1.pdf>

<sup>2</sup>Source: <http://www.mitsubishichem-hd.co.jp/english/csr/compliance.html#01>



## 319. Commonwealth Bank of Australia

### Corporate Profile<sup>1</sup>

#### Statement of Professional Practice

Any breach of this Statement of Professional Practice constitutes misconduct and employees may face disciplinary action including termination of employment and/or legal action. If you are in difficulty or have any questions about this Statement you should approach your Manager.

#### Dealing with Customers and Avoiding Conflict of Interest

- You should avoid placing yourself in a position where you may stand to benefit, even indirectly, from a transaction between the Bank and another party. Where there is any likelihood of such conflict arising you should make full disclosure to the Bank and obtain the Bank's approval prior to acting.
- You should ensure that your personal relationships with customers do not influence or prejudice your obligations to the Bank. In particular, you should not accept commissions and should use commonsense regarding gifts or hospitality from customers. If a gift, payment or entertainment is offered that could be construed by others as improper, the offer must be reported to your Business Unit Group Executive.
- You should not use information obtained in the course of your employment about the Bank's affairs or those of customers for your own gain, that of others or for any other purpose.

### Corporate Governance<sup>2</sup>

#### Behaviour Issues

The Group is strongly committed to maintaining an ethical workplace, complying with legal and ethical responsibilities. Policy requires staff to report fraud, corrupt conduct,

mal-administration or serious and substantial waste by others. A system has been established which allows staff to remain anonymous, if they wish, for reporting of these matters.

The policy has been extended to include reporting of auditing and accounting issues, which will be reported to the Chief Compliance Officer by the Chief Security Officer, who administers the reporting and investigation system. The Chief Security Officer reports any such matters to the Audit Committee, noting the status of resolution and actions to be taken.

### Customer Commitment – Practices<sup>3</sup>

#### Anti-Money Laundering & Counter-Terrorism Financing

The Commonwealth Bank Group (the Group) is subject to, and complies with, applicable Australian laws including the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act 2006 (the Act).

Under the Act, the Group has adopted an AML/CTF Program consisting of a set of standards which set out how it identifies, mitigates and manages money laundering and terrorism financing risk. View the AML/CTF Disclosure Statement

#### Background to the Act

The Act received Royal Assent and came into effect on 12 December 2006, and is part of a legislative package that will implement reforms to Australia's AML/CTF regulatory regime. These reforms are designed to bring Australia in line with international AML/CTF standards. The Act is being introduced in phases over a two-year period. The Federal Government's Australian Transaction Reports and Analysis Centre (AUSTRAC) is responsible for overseeing and monitoring compliance of the Act. More information about the AML/CTF Act.

<sup>1</sup>Source: [http://shareholders.commbank.com.au/group\\_display/0,1922,CH2221%255FTS11018,00.html](http://shareholders.commbank.com.au/group_display/0,1922,CH2221%255FTS11018,00.html)

<sup>2</sup>Source: [http://shareholders.commbank.com.au/group\\_display/0,1922,NI2221%255FCH2221,00.html#ethical](http://shareholders.commbank.com.au/group_display/0,1922,NI2221%255FCH2221,00.html#ethical)

<sup>3</sup>Source: <http://www.commbank.com.au/about-us/customer-commitment/practices/anti-money-laundering/default.aspx>

Our Aspirations: Through our AML/CTF Program we look to:

- articulate, to customers and employees, the Group's commitment towards fighting money laundering and terrorism financing
- protect the Group, our customers and our employees from becoming a victim of, or an accomplice to, illegal activities
- define how the Group will govern itself under the AML/CTF Act and associated laws
- promote ethical and professional standards within the Bank and broader financial sector
- adopt "better practices" that satisfy our regulatory obligations in a sustainable manner.

### **Money laundering**

The primary goal of criminals is to make money. Often criminals use financial institutions to conceal their illegitimate funds with the aim of making 'dirty money clean' – known as money laundering.

The process of money laundering is generally completed over three stages:

1. Dirty money is 'placed' into the financial system.
2. A series of transactions provide a 'layering' effect to hide the origin of the funds.
3. Funds are 'integrated' back into the economy and appear to be lawful.

The Group will continue to work with AUSTRAC and the broader financial industry to curtail money laundering activity.

### **Identification and reporting of suspicious matters**

The Group will look to identify customers or employees behaving in a suspicious way. There are many different ways of identifying suspicious matters. Time and again, it's often a number of factors that may raise suspicion. Some situations that may be considered suspicious could include:

- the unusual nature or circumstances of an interaction with a customer
- a knowledge of the customer's background
- the customer's transaction
- the business of the person involved.

The Group has the relevant policies and procedures in place to ensure any suspicious customer activities or transactions are reported to AUSTRAC.

## 320. Humana

Principles of Business Ethics<sup>1</sup>

### Getting Answers to Business Ethics Questions

#### Humana Internal Communication Process

The principles in this document are intended to reflect the collective good judgment and common sense of all Humana associates. If you become aware of a situation that violates these principles, it is important that you take one of the steps below so that the issue can be addressed. Choose the step you feel most comfortable following:

- Discuss the issue with your supervisor or manager.
- Speak to your supervisor's immediate manager or the next level of management.
- Report your concern to HR4U (1-888-431-4748).
- Bring the issue to the attention of Humana's Ethics Office (ethics@humana.com).

#### Ethics Help Line (1-877-5THE KEY)

If you feel uncomfortable talking to your supervisor, manager, or other management, call the confidential Ethics Help Line at 1-877-5THE KEY (1-877-584-3539). Ethics Help Line staff are available to take your calls 24 hours a day, 7 days a week. The Ethics Help Line is operated by a separate company, unrelated to Humana.

You are encouraged to call the Ethics Help Line for clarification regarding, or to report any suspected violation of, a Humana policy or a federal, state, or local law or regulation; for assistance with ethical questions; or to raise an issue you feel cannot be addressed through the communication steps listed above.

Ethics Help Line staff take your calls very seriously. Calls to the Ethics Help Line are received by trained, external staff who are not Humana associates. They document and forward your information to Humana's Ethics Office for review and determination of action. Many calls are referred to internal departments for investigation. Calls may be made anonymously, and they cannot be traced or otherwise identified. If you choose to remain anonymous, Humana encourages you to provide enough information regarding the potential violation to allow the company to review the situation and respond appropriately. You will be assigned a confidential identification number to follow up on the status of your call.

You also may report a concern using the Ethics Help Line Web reporting site at <https://www.ethicshelpline.com/>. Reporting also can be made anonymously via this Web site. You will be provided with a confidential report number, personal identification number for confidential follow-up, and a recommended follow-up date.

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/92/92913/pdf/Business\\_Ethics\\_Sep04.pdf](http://media.corporate-ir.net/media_files/irol/92/92913/pdf/Business_Ethics_Sep04.pdf)

You are encouraged to use the Ethics Help Line to report examples of good ethical behavior. If you become aware of a situation in which someone sets a good example by making a sound ethical decision, call the Ethics Help Line and identify that individual. Associates will be recognized for setting examples of good ethical behavior, and the situation may be cited in awareness and education programs.

### Chief Compliance Officer

Humana's Chief Compliance Officer is responsible for Humana's Compliance Program. The Ethics Office is accountable for the Ethics Help Line and Humana's Corporate Compliance Plan. The goal of the Corporate Compliance Plan *is to create a workplace climate in which ethics is so integral to day-to-day operations that ethical behavior is virtually self-enforcing.*

The Chief Compliance Officer encourages any associate with suggestions or comments on maintaining ethical behavior, or deleting and preventing fraudulent or criminal misconduct, to contact the Ethics Office or call the Help Line at **1-877-5THE KEY** (1-877-584-3539).

### Reporting and Investigation of Violations

If you become aware of a possible violation of Humana's *Principles of Business Ethics* or any related law or policy, you should immediately report it to your supervisor or manager, another manager, HR4U (1-888-431-4748), or the Ethics Office. If the matter cannot be resolved through these channels, or if you feel uncomfortable using these channels, call the Ethics Help Line at **1-877-5THE KEY** (1-877-584-3539) or use the Ethics Help Line Web reporting site at <https://www.ethicshelpline.com/>.

### No Retaliation

Humana strictly prohibits retaliation against any associate who, in good faith, reports an actual or possible violation of ethical standards. Your call to the Ethics Help Line may be made anonymously.

### Investigation of Violations

Humana promptly investigates any reported potential violations of its *Principles of Business Ethics* and Humana policies and procedures. All reported issues are treated as confidentially as possible. You are expected to cooperate fully in any investigation of an alleged violation. If you wish to remain anonymous, please provide enough information to allow Humana to investigate the issue.

### Discipline for Violations

You should do what is permissible, acceptable, and expected. That means using common sense, good judgment, and proper behavior. Violation of Humana's *Principles of Business Ethics* and policies and procedures could compromise Humana's integrity and reputation, cause Humana to be subject to criminal and monetary penalties and will result in disciplinary action for the associate, up to and including termination of employment.

**The following are examples of conduct that may result in disciplinary action:**

- Authorization or participation in actions which violate Humana's *Principles of Business Ethics* or Humana policies;
- Failure to report a violation of the *Principles of Business Ethics* or Humana policies;
- Refusal to report a violation of the *Principles of Business Ethics* or Humana policies;
- Refusal to cooperate in an investigation of an alleged violation of the *Principles of Business Ethics* or Humana policies;
- Failure by a violator's supervisor or manager to detect and report a violation of the *Principles of Business Ethics* or Humana policies, if such failure reflects inadequate supervision or lack of oversight;
- Retaliation against an individual for reporting a violation or possible violation of the *Principles of Business Ethics* or Humana policies.

**Gifts, Favors, Travel and Entertainment**

Accepting or giving gifts, favors, travel, and entertainment may create a conflict of interest with your obligations to Humana and may constitute a violation of law.

**Gifts**

Generally, you cannot give or accept gifts of more than nominal value — as a rule of thumb, no more than \$50. In addition, Medicare's marketing guidelines allow nominal giveaway items for prospective members only if the value does not exceed \$15 retail and the gift cannot be redeemed for cash. Any nominal courtesies or gifts received must be lawful, unsolicited, and infrequently provided. Gifts of money or cash equivalents are never permissible. You should not give gifts, meals, favors, travel, or entertainment to vendors, suppliers, customers, or others without the consent of senior management. You cannot accept gifts from any vendor or supplier, or supplier of materials or services, other than ones of nominal value (no more than \$50). This policy also applies, but is not limited to, prizes, drawings, raffle winnings, gratuities, and awards.

**No Gifts, Meals, or Gratuities for Government Employees**

As a general rule, you may not provide or pay for meals, refreshments, travel, or lodging expenses for government employees. Government employees generally must pay their fair share whenever Humana and government personnel participate in a joint endeavor. For example, if traveling from the airport to a common destination, the fare should be shared. If business extends over the noon hour, you must make arrangements for the government personnel to pay for their own lunch.

Very strict guidelines prohibit giving any type of gift, gratuity or anything of value to federal and some state employees. Your compliance with these guidelines is required. Other state and local governments may have more flexible rules regulating the acceptance of business courtesies, such as meals and refreshments, which, of course, you must observe.

Also, federal laws and regulations prohibit giving any type of gift, gratuity or anything of value to employees and representatives of foreign governments. Your compliance with these guidelines is required.

These guidelines apply to contacts with foreign governments or entities working with foreign governments at the national or local levels (vendors, consultants, quasi-governmental bodies, etc.).

While certain customs or accepted practices of the culture may appear to condone or even require that gifts, gratuities, or other payments be made in order to conduct business, such exchanges of anything of value may violate the Foreign Corrupt Practices Act (FCPA). The FCPA has specific criminal penalties for violations involving what may be considered bribery of foreign business partners. These penalties include fines for Humana and fines and imprisonment for individuals convicted of such conduct. Violations of FCPA can further result in the forfeiture of all revenue or profit from any contract or business arrangement considered to have been entered into as a result of an FCPA violation. Accordingly, no gifts, gratuities, or anything of value should be given to a foreign government or non-government entity without clearance from Humana's Law Department.

Both Humana policy and laws could be violated if anything of value is given to a government employee, even if there is no intent to influence an official action or decision. **Therefore, no employee should entertain a public official or otherwise engage in lobbying efforts without authorization from Humana's Government Relations Department or Law Department.**

### Favors and Discounts

You may not accept discounts on personal purchases of products and services of a vendor, supplier, or customer unless such discounts are offered to Humana associates in general through a Humana-approved program. You should also never solicit or accept favorable treatment on loans or other services unless they are similarly broadly available through an approved program, such as Great Deals found on HOWIE.

### Travel and Entertainment

Humana pays all reasonable expenses for your business trips, in accordance with its *Expense Reimbursement and Travel* policy, found on HOWIE in Policy Source. Generally, trips should not be financed by anyone with whom you are doing business, or contemplating doing business, without approval from your supervisor or manager.

On occasion, accompanying a business contact to a cultural or sporting event or business meal, or attending a holiday or celebration function of a vendor, supplier, or customer may be acceptable. You will not be reimbursed for expenses incurred in establishments which could be offensive to some and which are not suited for general business, such as adult entertainment establishments, or establishments which are known to discriminate based on race, sex, national origin, religious preference, age, sexual orientation, or disability.

Offers exceeding \$50 in compensation or funding of travel, or sponsoring a program for Humana, must be reviewed and approved by the PHIVE (Protected Health Information and Vendor Ethics) Committee. If you have questions about accepting something of value greater than \$50 from a ~~Marketing Project~~ contact PHIVE@humana.com.

On occasion, accompanying a business contact to a cultural or sporting event or business meal, or attending a holiday or celebration function of a vendor, supplier, or customer may be acceptable. You will not be reimbursed for expenses incurred in establishments which could be offensive to some and which are not suited for general business, such as adult entertainment establishments, or establishments which are known to discriminate based on race, sex, national origin, religious preference, age, sexual orientation, or disability.

Offers exceeding \$50 in compensation or funding of travel, or sponsoring a program for Humana, must be reviewed and approved by the PHIVE (Protected Health Information and Vendor Ethics) Committee. If you have questions about accepting something of value greater than \$50 from a Humana vendor, contact PHIVE@humana.com.

#### Doing Business with Government

#### Contractors, or Consultants

U.S. laws regarding business dealings with foreign entities, such as the Foreign Corrupt Practices Act (FCPA), can be very complex as are international regulations of the host country or regional government, such as the European Union.

Humana associates who intend to interact or conduct business transactions with foreign entities must obtain authorization to do so from Humana senior management and instruction from Humana's Law Department regarding the FCPA. In addition, you should review the section in this document entitled "Gifts, Favors, Travel, and Entertainment."

## 321. Massachusetts Mutual Life Insurance

Corporate Responsibility Report<sup>1</sup>

### Ethics and Conduct

#### Corporate Business Ethics and Compliance Guide

The company has specific compliance policies set forth in a comprehensive Corporate Business Ethics and Compliance Guide. The Guide outlines our standards on a range of topics, including:

- employee conduct, including the company's Code of Business Conduct and Ethics for Directors, Officers and Employees;
- privacy and confidential information;
- ethical market conduct;
- conflicts of interest and;
- anti-money laundering.

The Guide also includes a section specifically aimed at international business conduct. MassMutual, its employees, agents, joint-venture partners, and others must strictly comply with the United States Foreign Corrupt Practices Act of 1977.

New home office employees must undergo mandatory compliance training that entails a facilitated overview of the Guide and related policies by compliance personnel.

All employees annually must acknowledge their understanding of the Guide and agree to comply with its content.

Even temporary employees must sign off on a version of the Guide tailored to their needs. The Guide and other compliance manuals are available on the company intranet, as are the compliance manuals for three of our subsidiaries:

Babson Capital Management LLC, MML Distributors LLC and MML Investors Services, Inc.

### Additional Compliance Policies

Agents in the field are subject to the Producer Compliance Manual, which can be accessed through our secure FieldNet extranet site. FieldNet is dedicated to servicing and providing information to agents. Additionally, agents must satisfy ethics and compliance training which is conducted at the local agency level by the agency's supervisory officers who generally ensure the agency's compliance.

MassMutual's detailed Business Courtesies and Business Entertainment Policy outlines clear rules around the provision and acceptance of business gifts and business entertainment to and from external parties, including MassMutual employees and producers. The Policy, which includes a recordkeeping requirement, is designed to ensure compliance with applicable regulatory requirements and to assist in managing conflicts of interest.

### Obligation to Report

Employees are obligated to report known or suspected violations of our ethical standards. To ensure employees are able to raise issues regarding possible ethics violations, the company has adopted the industry best practice of establishing a hotline maintained by an external third-party vendor.

Employees can contact the hotline by phone or online to report any ethics or compliance concerns or complaints on an anonymous or identified basis. In addition, employees still have the option of reporting potential violations on an

anonymous or identified basis to their local compliance officer, Human Resources Business Partner, or the Chief Compliance Officer. Ethics reports are reviewed with the Audit Committee, giving employees a direct line to the Board of Directors.

<sup>1</sup>Source: [http://www.massmutual.com/mmfg/pdf/cr\\_report.pdf](http://www.massmutual.com/mmfg/pdf/cr_report.pdf)



Code of Business Conduct and Ethics for Directors, Officers and Employees<sup>1</sup>

**We Will Avoid Conflicts of Interest and Even an Appearance of a Conflict of Interest**

We will avoid conflicts of interest and, to the extent possible, even appearances of conflicts of interest. A “conflict of interest” exists when an individual’s private interests compromise his or her ability to perform his or her responsibilities on behalf of the Company objectively and fairly. Conflicts of interest can arise when an individual or a member of his or her family benefits or could benefit personally as a result of the individual’s position with the Company. Certain situations require heightened sensitivity to a potential conflict of interest.

These include situations involving business gifts and entertainment, loans, and honoraria; outside employment; directorships; family and personal relationships; and supervisor and subordinate relationships.

**We Will Report Illegal or Unethical Behavior**

Each of us is obligated to promptly notify the Chief Compliance Officer or a Compliance Council member of any actual or suspected illegal or fraudulent activities, or violations of this Code. Individuals who have questions or concerns about any laws or regulations, ethics or compliance issues, the Code, or other corporate policies or procedures, should ask for help. The following resources are available in confidence:

- Contact MassMutual’s Chief Compliance Officer; contact the Business Ethics and Compliance Helpline at 1-800-422-1381 or Website at [www.massmutual.com/ethics](http://www.massmutual.com/ethics); or contact a Compliance Council member.

It is a serious violation of this Code for anyone to: (1) knowingly raise a false allegation, or (2) initiate or encourage retaliatory action against any person who in good faith reports known or potential violations. Further, We must cooperate in any Company investigation of violations, suspected violations, and compliance reviews.

Violations of the law, this Code or other Company policies and procedures can lead to disciplinary action up to and including termination. Disciplinary action may also be taken against individuals who condone, permit or fail to take appropriate preventative, corrective or other action against illegal, unethical or other improper conduct.

Waivers or exceptions of the Code for directors or executive officers may be made only by the Board of Directors or by a Committee of the Board of Directors. Questions about other waivers or exceptions should be discussed with MassMutual’s Chief Compliance Officer or a Compliance Council member.

Note: Questions or concerns can be raised anonymously via the Business Ethics and Compliance Helpline or Website.

<sup>1</sup>Source: [http://www.massmutual.com/mmfg/pdf/employee\\_code.pdf](http://www.massmutual.com/mmfg/pdf/employee_code.pdf)

## 323. Fujifilm Holdings

### Sustainability Report<sup>1</sup>

#### Compliance

##### Raising compliance awareness

###### Fujifilm and its affiliates

Fujifilm and its affiliates conduct annual compliance awareness surveys involving all employees. The result of the fifth survey conducted in fiscal 2007 revealed that employee compliance awareness had improved for all questions compared with survey from the previous year. Up to last year, surveys revealed a relatively low number of affirmative responses to the questions: "Would you report to the company if you discovered improprieties on the part of your colleagues, superiors or subordinates?" and "Would you contact the Compliance Consulting Facility if you face problems with laws, rules or ethics in everyday operations?" Given these results, Fujifilm strengthened its focus on explaining the risk reporting system and the purpose of the compliance consultation services through compliance information meetings and other events. As a result, responses to these questions in fiscal 2007 showed improvement.

###### Fuji Xerox and its affiliates

Fuji Xerox released *Compliance Guidelines* that provide outlines of various laws and ordinances in the context of the business operations of Fuji Xerox, such as staffing on an outsourcing basis and exports and imports. At the same time, basic training on laws and ordinances and programs for preventing illegal practices was provided in addition to education based on the Employee Code of Conduct to more thoroughly instill the aware-

ness of compliance among the employees of Fuji Xerox and its affiliates. As a result, nearly 100% of employees and executive officers of Fuji Xerox and its affiliates agreed to sign a written proclamation distributed in 2007 declaring that their actions complied with the content of the ALL-FX Code of Conduct. This attests to the high compliance awareness of people at Fuji Xerox.

##### Compliance training for overseas companies

In April 2007, FUJIFILM Holdings established its Code of Conduct, which applies to the entire Fujifilm Group. The Group subsequently released it to all members of the Group at the compliance information meeting held at the beginning of each fiscal year. Then in October 2007, we distributed the *Code of Conduct Guidebook*, which explains the Code of Conduct, related laws and regulations, corporate rules and case studies, to deepen understanding of the Code of Conduct. We focused on instilling the Code of Conduct throughout overseas affiliates in fiscal 2007. We held a compliance information meeting for Japanese staff (managerial level etc.) at 27 overseas affiliates in November 2007 and discussed measures for disseminating the Code of Conduct. As a joint effort with Fujifilm, each overseas affiliate will proceed with the compliance promotion plan for each overseas affiliate. The Code of Conduct and

<sup>1</sup>Source: [http://www.fujifilmholdings.com/en/sustainability/pdf/2008/ff\\_sr\\_2008\\_all.pdf](http://www.fujifilmholdings.com/en/sustainability/pdf/2008/ff_sr_2008_all.pdf)

the *Code of Conduct Guidebook* were also distributed to all of the employees in the overseas affiliates of Fuji Xerox and steps are being taken to ensure the guidelines are understood and followed. In addition, we will translate materials such as the *Code of Conduct Guidebook*, notifications of punitive actions, and case studies into English and steadily distribute them to overseas affiliates. As part of our compliance activities in Japan, we held seminars on compliance in November 2007 for executive officers of Fujifilm and Fuji Xerox, and in August 2007 for executive officers of company affiliates, with guest lecturer Professor Iwao Taka from the Reitaku University graduate school.

#### **Disclosure of punitive actions**

To prevent the recurrence of actions that have led to punitive responses, the Fujifilm Group discloses the details of the actions and the content of punishment throughout the company via the Intranet. Major cases of punitive actions included violations of traffic laws and regulations, incidents that may have resulted in the leakage of confidential information, and inappropriate management of corporate assets.

#### **Code of Conduct<sup>1</sup>**

##### **Open, Fair and Clear Corporate Activities**

We strive to ensure that the corporate activities we are involved in are always open, fair and clear. Contravention of the points listed below may lead not only to legal sanctions, but also to loss of trust in the company. To ensure our activities are open, fair and clear, it is important to aim for sincerity, openness, and highly ethical practices that encourage people to state the truth. Moreover, it is vital that corporate activities are promptly and accurately reported via managers and that all steps of the designated procedures are carried out

##### **Prevention of corruption**

We exercise prudence and scrupulous care in our relationships with government officials and other public employees, and we do not take part in corrupt behavior.

##### **Restriction on gift-exchange and entertainment**

To maintain sound relationships with business partners, including sales outlets and suppliers, and to maintain clean relationships with all government officials and other public employees, we do not engage in gift-exchange or entertainment that could undermine fairness.

<sup>1</sup>Source: <http://www.fujifilmholdings.com/en/about/philosophy/law/honesty.html>

## 325. Alcatel-Lucent

### Corporate Social Responsibility 2007<sup>1</sup>

#### **GLOBAL POLICY FOR CHARITABLE CONTRIBUTIONS**

Alcatel-Lucent seeks to be an active, contributing member of the communities where it does business and has a heritage of social responsibility. The following policy, which applies to all Alcatel-Lucent employees and all subsidiaries and consolidated joint ventures of the company, governs its contribution of money or other resources for charitable purposes:

“All charitable contributions must be made in full compliance with applicable legislation. All contributions must be done in accordance with the company’s Statement of Business Principles, including its anti-corruption policies. Alcatel-

Lucent allows only Regions, Business Groups, Corporate Functions, Fondation Azaria, and the Alcatel-Lucent Foundation to make contributions. No other donations shall be made outside of these organizations and entities.”

#### **ETHICS AND COMPLIANCE**

##### **All in it together: The Alcatel-Lucent compliance hotline**

In 2007, the company began deploying an all-employee Compliance Hotline. By the end of the year, 58 countries in Europe, North and South America had ‘gone live’. Consistent with regulatory requirements and local law, employees can use the Hotline to report compliance issues, concerns, violations or suspected violations of law or company policy. The initiative supports the efforts of all employees who can report, in good faith, suspected unethical business conduct or any dishonest, destructive or illegal actions. The Hotline is operated by a third-party vendor, available 24 hours a day, seven days a week, and supports virtually any language. Deployment of the hotline to the remaining countries will continue in 2008, in line with local laws and regulations.

##### **Committed to training**

Throughout 2007, Alcatel-Lucent initiated ethics and compliance training activities.

The company created a Compliance Training Roadmap to prioritize training needs across 18 compliance program areas, and launched both the National Security Agreement (NSA) and Anti-Corruption Training Programs together with subject matter experts in these areas.

The Office of Business Conduct is also responsible for overseeing the coordination of overall compliance training and education for all employees, as well as specialized training for defined target audiences based on job function.

These audiences include corporate executives (some 400 senior leaders) and employees determined by operating unit compliance leaders based on guidance from Compliance Program owners.

### Business Guideposts<sup>2</sup>

#### **Our Customers**

##### **We Do Not Buy Business Through Gifts and Favors**

Never pay, offer or promise to provide money, favors, inappropriate gifts or anything else of value to influence, direct, obtain or retain business or secure any improper advantage. Never allow an agent, representative or business partner to make these types of payments, offers or promises on Lucent’s behalf. These payments or favors may be considered bribery, which violates Lucent’s policy, as well as the laws of most countries where we conduct business. It is equally unacceptable to take bribes in any form, although certain gifts may be accepted in accordance with the standards set forth in “Our Suppliers – Gifts.”

May I give one of my customers or suppliers tickets to a sporting or cultural event?

Giving tickets to a customer or supplier is acceptable if it is part of relationship management, and if your supervisor gives approval in advance. However, giving gifts

<sup>1</sup>Source: [http://www.alcatel-lucent.com/flash/CSR/2007report\\_va/docs/all.pdf](http://www.alcatel-lucent.com/flash/CSR/2007report_va/docs/all.pdf)

<sup>2</sup>Source: [http://www.alcatel-lucent.com/wps/DocumentStreamerServlet?LMSG\\_CABINET=Docs\\_and\\_Resource\\_Ctr&LMSG\\_CONTENT\\_FILE=Corp\\_Governance\\_Docs/BusinessGuideposts.pdf&lu\\_lang\\_code=en\\_WW](http://www.alcatel-lucent.com/wps/DocumentStreamerServlet?LMSG_CABINET=Docs_and_Resource_Ctr&LMSG_CONTENT_FILE=Corp_Governance_Docs/BusinessGuideposts.pdf&lu_lang_code=en_WW)

to a customer is prohibited if your customer is a U.S. government official, employee or representative. If the customer is owned or controlled by a government outside the United States, or is a representative or employee of a government-owned or controlled customer, giving tickets, gifts or anything of value may only be done in certain limited circumstances. Before proceeding, you must ensure that the circumstances are appropriate under applicable laws and are consistent with Lucent policies. See “Government Customers Outside the United States” or contact the Law Division for assistance.

**We Comply With All Rules and Regulations That Apply to Sales to Government Customers Which Are Branches of a Government Entity or Are Government-Owned or Controlled**

Special care must be taken when dealing with customers and all employees of those customers that are branches of a government entity or are owned, in whole or in part, by a government. Activities that might be appropriate when working with private sector customers may be improper and even illegal when dealing with branches of a government entity or government-owned or controlled customers and their employees. The same caution should be used when providing goods and services to another customer who, in turn, will deliver the product or service to a government end-user or a government-owned or controlled customer. If you work with government customers, be aware of applicable procurement, bribery and other laws in that country.

How can I find out if my customer is owned or controlled by a government?

You should check the Anti-Corruption – Foreign Corrupt Practices Act Web site or contact the Law Division for additional information.

**Government Customers Outside the United States**

Generally, it is Lucent’s policy not to offer or provide gifts, entertainment, tips, favors or anything of value (including, in some countries, meals and travel expenses) to an employee of a government-owned or controlled customer, a foreign official, foreign political party or foreign political party official or candidate. Additionally, most countries have anti-corruption laws prohibiting or restricting the provision of gifts, entertainment, meals, tips, favors or anything of value to both domestic and foreign officials, including

employees of government-owned or controlled customers, political party officials and candidates for political office or political parties.

A “foreign official” may be defined as:

- Any officer or employee of another country’s government or any governmental organization;
- Any officer or employee of a public international organization;
- Any person acting in an official capacity for or on behalf of any such entity; or
- Any officer, director or employee of a government-owned or controlled company, members of royal families, consultants and others who exercise official influence.

Many of Lucent’s customers outside the United States are government-owned or controlled. Employees of these customers are defined as “foreign officials.”

If, in connection with Lucent business, you want to provide a gift, meal, entertainment or favor to any of these persons, or you want to invite them to a Lucent-sponsored event, you must obtain prior approval in accordance with the Lucent Gifts, Travel and Entertainment Guidelines, available at the Anti-Corruption – Foreign Corrupt Practices Act Web site. The Law Division can assist you in determining whether your activities are covered by the laws and special rules applicable to dealings with government officials and provide appropriate guidance. Contact the Compliance Hotline if you suspect a violation of these laws or otherwise have questions.

**U.S. Government Customers**

The U.S. government has very strict rules prohibiting the provision of gifts, entertainment, meals, favors or anything of value to its employees. These rules also apply to government contractors and subcontractors. It is never appropriate to offer or provide gifts or other favors to a U.S. government official, employee or customer, regardless of the value of such gift or favor. Under certain circumstances, you may not

receive gifts, entertainment, meals or favors from your suppliers if you are directly or indirectly involved in providing products or services to the U.S. government. For more specific guidance, consult the Lucent Government Compliance and Integrity Program. If you work with the U.S. government, you are required to become familiar with this program.

May I invite a U.S. government customer to participate in a working lunch paid for by Lucent?

Yes. However, U.S. government regulations require that the government employee reimburse Lucent for the cost of the meal.

What is the Lucent Government Compliance and Integrity Program and to whom does it apply?

There are special rules and regulations that Lucent employees and contractors must follow if they work on any U.S. government contract or subcontract. The Lucent Government Compliance and Integrity Program supplements Lucent's Business Guideposts in this area.

### **Our Suppliers**

#### **We Do Not Accept Inappropriate Gifts and Do Not Allow Gifts and Entertainment Offers To Affect Our Purchase Decisions**

##### **Gifts**

Gifts are generally given to create goodwill and, in some parts of the world, declining a gift may insult the giver. On the other hand, accepting a gift may create a conflict of interest or the appearance of a conflict of interest. This presents a dilemma for the recipient of a gift. Generally, you may accept a gift if it is unsolicited, inexpensive (less than US \$100) and not given to influence your judgment. Otherwise, you should decline it and explain Lucent's policy to the gift giver. Never solicit gifts, directly or indirectly, from customers or suppliers. Under no circumstances may you accept, directly or indirectly, payments, loans, bribes, kickbacks, special privileges, favors or services from anyone.

In parts of the world where gift giving is common practice and not accepting a gift could reflect badly on Lucent, it may be appropriate to accept a gift of more than nominal value, provided that doing so would not violate any laws or in any way discredit Lucent, and the gift is unsolicited and not given to influence your judgment. If you receive such a gift, it is important to notify your supervisor in writing as soon as possible to determine whether you may retain the gift or whether the gift should become Lucent property.

For more information, see "Our Customers – Government Customers Outside the United States" and "Our Customers – U.S. Government Customers."

One of my suppliers sent me a personal gift during the holiday season as a "thank you" for Lucent's business. May I keep it?

You may accept the gift if it meets all of the following criteria:

- It is unsolicited;
- It is inexpensive;
- It will not influence, or be perceived as influencing, your business judgment; and
- You have discussed the situation with your supervisor, and your supervisor approves.

##### **Entertainment**

Appropriate entertainment and hospitality are important components of building relationships between Lucent and its customers, suppliers and business partners. The type of entertainment provided and the manner in which it is provided should be consistent with business goals, in good taste and not offensive or dangerous to any of the participants.

- Examples of events at inappropriate venues, such as adult entertainment clubs;

- Excessive use of alcohol while representing Lucent; and
- Lewd or vulgar behavior (such as use of offensive language).

You may accept occasional meals or other modest forms of entertainment from customers or suppliers as a courtesy extended during the normal course of business, provided that the entertainment is not being offered to influence your business decisions. If a customer or supplier proposes entertainment that is more than modest or routine, you must consult your supervisor before accepting the invitation.

Employees may not use, for personal or other non-business related purposes, Lucent-owned assets (such as club memberships) that are intended for business use.

For more information, see “Our Customers – Government Customers Outside the United States” and “Our Customers – U.S. Government Customers.”

My sales team is entertaining customers at a sporting event. May we have alcohol at this event?

Consumption of alcoholic beverages at company-sponsored events requires senior management approval and may be authorized provided that, among other things, consumption is limited, consistent with local customs and does not endanger the personal safety of the participants or interfere with their ability to conduct business effectively. See the Employment Policy Guide for more details.

I am taking some customers and employees out to dinner and some of the participants would like to go to an adult entertainment club after dinner. Is it permissible if everyone pays his or her own expenses?

No. This type of entertainment is inconsistent with Lucent’s Values and is not permissible under any circumstances. “Local custom” is not an acceptable justification for this conduct and does not supersede Lucent’s code of conduct.

One of my customers has invited me to attend a three-day conference sponsored by his company at a major resort. The conference agenda includes some business activities but also provides leisure activities. May I accept the invitation to attend? If the same invitation came from a supplier, may I accept?

You may accept the invitation provided that your participation at the conference is important to the business, the conference agenda is primarily business-related and you have obtained prior management approval consistent with Lucent’s Approval Matrices and Travel Policy. If the same invitation came from a supplier, you must make certain that acceptance of the invitation does not create a conflict of interest or appearance of a conflict of interest, or otherwise improperly influence your judgment or business decisions.

### **We Select Sales Consultants, Agents and Other Representatives Whose Conduct Reflects Lucent’s Values**

Lucent carefully reviews the credentials and reputations of prospective sales consultants, agents and representatives and selects them in accordance with the Foreign Corrupt Practices Act (FCPA) Guidelines for Hiring Sales Consultants and Representatives, which is available on the Anti-Corruption – Foreign Corrupt Practices Act Web site. Lucent retains these individuals or entities based solely on the terms of written agreements after the appropriate approvals are secured. Lucent carefully monitors the performance of its sales consultants, agents and representatives to assure that they comply with applicable laws and conduct their business in a manner consistent with Business Guideposts and other applicable Lucent policies. Sales consultants, agents and representatives are subject to the same laws as our employees and, therefore, they cannot do what Lucent’s employees are legally prohibited from doing. If you know or suspect that any agent, consultant or representative is conducting business in an unethical or illegal manner, contact your supervisor and the Compliance Hotline immediately.

### **Our Competitors**

#### **We Employ Only Ethical Means of Obtaining Information About Our Competitors – Competitive Information Gathering**

Gathering information about competitors, when done properly, is a legitimate business activity. It enhances our knowledge of the marketplace and helps us understand and meet customer needs. However, competitive information should not be obtained, directly or indirectly, by improper means. It is improper to be involved in bribery, misappropriating trade secrets or other confidential information, inducing someone to

breach a nondisclosure agreement, making improper requests of a competitor or customer, or using deceit or trickery. Improperly collecting or using competitive information may subject Lucent, and the individuals involved, to lawsuits or criminal penalties, up to and including imprisonment. The same rules apply when we retain consultants to gather competitive information on our behalf.

Special laws govern the collection of competitive information in connection with a U.S. government contract or subcontract. For more specific guidance, consult the Lucent Government Compliance and Integrity Program.

### **Compliance with Laws**

#### **Lucent Complies With Applicable Anti-Corruption Laws in the Countries Where We Conduct Business**

Lucent complies with applicable anti-corruption laws and regulations that govern our business activities around the world. Lucent's policies and procedures in this area are provided in the sections entitled "Our Customers" and "Our Suppliers."

### **Managing Compliance With Business Guideposts**

#### **Reporting Improper Conduct**

We are each responsible for contacting the Compliance Hotline immediately if we suspect, observe or learn of unethical business conduct or the commission of any dishonest, destructive or illegal act. Ignoring or remaining silent about such conduct or acts is not acceptable.

In addition, employees can use the Compliance Hotline to report accounting, internal accounting controls or auditing matters, including any questionable accounting or auditing practices. Internal Audit, the Law Division and the chairman of the Audit and Finance Committee of the Lucent Board of Directors will receive and review reports of these incidents.

Reports can be filed anonymously and the identity of those who report will be protected to the extent consistent with law and Lucent policy. Lucent will investigate all reports, including those made anonymously, and provide feedback when appropriate. Employees may report on a confidential or anonymous basis, 24 hours a day, seven days a week.

### **Consequences of Violating Business Guideposts**

Lucent is committed to the highest levels of business ethics, personal integrity and compliance in all aspects of its business. Employees who do not comply with the provisions of Business Guideposts, other company policies and/or applicable laws may be subject to disciplinary action up to and including dismissal. Additionally, certain kinds of conduct can lead to criminal and/or civil liability.

### **Ethics and Compliance<sup>1</sup>**

#### **Compliance Program**

#### **Responsibilities of the Chief Compliance Officer**

Alcatel-Lucent's Chief Compliance Officer has responsibility for ethics and compliance across the company. In this role, its reports to the CEO as well as to the Audit and Finance Committee of Alcatel-Lucent's Board of Directors. The Chief Compliance Officer oversees the implementation of an effective program of compliance consistent with applicable international laws, standards and appropriate business practices as set forth in Alcatel-Lucent's Statement of Business Principles. The specific responsibilities of the Chief Compliance Officer include:

<sup>1</sup>Source: [http://www.alcatel-lucent.com/wps/portal/!ut/p/kcxm/04\\_Sj9SPykssy0xPLMnMz0vM0Y\\_QjzKLd4x3c3IDSYGYRq6m-pEoYgbxjggRX4\\_83FT9IH1v\\_QD9gtzQiHJHR0UA1x1yVg!!/delta/base64xml/L3dJdyEvd0ZNQUFzQUMvNEIvRS82X0FfRkJF#tabAnchor3](http://www.alcatel-lucent.com/wps/portal/!ut/p/kcxm/04_Sj9SPykssy0xPLMnMz0vM0Y_QjzKLd4x3c3IDSYGYRq6m-pEoYgbxjggRX4_83FT9IH1v_QD9gtzQiHJHR0UA1x1yVg!!/delta/base64xml/L3dJdyEvd0ZNQUFzQUMvNEIvRS82X0FfRkJF#tabAnchor3)



1. Overseeing and monitoring the implementation of the Company's compliance activities, with particular focus on Anti-Corruption.
2. Coordinating the education and training programs that focus on ethics and compliance.
3. Assisting senior financial management in coordinating internal compliance reviews and disclosure decisions.
4. Ensuring independent investigation and action, as appropriate, on compliance matters.
5. Developing policies and programs to encourage reporting of suspected fraud or other misconduct without fear of retaliation.
6. Establishing procedures to capture and record compliance violations.

## Statement of Business Principles<sup>1</sup>

### Our Customers

Alcatel-Lucent is committed to maintaining our customer's trust and respect. Alcatel-Lucent competes fairly, honestly and by delivering superior products and services to our customers. Alcatel-Lucent does not authorize, condone, encourage or promote, directly or indirectly through others, unlawful or unethical behavior, such as bribery, kick-backs, pay-offs, promises to pay cash or things of value, or any other activities that may be construed as being corrupt, unlawful or unethical.

Directive anti-corruption relative aux déplacements, à l'hébergement, à la restauration, aux divertissements et aux présents<sup>2</sup>

### Principe généraux

- 1.1** Selon le Code d'éthique d'Alcatel-Lucent, l'une des règles essentielles en matière de déontologie professionnelle, peut se résumer ainsi :

**Nous n'obtenons pas de marchés et ne conduisons pas nos affaires par le biais de présents, de divertissements ou en accordant d'autres avantages indus.**

La réputation d'Alcatel-Lucent affecte de manière significative toutes nos relations d'affaires, y compris celles qui nous lient avec nos clients, nos partenaires commerciaux et nos actionnaires. La pérennité de notre réussite dépendant étroitement de notre réputation, il est important que nos employés se conforment toujours aux principes les plus élevés d'intégrité, de responsabilité et d'éthique.

- 1.2** Les directives exposées ci-dessous sont destinées à garantir que les administrateurs, directeurs, employés et agents d'Alcatel-Lucent se gardent de tout acte de corruption, quelle qu'en soit la forme. Cela inclut corruption d'agents publics, des fournisseurs et clients. Ces directives se conforment, en particulier, aux exigences de : la loi française n°2000-595 du 30 juin 2000 ; la loi des Etats-Unis de 1977 sur la corruption d'agents publics étrangers (FCPA); la législation d'autres pays promulguant la Convention de l'OCDE sur la lutte contre la corruption d'agents publics étrangers dans les transactions commerciales internationales ; la Convention des Nations Unies de lutte contre la corruption ; les traités similaires ; la décision-cadre du Conseil de l'Union européenne du 22 juillet 2003 relative à la lutte contre la corruption dans le secteur privé, transposée dans le code pénal français le 4 juillet 2005 ; les lois anti-corruption locales applicables en France, aux Etats-Unis et dans les autres pays où nous opérons. Les Unités régionales (RU) doivent individuellement s'assurer que leurs salariés connaissent les lois anti-corruption locales.

<sup>1</sup>Source: <http://www.alcatel-lucent.com/sbp>

<sup>2</sup>Source: [http://www1.alcatel-lucent.com/gsearch/accessFile.jhtml?sendURL=http%3A//www.alcatel-lucent.com/wps/DocumentStreamerServlet%3FLMSG\\_CABINET%3DDocs\\_and\\_Resource\\_Ctr%26LMSG\\_CONTENT\\_FILE%3DUser\\_Guides/Anti-Crruption\\_Policy\\_-\\_French.pdf%26lu\\_lang\\_code%3Den\\_WW&sendCollection=RESOURCE\\_CENTER&sendTitle=Anti+Corruption+Policy+French&specialColl=](http://www1.alcatel-lucent.com/gsearch/accessFile.jhtml?sendURL=http%3A//www.alcatel-lucent.com/wps/DocumentStreamerServlet%3FLMSG_CABINET%3DDocs_and_Resource_Ctr%26LMSG_CONTENT_FILE%3DUser_Guides/Anti-Crruption_Policy_-_French.pdf%26lu_lang_code%3Den_WW&sendCollection=RESOURCE_CENTER&sendTitle=Anti+Corruption+Policy+French&specialColl=)

- 1.3 Cette directive traite de la mise en application des mesures anti-corruption relatives aux déplacements, à l'hébergement, à la restauration, aux divertissements et aux présents offerts aux agents publics, aux clients gouvernementaux et non-gouvernementaux (hors Etats-Unis), aux fournisseurs. Ces règles s'appliquent aux contractants et sous-traitants d'un gouvernement. Elles s'appliquent aussi à tous les collaborateurs d'Alcatel-Lucent, qu'ils soient salariés ou non, intérimaires ou fournisseurs. Au sens de la présente section, le terme « sous-traitant » désignera toute personne en collaboration avec Alcatel-Lucent sans être liée par un contrat de travail.

Le gouvernement des Etats-Unis applique des règles strictes et des sanctions pénales interdisant d'offrir des présents, des divertissements, la restauration, des avantages ou toute autre chose de valeur à ses agents. Offrir des présents ou d'autres avantages à un agent public, un employé ou un client appartenant au gouvernement des Etats-Unis, n'est jamais autorisé quelle que soit la valeur des présents ou des avantages ainsi offerts. Dans certaines circonstances, vous ne pouvez accepter des présents, des divertissements, des repas ou des avantages de la part de vos fournisseurs si vous êtes directement ou indirectement impliqué dans la fourniture de produits ou de services au gouvernement des Etats-Unis. Pour des conseils plus spécifiques, consultez le *Programme d'intégrité et de conformité gouvernementale* d'Alcatel-Lucent, consultable sur le site Web de la Direction de la conformité et de la déontologie d'Alcatel-Lucent.

- 1.4 La mise en œuvre de ces directives sera complétée par des directives régionales concernant les dépenses limites qui s'appliquent dans chaque pays aux « Personnes visées » telles qu'elles sont définies ci-après (annexe A), et aux clients privés (annexe B). En outre, il existe dans certains états des règles très strictes concernant les représentants officiels d'autorités administratives. L'annexe C expose ces limites pour chaque pays. Si une personne est assujettie à deux limitations, la plus restrictive s'applique. En ce qui concerne l'approbation de toute action professionnelle, il incombe à chaque Président régional d'Alcatel-Lucent, ou son mandataire, de s'assurer que ses collaborateurs se conforment à ces directives, y compris à la procédure administrative d'approbation préalable par le biais de l'outil EZVisit. Pour la conformité avec les lois anti-corruption applicables, la responsabilité revient au juriste responsable de la région ou du pays. Les directives régionales sont élaborées et appliquées en étroite collaboration avec VP-Law (Compliance).

## Portée

### 2.1 Portée des lois anti-corruption

2.1.1 En règle générale, les lois anti-corruption interdisent aux employés d'Alcatel-Lucent de proposer ou d'offrir tout avantage représentant une valeur financière, directement ou par l'intermédiaire d'un tiers, à toute personne dans l'intention illicite de l'inciter à avantager Alcatel-Lucent pour l'obtention ou la conservation d'un marché ou d'un autre avantage commercial indu.

2.1.2 Les règles spécifiques exposées dans ces directives traitent des frais de voyage et de divertissement, des présents et autres avantages offerts aux Personnes visées (également désignées sous les termes « Agents publics » ou « Agents publics étrangers »). Elles sont spécifiquement conçues pour satisfaire aux exigences de la loi des Etats-Unis sur la corruption d'Agents publics étrangers (FCPA). Les directives régionales définissent pour chaque pays le plafond admis pour chaque catégorie de dépenses au bénéfice des Personnes visées, définies dans la section 2.2. Ces directives indiquent également les dépenses maximales autorisées pour les clients privés, les « représentants officiels d'autorités administratives » et répondent aux dispositions anti-corruption des législations locales et des lois citées dans la section 1.2.

2.1.3 En ce qui concerne les personnes qui n'entrent pas dans la catégorie des « Personnes visées », définie dans la section 2.2, chaque région établira des directives régionales (Annexe B) relatives aux frais de déplacement et de divertissement, aux présents et aux avantages accordés à ces personnes par des clients privés. De telles directives doivent aussi se conformer aux dispositions des législations anti-corruption locales et des lois citées dans la section 1.2.

### 2.4 Objectif ou intention de corrompre

Les tentatives illicites d'obtenir un traitement préférentiel peuvent survenir en de nombreuses circonstances lors de transactions avec les Personnes visées. En règle générale, les lois anti-corruption interdisent tout paiement ou avantage offert dans le but d'inciter une Personne visée à abuser de sa position au bénéfice d'Alcatel-Lucent. Par exemple, un employé ne doit accorder aucun paiement, avantage ou autre prime à une Personne visée dans le but :

- a) d'inciter le bénéficiaire à adjudger un contrat à Alcatel-Lucent ;
- b) de faire bénéficier Alcatel-Lucent d'un traitement préférentiel ou d'une information confidentielle en relation avec un appel d'offres ;
- c) d'obtenir pour Alcatel-Lucent un permis ou toute autre autorisation officielle qu'il est autrement impossible d'obtenir de façon licite ;
- d) d'obtenir des avantages fiscaux ou douaniers qu'Alcatel-Lucent ne pourrait autrement obtenir de façon licite ;
- e) de contourner ou de causer la non-application des lois et des règlements applicables à Alcatel-Lucent ;
- f) d'obtenir une compensation de la part du bénéficiaire (par exemple une commission occulte) ; ou
- g) d'inciter le bénéficiaire à abuser de quelque façon que ce soit de sa position ou de violer ses devoirs légaux et déontologiques.

Les employés doivent comprendre que l'intention de corruption s'interprète au regard des circonstances à l'occasion desquelles l'acte a été commis. En conséquence, les employés doivent faire preuve de circonspection lorsqu'ils accordent un avantage à une Personne visée afin d'éviter qu'un tel avantage puisse être interprété comme une tentative d'obtenir un traitement préférentiel.

**Mesures relatives aux déplacements d'affaires et aux frais associés d'hébergement, de restauration et de divertissement ; aux réunions professionnelles et aux frais associés de restauration et de divertissement ; aux événements publics et privés**

Les mesures concernant les voyages, l'hébergement, la restauration et les divertissements s'appliquent :

- a) A toutes les dispositions prises pour les déplacements et l'hébergement des Personnes visées ;
- b) A tous les repas et divertissements offerts aux Personnes visées au cours des déplacements ;
- c) Aux repas et aux divertissements associés aux réunions professionnelles, aux formations ou aux événements locaux.

Selon les termes de cette directive, détaillés ci-dessous, certaines activités requièrent une approbation écrite préalable au niveau local ou régional par le président régional ou son représentant (ou par le responsable de l'entité commerciale, ou son mandataire, s'il ne s'agit pas d'une activité régionale), et par le juriste responsable de la région ou du pays. Le département juridique (VP Law – Compliance) et la Direction de la conformité et de la déontologie superviseront cette directive, ainsi que sa mise en œuvre, sous la direction du Directeur de la conformité et de la déontologie.

#### **Déplacements d'affaires et frais d'hébergement, de restauration et de divertissement associés**

- 3.1** Alcatel-Lucent peut engager des frais de voyage et des frais associés pour les Personnes visées s'ils sont directement liés à la promotion et la démonstration des produits et des services de l'entreprise, ou sont nécessaires à l'accomplissement des obligations contractuelles de l'entreprise. Ces dépenses promotionnelles incluent, par exemple, les frais de voyage, de restauration et d'hébergement pour les déplacements destinés à la formation des clients aux produits et aux services d'Alcatel-Lucent, ou à leur inspection des équipements d'Alcatel-Lucent ou des installations de démonstration d'Alcatel-Lucent sur les sites clients, tout particulièrement lorsque le contrat de fourniture ou de prestation nécessite de tels déplacements.

- 3.2** Les mesures relatives aux déplacements d'affaires et aux frais de restauration et de divertissement associés sont les suivantes :

1. L'invitation des Personnes visées pour des déplacements d'affaires est autorisée, si l'objet principal est d'assister à des conférences ou des réunions professionnelles parrainées par Alcatel-Lucent, de visiter les établissements d'Alcatel-Lucent afin de discuter d'un (éventuel) accord commercial, ou de visiter les installations de démonstration d'Alcatel-Lucent sur des sites clients.

2. Lorsque les Personnes visées sont invitées pour des déplacements d'affaires, Alcatel-Lucent peut prendre en charge au nom de ces personnes des « dépenses raisonnables et justifiées », comme les frais de voyage, d'hébergement, de restauration et de divertissement, si ces dépenses sont directement destinées :
- à promouvoir, à démontrer, à expliquer et à former sur les produits, les services et les politiques commerciales d'Alcatel-Lucent ; ou
  - à exécuter ou honorer un contrat par Alcatel-Lucent ; ou
  - à assister à des conférences parrainées par Alcatel-Lucent.

Tous les déplacements d'affaires et les frais de restauration et de divertissement nécessitent une approbation préalable. La nature raisonnable des dépenses est évaluée selon les directives régionales (voir Conditions préalables d'approbation, section 3.5, ci-dessous).

3. La restauration et le divertissement peuvent être compris dans les déplacements d'affaires ou les réunions professionnelles locales dans la mesure où ils sont d'une importance accessoire. Tout divertissement doit être conforme aux principes énoncés dans les directives régionales (voir la section 3.5 ci-dessous concernant l'approbation).
4. Les dépenses raisonnables et justifiables engagées par les personnes visées peuvent être remboursées si ces dépenses sont directement liées à la promotion de produits ou de services d'Alcatel-Lucent, ou à l'exécution d'un contrat, et sont conformes aux lois locales et autres réglementations s'appliquant aux agents publics. Les dépenses sont directement remboursées :
- au fournisseur de service (par exemple l'hôtel, la compagnie aérienne, l'agence de voyage) ; ou
  - à l'entité cliente, et non à l'employé du client, à titre individuel.
5. Directive relative aux indemnités forfaitaires quotidiennes. Les prestations quotidiennes en espèces, ou « indemnités forfaitaires quotidiennes », les avances pécuniaires, les dons en espèces ou tout ce qui peut être facilement converti en espèces (les cartes téléphoniques, par exemple) ne peuvent pas être fournies aux Personnes visées. Toute exception à cette règle doit recevoir l'approbation écrite préalable au niveau local ou régional par le juriste responsable de la région ou du pays.

6. Les conjoints et membres de la famille des Personnes visées ne peuvent pas être inclus dans l'invitation, si les frais engagés en leur nom doivent être remboursés par Alcatel-Lucent. Les dépenses engagées par les Personnes visées pour leur conjoint et leur famille ne peuvent en aucun cas être remboursés par Alcatel-Lucent. Pour des informations plus détaillées, consultez la section 7, « Directive relative aux membres de la famille ».
7. Les reçus, pièces justificatives et toute correspondance connexe doivent être conservés et archivés. La conservation de ces documents se fait conformément à la directive d'Alcatel-Lucent relative à la conservation des documents, telle qu'elle s'applique dans chaque pays.

#### Directive relative aux présents

- 6.1 Dans les milieux d'affaires de certaines cultures, les cadeaux d'entreprise sont courants. Les présents peuvent être offerts dans le cadre d'un déplacement d'affaires organisé pour le client, ou au cours d'une réunion professionnelle ou d'un événement. Il est possible, toutefois, qu'offrir des présents aux clients, ou à des agents publics, ou à des fournisseurs, puisse contrevenir aux réglementations et aux lois locales, ainsi qu'à la FCPA, aux règlements de l'OCDE et à d'autres réglementations multi-juridictionnelles.
- 6.2 Les employés doivent faire preuve de bon sens et de modération lorsqu'ils offrent des cadeaux, et doivent comprendre les questions légales et déontologiques liées à ces derniers. Les présents ne doivent jamais être offerts s'ils peuvent influencer, ou sembler influencer, de façon inappropriée la décision objective des destinataires. Même si un présent semble de valeur modeste pour celui qui l'offre, il peut être vu comme excessif si l'on tient compte des revenus du bénéficiaire.
- 6.3 Considérant le caractère délicat des présents dans les différentes juridictions au sein desquelles nous opérons, Alcatel-Lucent adopte la directive suivante : les présents modestes et courants ne requièrent aucune approbation préalable. Les présents qui ne remplissent pas ces conditions doivent être approuvés selon les termes de la section 6.4 ci-dessous. Pour être autorisés, le présent doit répondre aux critères suivants :

1. Le présent **doit être offert au nom d'Alcatel-Lucent** et non, à titre individuel, au nom d'un employé d'Alcatel-Lucent.
2. Le présent **ne doit pas être pécuniaire ou convertible en espèces (y compris tout ce qui est assimilable aux espèces comme les chèques-cadeaux et les cartes-cadeaux)**.
3. Il est recommandé d'apposer sur les présents **un marquage d'entreprise** avec le logo d'Alcatel-Lucent. Ce marquage identifie la nature promotionnelle du présent et réduit sa valeur « intrinsèque ». Elle établit, en outre, une connexion avec l'entreprise.
4. Les présents doivent être **autorisés d'après les termes des lois locales applicables**. Certains états sont très stricts en ce qui concerne les présents offerts aux Personnes visées. Vérifiez auprès du conseiller juridique désigné la conformité aux lois locales **applicables**.
5. Le présent doit être **habituel, en nature et en valeur, dans le pays hôte et offert au moment opportun et lors d'une période et au cours de circonstances appropriées. En particulier, le présent ne doit pas excéder les limites définies par les directives régionales**.
6. Le présent doit être offert en signe de courtoisie ou comme une marque de considération et d'estime. Offrir des présents dans l'intention d'influencer un tiers afin de bénéficier d'une décision d'affaires, ou de la conserver, est interdit.
7. Le présent doit être offert **ouvertement** plutôt qu'en secret. Lorsqu'il est approprié, le présent doit être destiné à un usage officiel, plutôt qu'à l'usage individuel et personnel du bénéficiaire.
8. Si une Personne visée reçoit le présent, elle **ne doit pas recevoir de présents plus de 3 fois dans l'année, ou selon la fréquence autorisée définie dans les directives régionales**.
9. Les dépenses engagées doivent être **précisément enregistrés**. Le personnel commercial et de vente d'Alcatel-Lucent doit coordonner, avec le service financier, la description précise et exhaustive dans les registres appropriés d'Alcatel-Lucent de la nature, de l'objet et du montant de chaque dépense engagée et payée pour chaque Personne visée. La description doit inclure le nom, le titre et l'affiliation du bénéficiaire.

#### 6.4 **Approbation des exceptions à la directive relative aux présents et procédure d'archivage**

Les présents (i) dépassant les montants spécifiés dans les directives régionales, ou (ii) non conformes aux directives ci-dessus requièrent une approbation préalable comme suit :

1. Les demandes de présents (même pour ceux qui entrent dans le cadre des directives ci-dessus) doivent être soumises avec les demandes EZVisit nécessitant une approbation préalable, si des frais de déplacement, d'hébergement, de restauration et divertissement sont prévus. Ainsi tous les enregistrements des dépenses associées à cette activité, engagées au bénéfice des clients, sont rassemblés en un seul emplacement.

## 326. Australia & New Zealand Banking

The ANZ Code of Conduct & Ethics<sup>1</sup>

### What will happen if I breach the Code?

Failure to comply with the principles or the spirit of the Code or the Policy Framework will be considered a serious breach of ANZ policy and will be investigated. Breaches of the Code or the Policy Framework will result in disciplinary action, ranging from a verbal warning through to the termination of your employment for serious breaches.

### How does ANZ ensure the Code is effective?

Group Human Resources is responsible for ongoing review and development of the Code.

On commencement of employment and every twelve months after that, everyone who is employed by or works at ANZ must complete the Code of Conduct and Ethics Declaration, to show that they understand the principles of the Code, confirm that they have complied with them in the previous 12 months and agree to comply with them going forward.

All breaches of the Code of Conduct and Ethics are required to be recorded and reported in line with ANZ's policies and procedures.

### We do not make or receive improper payments, benefits or gains Integrity and trust are inconsistent with improper payments, benefits or gains of any kind.

There are certain situations that have a higher risk of an improper payment, benefit or gain being made or received. These include rewards from current or potential customers or suppliers that are out of the ordinary, such as cash, cheques, gifts, gift certificates or travel of a high value.

Where rewards from a current or potential customer or supplier create any obligation or expectation that you will give preferential treatment to the person or company offering the reward, the reward is improper and must be refused.

What you must do:

- Never accept any gift, reward or entertainment, including

discounted products, free travel or accommodation, if it could create any obligation or expectation that could conflict with your work at ANZ.

- Never try to improperly influence the outcome of an official decision, for example by offering a payment or benefit that is not legitimately due. These payments or benefits are unacceptable.

Only accept gifts or entertainment in line with applicable policies and processes.

- Never make any donation or other financial contribution from ANZ to a political party or candidate unless it has been approved by the ANZ CEO and the ANZ Board.

- Only entertain customers and business associates with lunches, dinners or other events (such as football, cricket or the theatre) if the nature and value of the entertainment is reasonable in light of the nature and value of the business relationship with ANZ and the seniority of the parties attending.

- Obtain proper approval for and properly record any donations, sponsorships, charitable contributions, gifts and entertainment you accept from, or give to, a third party on behalf of ANZ.

### We comply with this Code, the law and ANZ policies and procedures

As a global organisation, we are subject to laws and regulations in all the locations in which we do business.

You must be familiar and comply with all relevant laws and regulations in the location or locations in which you work. Any breaches of the law can have serious consequences beyond your employment, both for ANZ and for you as an individual.

Although the laws that apply may be complex, ignorance is no excuse. You are ultimately responsible for understanding which laws and regulations apply to you and the work you do. ANZ is committed to helping you by designing systems and processes that comply with the law, and by providing relevant policies and training.

<sup>1</sup>Source: <http://www.anz.com/documents/au/policies/ANZ-Employee-Code-of-Conduct.pdf>

This Code, and ANZ's policies, procedures and practices take into account not only the strict letter of the law but also the ANZ way of doing things. In many cases, the standards expected by ANZ exceed those required by law. Wherever there is an inconsistency between an applicable law and this Code, an ANZ policy, procedure or practice, you must comply with whichever is the higher standard.

What you must do:

- Not take any action, or fail to take any action, that may breach this Code, the law, ANZ policies, procedures or practices.
- Complete all required training and education programs to build and maintain your awareness and understanding of relevant laws, policies, procedures and practices.
- If you are unsure whether a particular law, policy, procedure or practice applies, seek guidance from your supervisor, line manager, human resources representative or operating risk and compliance representative.

### **We immediately report any breaches of the Code, the law or ANZ policies and procedures**

As someone working with ANZ, you are required to comply with this Code and report any conduct that may be in breach of the law, this Code, the underlying Policy Framework or any other ANZ policies or procedures as soon as you can.

Any reports of a breach of the Code will be taken seriously and investigated appropriately by ANZ. It is important that all reports are based on truth and fact. If you make a report in good faith, you will not be disadvantaged personally or in your employment, even if the conduct that is reported is later found not to be in breach of the Code. At the same time, if you make an intentionally false or malicious report, you may find yourself in breach of the Code, and dealing with the consequences that follow. There are many different avenues for reporting a breach - who you should raise the matter with will depend on the particular circumstances.

In most cases, you should raise breaches of the Code, the law or policies and procedures with your line manager, your human resources representative or your operating risk and compliance representative.

There may be times where it is inappropriate to raise a concern within your business unit, in which case you may contact an ANZ Whistleblower Protection Officer (WPO) or use ANZ's Whistleblower hotline (1800 997 448 (Aus); 0800 376 325 (NZ); + 61 3 9667-3731 (other Intl)). Reports to WPOs or the hotline are confidential and protected by the ANZ Global Whistleblower Protection Policy.

What you must do:

- Be conscious of what others around you are doing.
- Honestly report all actual or suspected breaches of this Code, the law or ANZ policies and procedures immediately to your line manager, human resources representative or your operating risk and compliance representative.
- Remember that at any time you are able to report conduct under the ANZ Whistleblower Protection Policy where the conduct is dishonest, corrupt, fraudulent, illegal, unethical or any other type of reportable conduct.

## **ANZ GLOBAL ANTI-BRIBERY POLICY<sup>1</sup>**

### **Executive Summary**

#### **Why does ANZ have this Policy?**

ANZ places great importance on the values of honesty, integrity, quality and trust. Bribery and corruption are incompatible with ANZ's values and present significant risks to its aspirations. This ANZ Global Anti-Bribery Policy supports ANZ by:

- prohibiting bribery and corruption (as required by law)

<sup>1</sup>Source: [http://www.anz.com/documents/au/policies/ANZ\\_GLOBAL\\_ANTI-BRIBERY\\_POLICY.pdf](http://www.anz.com/documents/au/policies/ANZ_GLOBAL_ANTI-BRIBERY_POLICY.pdf)

- establishing an appropriate anti-bribery compliance program
- protecting ANZ's reputation and its employees

### How does this Policy apply at ANZ?

This Policy is a level 2 Group Compliance policy that applies to all ANZ Divisions and Business Units and has global application. This Policy applies to all employees working in an ANZ Business Unit or Group Member (where ANZ owns more than 50% of the company).

### Key obligations

Employees must:

- not engage in bribery or improper influence
- not accept any bribe or allow business decisions to be improperly influenced in any way
- seek review from the Business Unit Compliance Manager if a transaction or opportunity presents a risk of bribery or corruption, or could damage ANZ's reputation
- escalate concerns about the conduct of other employees
- not personally accept gifts valued at over AUD500. As refusal may sometimes offend the giver, employees may accept these on ANZ's behalf (in which case the gift becomes the property of ANZ) and in consultation with their line manager (and if above AUD10,000, in compliance with ANZ's Corporate Responsibility Expenditure Guidelines), pass the gift on to an appropriate charity
- only accept an invitation to enjoy entertainment valued at over AUD500 (per person) with the approval of their line manager and a Group 2 Executive
- only offer a gift or entertainment to someone that is worth more than AUD500 with line manager and a Group 2 Executive's approval

- only make a donation or community investment that is worth:
  - more than AUD500 (or lower local limit if one has been established) and less than AUD10,000 to a third party such as a charity or community body where this has been approved by their line manager and a Group 2 Executive; or
  - more than AUD10,000 where this has been approved in accordance with the Corporate Responsibility Expenditure Guidelines
- record gifts, entertainment and donations where required
- not make any political donation without approval of the Board and the CEO
- report conduct that could be a breach of this Policy or any concerns about their personal safety if they receive a demand for payment, whether in connection with their employment or not to their Business Unit Risk Manager as soon as possible

Line managers and supervisors must regularly monitor the gifts and entertainment received or offered by employees that report to them.

### Role of Group Compliance – Policy owner

Group Compliance is responsible for managing implementation of the Policy. It also:

- provides general awareness training for all employees on anti-bribery
- will coordinate the acquisition and implementation of a Gifts Register ANZ GLOBAL ANTI-BRIBERY POLICY
- establishes guidelines for the implementation of the Policy



## Anti-Money Laundering and Counter-Terrorism Financing Program<sup>1</sup>

### Executive Summary

#### Why does ANZ have this Program?

- Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) legislation requires ANZ to have an AML/CTF Program in place that is subject to oversight by the Board. The Program incorporates an AML/CTF Policy, which contains the key obligations that apply directly to employees.
- The primary purpose of ANZ's AML/CTF Program is identifying, mitigating and managing the risk ANZ may reasonably face of its products and services being involved in or facilitating money laundering or terrorism financing.
- As required, ANZ's Program is risk-based and sets out ANZ's approach to activities including training of employees, employee due diligence, reporting of suspicious matters and ongoing customer/transaction monitoring and customer identification processes and procedures. The program is to be implemented over time as the requirements of the Australian legislation come into effect.

#### How does the Program apply at ANZ?

ANZ's Group AML/CTF Program applies to all ANZ business units and majority owned subsidiaries that are members of the ANZ Designated Business Group (a group of entities formed for the purposes of adopting and reporting on compliance with ANZ's AML/CTF Program).

#### Key obligations

Those aspects of the Program that apply directly to employees require them to:

- follow business processes to confirm the identity of new customers and be confident that customers they are dealing with are who they claim to be

- be alert to suspicious customer behaviour
- report suspicions about customer behaviour to their business' Money Laundering Reporting Officer
- never discuss concerns of suspicious customer behaviour with customers
- complete any anti-money laundering or counter terrorist financing training ANZ asks them to complete
- follow business processes for record retention

#### Role of Group Compliance – Program owner

Under the Program, relevant responsibilities of Group Compliance include:

- establishing and documenting ANZ's risk-based approach to AML/CTF compliance
- promoting compliance with ANZ's AML/CTF and Economic Trade Sanctions obligations
- the development and maintenance of ANZ's Compliance Framework and the Group AML/CTF Program, including ensuring that these and all related documents are relevant in light of a changing external environment (including significant changes identified in ML/TF risk)
- developing and maintaining general awareness training on AML/CTF for all employees

<sup>1</sup>Source: [http://www.anz.com/Documents/AU/policies/ANZ\\_ANTI-MONEY\\_LAUNDERING\\_COUNTER\\_TERRORISM\\_FINANCING\\_PROGRAM.pdf](http://www.anz.com/Documents/AU/policies/ANZ_ANTI-MONEY_LAUNDERING_COUNTER_TERRORISM_FINANCING_PROGRAM.pdf)

## ANZ GLOBAL FRAUD AND CORRUPTION POLICY<sup>1</sup>

### Executive Summary

#### Why does ANZ have this Policy?

- The purpose of this Policy is to provide guidance to staff on how to identify, report, and help prevent fraud or corruption occurring at ANZ.
- A key objective of the Policy is to support and enable the right organisational culture to proactively prevent fraud and corruption.
- The Policy is aligned to the ANZ Operational Risk Framework. It sets out minimum operational risk requirements for governing fraud risks and prescribes consistent fraud management practices across ANZ.

#### How does this Policy apply at ANZ?

This Policy is a level 2 Group Operational Risk policy that applies to all ANZ Divisions and Business Units and has global application. The Policy represents minimum requirements and Divisions and Business Units may introduce subordinate policies in line with their risk appetite to further manage and mitigate the risks of fraud and corruption.

#### Key obligations

Under this Policy, employees must:

- be alert to any fraudulent activity
- if they see or suspect any fraudulent activity, report it immediately to their line manager. If for some reason they cannot approach their line manager, they must report the matter to an Operational Risk Manager. Alternatively, they must contact Group Operational Risk or Group Investigations
- comply with fraud awareness training requirements following ANZ's Risk

### Accreditation Framework

Line managers are required to:

- promptly seek clarification regarding any unclear Policy requirements or from requirements which they believe exemptions may be required
- ensure reporting of fraud is escalated
- complete fraud risk assessments and ensure strong internal controls are in place and operating effectively
- conduct employee probity checks
- ensure employees have undertaken fraud training
- encourage staff to take 20 days annual leave each year of which 10 days should be consecutive

Each Divisional and Business Unit Head must ensure that their staff are aware of and adhere to the Policy.

#### Role of Group Operational Risk and Risk Services – policy owner

To support this Policy, Group Operational Risk and Risk Services must develop a framework and supporting policies for the management of fraud & corruption risks, monitor fraud trends, ensure Divisions and Business Units have sound practices for identifying new and emerging fraud risks, report material operational risks and loss data to OREC and RC, and approve use of Divisions and Business Units' new fraud technology solutions.

<sup>1</sup>Source: [http://www.anz.com/documents/au/policies/ANZ\\_GLOBAL\\_FRAUD\\_AND\\_CORRUPTION%20POLICY.pdf](http://www.anz.com/documents/au/policies/ANZ_GLOBAL_FRAUD_AND_CORRUPTION%20POLICY.pdf)

## ANZ Global Whistleblower Protection Policy<sup>1</sup>

### Executive Summary

#### Why does ANZ have this Policy?

- ANZ has a strong values-based culture that encourages openness, integrity and accountability. The Corporations Act in Australia and similar legislation in other jurisdictions also require ANZ to protect whistleblowers.
- The purpose of the ANZ Whistleblower Protection Policy is to encourage, support and promote honest and ethical behaviour by providing a framework for the escalation of 'Reportable Conduct' which is conduct that is dishonest, fraudulent, corrupt, illegal, in breach of local laws, unethical, an unsafe work practice or a repeated breach of ANZ policy or administrative procedures (including breaches of the Code of Conduct and Ethics).

#### How does this Policy apply at ANZ?

This Policy is a level 2 Group Compliance policy that applies to all ANZ Divisions and Business Units and has global application. This Policy applies to everyone working at ANZ, whether or not they are ANZ employees. It allows directors, managers, employees, contractors and consultants to ANZ to make a report and requires ANZ to protect them from being victimised as a consequence.

Under the Policy, reports are made by contacting either:

- a designated Whistleblower Protection Officer (WPO); or
- the ANZ Whistleblower Hotline (managed by Deloitte).

ANZ has two Group WPOs (Group General Manager Internal Audit and Group General Counsel & Company Secretary) and two Alternate Group WPOs (Group

General Manager, Compliance and Chairman of the Audit Committee). Prior to the release of the Code of Conduct and Ethics, Regional WPOs and Alternate Regional WPOs will also be appointed for each of the regions of Asia Pacific, India, New Zealand and Europe/United States.

#### Key obligations

Employees must:

- consider whether a matter can be more appropriately escalated or effectively addressed under another ANZ policy or process before making a report (e.g. to a line manager, HR, Risk & Compliance Manager or Group Investigations)
- make reports in good faith
- report concerns about the resolution or the conduct of investigations of disclosures under the Policy to the Chairman of the Audit Committee
- not disadvantage or victimise another employee who makes a report
- undertake the online General Awareness Training Module offered by Group Compliance within two months of commencing employment

#### Role of Group Compliance – Policy owner

Group Compliance is responsible for managing the implementation of the Policy, including ANZ's relationship with Deloitte. It also:

- provides general awareness training for all employees
- provides assistance and role-based training to WPOs
- provides role-based training to Whistleblower Protection Champions (WPCs), who are responsible for being a point of contact in the business
- reports de-identified statistical information to Audit Committee and the Operational Risk Executive Committee about the number and type of Disclosures under the Policy in February and July of each year

<sup>1</sup>Source: [http://www.anz.com/documents/au/policies/ANZ\\_GLOBAL\\_WHISTLEBLOWER\\_PROTECTION\\_POLICY.pdf](http://www.anz.com/documents/au/policies/ANZ_GLOBAL_WHISTLEBLOWER_PROTECTION_POLICY.pdf)

## 327. 3M

### 3M Business Conduct<sup>1</sup>

#### PROTECTING 3M'S REPUTATION AND ASSETS

##### Business Gifts and Entertainment Policy

**Applies To:** 3M employees worldwide, anyone doing business for or with 3M and others acting on 3M's behalf. As a global policy, it applies to all locations where 3M business is conducted and to all company-sponsored events.

**Policy statement:** The term "business gifts" in this policy includes business entertainment, as well as gift items. The giving of business gifts is a customary way to strengthen business relationships and, with some restrictions, is a lawful business practice. It is 3M policy that company employees may give and receive appropriate, lawful business gifts in connection with their 3M work with commercial customers and other nongovernmental parties, provided that all such gifts are nominal in value and not given or received with the intent or prospect of influencing the recipient's business decision-making.

Special laws and rules apply to gifts to government employees and it is 3M policy to strictly comply with all such restrictions. Local laws in the United States and around the world strictly limit gifts to government employees. These may be criminal acts, regardless of whether they are paid for with 3M or personal funds.

Bribery is illegal and violates this policy. 3M policy does not allow for corrupt practices in any form, including bribery.

Even when legal, employees cannot give or receive business gifts if doing so would violate this policy. Any business gifts given or received by a 3M employee must be nominal in cost, quantity and frequency. Never accept or offer gifts of cash or cash equivalents, such as gift certificates. Never accept a gift that could be viewed as lavish.

##### What it means

- No 3M employee may give or receive a gift that violates the law,

regulations, agreements or reasonable customs of the marketplace.

- Make sure any business gift is nominal in cost, quantity and frequency and that the gift can withstand public scrutiny without damaging 3M's reputation.
- Gifts of 3M consumer products are generally likely to be appropriate, as are gifts of items that are marked with 3M promotional labeling.
- Properly record any business gift on your business unit's books and make sure that it complies with any policies of your specific 3M business unit.
- When deciding on the appropriateness of giving or receiving a business gift, consider how the gift compares in value to the usual gift-giving practices in your industry and country, the sum of gifts to or from that entity over time, the suitability of the gift given your position at 3M, the impact of the gift on building positive business relations with the recipient, and how the gift might look to an outsider.
- These guidelines apply even when no reimbursement from the company is sought.
- If you plan to give or accept a business gift of more than a nominal value, you must inform your supervisor.
- Coffee, doughnuts, soft drinks and similar refreshments of nominal value provided other than as part of a meal are not considered to be gifts under the gift rules for executive branch employees. Therefore, these types of nominal refreshments may be provided to executive branch employees. Do not be offended if they seek to make reimbursement, however, and accept any such payment.
- Consult with your assigned 3M legal counsel before giving business gifts to consultants and employees of state and local government agencies.

##### What to avoid

- Giving or receiving money or other cash equivalent as a business gift.

<sup>1</sup>Source: <http://multimedia.mmm.com/mws/mediawebsserver.dyn?6666660Zjcf6lVs6EVs66S7cECOrrrrQ->

- Unless it is clear that applicable laws and regulations permit it or prior approval has been obtained from assigned 3M legal counsel, offering business gifts to U.S. government employees. Although U.S. executive branch employees may lawfully accept some nominal gifts, the gift rules for U.S. judicial and legislative branches differ from the executive branch and are sometimes even stricter. Because of these strict limitations, 3M employees should avoid giving gifts to any U.S. government employees, including military personnel, regulatory agency employees and U.S. government employees located outside the United States.
- Giving or receiving gifts that are too costly or frequent to be within the customs of the marketplace.
- Giving any gift to reward a government employee.
- Giving or receiving gifts that influence or give the appearance of influencing business judgment.
- Offering a gift if you know it would violate the recipient's policy to accept it.
- Giving or receiving entertainment, such as tickets to a sporting event, where a representative of the company offering the gift will not be accompanying the recipient to the event.

### Operating in a Global Marketplace

#### Anti-Bribery Policy

**Applies To:** 3M employees worldwide, anyone doing business for or with 3M and others acting on 3M's behalf. As a global policy, it applies to all locations where 3M business is conducted and to all company-sponsored events.

**Introduction:** Certain activities related to Governmental Officials (defined below) – such as providing gifts, political contributions, entertainment, travel related benefits or facilitating payments - can violate anti-bribery laws around the world. 3M may also be liable under some circumstances for the bribes or attempted bribes made or offered by

the consultants, sales agents and certain business partners with whom 3M does business. 3M may also be liable for the prior acts and omissions of businesses that 3M acquires or with which it enters into joint ventures.

This policy prohibits bribery and imposes mandatory due diligence, internal approvals, books and records entries, and document retention requirements in six key areas related to Government Officials. It also requires audits to help ensure compliance, as well as appropriate scrutiny of acquisition and joint venture target companies that have had foreign government sales and other significant governmental interaction. (Receiving or offering gifts, travel or anything of value to a third parties who are not Government Officials must comply with the Business Gifts and Entertainment Policy.)

A "Government Official" is:

- any government employee or elected or appointed official
- a political party
- a candidate for political office (even if not currently in office)
- an official or employee of an international organization such as the United Nations, Red Cross/Red Crescent, International Monetary Fund, World Bank.
- an employee of a quasi-public agency and other companies or organizations partly or wholly owned or controlled by a government.

A "bribe" is the offering, authorizing or giving of anything of value to a Government Official directly or indirectly with the intent to obtain or retain business or gain an improper advantage. An "improper advantage" is broadly defined to mean something to which the company is not clearly entitled, such as a price increase approval, favorable product specification selection, contract award, grant of operating permits, product use/registration approval, favorable court decision, or tax dispute settlement.

**Policy Statement:** It is 3M policy to comply with all applicable anti-bribery laws, including the U.S. Foreign Corrupt Practices Act and all applicable local laws where

3M operates, and to accurately reflect all transactions on 3M's books and records. It is also 3M's policy to require those agents, consultants and business partners who work on 3M's behalf before Government Officials to comply with these same laws and practices.

**What it means:** 3M requires that:

- Its employees not engage in acts or omissions that offer, authorize or give a bribe to a Government Official, or create the impression that a bribe has been offered, authorized or given;
- Its employees take affirmative steps to prevent those doing business directly or indirectly before a Government Official on 3M's behalf from engaging in bribery;
- Its employees adhere to 3M's mandatory due diligence, internal approval, financial reporting, and document retention requirements in the six key areas listed below and as fully set out under the topic "Anti-Bribery" on 3M's Legal Center.
- Its employees scrutinize activities of certain acquisition targets and joint venture partners to identify and address potential bribery issues;
- Its employees promptly report to 3M any suspected violations by 3M employees or others doing business before a Government Official on 3M's behalf; and
- Its auditing function audit 3M's businesses as appropriate for potential bribery activities and risks.

**Six Key Areas:** In addition to those obligations set forth above, 3M requires specific due diligence, internal legal and business approvals, financial reporting, and document retention requirements in six key areas:

1. 3M sponsorship of any travel-related benefits for any Government Official
2. Gifts to, entertainment for, or charitable contributions on behalf of any Government Official
3. Use of consultants and sales agents who may interact with Government Officials

on 3M's behalf

4. Facilitating or "grease" payments to any Government Official
5. Activities with certain business partners who may interact with Government Officials directly or indirectly on 3M's behalf
6. Political contributions to any Government Official, political party, candidate or political organization

3M employees can access these Mandatory Operational Standards and related tools on the 3M Legal Center Intranet site, under the topic "Anti-Bribery".

**What to avoid**

- The direct or indirect provision of cash or anything of value to a Government Official to obtain an unfair business advantage or to obtain or retain business.
- Authorizing or providing travel benefits, gifts, entertainment, or political contributions for the benefit of a Government Official without the required due diligence assessment and internal 3M business and legal approvals.
- Entering into a consultant or sales agent agreement that will result in contacts with Government Officials without conducting due diligence, obtaining the required internal business and legal approvals, retaining all due diligence for eight years, and accurately recording on 3M's book and records all related payments.
- Making any "grease" or facilitating payments without obtaining the required 3M internal business and legal approvals.
- Making any incomplete, false or inaccurate entries on 3M's books and records.

## Dealing with Governments

### Doing Business with Government Agencies and Government Contractors Policy

**Applies To:** 3M employees worldwide, anyone doing business for or with 3M and others acting on 3M's behalf. As a global policy, it applies to all locations where 3M business is conducted and to all company-sponsored events.

**Policy statement:** It is 3M policy to conduct its government contract and subcontract business in strict compliance with all applicable national, state, province and local laws and regulations and all contract requirements.

**What it means:** 3M employees and others acting on 3M's behalf must:

- Understand and follow the Government Contract Compliance Policies, Standards and Procedures posted in the Policy Center on 3M Source.
- Follow contract negotiation requirements, such as special bidding rules and the prohibition against obtaining "inside information" about the procurement.
- Set up processes to abide by contract obligations and inform other employees who have responsibility for contract performance regarding special pricing, intellectual property rights, subcontracting requirements and other special government contract requirements.
- Be honest and accurate in all dealings with government officials, government agencies, government contractors, and government subcontractors. Ensure that certifications and representations are accurately made.
- Understand and follow 3M's Business Gifts and Entertainment Policy regarding gifts to U.S. and international government employees.
- Be aware that applicable laws and regulations may vary from state to state, province to province, country to country, and government agency to government agency. If you have questions about any law or regulation applicable to government contracts, subcontracts or purchase orders, seek advice from your assigned 3M legal counsel. Also, understand and follow 3M's Anti-Bribery Policy.

- Obtain prior clearance from Human Resources and assigned legal counsel to discuss employment with or offer employment (either as an employee or consultant) to former and current government employees, as detailed in 3M's Hiring Former and Current Government Employees and Consultants Policy.

### What to avoid

- Violating national, state, province, or local government laws or regulations concerning offering or providing business gifts and gratuities to government employees or employees of government contractors or subcontractors.
- Making false statements or certifying false data to government employees, government agencies, or government contractors or subcontractors.
- Deviating from government contract or subcontract requirements or making unauthorized contract or subcontract substitutions, including failure to perform required tests and inspections.

### If You Have a Business Conduct Concern

Upholding 3M's Business Conduct Policies and values is the responsibility of everyone acting on 3M's behalf. It is also everyone's responsibility to raise a concern promptly about a possible violation of 3M policy or law. It is vital to address problems early while they are small and more easily fixed. Serious damage, fines, penalties and loss of confidence in 3M can result if small problems are allowed to grow into big ones.

### Where to Go with Questions

No written policy can anticipate all the situations and circumstances to which the policy might apply. If you have a question about a Business Conduct Policy, how the policy relates to your job or how a policy may apply to a specific situation, you can go to any of the resources listed in How to Report a Suspected Violation of these Policies section.

### How to Report a Suspected Violation of These Policies

Most days, you don't have to look very hard to find newspaper articles about companies facing investigations and litigation concerning illegal or unethical behavior. No company - no matter how good its compliance program and corporate culture are - should be so naïve as to think it will never have a legal or ethical compliance issue. The measure of a good company, and a good compliance program, is whether a company finds problems early and fixes them while they are small. The best way for 3M to find out early about suspected violations is when employees and others acting on 3M's behalf support the compliance program by being the "eyes and ears" of compliance in the company.

Studies show that many people are reluctant to report a suspected violation involving a coworker. To address this natural reluctance, 3M has a strict policy prohibiting retaliation against anyone who raises a business conduct concern or cooperates in a company investigation. We stress with our employees and others acting on 3M's behalf that reporting a suspected violation is the right thing to do, because every violation of law or 3M policy creates risk for employees, the company, customers and the communities in which 3M operates.

You have a number of options to report what may be a violation of 3M Business Conduct Policy or law. You can raise a concern orally or in writing to:

- Your management. You can go to your direct supervisor or manager, or to a higher level of your management, if you prefer. Because your management is closest to the issue, this may be the best place to go to resolve an issue quickly.
- Your assigned 3M legal counsel.
- 3M-ethics.com. This website is operated by a third party vendor, EthicsPoint. EthicsPoint is an independent, professional reporting service retained by 3M to assist with the receipt of questions or business conduct concerns. From this site, you may submit your concern by completing a web-based form or by calling the toll-free Helpline. EthicsPoint offers confidential and anonymous reporting 24 hours a day, with the ability to report concerns in many languages.
- The 3M Director, Business Conduct and Compliance 220-9-E-02, 3M Center 3M Company Saint Paul, MN 55144-1000 Telephone : 1-651-733-1540, (3M Triminet) 733-1540

If you are raising a concern under the Harassment Policy, you also can go to your local Human Resources Manager or someone higher in the 3M Human Resources organization.

If you are raising a concern regarding accounting, financial reporting, internal accounting controls or auditing matters, you also can go to:

- General Auditor  
3M Corporate Auditing Department  
224-06-N-11, 3M Center Saint Paul, MN 55144-1000  
Telephone : 651-733-3252, (3M Triminet) 733-3252

### What If You Wish to Remain Anonymous

First consider whether you are comfortable raising your concern directly within 3M, such as to your manager or to someone else in your department. 3M has found that internal concerns usually can be resolved most quickly and satisfactorily when they are raised with internal resources such as management or human resources. If you are uncomfortable doing so, if you do not know whom to contact, or if you believe your concern has not been satisfactorily addressed, you can submit your concern anonymously (unless anonymous reporting is prohibited by law in your country) by using the following options:

- You can go to 3M-ethics.com. EthicsPoint does not trace phone calls or use Caller Identification. In addition, EthicsPoint does not generate or maintain internal connection logs containing Internet Protocol (IP) addresses, so no information linking your computer to EthicsPoint would be available. Reports



from your computer would come through a secure Internet portal, which does not trace or show user screen names. Finally, EthicsPoint removes Internet addresses to ensure that anonymity in the EthicsPoint system is maintained. EthicsPoint will not use information reported to it for any purpose other than passing along the information to 3M for appropriate handling.

At the end of your telephone call or web-based report, EthicsPoint will provide you with a report key and ask you to create a password. You will be asked to telephone 3M's Business Conduct Helpline, operated by EthicsPoint, or visit the EthicsPoint website two or three business days after you make your initial report. At that time, you can monitor progress on your report and learn whether any additional information is needed from you to address your concern.

- You can mail a letter to the Director, Business Conduct and Compliance, at the address above.

If you choose to identify yourself in reporting your concern, 3M will make every reasonable effort to hold your name in confidence during the investigation.

#### **How 3M Will Respond to a Report**

If warranted, 3M will commence an appropriate investigation, using internal or external resources with expertise in conducting investigations. The information in your report is shared with appropriate investigation team members, and the concern is investigated promptly and discreetly. You will be notified at the conclusion of the investigation. If you do not believe your concern has been adequately addressed, please raise it with another of those resources listed in How to Report a Suspected Violation of these Policies section.

3M prohibits retaliation against anyone who raises a business conduct concern or cooperates in a company investigation. Complaints made in good faith will not expose you to any sanctions, regardless of whether the underlying facts prove to be correct or result in any corrective action. If you believe you have faced retaliation of any kind, please report it so the 3M can investigate.

## 328. Rite Aid

### Code of Ethics and Business Conduct<sup>1</sup>

#### Responsibility to the Corporation

##### Dealing with suppliers and others

Associates who make or are involved in making business decisions for the Corporation must do so using consistent and unbiased standards. Associates interacting with any person who has business dealings with Rite Aid (including suppliers, customers, competitors, contractors, and consultants) must conduct such activities in the best interest of the Corporation. Therefore, associates must not accept any gifts, entertainment, or gratuities that could influence or be perceived to influence their business decisions or be in a position to derive any direct or indirect benefit or interest from a party having business dealings with the Corporation.

##### Business courtesies

The type of business that Rite Aid does involves dealing with a wide range of suppliers, many of whom may consider it standard practice to provide gifts and entertainment as a gesture of appreciation. The giving or receiving of gifts or entertainment by any associate acting in his/her capacity as a Rite Aid associate or by members of an associate's immediate family can potentially be problematic because such acts may be construed as attempts to influence the performance of duties.

##### Receiving gifts

Associates and/or members of an associate's immediate family may not request or accept gifts in connection with Rite Aid business beyond that of a nominal or token value (less than \$25). This includes gifts, payments, consulting fees, loans, or other benefits of value received directly or indirectly from any existing or potential customer, supplier, or competitor. Gifts of a nominal or token value, motivated by commonly accepted business courtesies, may be accepted. However, any gift that could create or appear to create an obligation to the donor or influence the business relationship with the donor may not be accepted. Associates may accept an occasional meal or outing with suppliers or customers if there is a valid business purpose involved. If an

associate is asked to attend an overnight event with a vendor, he/she must obtain prior approval from his/her department's Executive/Senior Vice President.

##### Giving gifts

Associates may not furnish or offer to furnish any gifts, entertainment, meals, compensation, credits, or anything of value to a person who has business dealings with the Corporation (suppliers, purchasers, and competitors), except when authorized by the department's Vice President. If authorized, the item must be reasonable and proper under generally accepted business practices and ethics.

##### Prohibition of gifts to government officials and employees

The various branches and levels of government have laws that restrict the giving of gifts, including meals, entertainment, transportation, and lodging, to government officials and employees. Associates must obtain pre-approval from the Legal department before providing any gift, meal, or anything of value to a government official or employee.

##### Discipline for violations

Rite Aid intends to use every reasonable effort to prevent the occurrence of conduct not in compliance with its Code of Ethics and Business Conduct and to halt any such conduct that may occur as soon as reasonably possible after its discovery. Associates who violate this Code and other Corporate policies and procedures may be subject to disciplinary action, up to and including discharge. In addition, disciplinary action, up to and including discharge, may be taken against anyone who directs or approves infractions or has knowledge of them and does not move promptly to correct them in accordance with the Corporation's policies.

##### Reporting violations

If associates know of or suspect a violation of applicable laws and regulations, the Code, or the Corporation's related policies, they must immediately report that information to their supervisor, a higher level of management, the individuals or offices identified in the section above, or the Corporation's hotline discussed below. No associate reporting a suspected violation will be subject to retaliation because of a

<sup>1</sup>Source: [http://www.riteaid.com/www.riteaid.com/w-content/images/company/governance/code\\_of\\_ethics.pdf](http://www.riteaid.com/www.riteaid.com/w-content/images/company/governance/code_of_ethics.pdf)

good faith report.

**The Corporation's hotline**

Rite Aid has a 24-hour hotline, 1-888-RITE-CALL (1-888-748-3225), which can be used to report violations of the Code, applicable laws and regulations, and the Corporation's policies, including the theft of Corporate assets or other types of business abuse. All calls are kept confidential.

## 329. Hanwha

### Code of Ethics<sup>1</sup>

#### **Ethical Management**

Hanwha is working hard to further improve its transparency in management and to establish a sound organizational culture. Declaration of Ethical Management Since the WTO emerged from the Uruguay Round in the early 1990s, the world has moved to become more and more like a single market. The importance of environmental issues and the severity of problems regarding pollution have been continually emphasized since the Green Round in 1997. Recently, one can see movement, initiated by the US, toward the Ethical Round, aimed at regulating international trade of products and services provided by companies deemed to be unethical.

Even if a Korean company were to be found guilty of bribing public officials of a foreign country, that company would not be subject to punishment according to Korean domestic law. However, there has been strong movement toward anti-corruption since the turn of the millennium through the so-called Corruption Round led by the US, which resulted in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transaction in 1992.

The convention opened the door for domestic law to punish domestic companies that bribe public officials in another country. International movements such as this have led to the enactment of the “Foreign Bribery Prevention Act,” as well as the activities of the “Anti-corruption Committee” and the “Korean Academy of Business Ethics,” which brought about significant changes to the business environment and practices within Korea.

<sup>1</sup>Source: <http://english.hanwhacorp.co.kr/comp/ma/et/index.asp>

## 330. Softbank

### Compliance<sup>1</sup>

#### Group Compliance Structure

##### Hotline (Internal Reporting System)

A Hotline that enables all officers and employees of Group companies to report and consult when they aware any violation of compliance or any possibility of violation has been established to discover, improve or prevent any compliance risk in the business activities at an early stage. An appropriate action shall be taken for the report or consultation after the sufficient investigation. For any reason, a person who report or consult will never be subject to retaliation for using the hotline.

There are several Hotlines for users to be accessible. In addition to each group company's Hotline, the Group Hotline has been opened to receive reports and discuss issues from all Group officers and employees. The Group Hotline has two contact points, one is staffed by internal Compliance department, and the other is staffed by external lawyers. Consultation may be made directly by face-to-face meeting, telephone, email or postal service, and it may be made anonymously. For officers and employees in overseas subsidiaries, we also accept English or Korean reports or consultations.

### Efforts on Penetration of Compliance<sup>2</sup>

#### Trainings

SOFTBANK Group companies are making efforts to raise an awareness of compliance within officers and employees by providing e-learning trainings, trainings by department, by theme, and by job position such as trainings for officers, trainings for management level, and trainings for new comers. As one of the Group-wide initiatives, Group officers attend compliance discussion sessions which invite an external lawyer as an instructor to reaffirm the officers' responsibility on compliance. In fiscal year 2007, 16 sessions with 8 themes such as 'Officers' Responsibility', 'Insider Trading', 'Long Working Hours and Mental Issues', etc. were held which were attended by a total of more than 300 officers.

#### Compliance Awareness Month

A poster for the Compliance Awareness Month Starting from fiscal year 2006, August was designated as Compliance Awareness Month for all Group officers and employees to raise awareness of compliance. Throughout the month, seminars and events with various themes such as internal control, intellectual property right, information security, harassment, etc. were organized by inviting SOFTBANK managements and external lecturer, and in total, more than a thousand officers and employees attended these events every year.

<sup>1</sup>Source: <http://www.softbank.co.jp/en/initiatives/compliance/structure/index.html>

<sup>2</sup>Source: <http://www.softbank.co.jp/en/initiatives/compliance/efforts/index.html>

## 331. GasTerra

Annual Social Report 2007<sup>1</sup>

### **Code of conduct (inside the annual social report)**

GasTerra has set up a code of conduct for employees. This is distributed to all members of staff as a written document. New employees receive this code when they commence employment. The code can also be consulted at any time on the company's own intranet 'InTerra'. Issues are also raised here throughout the year with the aim of refreshing employees' knowledge and keeping up awareness of this code.

The company is very restrained when it comes to donations and granting favours. Donations to politicians and/or political parties are fundamentally forbidden. The donation policy prescribes that only organisations that are of good standing and verifiable as such are eligible for support. On the other hand, GasTerra employees are not permitted to allow their activities to be affected by donations or favours. The normal amount for gifts or gestures of goodwill is the standard value of 50 euros used by the tax authorities.

Discrimination or intimidation are not permitted and inappropriate behaviour falling under these headings should be reported immediately. GasTerra has a complaints committee whose members can be consulted on a confidential basis. GasTerra approved a whistle-blowers' scheme in 2007, whereby employees who report irregularities benefit from protection and are given recognition for making the report and being observant. This too has been brought to the attention of the entire staff and forms a standard part of the information on the internal website. The provisions and regulations are included in the HRM handbook.

GasTerra has no foreign branches or projects. Human rights, child labour, freedom of association and working conditions are subject to Dutch law and form part of the consultations between company, works council and trade unions.

<sup>1</sup>Source: [http://www.gasterra.com/notices/Documents/Annual%20reports/MJV\\_2007\\_ENG\\_def.pdf](http://www.gasterra.com/notices/Documents/Annual%20reports/MJV_2007_ENG_def.pdf)

## 332. Merck

Corporate Responsibility 2006–2007 Report<sup>1</sup>

### **Conducting Ourselves Ethically and Transparently**

Adherence to the rule of law, ethical working practices, good corporate governance and transparency are critically important to our stakeholders and to our sustainable success.

But it takes more than the right mechanisms and standards to ensure an ethical business environment. At Merck, ethics are an integral part of our business decisions and inform how all employees conduct themselves every day.

Merck's commitment to ethics extends beyond the Company's boundaries. We actively promote the development of codes and standards for ethical and transparent business practices that can help to foster respect and promotion of human rights, limit corruption, ensure fair and open competition and encourage a better business environment, all of which are essential to economic growth.

### **ETHICS TRAINING AND DEVELOPMENT**

In 2007, the Office of Ethics launched a global compliance training series, consisting of online training programs to provide employees with tools and resources for making responsible business decisions. The first course, Know the Code, complements the Company's established classroom-style ethics training and covers such topics as:

- Can competitive information obtained from a physician be shared?
- What is Merck's policy on human rights?
- Can I give samples to a physician for his personal use?

All new employees are required to complete Know the Code within 30 days of hire. For information on additional training courses that support our ethical business practices, go to [www.merck.com/cr/ethics](http://www.merck.com/cr/ethics).

### **ETHICAL RESOURCES FOR EMPLOYEES**

The Merck AdviceLine, a telephone line available to employees around the world 24 hours a day, seven days a week, is staffed by an independent organization that allows employees to remain anonymous in accordance with applicable legal standards for operating whistle-blowing hotlines. Multilingual report processing with language interpretation is available in up to 150 languages, allowing employees to communicate in their native language to ensure accuracy of reported information. In addition, the Merck Ombudsman Program offers a "safe haven" for U.S.-based employees to express work-related issues without fear of retaliation. This program confidentially addresses employees' concerns about conduct that may be inconsistent with Merck's policies, practices, values and standards. Outside the United States, employees may contact the Office of Ethics directly or use the AdviceLine to raise concerns.

### **ADDRESSING MISCONDUCT**

In 2008, we implemented our global guidelines for escalation, investigation, remediation and recognition of noncompliant activities or actions across our different divisions and geographies. When Merck substantiates allegations of ethical misconduct, it imposes a variety of disciplinary actions on those responsible for the misconduct, such as dismissal from the Company, issuance of final written warning letters and financial penalties.

### **PERFORMANCE**

To date, 90 percent of Merck employees have taken the Know the Code training and we anticipate this will be nearly 95 percent by the end of 2009.

The number of calls to the Office of Ethics/Ombudsman has declined somewhat since 2005, including a 30 percent reduction in calls about human resource-related issues. We believe this can be attributed to our strengthened performance management processes: more ongoing performance discussions between managers and their reporting staff are preempting and resolving more issues. The decrease in calls also reflects the decrease in employee numbers in recent years due, in part, to our restructuring program. The calls to the Merck AdviceLine almost doubled from 2006 to 2007, due, in part, to greater awareness of the AdviceLine as a result of increased

<sup>1</sup>Source: <http://www.merck.com/corporate-responsibility/docs/cr2006-2007.pdf>

employee communications.

### **ENSURING ETHICAL INTERACTIONS WITH GOVERNMENT OFFICIALS WORLDWIDE**

All Merck employees are required to adhere to Merck's high standards and act with integrity when interacting with government agents or engaging in any conduct related to governmental health care programs. This includes ensuring that all information provided to governmental entities is complete and accurate to the best of the employee's knowledge and belief. Merck's standards for governing interactions with government officials include guidelines concerning the U.S. Foreign Corrupt Practices Act to ensure employees strictly adhere to Company policies and procedures, local laws and U.S. laws when interacting with government officials, their family members and their representatives. The standards state:

"Merck's Ethical Business Practices Policy and these standards prohibit payments, including payments of Company funds or other assets, directly or indirectly, to government officials (including Foreign Officials) or persons acting on their behalf for the purpose of improperly influencing decisions or actions respecting Merck's business... Failure by employees to comply with these standards may have severe internal consequences, up to and including termination from the Company, as well as external consequences, including possible criminal prosecution and/or significant fines."

As part of Merck's global ethics and compliance training, in 2008, we are rolling out a new e-learning course on anticorruption and bribery designed to help employees understand our corporate policy on ethical business practices and compliance with the U.S. Foreign Corrupt Practices Act.

Code of Conduct<sup>1</sup>

### **Relationships with our Customers**

#### **Gifts and Hospitality**

##### **Giving Gifts**

We believe in competing on the merits of our products and services and wish to avoid even the appearance of improper conduct with our customers. The giving of gifts whether in cash or non-cash, including services, to customers is prohibited unless it complies with the specific exceptions described below. We recognize that in certain cultures there may be an occasion when gift-giving is customary and expected. Decisions about these situations must be carefully weighed, and prior written approval must be obtained from your manager before proceeding.

To Physician Customers: Because we wish to safeguard the public's confidence in physicians to make decisions solely on the basis of patient health, we do not provide gifts or other incentives to our physician customers. As part of informing physicians about our products, we may provide occasional educational and practice-related items, as long as they are of nominal value and medically relevant (e.g., medical textbooks and other items that serve a genuine educational function). Additionally, promotional items of nominal value are also permissible (e.g., pens, notepads, calendars, etc.), provided that they are related to a physician's practice.

Remember that some localities have more restrictive policies based on local laws or industry codes regarding gifts to physicians. Please consult your local/regional lawyer for additional guidance.

To other Health Care Customers: In addition to physicians, we also interact with other important customers, including wholesalers and distributors. With respect to these customers, only business related items of nominal value are permissible.

Gift giving to these customers must comply with local laws, Company policies, and relevant industry codes.

We may accept meals or modest social entertainment provided that it meets Merck

<sup>1</sup>Source: [http://www.merck.com/about/code\\_of\\_conduct.pdf](http://www.merck.com/about/code_of_conduct.pdf)



criteria.

### **Receiving Gifts**

(While the receipt of gifts may be more common in the context of supplier relationships, these guidelines are included here for ease of reference and convenience.)

As a common business courtesy, we may receive occasional gifts, provided that:

- The gift is of nominal value (e.g., pens, notepads, calendars, etc.);
- Doing so is legal; and
- The gift is neither intended nor likely to be perceived by others to improperly influence our business decisions.

Occasionally, there may be times when refusing a gift would be impractical or embarrassing. In those rare instances where the gift is of substantial value, accept the gift on behalf of the Company, report it to your manager, and turn the gift over to your local/regional finance director, who will handle its disposition.

### **Providing and Accepting Meals and Other Hospitality**

We may provide or accept occasional meals or hospitality, provided that it is:

- In the course of a bona fide business relationship;
- An accompaniment to an educational or business event/function;
- Legal;
- Consistent with Company policies and procedures;
- Not likely to be perceived as an attempt to improperly influence business decisions; and
- Not embarrassing to the Company if it were to receive public scrutiny;

### **Government Officials or Employees: Gifts, Meals, Hospitality or Other Benefits**

The Company does not make payments or provide benefits to government officials or employees to obtain or retain business. For this reason, providing gifts, meals, hospitality, or similar benefits to government officials or employees is generally not acceptable. In addition, the Company wishes to avoid even the appearance of impropriety. Laws concerning appropriate gifts and hospitality with respect to these groups are complex and can vary from country to country—and even within a country (e.g., local versus national laws). Therefore, consult the Legal Department before providing a gift, invitation, hospitality, or other benefits of any kind to a government employee. Please be aware that, in some cases, physician customers of the Company are also considered government employees.

### **Relationships with Our Communities and Society**

#### **Improper Payments**

To promote good government and fair, impartial administration of laws, we may not promise, offer or make payment in money or anything of value to any government official or political party with the intent to obtain or maintain business, or any unfair competitive advantage, or to improperly affect government decisions.

Our standards do not necessarily take into account all local legal requirements. Where more restrictive local laws exist, those take precedence. Seek the advice of the Legal Department if there is any uncertainty about the propriety or legality of an action. For additional information, refer to the Gifts and Hospitality section on page 9.

#### **Raising Concerns**

We hire employees with sound character and judgment, who we trust will act responsibly. However, there may be times when we need to raise concerns about behaviour which we believe violates Merck's values and standards. If you observe such behavior, you have an obligation to discuss it with the appropriate parties. Doing so will provide the Company with the opportunity to correct the problem. The reporting process is flexible, allowing you to raise concerns through a variety of channels. For

the appropriate resources in your location, please refer to the Additional Assistance Page found on the inside cover of this booklet.

- The Office of Ethics provides services to Merck employees, worldwide, with ethical questions or concerns. The Office of Ethics is responsible for both the Ombudsman Program and the AdviceLine.
- The AdviceLine, available to employees around the world 24 hours a day, seven days a week, is staffed by an outside organization and employees can remain anonymous when they call. The operator will not directly provide advice to the employee, but rather, will relay the information to the Merck Office of Ethics, providing the employee with a case number and a call-back date. While questions and concerns raised to the AdviceLine will be forwarded to the Office of Ethics for review, no identifying information will be forwarded without the caller's consent.
- The Ombudsman Program promotes the positive and fair treatment of employees by providing an alternative channel for use by employees to address work-related concerns, including conduct inconsistent with the Company's policies, practices, values and standards. The program is designed to provide a "safe haven" where these issues can be addressed in confidence and without fear of retaliation.

You may call either the Office of Ethics or the Ombudsman Office to discuss matters in a confidential environment. The AdviceLine offers complete anonymity, as it is operated by an external vendor.

#### **Investigation of Reported Misconduct**

The Company takes all reports of misconduct seriously. We will confidentially investigate all alleged misconduct to determine if any law, regulation, policy or procedure has been violated.

#### **Anonymity and Confidentiality**

When you contact the Office of Ethics to raise an issue, you may remain anonymous, although you are encouraged to identify yourself, since doing so will facilitate

communication. Should you choose to identify yourself, the Office of Ethics will make every reasonable effort to keep your identity confidential in a manner consistent with conducting a thorough and fair investigation as may be required under the law. To assist the Office of Ethics in maintaining confidentiality, however, it is imperative that you practice discretion and refrain from discussing your Office of Ethics consultation with colleagues or co-workers.

Employees can also report concerns anonymously by using the AdviceLine, a line answered by a third-party vendor.

Anonymous callers are provided with a case number and instructed to call back within a certain timeframe to receive an update or to provide additional information which may be necessary to properly investigate their concern. To learn more about the AdviceLine, please access the Office of Ethics Web site at: <http://ethics.merck.com>.

#### **Retaliation**

Employees who raise concerns help the Company to correct problems before they grow. We will not tolerate retaliation against any employee for raising a business practices issue in good faith. Raising a concern in "good faith" means that you have made a genuine attempt to provide honest and accurate information even if you are later proven to be mistaken. The fact that an employee has raised concerns in good faith, or has provided information in an investigation, cannot be a basis for denial of benefits, termination, demotion, suspension, threats, harassment or discrimination.

Similarly employees who work with those who raise concerns should continue to treat them in a courteous and respectful manner and should not engage in behavior that might alienate or intimidate colleagues. This protection extends to anyone giving information in relation to an investigation. If you or others have been retaliated against, you should report this behavior to your supervisor or the Office of Ethics. Please note that Merck reserves the right to discipline anyone who knowingly makes a false accusation, provides false information to the Company or has acted improperly.

#### **Guidelines for Raising Concerns**

It is never easy to raise concerns about possible misconduct. It requires courage and integrity.

Listed below are some general ideas on how to discuss your concern with your management:

1. Schedule a specific time with your manager or another Company resource to discuss your issue.
2. Discuss your issues calmly and professionally.
3. Highlight the risks to the Company and the potential impact of the particular misconduct.
4. Acknowledge (when appropriate) that you may not have all of the information or facts relevant to the issue.
5. State any concerns that you may have about the confidentiality of your report. (If you are concerned about confidentiality, be careful when sharing information with other colleagues who might inadvertently disclose information.)
6. Thank the individual for their time and their attention to the issue.

### Fostering a Fair, Transparent and Open Environment<sup>1</sup>

#### Merck's Approach

In an effort to combat global corruption, the World Economic Forum Partnering Against Corruption Initiative (PACI) was formally launched by CEOs from the Engineering & Construction, Energy and Metals and Mining industries in January 2004. Prior to the 2008 annual meeting in Davos, Merck joined a global community of 138 companies from various industries and regions of the world that have committed to strengthening efforts to counter corruption and bribery through the PACI by signing a statement supporting the PACI Principles for Countering Bribery. Signing on to the PACI Principles is a natural extension of Merck's longstanding commitment to high ethical standards and transparent business practices. By working across industries and continents to promote ethical behavior, we believe this initiative can help limit

corruption, encourage fair and open competition, and lead to a better business environment.

### Ethical Operating Standards Handbook<sup>2</sup>

#### OVERVIEW

At Merck, our ethics and values are the foundation for each employee's conduct in pursuit of Merck's business objectives. Our ethics and values inspire trust and confidence on the part of patients, the medical community, government officials, regulatory agencies, financial markets, and our customers—all of whom are essential to our success.

It is critical that we—the Merck employees—understand how our actions in the United States can affect Merck's standing and reputation. Improper conduct by Merck employees can lead to Merck losing its ability to do business with federal and state governments, as well as jeopardize Merck's standing with commercial partners like other pharmaceutical companies, managed care entities, pharmacy benefit managers, and hospitals and physicians.

Even conduct that is limited to a commercial setting can have consequences on our ability to continue to participate in federal and state government healthcare programs.

Every Merck employee regardless of position, division, or region has an obligation to follow Merck's policies and procedures, as well as the U.S. federal and state laws and regulations that apply to Merck's business. To make sure we adhere to the laws and regulations that guide our industry, Merck has a robust compliance and training program. This program helps us understand and put into practice Merck's ethics and values and teaches us the process for reporting and investigating allegations of misconduct. Details about compliance training pertaining to field-based and Marketing-related activities in the United States are provided in the "Training and Testing" section of this handbook.

<sup>1</sup>Source: <http://www.merck.com/corporate-responsibility/business-ethics-transparency/ethics-open-trade/>

<sup>2</sup>Source: [http://www.merck.com/about/pdf/eos\\_handbook.pdf](http://www.merck.com/about/pdf/eos_handbook.pdf)

It is your responsibility to safeguard against violations and to take the appropriate action if you suspect that improper business conduct has occurred. Failure to report improper conduct that you are aware of is, in and of itself, a serious violation. Improper business conduct can have serious consequences for you, including disciplinary action up to and including termination, and even criminal and civil penalties. Details about this process are provided in the “Reporting Concerns and Allegations of Misconduct” section of this handbook.

To avoid improper business conduct, you must consistently practice the values and standards that have guided this Company for more than 100 years. Our values and standards are the foundation of our Company and all that we stand for. They are the basis of our success and the way we earn the trust of our customers every day.

### **Marketing-related Activities**

#### **FEDERAL AND STATE ANTI-KICKBACK LAWS**

The federal anti-kickback statute is an important law that impacts many of the activities that Field-based and Marketing-related employees who operate in the United States are involved in every day. This law prohibits offering, paying, soliciting, or receiving any remuneration to induce the purchase or order of any drug that may be paid for by a federal healthcare program. Remuneration is defined broadly to include payment made directly or indirectly, overtly or covertly, in cash or in kind. This law is enforced to prevent fraud, over-utilization, and excessive costs in Medicare, Medicaid, and other federal healthcare programs.

Activities that seek to improperly influence the decision making of a healthcare professional may violate this law. For example, entering into arrangements with physicians for services that are unnecessary, paying for services at above-market value, or offering an educational grant to a physician to switch to that company’s drugs are the types of arrangements that may violate this law. Certain arrangements with other stakeholders, such as payments to pharmacists or managed care organizations to market a product, can also violate the anti-kickback law. As a result, you must consider this statute carefully when entering into relationships with healthcare

professionals, hospitals, Pharmacy Benefit Managers (PBMs), and Group Purchasing Organizations (GPOs).

A violation of the anti-kickback statute can carry severe penalties. Civil monetary penalties may be imposed, as may criminal penalties of up to five years imprisonment for an individual and/or a USD \$25,000 fine. Any violation of the anti-kickback statute also leads to automatic exclusion from Medicare, Medicaid, and other federal healthcare programs.

In parallel with federal anti-kickback statutes, many states have adopted their own anti-kickback laws.

#### **FEDERAL BRIBERY, GRATUITY, AND CONFLICT OF INTEREST STATUTES**

The federal bribery statute prohibits offering a bribe or gratuity to a public official. Specifically, it is illegal to directly or indirectly give, offer, or promise anything of value to a public official to influence any official act, any act of fraud on the United States, or any action or omission that violates the lawful duty of that person.

Public officials can include any Member of Congress; any officer, employee, or person acting for or on behalf of the United States or any departments, agencies, or branches of the federal government; any former public official; or any person selected to be a public official. The penalty is a fine of up to three times the amount of the bribe and/or from two to 15 years of imprisonment.

The federal conflict of interest statute forbids giving, promising, or offering any compensation for representational services to any employee of any branch or agency of the federal government. This includes Members of Congress, Commissioners, Members and Commissioners Elect, and Federal Judges.

The statute relates to any matter in which the United States is a party or has a direct or substantial interest before any government office or agency. It does not include matters that are part of the government employee’s proper discharge of lawful duties.

The penalty for violating this statute is imprisonment of an individual for one to five years, and/or a fine of USD \$50,000 for each violation or the amount of the compensation offered, whichever is greater.

### **THE FOREIGN CORRUPT PRACTICES ACT (FCPA)**

The U.S. Foreign Corrupt Practices Act (FCPA), which is essentially an anti-bribery statute, applies to U.S.-based companies as well as subsidiaries and agents under their control, whether or not they are in the United States. The FCPA prohibits giving, offering, promising, or paying money or anything of value, directly or indirectly, to a foreign official for the purpose of obtaining or retaining business or obtaining an improper advantage. In addition, the FCPA prohibits payments to intermediaries or third parties if there is a reason to believe that all or any portion of the payment would be provided to a foreign official for such an inappropriate purpose.

The FCPA applies to Merck's overseas operations, to its foreign subsidiaries, and to any parties acting for or on behalf of Merck and its subsidiaries.

The term "foreign officials" under the FCPA includes, but is not limited to, the following:

- Direct employees of foreign governments performing government functions, such as product approvals, pricing, reimbursement, and government purchasing.
- Those engaged by foreign governments to provide advice involving a government function, such as experts, consultants, and members of advisory panels.
- Those employed by foreign government agencies, which includes government-owned or government-controlled businesses that perform a function that in other countries is performed privately, such as physicians and purchasing agents at state-owned hospitals.
- Officers of political parties, candidates for political office, and members of public international organizations, such as the United Nations, World Bank, and World Health Organization (WHO), as well as their staffs, business partners, close associates, and family members.

Merck requires that any payments made or benefits provided to foreign officials be subject to evaluation and fact-finding in accordance with approved standards. Those

standards require full and accurate documentation of the appropriateness of providing the payment, and pre-approval of the payment from the appropriate organizations and at the appropriate level of management.

A more complete description of the FCPA and related standards for interacting with foreign officials are set forth under Corporate Procedure 20, bearing the heading Merck Standards Governing Interactions with Government Officials. Any question regarding compliance with the FCPA or related standards may be referred to your manager, the Office of General Counsel, your Divisional Business Practices & Compliance (BP&C) department, or the Office of Ethics.

Individuals who violate the anti-bribery provisions of the FCPA are subject to civil fines of up to USD \$10,000 per offense, as well as criminal penalties of up to USD \$250,000 per offense and up to five years in prison. Corporations are subject to civil fines of up to USD \$10,000 per offense, and criminal penalties of up to USD \$2 million per offense. Penalties may also include fines based upon repayment of the benefit obtained or sought. Moreover, violations of the accounting provisions of the FCPA are subject to separate penalties.

### **Merck's Compliance Program**

#### **REPORTING CONCERNS AND ALLEGATIONS OF MISCONDUCT**

What do you do when you have been asked to engage in conduct that you believe might violate a federal or state law? Or a Merck corporate policy or the Code of Conduct? What do you do when you suspect a colleague is violating the law or Merck's policies?

The most important thing when you are unsure about the appropriateness of the conduct is that you turn for help. There are several places you can turn for assistance. The first option is to talk with your manager. If you do not feel comfortable with that course of action, the other resources that you should contact are:

- Office of Ethics
- Global Support/Business Practices & Compliance Departments (BP&C)

- Office of General Counsel
- Human Resources Department

To contact the Ethics Officer, you may use either the AdviceLine or the Ombudsman Program. Both resources are managed by the Office of Ethics.

#### **AdviceLine**

The AdviceLine is available to employees around the world 24 hours a day, seven days a week. The AdviceLine is staffed by an outside organization, and you can remain anonymous if you so choose. The operator will not give you direct advice; he or she will relay the information to the Merck Office of Ethics, and provide you with a case number and a call-back date. While questions and concerns raised to the AdviceLine will be forwarded to the Office of Ethics for review, no identifying information will be forwarded without the caller's consent.

#### **The Ombudsman Program**

The Ombudsman Program is staffed by employees of Merck's Office of Ethics. It promotes the positive and fair treatment of employees and provides an alternative channel for use by employees to address work-related concerns. These concerns can include conduct inconsistent with the Company's policies, practices, values, and standards. The program is designed to provide a "safe haven" where these issues can be addressed in confidence and without fear of retaliation. You may contact the Ombudsman by telephone, by e-mail, or in person. Employees may remain anonymous if they choose to do so.

#### **Reporting and Confidentiality**

Merck takes all reported concerns seriously, and when appropriate, will investigate to determine if there has been a violation. If you report an alleged violation, Merck will make every reasonable effort to keep your identity confidential while conducting a thorough and fair investigation as required under the law. If you wish, you may remain anonymous when making a report.

In situations where an investigation is appropriate, it is imperative that you refrain from discussing with colleagues or co-workers your contact with the Office of Ethics, Divisional Business Practices & Compliance Department, Office of General Counsel, or Human Resources Department. This discretion will help the Company maintain confidentiality of the investigation and your identity.

To learn more about the AdviceLine and the Ombudsman Program, please access the Office of Ethics Web site at: <http://ethics.merck.com>

#### **Non-Retaliation**

Reporting a concern is hard enough, without having to worry about internal consequences. If you need to report a concern, you can be assured that Merck stands by you. The Company will not tolerate retaliation against any employee for raising a business practices issue in good faith. "Good faith" means that you have made a genuine attempt to provide honest and accurate information even if you are later proven to be mistaken.

The fact that an employee has raised concerns in good faith, or has provided information in an investigation, cannot be a basis for denial of benefits, termination, demotion, suspension, threats, harassment, or discrimination. Similarly, if you are aware that a colleague has raised concerns, you are expected to treat that person in a courteous and respectful manner. Certainly, do not engage in behavior that might alienate or intimidate colleagues.

This protection extends to anyone giving information in relation to an investigation. If you or others have experienced an act of retaliation, report this behavior to your manager, the Office of Ethics, or your Divisional Business Practices & Compliance Department.

For more information, you can review Corporate Policy 57 at: <http://policy.merck.com/company/cpo57.html>

#### **CONSEQUENCES OF UNETHICAL OR ILLEGAL BEHAVIOR**

Violations of the laws and regulations discussed in this handbook and Merck policies not only can have a negative impact on Merck's reputation; they can result in criminal

and/or civil penalties to both the Company and the individual employee. Urging employees to report suspected misconduct is a necessary part of Merck's compliance activities. Stopping misconduct before it occurs and addressing misconduct as soon as possible gives Merck the opportunity to limit damage to the business community and its reputation. Early reporting also helps Merck work with law enforcement authorities to ensure that the responsible parties are held accountable.

In addition to criminal and civil penalties, failure to comply with Merck standards and to report suspected misconduct can have serious employment consequences, up to and including termination from employment at Merck.

Remember the Merck Decision Test for assessing whether conduct can lead to violation of laws, regulations, or Merck policies. The Decision Test asks every employee to consider:

- Is the action legal?
- Does it comply with the letter of our standards and policies?
- Does it comply with the spirit of our standards and policies?
- How would it look in the newspaper? Would it appear to be improper or make you feel embarrassed?

Once you answer these questions, if you are still unsure about what to do, contact your manager, the Ethics Office, the Divisional Compliance Officer, or the Office of General Counsel.

### **TRAINING AND TESTING**

The laws and regulations governing Merck business and Merck's policies and Guidance Documents are too important to rely on informal communications. Merck recognizes training is critical, and Merck employees in the United States who are involved in the sales and marketing of pharmaceutical products, as well as Merck employees with certain cross-functional responsibilities, will receive training and testing in the laws and regulations discussed in this handbook and other relevant

Merck policy documents, including the Code of Conduct and certain Merck corporate policies.

Thorough, engaging training programs will ensure employees are equipped with the knowledge to define, explain, and apply the rules regarding the regulated environment in which Merck operates.

### **Training Levels**

Merck employees in the United States must complete annual Web-based Awareness Training, the most fundamental level of training. Employees who take Awareness Training will be expected to review the training materials, acknowledge their understanding of the materials, and complete a certification test.

Awareness Training provides key information regarding Merck's Ethical Operating Standards. This includes the laws and regulations governing our industry, Merck's Compliance Program, the Guiding Principles governing our activities as well as Merck's obligations under the Corporate Integrity Agreement.

Knowledge Training provides a broad overview of how the Guiding Principles apply to specific field-based and Marketing-related activities. The training describes our marketing activities, associated risks, and high-level roles and expectations. Employees who engage in specific U.S. field-based or Marketing-related activities involving U.S. healthcare professionals, customers, or institutions are required to take Knowledge Training. It is not intended to provide details about the execution of particular activities. Those details are provided in the Mastery Training level.

Mastery Training is the most comprehensive level of training. Mastery Training is focused on implementation excellence and provides in-depth training on the processes, procedures, check-lists, and other requirements for executing specific activities. All employees who execute and direct activities must complete Mastery Training on the activity before they can direct or execute that activity. First-line managers of employees who direct or execute an activity must complete Mastery Training on the activity before they can provide oversight on the activity. The activity leader listed at the top of each Guidance Document will instruct you regarding your Mastery Training requirements for the activity.

### **Training Requirements**

All current employees described above must participate in annual Awareness, Knowledge, and Mastery Training, as appropriate. If you receive new responsibilities following the annual training cycle, you should receive all relevant training prior to assuming the new responsibilities. You and your supervisor are responsible for closely overseeing your training to ensure it is consistent with your new responsibilities.



## 333. Lafarge

Sustainability Report 2007<sup>1</sup>

### GOVERNANCE & PUBLIC POLICY

#### Lafarge Way

Lafarge's goal is to be the undisputed world leader in building materials, i.e. the best in our industry for all our stakeholders. We are committed to being the:

- preferred supplier for our customers,
- preferred employer for our employees,
- preferred partner for our local communities and
- preferred investment for our shareholders. Our common values are - courage, integrity, commitment, consideration for others and an overriding concern for the Group's interest.

We share clear processes and rules which allow everyone to understand how a decision is made and who is ultimately responsible.

Our Code of Business Conduct sets standards of behaviour for all Lafarge employees and officers and those individuals providing goods and services on behalf of the Group. A Group-wide dedicated phone number allows employees to report violations of the Code. We conducted a Group-wide corruption survey in late 2007. The survey covered analysis of risk, anticorruption training policies and actions taken in response to any incidents of corruption.

We will use the results to spread best practice and ensure effective delivery of our commitments. As a building materials company, we are much less exposed to corruption than companies that have clients in the public sector.

Knowledge and understanding of the Lafarge Way are essential for all our collaborators to operate positively. Its introduction was accompanied by widespread

training. Now the Lafarge Way is included in our Meet the Group management training for all new entrants, a three day course which includes Executive Committee member participation.

#### Opinion of our stakeholders on the 2007 Sustainability Report

##### Growth in emerging markets

As Lafarge expands its presence in rapidly-industrializing developing countries, it must not lose sight of its commitments on sometimes sensitive issues, such as upholding human rights, cultivating strong local stakeholder relations, and fighting corruption.

We welcome Lafarge's commitment to bringing all acquired plants worldwide in line with Group standards. An ongoing problem for this industry sector, and one where it can play an important leadership role, is in dealing with bribery and corruption. This issue continues to be a severe problem in the building and construction industry, with diverse players and many SMEs involved. This is where we give the strongest encouragement to Lafarge as an international leader in developing its leadership role, catalyzing action through industry associations and voluntary initiatives such as the UN Global Compact.

The commitment to supplier audits and reference to Global Compact principles in supplier contracts need to be taken seriously.

The Panel was heartened to see the question of Human Rights placed on the agenda of its last meeting. Next year's report should include an analysis of the consequences of the Orascom acquisition, in particular outlining clearly in which countries the ex-Orascom assets are located, and how Lafarge will ensure that Human Rights are respected at local level in these countries. In addition, the Group should support local managers in implementing the Code of Conduct. This could be done with the help of a third party monitoring and reviewing process.

<sup>1</sup>Source: [http://www.lafarge.com/05062008-publication-sustainability\\_report\\_2007-uk.pdf?xtmc=report&xtmr=1](http://www.lafarge.com/05062008-publication-sustainability_report_2007-uk.pdf?xtmc=report&xtmr=1)

## Code of Business Conduct<sup>1</sup>

### **COMPLIANCE WITH LAWS AND REGULATIONS**

#### **Compliance with laws on corruption**

It is prohibited for any person to offer, promise or give any undue pecuniary or other advantage, whether directly or through intermediaries, to a public and/or private official, in order to obtain a favourable treatment or to influence the outcome of a negotiation in which the Group is interested. Doing so is illegal in most countries and would be violating the international convention on combating bribery of foreign public officials in force in many countries. An employee or officer who commits bribery while on duty could be subject to criminal penalties and termination of her/his employment.

### **PREVENTING CONFLICTS OF INTEREST**

#### **Payments, gifts and benefits**

No gift, payment or other benefit should be received by an employee and an officer from a competitor, client or supplier of the Group. However, to receive gifts that are not excessive in value, do not constitute cash gifts, are consistent with customary business practices and do not violate any laws or regulations is permitted.

### **IMPLEMENTATION OF PROCEDURES AND VIOLATIONS**

#### **Alertness**

Employees should see that these rules are complied with both by themselves and other employees. A dedicated line is made available to employees for them to report observed violations of the Code. When the situation requires so, the identity of an employee who has reported a violation shall be kept confidential. No entity of the Group will be permitted to take retaliation measures against an employee who has reported a violation in good faith.

### **Violations of the Code**

The Code set forth rules which all employees and officers are required to follow, within the limits of their duties. More precise descriptions of certain principles set forth in this Code are contained in the policies, charters and other codes of conduct prepared by the Group or its entities on these topics. Employees and officers are encouraged to read these policies and are required to do so if they are affected by any of these topics in their duties. For any questions regarding the implementation of the rules of business conduction in specific situations, employees and officers are to contact their supervisor who will inform the Legal Department. In case the situation makes it difficult for an employee to contact her/his supervisor, the dedicated line should be used. Failure to comply with the rules set forth in the Code will be considered as misconduct and subject the employee or officer to legal action in accordance with applicable laws and regulations.

<sup>1</sup>Source: [http://www.lafarge.com/lafarge/PUBLICATION/20041028/102804-Publication\\_group-Code\\_of\\_business\\_conduct-uk.pdf](http://www.lafarge.com/lafarge/PUBLICATION/20041028/102804-Publication_group-Code_of_business_conduct-uk.pdf)

## 334. Deere

### Code of Ethics<sup>1</sup>

#### Conflicts of Interest

Deere & Company expects employees and directors to be conscientious and loyal in representing the Company and in using and conserving its resources. They should report any personal interests or obligations which could conflict with the conscientious performance of their duties or create any suspicion or perception that decisions they make for the Company might be improperly influenced by their personal interests.

Employees and directors are prohibited from (a) taking for themselves personally opportunities that are discovered through the use of Company property, information or position; (b) using Company property, information or position for personal gain; and (c) competing with the Company. Employees and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. They should not accept gifts or favors that could compromise their loyalty. In addition, except where credit is extended as part of the ordinary course of business of the Company, loans to, or guarantees of personal obligations of, employees, officers or directors are prohibited.

Employees should always report potential conflicts of interest to supervisors and through the Company's on-line conflict of interest reporting system. Each such conflict of interest will be reviewed and a determination made whether, for the Company's protection, the parties involved should be requested to take action, as appropriate to the circumstances. Employees should consult the Business Conduct Guidelines for additional information regarding handling conflicts of interest.

Directors should bring to the attention of and review with the Chair of the Corporate Governance Committee matters which they deem to constitute a conflict or the appearance of a conflict. If the Chair determines a conflict could exist, the Chair shall refer the matter to the full committee for consideration. If the committee determines a conflict exists, the matter shall be handled appropriately to eliminate the conflict, or shall be referred to the full Board to determine whether a waiver is appropriate. Potential conflict situations involving the Chair of the Corporate Governance Committee shall be reviewed by the Chair with the full committee.

#### Reporting Violations of the Code or Applicable Law

If employees become aware of actions in violation of this Code or applicable laws, rules and regulations, they should contact their immediate supervisor, their unit or department manager or, if they wish, the Chief Compliance Officer, the General Counsel, the Comptroller or the Director of Internal Auditing of Deere & Company; directors should contact one of the above-named officers or the Chair of the Corporate Governance Committee.

#### John Deere Compliance Hotline

To provide an alternative means for confidential reporting of possible unethical or improper actions, the Company has established the John Deere Compliance Hotline (the "Compliance Hotline"), which includes a toll-free (in the United States and Canada) telephone line, a post office box and an anonymous e-mail address:

- Telephone: 1-800-933-373  
Compliance Hotline Committee
- P.O. Box:  
Post Office Box 1192  
Moline, IL 61266-1192 USA

The toll-free telephone line is available 24 hours per day. Individuals who call the toll-free number or send information to the post office box or e-mail address have the right to remain anonymous. Calls to the toll-free number will not be traced, and will not be recorded (unless the caller elects to leave a recorded message after business hours).

Any form of retribution directed towards individuals who in good faith report transactions or activities under this policy will not be tolerated.

The toll-free telephone line, the post office box and the e-mail address are intended to supplement established reporting practices. Employee questions concerning compensation and job performance should be addressed through current Human Resources processes.

<sup>1</sup>Source: [http://www.deere.com/en\\_US/ir/corporategovernance/ethics.html](http://www.deere.com/en_US/ir/corporategovernance/ethics.html)

### **Accountability for Adherence to the Code**

Employees and directors will be held accountable for adherence to this Code. Employees who violate the Code will be subject to disciplinary action, including potential termination of employment, depending upon the particular circumstances involved. Information regarding possible infringement of the Code by directors will be referred to the Chair of the Corporate Governance Committee for handling as appropriate to the circumstances.

In addition to the Business Conduct Guidelines, other Company policies and procedures apply to employees of the Company. Employees are directed to consult the Business Conduct Guidelines for reference to these policies. This Code of Ethics is not intended to supersede or amend such policies and procedures.

## **BUSINESS CONDUCT GUIDELINES<sup>1</sup>**

### **Improper Payments**

The Company, and its affiliates, will compete in the global marketplace on the basis of price, quality and service and the Company and its employees will not act unethically or illegally in obtaining or retaining business or in carrying out activities on behalf of the Company.

- No payments will be made either directly or indirectly to anyone, including representatives of governments or private firms, in order to improperly influence the discretionary authority of such persons. This restriction includes any gifts to government employees or elected officials for any purpose as more fully described in Chapter 10.
- The U.S. Foreign Corrupt Practices Act (FCPA) imposes special obligations on the Company and its employees in dealings with foreign governments, their agencies or instrumentalities, or commercial enterprises in which they own an interest. Other regulations, notably, the Organization of Economic Cooperation

and Development's Convention of Combating Bribery and the U.N. Convention Against Corruption, prohibit improper payments to government or private officials. These legal requirements prohibit the Company from offering or giving anything of value to a foreign official or politician or political party, or authorizing any person to do so, for the purpose of influencing a discretionary act of any foreign official. Even the appearance of such conduct must be avoided. The Company will comply with these legal requirements, as well as other laws applicable in the countries where Deere does business.

The FCPA contains an exception from its prohibition on payments to government officials. This exception may permit making minor payments to local officials when required as a condition of their taking routine action to which the party is legally and properly entitled (so-called "facilitating payments"). The Company's policy is that facilitating payments by Company employees are not permitted. An exception to this policy is when the immediate health or safety of an employee or the employee's family is at stake (for example, when an employee is in a country suddenly subject to political unrest, and exit papers to which the employee is entitled are denied or delayed absent a facilitating payment). Any other exception to this policy (including health and safety matters that are not urgent) must be pre-approved by the senior-most manager in the employee's local unit and by the Company attorney responsible for FCPA matters.

If a facilitating payment is authorized under one of the circumstances above, the payment must be for the minimum amount necessary and must be accurately documented and recorded through appropriate expense reporting procedures.

- If a question arises regarding a particular situation or any of these provisions, the Law Department should be contacted for guidance.
- Employees whose jobs include regular or extensive international business or travel, or who have overseas assignments, are required to understand regulations regarding improper payments. Such employees are expected to undergo Company training on these laws and regulations and are expected to maintain their

<sup>1</sup>Source: [http://www.deere.com/en\\_US/ir/media/pdf/corporategovernance/English\\_Guidelines.pdf](http://www.deere.com/en_US/ir/media/pdf/corporategovernance/English_Guidelines.pdf)

knowledge through periodic retraining. Such employees should contact their managers or the Law Department if they have not received this training or if they have questions regarding whether training is required.

- In some circumstances, courtesy may call for the giving or exchange of non-cash gifts of modest value. This policy does not prohibit such gifts or appropriate business entertainment; however, employees should consult Chapter 5 – Conflicts of Interest for guidance on gifts and appropriate hospitality. Employees performing a supply management function should consult Chapter 8 – Relationships with Suppliers for guidance in this area.

#### **Conflicts of Interest - Gifts**

Company policy permits the acceptance of gifts only under the strictest of conditions by an employee or member of the employee's immediate family. This includes gifts from any organization doing business or contemplating doing business with the Company, or from representatives of such an organization. An employee should never become involved in any situation which might place him or her under obligation to any organization with which the Company does business or is contemplating doing business. In doing so, the employee may be influenced to reach decisions not in the best interest of the Company.

For these reasons, every effort should be made to discourage the practice of gift giving.

It is difficult to predict every gift situation that may arise. It is important that the unique facts of particular conflict situations be discussed by an affected employee and the employee's manager to determine an appropriate outcome. These discussions, together with good judgment and use of the on-line reporting system, ensure that employees' decisions reflect the best interests of the Company.

The following guidelines apply:

#### **a) Working with Suppliers:**

Employees working with suppliers are not permitted to accept gifts from current or potential suppliers.

- This includes gifts of nominal value.
- Employees working with suppliers should proactively discourage gift giving by providing suppliers with the John Deere Supplier Code of Conduct which contains information on the prohibition of gifts.
- Although gift giving is acceptable in some cultures, suppliers are requested to respect John Deere's policy of not accepting gifts.
- If a supplier does present an employee with a gift and it is impractical or offensive to refuse such a gift, the employee's manager should be consulted, a proper disposition of the gift agreed upon, and reporting completed as outlined below.

#### **b) Other Situations:**

- Even when employees are not working with suppliers, gift giving should be discouraged. In the majority of situations where gifts are received, they should be politely refused or returned to the sender with a letter of explanation. For example, an employee may be offered a gift for speaking at an association conference and should politely refuse the gift.
- Only when it would be impractical or offensive, for cultural reasons or otherwise, to refuse such a gift, employees may accept gifts of nominal value. Nominal value is equal to \$50 or less in aggregate value per source per year. Examples are promotional or similar materials such as calendars or other mementos. When gifts are accepted under this limited exception, the employee and his or her manager should agree upon the proper disposition of the gift (e.g., the gift may be donated to charity), advise the sender of the disposition and report as outlined below.

### **Gift Reporting**

#### **a) Gifts from Suppliers:**

- Gifts received from current or potential suppliers, including information and disposition, must be reported if the gift value is more than \$50.

#### **b) Gifts from Other Situations**

- Other Gifts Valued at \$50 or Less: Information regarding gifts from other parties must be reported if the gift is anything other than advertising or promotional materials of a nominal value, such as calendars or promotional pens.
- Other Gifts Valued at More than \$50: In all cases where non-suppliers present gifts valued at over \$50, information regarding the gift and the disposition must be reported.

If questions exist concerning the appropriate handling of gifts, employees should consult with their manager. All instances requiring reporting must be reported to the employee's manager and via the on-line reporting system.

#### **Conflicts of Interest –Entertainment**

Acceptance of entertainment by an employee or immediate family member is generally prohibited. Such entertainment can create feelings of obligation. If the event is required to strengthen a business relationship, management approval is required and the event must be reported in the on-line reporting system.

### **Our Commitments**

#### **John Deere Non-Compliance Reporting**

Unethical or improper actions should be reported to company management. To provide an alternative means for confidential reporting, the Company has established a toll-free telephone system for the “John Deere Compliance Hotline,” a post office box and an anonymous Web site:

The “John Deere Compliance Hotline” is available 24 hours per day. Individuals who call the toll-free number or send information to the post office box or Web site have the right to remain anonymous. Calls to the “John Deere Compliance Hotline” will not be traced and will not be recorded. The telephone

“John Deere Compliance Hotline,” the post office box and the anonymous Web site are intended to supplement established reporting practices. Employees should address questions concerning compensation and job performance through current Human Resources processes.

#### **Non-Retaliation**

Any form of retribution directed towards individuals, who in good faith report transactions or activities under these Guidelines, will not be tolerated.

## 335. Oil & Natural Gas

Code Of Conduct<sup>1</sup>

### **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

#### **GIFTS AND DONATIONS**

The Directors and the Senior Management shall neither receive nor offer or make, directly or indirectly, any gifts, donations or comparable benefits which are intended to or perceived to obtain undue favours in the transactions detrimental to the interest of the Company, except for nominal value, which are customarily given and are of commemorative nature for special events and should never be of a kind that could create an appearance of impropriety.

#### **CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE**

In case of breach of this Code by the Directors, the same shall be dealt with by the Board of Directors for initiating appropriate action, as deemed necessary.

<sup>1</sup>Source: [http://www.ongcindia.com/investor\\_centre/code\\_of\\_conduct.pdf](http://www.ongcindia.com/investor_centre/code_of_conduct.pdf)

## 336. Bank of Nova Scotia

2007 Corporate Social Responsibility Report<sup>1</sup>

### a responsibility to meet customer needs

#### Anti-money laundering and anti-terrorist financing efforts

Scotiabank is committed to adhering to the highest level of safeguards against money laundering and terrorist financing to maintain a secure financial system that benefits the Bank, our customers and all Canadians.

- We operate a Global Anti-Money Laundering Compliance Unit within our Group Compliance department, under the direction of the Chief Anti-Money Laundering Officer. This team oversees the design, implementation and maintenance of the Bank's Anti-Money Laundering/Anti-Terrorist Financing Program throughout the Bank and our subsidiaries.
- In 2007, Scotiabank continued to enhance its systems that assist in detecting and reporting suspicious activity to the Financial Transactions and Reports Analysis Centre of Canada.
  - Our automated monitoring system allows the Bank to methodically assess selected portfolios and customer transactions for money laundering or terrorist financing activity; and
  - Our automated customer risk management system scans domestic and select international operations for matches against various national and international sanction lists and Politically Exposed Persons databases. We also identify individuals and entities subject to government sanctions, including the United Nations and Canada Criminal Code.

### a responsibility to act with integrity

#### Guidelines for Business Conduct and supporting policies

The Scotiabank Guidelines for Business Conduct are an important part of our commitment to integrity and ethical business practices, and are supported by various supplemental policies and procedures.

The guidelines are built around five key principles:

- Follow the law wherever the Bank does business.
- Avoid putting yourself or the Bank in a conflict of interest.
- Conduct yourself honestly and with integrity.
- Keep Bank transactions, communications and information accurate, confidential and secure, and Bank assets safe.
- Treat everyone fairly and equitably – whether customers, suppliers, employees or others who deal with the Bank.

The guidelines include a supplemental Financial Reporting Whistleblower Policy and Procedures. This policy empowers every Scotiabank Group director, officer and employee to report auditing or accounting concerns or suspected fraudulent activity. The policy also protects them from retaliation for all such reports made in good faith.

Reports can be made through the existing Chain of Communication process, or directly to the Bank's Chief Auditor. Alternatively, reports can be submitted through a confidential, anonymous hotline or website, both of which are accessible 24 hours a day, seven days a week. Reports made through the hotline are submitted to the Chair of the Audit and Conduct Review Committee of the Board of Directors, or to the Bank's Chief Auditor (depending on the nature of the concern), for independent review, investigation and disposition.

<sup>1</sup>Source: <http://www.scotiabank.com/images/en/filesaboutscotia/17460.pdf>



Scotiabank promotes awareness of the guidelines through a variety of other mechanisms, including training programs on a variety of business conduct issues. Copies of the Guidelines for Business Conduct and supplemental guidelines are available at [www.scotiabank.com](http://www.scotiabank.com).

## Guidelines for Business Conduct<sup>1</sup>

### Introduction

#### Consequences of Failing to Comply with the Guidelines

Unethical or illegal conduct puts Scotiabank, and in some cases its customers, shareholders, employees and other stakeholders, at risk. For example:

- Scotiabank and/or an employee could be subject to criminal or regulatory sanction, loss of license, lawsuits or fines.
- Negative publicity from a breach could affect our customers' or potential customers' confidence in Scotiabank, and their willingness to do business with us.

Adherence to the Guidelines is therefore a condition of employment at Scotiabank. Any breach will be treated as a serious matter, and may result in discipline up to and including termination.

Scotiabank may be required to report certain types of breaches to law enforcement or regulatory authorities. A breach may result in you being subject to criminal or civil penalties.

### Conduct Yourself Honestly and with Integrity

#### Bribes, Payoffs and Corrupt Practices

Scotiabank prohibits taking or offering bribes, kickbacks, extraordinary commissions or any other kind of payment or benefit to or from suppliers, customers, public officials or others in exchange for favorable treatment or consideration.

Dealers, lawyers, consultants, brokers, other professionals and suppliers should be selected on the basis of qualifications, product or service quality, price and benefit to Scotiabank. Refer any offers or suggested payoffs to your manager for investigation.

For additional guidance on Scotiabank's policies with respect to the prevention of bribery and corruption, refer to the Scotiabank Anti-Corruption Policy and Guidance.

#### Improper Transaction Prevention

##### Detecting and Reporting Suspicious or Improper Transactions

Employees should familiarize themselves with the policies, procedures and processes related to anti-money laundering and anti-terrorist financing. Be alert to any illegal, suspicious or unusual activity, including fraud, money laundering and terrorist financing. Promptly report any unusual account activity to your manager or, in the case of suspected money laundering or terrorist financing, your designated Anti-Money Laundering Compliance Officer. If you fail to report a transaction that there are reasonable grounds to suspect is associated with money laundering or terrorist financing, you may be committing a criminal offence. It is also a breach of the Guidelines, and an offense in many jurisdictions, to warn a customer that a report has been made about them or their activities.

#### Ethical Business Practices

##### Offering and Accepting Gifts and Entertainment

Customers and business associates often try to show their appreciation by providing

<sup>1</sup>Source: <http://www.scotiabank.com/images/en/filespersonal/18492.pdf>

gifts and entertainment to Scotiabank employees. Accepting gifts can be problematic because it may lead others to believe that your decisions have been improperly influenced. In extreme cases, such as a lavish gift, acceptance could be construed as taking a bribe.

In general, the giving and accepting of gifts and entertainment are appropriate in the following circumstances:

- the gift would not affect the recipient's objectivity;
- there is no suggestion that the donor is trying to obligate or improperly influence the recipient;
- offering or accepting is "normal business practice" for the purposes of courtesy and good business relations;
- offering or accepting is legal and consistent with generally understood ethical standards;
- neither you nor Scotiabank would be embarrassed if the public became aware of the circumstances of the gift or entertainment;
- it is not a gift or prize of cash, bonds, negotiable securities, personal loans, or other valuable items (e.g., airline tickets for your personal use, the use of a vacation property, etc.).

Remember the following when considering whether to accept a gift or entertainment:

- You may not use your position for improper personal gain. Tactfully discourage customers, brokers, suppliers or others in business with Scotiabank, if they suggest offering benefits to you or your family.
- Where it would be extraordinarily impolite or otherwise inappropriate to refuse a gift of obvious value, you may accept it on behalf of Scotiabank. In these cases, immediately report the gift to your manager who will advise you how to deal with it. Such gifts may not be taken for your personal use or enjoyment.

Remember the following when considering whether to offer a gift or entertainment:

- Be especially careful when offering gifts or entertainment to government officials and public office holders. Some countries have strict laws regarding offering anything of value to these individuals.
- Always comply with the Scotiabank Policy on Offering Gifts and Entertainment.

### **Getting Help or Reporting**

#### **Protection from Retaliation**

Scotiabank will protect from retaliation any director, officer or employee who, in good faith, reports actual or perceived breaches by another employee, supplier or contractor, or problems with Scotiabank's policies, procedures or controls. Retaliatory action of any kind against a director, officer or employee who makes a report in good faith is grounds for termination with cause and may be subject to civil penalties.

Scotiabank further protects employees by providing a number of anonymous and confidential mechanisms for the disclosure of wrongdoing or irregularities (see below).

#### **How to Report**

##### **a. The Chain of Communication**

You should report any breach of the Guidelines to your manager or any manager as set out in the Chain of Communication. Consult a more senior officer if you do not receive what you consider to be a reasonable response from the first person. Employees can also report harassment or other workplace issues to Employee Relations through their local Human Resources Call Centre, or to their local Human Resources department.

Breaches or suspected breaches of the Guidelines will be dealt with promptly and fairly. However, if you do not feel your complaint or concern has been appropriately

resolved, you should write, without fear of reprisal, to the President and Chief Executive Officer of the Bank or your subsidiary, or other senior officer as appropriate.

b. Alternative, Confidential Avenues

It may not always be appropriate or adequate to report breaches or concerns through the Chain of Communication. (For example, you may be concerned about the possibility of reprisal by persons involved in a breach of the Guidelines.) Scotiabank has therefore created alternative, confidential avenues to disclose breaches, problems and irregularities:

- The Financial Reporting Whistleblower Policy and Procedures, which is a supplement to these Guidelines, outlines the process for reporting accounting and auditing concerns, suspected fraudulent activity and whistleblowing retaliation and retribution. It includes information on how to report anonymously.
- The Staff Ombuds Office is also available to provide confidential advice or assist you in identifying an appropriate way to report your concerns. (For information on how to contact the Staff Ombuds Office, consult the Key Sources of Guidance and Advice addendum.)

## 337. Apple

Business Conduct – The way we do business worldwide<sup>1</sup>

### Your Responsibilities

Apple's business conduct policy and principles apply to employees, independent contractors, consultants, and others who do business with Apple. All such individuals are expected to comply with Apple's business conduct policy and principles and with all applicable legal requirements. Apple retains the right to discipline (up to and including termination of employment) or end working relationships with those who do not comply.

### Customer and Business Relationships

#### Giving and Receiving Business Gifts

Employees may not give or receive gifts or entertainment to or from current or potential vendors, suppliers, customers, or other business associates unless all of the following conditions are met:

- Nominal value. The value of the gift is less than US\$150. Exceptions must be approved by your Vice President (for Vice President-level employees, exceptions must be approved by your manager).
- Customary. The item is a customary business gift and would not embarrass Apple if publicly disclosed.
- No favored treatment. The purpose of the gift is not to obtain special or favored treatment.
- Legal. Giving or accepting the gift is legal in the location and under the circumstances where given.
- Recipient is not a government official. Never provide a gift, including meals, entertainment, and other items of value, to a U.S. or foreign government official

without checking with Government Affairs in advance. See page 7 for more information on gifts to government officials.

This policy does not preclude Apple as an organization from receiving and evaluating complimentary products or services. It is not intended to preclude Apple from giving equipment to a company or organization, provided the gift is openly given, consistent with legal requirements, and in Apple's business interests. The policy also does not preclude the attendance of Apple employees at business-related social functions, if attendance is approved by management and does not create a conflict of interest.

#### Kickbacks

Kickbacks are payments or items of value given to individuals in connection with the purchase or sale of products or services, typically for providing a discount in a sales agreement. Employees are prohibited from giving or receiving kickbacks.

What is an example of a kickback?

Apple provides discounts to certain customers. However, if a customer gets an inappropriate discount, and a sales representative gets a payment in return, this is a kickback.

### Governments and Communities

#### Governments as Customers

Governments are unique customers for Apple. Governments often place special bidding, pricing, disclosure, and certification requirements on firms with which they do business. Discuss these requirements with the appropriate Apple attorney before bidding for government business. For example, Apple may have to certify that it is supplying the government with the lowest price charged to Apple's commercial customers. Apple may also have to certify that its prices have been arrived at independently—that is, without collaboration with a third party.

Gifts—even small items such as a meal or T-shirt—may be prohibited when dealing

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/10/107357/corpGov/AAPL\\_BCPolicy\\_0108.pdf](http://media.corporate-ir.net/media_files/irol/10/107357/corpGov/AAPL_BCPolicy_0108.pdf)

with government officials. In addition, there may be special reporting requirements related to gifts. (See the sections that follow for more information on gifts.)

### **Gifts to U.S. Officials**

It may be illegal to give a gift, even an inexpensive meal or a T-shirt, to a government employee. The rules vary depending on the location of the employee (for example, rules may vary by state, school district, and city) and the position held by the employee (for example, there may be different rules for various elected and nonelected officials). If you work with government officials, check with Government Affairs to determine whether gifting is permitted and the legal limitations on gifts.

To prevent violations, review planned gifts to government officials with Government Affairs in advance of giving a gift.

What is considered a gift to a U.S. or foreign official?

In most cases, anything of value that is given is considered a gift. This includes items such as meals, golf, entertainment, and product samples. Cash is never an acceptable gift. Typically, giving cash is viewed as a bribe or kickback and is against Apple policy.

### **Gifts to Non-U.S. Officials**

In many countries it is considered common courtesy to provide token gifts on certain occasions to government officials to help build relationships. Check local requirements and review any such gifts exceeding US\$25 in advance with the Legal Department.

Offering or giving anything of value to a foreign official for the purpose of obtaining or retaining business or to secure any improper advantage is illegal. There is a very limited exception for "facilitating payments" to foreign officials to expedite performance of routine activities such as obtaining permits or licenses; processing visas and work permits; or providing police, mail, or inspection services. All facilitating payments must be preauthorized by the Legal Department and properly recorded and accounted for. Check with your manager or finance representative to determine the appropriate manner of reporting them.

## **Responsibilities to Apple**

### **Money Laundering**

Money laundering is the process by which individuals or organizations try to conceal illicit funds or make these funds look legitimate. If you are in a position to deal directly with customers or vendors, the following examples may be indications of potential money laundering:

- Attempts to make large payments in cash
- Payments by someone who is not a party to the contract
- Requests to pay more than provided for in the contract
- Payments made in currencies other than those specified in the contract
- Payments from an unusual, nonbusiness account

## **Taking Action**

### **Your Obligation to Take Action**

Always apply Apple's principles of business conduct, follow Apple policies, and comply with laws and regulations. When you are unsure, take the initiative to investigate the right course of action. Check with your manager, Human Resources, Legal, Internal Audit, or Finance, or review our policies on AppleWeb. If you would like to talk with someone outside your immediate area, consider contacting the Business Conduct Helpline.

If you have knowledge of possible violations of Apple's business conduct principles, policies, or legal and regulatory requirements, you must notify your manager, Human Resources, Legal, Internal Audit, Finance, or the Business Conduct Helpline.

### **Business Conduct Helpline**

The Business Conduct Helpline is available to all employees worldwide and is active 24/7. It helps to answer your questions on business conduct issues, policies, regulations, and compliance with legal requirements and Apple's business conduct policy. It also allows you to advise Apple of situations that may require investigation or management attention.

The Business Conduct Helpline is committed to keeping your issues and identity confidential. If you would be more comfortable doing so, you may contact the Helpline anonymously. Your information will be shared only with those who have a need to know, such as those involved in answering your questions or investigating and correcting issues you raise. Note that if your information involves accounting, finance, or auditing, the law requires that necessary information be shared with the Audit and Finance Committee of Apple's Board of Directors.

In France, due to legal restrictions, anonymous use of the Business Conduct Helpline is discouraged and the Helpline may be used only to report accounting, finance, and auditing issues.

When you use the Business Conduct Helpline to report an issue, you are protected from any form of retaliation. Retaliation will not be tolerated.

The Business Conduct Helpline is available on AppleWeb.

## 338. Alstom

Our Code of Ethics<sup>1</sup>

### OUR THREE FUNDAMENTAL RULES

#### Rules regarding bribery and corruption

Alstom's policy is to avoid all unlawful payments and practices. In particular, Alstom is committed to the elimination of bribery and corruption in business transactions.

Alstom companies and employees shall conform to all relevant laws of the countries in which they operate. No Alstom company or employee shall, directly or indirectly, offer or provide an undue pecuniary or other advantage to or for a public official, political party or customer employee or agent, or employee or agent of a lending agency or bank, in violation of the official's or employee's legal duties or in violation of applicable law, in order to obtain or retain business.

### THE OTHER RULES OF OUR CODE OF ETHICS

#### Conflict of Interests

Employees shall not accept, or allow a family member to accept payments, gifts, loans, entertainment or preferential treatment from anyone doing business with Alstom. However, an employee may accept occasional business meals that can be reciprocated or occasional gifts, other than money, of purely nominal value.

The test for a possible conflict is simple: might accepting the gift or service influence the employee's judgement or action? Will the person offering it think the employee has been compromised? If the answer to either of these questions is "yes", the employee should refuse it gracefully, advising the giver of Alstom's policies prohibiting acceptance.

Should protocol, courtesy or other circumstances suggest acceptance or offering of a gift or service of more than a nominal amount, the employee must report the circumstances to his immediate manager.

### THE ROLE OF EMPLOYEES AND THE ALERT PROCEDURE

Any employee who has reason to believe that a law, regulation or code of ethics rule is being violated, can, according to the rules applicable in the country where he lives or works, inform his direct manager as soon as possible.

The employee can equally use the Group's Alert Procedure, also respecting the laws and rules applicable in the country where he lives or works, if he has reason to believe that corruption, competition, securities or accounting laws or rules are not being respected.

The Alert Procedure should only be used when the employee has reason to believe that first informing his hierarchy would cause difficulties or has reason to believe that the proper follow-up may not be given as result of reporting the alleged irregularity.

In this case, the employee can contact the Group General Counsel or the SVP of the Ethics & Compliance Department, who will deal jointly with the subject by using Group competencies, including Internal Audit.

All measures will be taken to respect employees' wishes for confidentiality. Alstom will honour its commitment that no employee will suffer a change of status, harassment or any other form of discrimination as result of using the alert procedure or disclosing information in good faith.

### CONSEQUENCES OF VIOLATIONS OF CORPORATE POLICIES

Each employee is responsible for ensuring that his conduct and the conduct of a direct report of the employee fully complies with this Code of Ethics and all applicable Corporate Instructions. Violations of certain instructions may have severe and/or lasting negative impact on Alstom's image, commercial relations and financial situation. Where circumstances warrant, Alstom may seek civil or criminal prosecution and dismissal of the employee(s) involved.

<sup>1</sup>Source: [http://www.alstom.com/home/about\\_us/code\\_of\\_ethics/\\_files/file\\_43585\\_51500.pdf](http://www.alstom.com/home/about_us/code_of_ethics/_files/file_43585_51500.pdf)

## 339. Iberdrola

Sustainability Report 2007<sup>1</sup>

### The value of people: social information

#### Hiring and human rights

In recent fiscal years, some affiliated companies, both in Spain and in Latin America, have held courses on corruption-prevention procedures, which were attended by employees of all levels. In any event, the Code of Conduct clearly defines how the employees are to act so as not to violate any regulations.

#### ANTI-CORRUPTION POLICY AND PRACTICES

In defense of an ethically responsible corporate action, IBERDROLA opposes corrupt practices in any of their forms.

From the external point of view, employees of the Group must comply with the Codes of Conduct and the approved business policies, which establish that these practices must not be used as a way to obtain personal benefits or advantageous treatment for the Company.

In addition, IBERDROLA's risk management system considers bribery and corruption to be potential business risks.

In 2007, none of the Group's companies contributed to the financing of political parties or subordinate organizations. In the United Kingdom, ScottishPower spent some 10,000 euros on activities associated with party conferences.

This is not assistance, but rather it allows the Company to express its views.

From the internal viewpoint, IBERDROLA has stringent procedures against corruption. In the General Administration, it has established procedures aimed at eradicating fraud, among other things. In the Procurement area, bidding and award procedures are designed to avoid irresponsible conduct. IBERDROLA Inmobiliaria has a specific risk regarding money laundering and the prevention and blockage of terrorism financing and has developed an internal set of procedures to monitor it and a control body to ensure that the procedures are followed.

At ScottishPower, over 3,500 employees have received training on this subject, and 20 employees of Iberdrola Inmobiliaria have received training on Prevention of Money Laundering.

In Brazil, four persons have been fired for incidents associated with corruption. Of these, three have appealed to the courts, which in the first instance ruled favorably for the Company.

In Procurement, no contracts have been cancelled for actions of this nature.

#### CODE OF PROFESSIONAL CONDUCT<sup>2</sup>

#### THE IBERDROLA GROUP ENVIRONMENT

##### Society – Anticorruption policy

The Iberdrola Group expresses its firm commitment not to adopt practices that might be considered corrupt in its relations with customers, providers, suppliers, competitors, authorities, etc., including those relating to money laundering. To such end, professionals will receive appropriate training on applicable legislation in the countries where the Iberdrola Group operates.

#### THE IBERDROLA GROUP'S PROFESSIONALS

##### Gifts and presents

Iberdrola Group professionals may not give or accept gifts or presents in the performance of their professional activities. As an exception, the delivery and acceptance of gifts or presents shall be allowed if a) they are of insignificant economic value, b) they correspond to customary business gifts and tokens, and c) they are not forbidden by law or by generally accepted business practices.

<sup>1</sup>Source: <http://www.iberdrola.es/webibd/gc/prod/en/doc/InformeSostenibilidad2007.pdf>

<sup>2</sup>Source: <http://www.iberdrola.es/webibd/gc/prod/en/doc/codigoiberdrola.pdf>



Iberdrola Group professionals may not give or receive any type of bribe or commission from, or made by, any other party involved, such as government officials or personnel of other companies or political parties, customers, providers, suppliers or shareholders. Acts of bribery, which are expressly prohibited, include the offer or promise, whether direct or indirect, of any kind of improper advantage, any instrument designed to conceal them, and influence-peddling. Money may not be received from customers or suppliers on a personal level, not even as a loan or advance (except for those granted by financial institutions in the ordinary course of business).

Iberdrola Group professionals may not accept hospitality which influences, might influence, or might be construed as influencing decisions. In the event of any doubt as to what is acceptable, the offer must be turned down or, if appropriate, first discussed with the professional's immediate superior.

#### **THE DISCIPLINARY SYSTEM OF THE CODE OF PROFESSIONAL CONDUCT**

1. The Iberdrola Group shall develop the measures needed for the effective application of the Code of Professional Conduct.
2. Nobody, regardless of rank or position, is authorized to request that a professional commit an unlawful act or breach of the provisions of this Code of Professional Conduct. No professional may justify improper or unlawful conduct or conduct that contravenes the provisions of the Code of Professional Conduct in reliance on an order from a superior.
3. If there are reasonable indications of the commission of any irregularity or of an act which is unlawful or which breaches the rules of the Code of Professional Conduct, such information must be reported to an immediate superior or, if circumstances so require, in writing to the Corporate Resources Division. The immediate superior of the person communicating such information shall in turn notify the Corporate Resources Division thereof in writing.

In case of potentially significant irregularities in financial and accounting matters, the professionals of the companies of the Iberdrola Group may report directly to Iberdrola's Audit and Compliance Committee through the procedure established for these purposes in order to report such irregularities on a confidential basis.

In addition, the Corporate Resources Division may establish procedures to allow for and ensure the confidential treatment of communications regarding the commission of irregularities or acts contrary to law or inconsistent with the rules of action spelled out in the Code of Professional Conduct, when circumstances make it advisable.

4. The identity of the person reporting an irregular action shall be deemed to be confidential information. The Iberdrola Group undertakes to take no direct or indirect reprisals against the professionals reporting an irregular action.
5. If the Corporate Resources Division determines that an Iberdrola Group professional has engaged in activities which breach the provisions of law or the Code of Professional Conduct, disciplinary measures shall be applied in accordance with the offenses and penalties system set forth in the Collective Bargaining Agreement of the Company where such professional is employed or in applicable labor legislation. Such measures shall be reported to Iberdrola's Regulatory Compliance Unit.

## 340. Alliance Boots

### Code of Conduct and Business Ethics<sup>1</sup>

#### Our key relationships and partners

##### Suppliers

Group businesses deal with a wide range of suppliers of goods and services. They include professional advisers and consultants. All suppliers are an important resource and should be treated with fairness at all times.

Alliance Boots will comply with the laws of all the countries where we do business.

Alliance Boots is committed to ensuring compliance with the principles of the United Nations Universal Declaration of Human Rights and, specifically, Alliance Boots supports and respects international human rights within the Group's sphere of influence. We are committed to ensuring that Alliance Boots is not complicit in human rights abuses.

It is Alliance Boots intention to source from suppliers who can satisfy our standards with regards to labour and welfare conditions, health and safety and environmental management or who have given a commitment to achieve these standards within an agreed time-frame.

Procurement decisions are made on the basis of ethical standards, quality, service, price, delivery, best value and other similar factors.

We will observe high ethical standards in all our dealings with suppliers. Any corrupt, improper or unethical behaviour in dealings with suppliers is prohibited.

##### Public and government officials & employees

Many laws impose strict rules governing business relationships, contract negotiations and contract terms with government agencies and their officials. All employees engaged in business with a governmental body, agency or official must know and abide by those rules, violations of which may result in harsh penalties for Alliance Boots, and even criminal prosecution.

Employees must also conduct themselves in a manner that avoids any dealings that might be perceived as attempts to influence public officials in the performance of their official duties. Accordingly, unless allowed under applicable local law, employees must not give or receive gifts or pay for meals, refreshments, travel or lodging for government employees or officials.

Many laws restrict companies that do business with the government from hiring as an employee or retaining as a consultant a present or former government employee other than secretarial, clerical, or other similar grade employees. These restrictions also cover informal arrangements for prospective employment under certain circumstances.

Employees must therefore obtain written clearance from the Company Secretary of Alliance Boots before discussing proposed employment or retention with any current or any former government employee who left government employment within the past two years.

##### Facilitation payments

Facilitation payments, sometimes called 'speed' or 'grease' payments, are generally defined as small payments made to secure or expedite the performance by a low-level official of a routine or necessary action to which the person making the payment has legal or other entitlement. Business Units, their employees and agents are prohibited from making facilitation payments (directly or indirectly) where this would be in breach of any applicable law.

In countries where such payments are not prohibited by law, they are in any event not encouraged and all Business Units must strive to eliminate them.

##### Bribery and corruption

Corruption can cause distortion in markets and harms economic, social and political development, particularly in developing countries.

Bribery is a common form of corruption. and includes any gift, payment or other benefit to which the recipient is not legally entitled and which is offered in order to secure an improper business or other advantage.

<sup>1</sup>Source: <http://www.allianceboots.com/medialibrary/boots/Corporate%20Governance/Item%209f%20Code%20of%20Conduct.pdf>

Bribery is illegal, and any Alliance Boots employee who elicits, participates in or condones a bribe, kickback, or other unlawful payment or attempts to participate in any such activity, will be subject to strict disciplinary action, including dismissal. Alliance Boots also reserves the right to refer such matters to public authorities for possible criminal prosecution.

Business Units must ensure employees do not, directly or indirectly, give or receive any gift, payment or other benefit to any person for the purposes of securing or providing any improper business or other advantage.

### **Money Laundering**

Money laundering is the process of concealing the identity of illegally obtained money so that it can be transformed from “dirty” money into “respectable” money or other assets.

Alliance Boots will not engage in any transaction which they know or suspect involves the proceeds of criminal activity.

All Business Units will pursue practices directed towards ensuring that their activities do not inadvertently contravene relevant money laundering legislation.

Most jurisdictions impose laws making it a criminal offence to engage in money laundering activity by entering into transactions involving assets which are known to be derived from criminal activity.

All Business Units are required to take steps to minimise the risk of inadvertent participation in transactions involving the proceeds of criminal activity and should be alert to circumstances which ought to give rise to a suspicion of money laundering activity.

Business Units must also put in place processes for the early detection of any dishonest involvement in money laundering activity by employees.

### **Our core principles and business ethics**

#### **Acceptance of entertainment, hospitality and gifts**

Business related entertainment and hospitality such as occasional invitations to lunch, dinner, theatre, a sporting or cultural event, and the like, is generally appropriate if it is of a reasonable nature and is in the course of a meeting or another occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations.

No hospitality or entertainment should be provided or accepted, and no gift should be given or accepted, in circumstances where it may have, or could be seen as having, a material effect on any business transaction which has been, or may be, entered into by or on behalf of the Group, without prior written approval of the Company Secretary of Alliance Boots

The offering or giving of gifts should be avoided and employees are also not encouraged to receive business gifts.

The receipt of gifts of more than nominal value, or entertainment that is more than routine and social, can appear an attempt to influence the recipient. It may be interpreted as an inducement to grant a favour in return and may put the recipient at a disadvantage in business dealings or under an obligation that could distort judgement.

Gifts of money or equivalent must never be made or accepted.

The acceptance or giving of any gifts may be approved only if it is reasonable and ethical to do so, is modest in amount, is not intended to gain unfair business advantage, does not violate any law and is properly accounted for.

Before accepting any level of hospitality beyond lunch, dinner, theatre, a day's sporting or cultural event in the country in which the employee is employed, the employee's line manager should be notified who should ensure that the hospitality is reasonable, modest in value and for the benefit of the Group's businesses before written approval is given. Where hospitality is accepted, travel and accommodation costs should, wherever possible and feasible, be met by employees, unless otherwise agreed with the employer, or if paid by the provider of the hospitality, notified to and

approved by the employer.

Employees must not accept gifts such as merchandise or products, personal services or favours (other than modest hospitality covered above) that are valued at more than £100 or local currency equivalent, nor in excess of £250 annually without first notifying and obtaining written approval from the relevant Alliance Boots Executive Director responsible for their Business Unit or corporate function and in the case of Alliance Boots Directors through the Company Secretary of Alliance Boots

In the event that, culturally, refusal of a more lavish gift would give cause for serious offence, such gifts may be accepted on the approval in writing of the Managing Director of the Business Unit or the Company Secretary of Alliance Boots for corporate employees and on the basis that the gift will become the property of the relevant company unless it decides otherwise. Receipts of gifts and hospitality should be acknowledged on the relevant company headed paper or by email within seven days.

A central record should be kept and maintained by each Business Unit and the corporate function of any gift or hospitality, offered and declined, offered and accepted, as well as any given.

#### **Disclosure of concerns, speaking up and 'whistleblowing'**

The Group encourages any employee who suspects wrongdoing at work - whether by their employing company or another employee - to raise their concern. Although the vast majority of employees are honest and act reasonably, no organisation is immune to acts of dishonesty and other misconduct.

Incidents of misconduct, fraud and dishonesty damage employee morale and business reputation but could remain undetected for some time without someone voicing their concern. Everyone can play their part in raising concerns and all employees are encouraged to do so. If employees have concerns there are several alternative ways they can report these.

Alliance Boots is committed to an open working environment in which employees feel able to voice their concerns.

Employees can speak directly to their line manager, talk to an independent and trusted senior manager or can make contact with the Director of Internal Audit and Risk Management.

In some cases, employees may feel they want to remain anonymous and in the UK employees can ring the free to call, confidential independent service ExpoLink 0800 374199 where individuals will not be asked for their name but will be given a reference number so they can ring back again later to be updated of the outcome.

Employees can also make contact confidentially with the Company Secretary of Alliance Boots who is the designated officer for Alliance Boots by writing to Alliance Boots, Sedley Place, 361 Oxford Street, London W1C 2JL, UK or by telephone on +44 (0)207 495 8880.

All genuine concerns however raised will be investigated properly and the identity of the person raising the concern will be kept confidential, or in the case of ExpoLink in the UK will be kept anonymous. When the investigation has been completed, the person who raised the concern will be informed of the outcome directly, or in the case of the ExpoLink service by the person calling back with their reference number.

Concerns might relate to some unlawful conduct or non-observance of this Code, be it harassment, bullying, dishonest activity, accounting or other irregularity

Anyone raising a concern in good faith will not be criticised or penalised in any way even if it is shown, after investigation, that they were mistaken. Any form of reprisal or victimisation against anyone who has raised a genuinely held concern is forbidden and will not be tolerated and will itself be treated as a serious disciplinary matter. If a concern was to be raised maliciously then that would be a serious disciplinary matter.

The whistleblowing procedure is not intended for use where an employee is unhappy with their personal employment position, for example lack of promotion or a smaller than expected wage increase - the Group's grievance procedures are available in those cases.

**Required standards and compliance**

Breaches of this Code and other Group policies may have serious adverse consequences for the Group including damaging its reputation. Breaches and non-observance of the Code and other Group policies will result in appropriate remedial action being taken including disciplinary action and possibly dismissal for employees and termination of other relationships where appropriate.

Employees will be asked to complete a form of acknowledgement to confirm they are aware of and understand this Code.

## 343. East Japan Railway

Sustainability Report 2008<sup>1</sup>

### Compliance

#### Internal compliance awareness

We adopted a Policy on Legal and Regulatory Compliance and Corporate Ethics in 2005, and distributed a booklet titled “Compliance Action Plan” to all employees of Group companies in order to raise their awareness of the necessity for compliance.

At the same time, we established a “Compliance Hotline” to receive both internal and external information. In addition, in March 2006, prior to the promulgation of the Whistleblower Protection Act in April of the same year, we established rules to handle information that is in the public interest with the objective of protecting whistleblowers. Furthermore, with the dual objectives of increasing employee compliance awareness and penetrating ways to seek advice from the Compliance Hotline, in March 2008, we distributed a Compliance Card.

#### Raising employee awareness

We regularly provide training sessions for employees of our branch offices and Group companies, in order to enhance levels of compliance and ensure the highest levels of ethical standards. In fiscal ended March 2008, we continued to offer a variety of training, including Legal Skills Training, a Management School compliance course, Basic Legal Training, and Regular Legal Seminars for employees of JR East and our Group companies.

Additionally, we actively promote activities that are designed to raise awareness of compliance-related issues by holding compliance seminars and workshops, and include compliance-related articles in our internal newsletter.

<sup>1</sup>Source: [http://www.jreast.co.jp/e/environment/pdf\\_2008/all.pdf](http://www.jreast.co.jp/e/environment/pdf_2008/all.pdf)

## 345. Aisin Seiki

### Business Ethics Guidelines<sup>1</sup>

#### **In Conducting Business Operations**

##### **Gifts and business entertainment**

While gifts and business entertainment are provided for building smooth business relationships, excessive gifts or business entertainment resulting in special advantages will not be given or received.

### AISIN Charter of Corporate Behavior<sup>2</sup>

In the event of a violation of the principles of this charter, top management shall investigate the cause of the violation, develop reforms to prevent its recurrence and make information publicly available regarding our intended actions for reform. After the prompt public disclosure of appropriate information regarding the violation, responsibility for the violation and its effects should be clarified and disciplinary action should be taken which includes top management where necessary.

<sup>1</sup>Source: <http://www.aisin.com/profile/comp/guide.html>

<sup>2</sup>Source: <http://www.aisin.com/profile/comp/kensho.html>

## 347. Kansai Electric Power

CSR-Report 2008<sup>1</sup>

### Strict Enforcement of Compliance

### Consciousness raising and autonomous efforts in individual workplaces

#### System for Promoting Compliance

In November 2002, the Company established the Kansai Electric Power Compliance Committee to reinforce the strong public confidence the Company already enjoys and promote a corporate culture of frank and open dialogue. In February 2003, this Committee prepared a Compliance Manual, which is distributed to all employees. This Manual explains in straightforward language the minimum standard of conduct expected of all employees in the execution of their duties, from the perspectives of the law, business ethics and internal Company rules.

At the same time as the Compliance Manual was being produced, Kansai Electric Power established Compliance Consultation Desks to serve as resources for employees who have concerns about compliance. These desks are located both in-house (Office of General Administration (Legal Affairs)) and outside the Company (legal offices), and have started to accept a wide range of consultations. From 2005, the Company expanded access to these desks for consultations to include the Kansai Electric Power Group as a whole, and they now also handle issues faced by our Group companies.

From April 1, 2006, in tandem with the enforcement of the Whistleblower Protection Act, the Company has informed employees of business partners of the role of the Compliance Consultation Desks, and has been collecting risk information extensively from such personnel as well.

To promote independently motivated compliance activities at each workplace, the head of each workplace, department or section is designated as its compliance promotion officer. Compliance promotion staff are then appointed for each workplace (equivalent to a section head) to carry out grassroots compliance activities.

### Compliance promotion activities at each workplace

- Training based on workplace examples

Awareness-raising training (example-based training) is carried out at each workplace using specific examples of compliance risk in that workplace. In fiscal 2007, our Compliance Committee Secretariat (Legal Department) compiled 33 examples and published them as the Collection of New Compliance Case Studies. These examples are helpful in consciousness-raising efforts at Company workplaces.

- Shared awareness of compliance risk at all workplaces

With the objective of fostering a shared recognition of workplace compliance risks, in fiscal 2007 compliance promotion staff led brainstorming sessions at each workplace regarding latent risks in their operations. These exercises were followed by extensive discussions.

In fiscal 2008, the Company will raise awareness to new levels regarding compliance risk in numerous fields of real operations, drawing on results from the previous fiscal year as feedback.

### Dialogue and training activities with frontline workers

In fiscal 2007, compliance promotion staff dedicated themselves to raising consciousness of compliance in the workplace. At the same time, the Compliance Committee Secretariat (Legal Department) focused on direct dialogue and training activities with frontline workers. Both of these efforts served to support independent and practical compliance activities at each workplace.

- Promotion of dialogue with frontline workplaces

Staff from our Compliance Committee Secretariat (Legal Department) visit our frontline workplaces for dialogue and training. In fiscal 2007 such visits covered all 90 of our frontline workplaces, including our sales offices, operation and

<sup>1</sup>Source: <http://www.kepco.co.jp/english/action/pdf2008/e2008.pdf>



maintenance offices, and power stations. Participation was widened to include not only compliance promotion staff, but also unit leaders and senior persons in charge (number of participants: 1,256).

- Raising consciousness at frontline workplaces In dialogue and training activities with frontline workplaces in fiscal 2007, the Company explained a number of issues, drawing on examples from the Company's own operations and from incidents at other companies that are currently in the public eye. We explained and underscored the importance of compliance as a form of risk management, socially accepted standards as criteria for action, the dangers of concealment and falsification, and the role of managers in promotional activities.

The Company also used these activities to canvass employees on their opinions and hopes regarding compliance activities. In addition, to ensure that employees are fully aware of the activities and role of the Compliance Consultation Desks, we circulated information about the Desks, their operations and why they matter to employees. In October 2007 a PR leaflet on the Compliance Consultation Desks was distributed to every employee in the Kansai Electric Power Group.

- Follow-up on earlier discussion and training activities with frontline employees

To reduce the sense of distance between senior management and frontline workplaces, and to improve and build on employees' awareness of compliance issues, Kansai Electric Power will expand its program of direct visits to frontline workplaces for dialogue and training activities in fiscal 2008.

In addition to promoting general understanding of compliance matters, compliance officers probed deeply into potential sources of legal and other risk in individual sections and departments, in a bid to enhance employees' recognition of compliance issues still further.

### **Tools for raising awareness of compliance issues**

In March 2008, the Company launched an e-Learning course entitled "Compliance: What You Need to Know in 2008." Using specific examples, this course outlines the approach to compliance needed to ensure prudent risk management. The course is

available to all employees of all Kansai Electric Power Group companies, providing the entire Group with a thorough grounding in understanding compliance.

From January 2007, Kansai Electric Power have made available on the Company Intranet a "Column on Current Affairs in Compliance," discussing specific incidents and other related matters in the news today. The Company uses these timely updates in morning assemblies, meetings and other occasions as tools to promote understanding of and raise consciousness of compliance. In fiscal 2008, topics will be introduced relating compliance issues to current trends in society, further supporting this consciousness-raising process.

## 348. Poste Italiane

### Code of ETHICS<sup>1</sup>

#### General principles

Relations and conduct, at all levels of the Company, must adhere to the principles of honesty, fairness, transparency, confidentiality, impartiality, diligence, loyalty and mutual respect.

Relevant persons must avoid even occasional acts that may involve a conflict with the interests of the Group or that may interfere with the ability to make decisions consistent with the Company's objectives.

In particular, all relevant persons are required:

- a. to avoid situations in which their personal interests may result in conflicts of interest with those of the Group;
- b. to refrain from pursuing, in the course of their employment, personal interests that may enter into conflict with those of the Group;
- c. to refrain from taking direct or indirect advantage of business opportunities available to Group companies, either for their benefit or for the benefit of third parties;
- d. to refrain from accepting gifts, favours or benefits of any kind, with the exception of giveaways and business favours of modest value provided that they are not designed to obtain improper advantages;
- e. to refrain from making gifts in the form of cash or goods, with the exception of giveaways and business favours of modest value;
- f. to refrain from carrying out business in competition with Group companies;
- g. to conduct relations with third parties in compliance with the law, the rules of conduct contained in this Code, and internal regulations and procedures;
- h. to refrain from using information received in the course of carrying out their functions within the Company in order to obtain advantages, either directly or indirectly, and to avoid any improper or unauthorised use thereof;

- i. to refrain from conduct that may benefit competitors.

In the event of doubt over the conduct to be adopted, each relevant person is required to speak to their head of department, if an employee, or their contact within the Company, if otherwise.

#### RELATIONS WITH INSTITUTIONS AND GOVERNMENT, ENTITIES, ASSOCIATIONS, POLITICAL AND UNION ORGANISATIONS

Relations with institutions and government (2), entities, associations and political and union organisations are based on the principles of fairness, impartiality and independence and are reserved for the appropriate functions within the Company.

With the exception of the union prerogatives provided for under existing laws and contracts, each relevant person must be aware of the fact that any involvement in political activity takes place on a personal basis, in the employee's own time, at their one expense and in compliance with the law.

Group companies do not make either direct or indirect donations to political parties, union movements, committees or organisations, or to their representatives.

#### Internal control system and violation of the Code

The internal control system consists of a set of essential tools and procedures used in coordinating, managing and auditing the activities of Poste Italiane, guiding it towards the achievement of the Company's objectives and prevention of the related risks.

The control system as a whole helps to ensure compliance with the law, internal procedures and the Company's strategies and policies, the achievement of targets, protection of the Company's tangible and intangible assets, management of the Company based on the criteria of effectiveness and efficiency, and the reliability of the accounting and operating information disclosed to internal and external parties.

For this purpose every operation and transaction, once appropriately authorised and recorded, can be checked with the support of adequate documentation. All relevant persons are responsible for the operational effectiveness of the internal control system, as part of their functions. Each employee is required to immediately inform their direct superior of any aspects or events that may interfere with correct working

<sup>1</sup>Source: [http://www.poste.it/en/azienda/chi\\_siamo/Code\\_of\\_Ethics.pdf](http://www.poste.it/en/azienda/chi_siamo/Code_of_Ethics.pdf)

procedures.

The effectiveness and functionality of the internal control system is ensured by the supervision and controls carried out by the relevant functions.

Violation of this Code damages the relationship of trust established with Poste Italiane and may result in legal action and the adoption of measures, in respect of relevant persons, in accordance with the law and the relevant contract terms and conditions.

## 350. Mitsubishi Motors

Social and Environmental Report 2008<sup>1</sup>

### Compliance

#### Initiatives to Implement Compliance

In fiscal year 2007, under the theme of “From revitalization to the future,” MMC worked to encourage voluntary activities grounded on workplaces and operations by individual staff members, while holding training sessions and other events with the aim of sharing information within the group.

#### Awareness-Raising Activities

In fiscal year 2007, MMC held training sessions on compliance led by instructors from outside the company as part of training seminars for directors and corporate auditors, with a total of 24 fulltime directors at the executive officer level or above and statutory auditors taking part.

Meetings are held three times a year in each workplace at which familiar business ethics problems are examined and solutions reached through discussion. These meetings provide a good opportunity to enhance ethical awareness and improve communication through discussion using actual examples.

In addition to these types of discussions at each workplace, compliance measures specific to each department were formulated and implemented under the direction of compliance officers. In these and other ways, MMC worked to promote compliance with business ethics.

#### Establishment and Dissemination of Regulations

MMC is giving priority to its internal reporting system in order to create a highly transparent workplace environment that is not conducive to scandals and promotes their early detection as well as self-correction. MMC has already established the Employee Counseling Office and external counseling channels through outside attorneys. In April 2006, in line with the enforcement of the Whistleblower Protection Act, MMC established operational criteria related to the internal reporting system, as

well as internal regulations, including those prohibiting the disadvantageous treatment of whistleblowers. Furthermore, to create a framework that facilitates internal reporting, MMC is endeavoring to disseminate regulatory information within the company by holding briefings, including information in the company newsletter, and adopting other measures.

In April 2007, MMC fully revised its “Business Ethics of Mitsubishi Motors Corporation”— MMC’s corporate ethics standards — to turn them into more practical guidelines for guiding employees’ actions. The company is using opportunities such as meetings on business ethics issues at each workplace to help employees gain a full understanding of its content. At the same time, all employees and directors have signed oaths of compliance with these standards. Furthermore, in January 2008, we revised the “Mitsubishi Motors Corporation Code of Conduct,” guidelines for conduct that all employees must keep in mind at all times. We distributed these booklets to all employees and directors, and by making use of them on a daily basis, we aim to ensure thorough compliance with business ethics.

#### Activities to Spread Compliance Among MMC Group Companies

MMC believes that restoring trust in the company requires a concerted effort by the entire MMC group. To this end, domestic group companies (including exclusive dealers) have taken the lead in carrying out initiatives since fiscal 2005. In fiscal 2006, almost all companies completed the establishment of systems to ensure compliance with business ethics. They regularly conduct training on resolving corporate ethics problems and the development of precedents. In addition, major overseas affiliated companies have begun establishing concrete systems to promote compliance, following the completion of an evaluation of the status of their compliance systems and activities.

#### Other Initiatives

To prevent past errors such as the regrettable recall problems from being forgotten over time, January 10 and October 19 have been designated “Safety Pledge Days,” since two fatal accidents occurred on those days involving large trucks manufactured by Mitsubishi Fuso, a former MMC division. All employees observe a moment of

<sup>1</sup>Source: [http://www.mitsubishi-motors.com/corporate/environment/report/e/pdf/2008/2008e\\_all.pdf](http://www.mitsubishi-motors.com/corporate/environment/report/e/pdf/2008/2008e_all.pdf)

silence on these days, and the previously mentioned meetings to review business ethics problems are held around these times.

MMC reports on the status of these activities to the Business Ethics Committee, which acts as an advisory body to the Board of Directors and is made up of external experts. MMC directors receive objective, common-sense guidance and advice regarding these matters.

In fiscal year 2008 onward, MMC will continue to further develop and promote initiatives to ensure compliance based on the theme of “building a sustainable relationship with society.”

## 351. National Grid

### GROUP POLICY STATEMENT<sup>1</sup>

#### Policy Framework – Mandatory content of written codes of ethics

##### Potential conflicts of interest

The code of ethics for each business shall state that it is the duty of individual employees to avoid conflicts of interest and ensure that their outside activities or personal or family interests do not impair their ability to undertake their work effectively.

In this context, each code of ethics shall draw attention to unacceptable conflicts of interest and which are therefore prohibited, including:

- the exploitation for personal gain of any business opportunity of which an employee has become aware through use of the company's property or information and in which the company has a proprietary interest, including a reasonable prospect of pursuing the opportunity on its own account
- the acceptance or solicitation of any gift which is, or might be seen as, a reward or inducement for showing favour in connection with any business of the company
- the offer of any gift, other than of trifling or nominal value, to anyone employed by an outside business, supplier or organisation with which the business has, or might have, a relationship.

Each code of ethics shall also draw attention to situations or actions which may potentially involve an unacceptable conflict of interest and on which employees may therefore be recommended to declare their interest or otherwise seek approval or advice e.g.:

- a personal or family interest, of a magnitude which is material to the employee and/or to the other party involved, in any company or other entity with which the

company has or may have a business relationship

- secondary employment (including a directorship of any company or entity) or any other external activity which might conflict with the interests of National Grid or any of its businesses or otherwise interfere with the discharge of the employee's responsibility to National Grid or any of its businesses
- the acceptance and offer of business hospitality, including meals and entertainment, where these are of significant or disproportionate value.

##### Payments to public officials

Each code of ethics shall draw the attention of employees to their personal responsibilities as described in the Group policy statement on Anti-Fraud and Bribery and shall state that the following are expressly prohibited:

- offering, promising, paying or authorising the payment, directly or indirectly, of anything of value (for example a bribe or kickback).
- payments including "facilitating" or "expediting" payments to others in order to secure prompt or proper performance of routine duties;
- the use of subcontracts, purchase orders or consulting agreements either as a means of channelling payments, or otherwise rewarding such persons or their relatives or business associates;

##### Whistleblowing Procedures

Individual businesses within National Grid must each put in place arrangements, supported by a detailed Whistleblowing procedure, to enable it to deliver the outcomes required by the Board.

Whistleblowing procedures must ensure that:

- employees are able to raise anonymously and with an

<sup>1</sup>Source: <http://www.nationalgrid.com/NR/rdonlyres/ECD76CC5-AA8D-454D-B87D-4160539D6A76/14775/CodeofEthics20091.pdf>

independent party (that is, a party which has no interests to defend in the concern being raised) concerns about actual or suspected malpractices

- all such concerns are investigated promptly and impartially and that any employee who raises a genuine concern is protected from retaliation in the form of demotion, penalty or other adverse consequences provided that they have not been personally involved in any wrongdoing.
- insensitivity to or disregard of the principles set out in this policy may be grounds for disciplinary action, up to and including termination of employment.

Employees should be made aware of their personal responsibilities and be encouraged to use the Whistleblowing procedure to report actual or suspected malpractices.

Clear procedures must be established and responsibilities assigned for the prompt investigation and resolution of whistleblower reports in a manner appropriate to the nature and seriousness of the report.

If an employee comes forward in good faith and uses the Whistleblower procedure, it is expected that

- In good faith, they have reason to believe there has been a wrongdoing
- They provide full details of the facts, as they are aware of them
- They fully disclose any personal involvement in the wrongdoing
- They co-operate fully in any subsequent investigation

#### **In return, that person will receive from National Grid**

- Availability of an external helpline to allow issues to be raised anonymously, if required
- Assurance that the facts will be investigated fairly, thoroughly and Promptly

- Assurance that they will not be subject to any reprisals or retaliation of any kind. However National Grid reserves the right to take disciplinary action if they have acted unethically or acted to avoid personal detection
- Assurance that the matter will be dealt with confidentially and their identity protected (if requested), unless National Grid is required to disclose their identity in any subsequent court proceedings
- If practical, prior notification should it become necessary to disclose their identity in any subsequent court proceedings

The Group Company Secretary & General Counsel must be notified at least quarterly of all reports alleging serious malpractice or unlawful conduct and of the way in which such reports have been investigated and resolved.

#### **Anti-Fraud and Bribery Policy<sup>1</sup>**

##### **Objective**

National Grid is committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices. National Grid has zero tolerance toward such behaviour. Losses due to fraud, bribery and all other corrupt business practices can be more than just financial in nature; they can potentially damage the company's reputation as well. The reputation of National Grid for lawful and responsible business behaviour is of paramount importance and is one of its greatest assets.

The key legislation and/or sources of Global best practice that input into this policy are:

<sup>1</sup>Source: <http://www.nationalgrid.com/NR/rdonlyres/39B443D1-95E5-4000-82F0-88E5F45B78CE/14773/AntiFraudandBribery2009.pdf>

- UK Fraud Act 2006
- UK Anti-Terrorism, Crime & Security Act 2001
- UK Combined Code on Corporate Governance
- Anti-bribery laws of all US states with which National Grid and its subsidiaries do business
- UN Convention Against Corruption
- Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD)
- US Sarbanes - Oxley Act 2002
- US Foreign Corrupt Practices Act 1977

### Policy Framework

Every National Grid business is required to have an effective compliance program that prohibits unethical conduct, which includes but is not limited to, the following components:

- communication of a code of conduct to employees;
- reporting and investigation of allegations of fraud, bribery and other corrupt practices;
- appropriate disciplinary procedures for employees who are found to have engaged in such practices;
- monitoring of the effectiveness of such controls.

Consequently, National Grid and each of its businesses must take the appropriate steps to ensure that it and all its employees and those acting on its behalf:

- meet all legal and regulatory requirements governing the lawful and ethical conduct of business;
- ensure all breaches or suspected breaches of this policy are fully investigated and, if appropriate, invoke disciplinary measures and take prompt action to remedy the breach and prevent any repetition;
- make all employees aware of their personal responsibilities and adhere strictly and at all times to this policy;
- provide information to all employees and further guidance if they have any question or uncertainty regarding these requirements;
- provide information to all employees on the procedures available to them to report any breach or suspected breach of this policy, in accordance with the Group's policy on The Requirement for Written Codes of Ethics for employees (incorporating) Whistleblower Protection;
- include in agreements with third parties, in connection with international ventures or projects, appropriate clauses to ensure that persons who are acting on National Grid 's behalf do not engage in any illegal, improper or questionable conduct, particularly if there are factors that might increase the risk of breach of this policy, such as accepted custom and practice within the country of operation;
- prohibit employees or persons and entities acting on behalf of National Grid to receive, offer, promise, improperly influence payment, authorise payments or contract award, directly or indirectly, in return for anything of value (for example a bribe or kickback). Further guidance should be sought from the policy documents detailed in section 4;
- prohibit payments including "facilitating" or "expediting" payments to others in order to secure prompt or proper performance of routine duties;
- prohibit the use of subcontracts, purchase orders or consulting agreements either as a means of channelling payments, or otherwise rewarding such persons or their relatives or business associates;



- ensure transactions are properly and accurately recorded.

The relevant laws extend to activities undertaken by others acting on National Grid's behalf. Their actions can subject National Grid to liability and therefore care should be taken to ensure that contractors, agents and others who are acting on behalf of National Grid do not engage in any illegal or improper conduct.

Every National Grid business is expected to take firm disciplinary action in cases of proven fraud, bribery or other corrupt practices. This will very likely be immediate termination. Furthermore, all significant cases of such practices shall be reported to the public authorities unless the Group Company Secretary and General Counsel approves otherwise.

## 352. Countrywide Financial

### Code of Ethics<sup>1</sup>

#### Introduction

Bank of America Corporation<sup>1</sup> is committed to the highest standards of ethical and professional conduct. To help you understand how these standards apply to you and your teammates, this Code of Ethics provides basic guidelines of business practice, and professional and personal conduct you are expected to adopt and uphold as a Bank of America associate.

The public judges Bank of America by the actions of its associates. This code is intended to guide your conduct to instill public trust and confidence. The following pages include sections on:

- Avoiding conflicts, or even the appearance of conflicts, between personal interests and the interests of Bank of America, its shareholders or customers.
- Keeping information confidential and secure.
- Properly caring for and protecting Bank of America property and assets.
- Conducting your personal financial affairs responsibly and keeping your business expenses in order.
- Not taking any action, either personally or on behalf of Bank of America, which violates any law, regulation or internal policy.
- Avoiding misuse of material, nonpublic information relating to securities or other financial instruments.
- Promptly reporting any knowledge or information about Bank of America associates or agents you suspect of committing crimes.

Your division or team may have additional or more restrictive policies you must follow. Your manager or compliance officer will provide you with any manuals, policies and procedures related to your specific job. You should refer to the Associate Handbook

for additional information on associate conduct. The corporation may publish additional policies as deemed necessary or appropriate. Talk to your manager and visit the internal Web site for your line of business to determine all policies applicable to you.

You are expected to follow the information in this code, other policies referred to in this document, additional policies that apply to your job, and the spirit and letter of all laws and regulations.<sup>4</sup> Violation of the Code of Ethics or these other policies, laws and regulations constitutes grounds for disciplinary action, including termination of employment and possible legal action.

#### Governance and Administration

If you have any questions or concerns regarding the Code of Ethics:

- Consult your manager
- Contact the Personnel Center's Advice and Counsel at 1.800.556.6044

To report complaints or possible violations regarding ethical issues, call the Ethics and Compliance Hotline:

- Callers in the United States, Canada, Puerto Rico and U.S. Virgin Islands call toll free 1.888.411.1744.
- For other international associates, toll-free dialing instructions will vary by location. Please see the international dialing instructions for details.

Complaints can be submitted anonymously and in complete confidence.

The Ethics Oversight Committee resolves any issues regarding the Code of Ethics, including potential violations and certain exceptions, and will review the information from the Ethics and Compliance Hotline. The committee includes the corporation's general auditor, general counsel, principal compliance executive and chief administrative officer.

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/71/71595/corpgov/CodeofEthics12908.pdf](http://media.corporate-ir.net/media_files/irol/71/71595/corpgov/CodeofEthics12908.pdf)

### Reporting certain conduct

Bank of America can be held criminally liable if one of its associates or agents commits certain crimes. You must promptly report any knowledge or information about employment-related conduct by another associate or agent of the corporation that you reasonably believe to be:

- A crime
- A violation of law or regulation
- A dishonest act, including misappropriation of funds or anything of value from Bank of America or the improper recording of the corporation's assets or liabilities
- A breach of trust

### Non-Retaliation

You must report the relevant facts, as well as any other circumstances or activities that may conflict with the Code of Ethics, to the Ethics and Compliance Hotline. You will not be retaliated against for reporting information in good faith in accordance with this policy.

### Conflicts of Interest

#### Gifts, hospitality and entertainment

A conflict of interest may arise when you give or receive gifts, hospitality or entertainment.

Associates must not give or receive gifts of money to or from current or prospective customers or suppliers, unless given as part of an approved Bank of America customer satisfaction program, in which case, such gift(s) must comply with all program restrictions. There are restrictions on giving or receiving discounts and non-monetary gifts to or from current or prospective:

- Customers
- Suppliers
- Government officials and agencies

In addition, you must not accept or provide hospitality or entertainment from or to current or prospective customers or suppliers unless it is for a valid business purpose, providing an opportunity for a meaningful business conversation.

These restrictions are not intended to apply to gifts, hospitality or entertainment based on obvious family relationships or close personal friendships, where the circumstances make it clear that it is the relationship—rather than Bank of America's business—that is the motivating factor.

You should not participate in any activity that could embarrass or reflect poorly on Bank of America. To ensure compliance with various state and Federal laws relating to interaction with government officials and agencies, associates must contact their Senior Line of Business Manager, in consultation with their Line of Business Compliance Officer, before entertaining or giving any item to a government or public official. Your activities should be legal, and should not be frequent or extravagant. More information is available in the Working at Bank of America section of the Associate Handbook or to learn more about Bank of America's gift and entertainment guidelines and restrictions, please visit the Gifts and Entertainment Policies Web page.

### Compliance with Law

#### Anti-money laundering

Money laundering is disguising the proceeds of criminal activity through a series of otherwise legitimate transactions. Every associate has a role to play in Bank of America's anti-money laundering (AML) effort. For example, you:

- Should be able to recognize "red flags" and report potentially

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/71/71595/corpgov/CodeofEthics12908.pdf](http://media.corporate-ir.net/media_files/irol/71/71595/corpgov/CodeofEthics12908.pdf)

suspicious or unusual activities

- Must make reasonable efforts to determine the true identity of all customers
- Must follow “Know Your Customer” procedures for your line of business
- Must complete all required AML training courses for your line of business

For an overview of AML, visit the Global Compliance & Operational Risk Web site.

#### **Fair dealing**

Associates are expected to deal fairly with Bank of America’s customers, competitors, suppliers and other associates.

- You should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts or any other unfair-dealing practice.
- You must not give or accept bribes, kickbacks, promises or preferential extensions of credit.
- You must approve or award orders, contracts and commitments based on objective business standards to avoid favoritism or perceived favoritism.
- You must not conspire or collude in any way with competitors.

## 353. Tech Data

### Code of Ethics<sup>1</sup>

#### International Business

Tech Data conducts business in many different countries and is committed to following the laws and regulations in effect wherever it does business. All transactions must be conducted in accordance with the applicable import, export and money-laundering control regulations of the United States, and all other jurisdictions in which the company operates. Tech Data's policies on export/import and money-laundering control contain specific guidance for obtaining proper authorization, establishing credibility of trading parties, and proper documentation and record retention.

The United States, through the Foreign Corrupt Practices Act (FCPA), and many other countries prohibit the payments or offering of anything of value to government officials for the purpose of securing or maintaining a business advantage. Each employee must be alert to the potential for an improper payment, including inappropriate gifts. The FCPA also requires the company to maintain adequate financial records and internal controls to identify such payments.

Tech Data will not participate in any boycott not sanctioned by the United States or the United Nations, nor provide information that could be construed to further unsanctioned boycotts.

### Conflicts of Interest<sup>2</sup>

#### Gifts and Entertainment

The offer and receipt of gifts and entertainment are an accepted practice to establish and foster valuable business relationships. However, we must exercise good judgment in this practice. Gifts and entertainment are broadly defined to include physical articles, events, trips, services, benefits and other things of value. Gifts may be infrequently exchanged with business associates as long as all gifts and loans of

product are in accordance with company policy. Meals, entertainment or social functions should have a legitimate business purpose and a value deemed to be reasonable, customary and proper under the circumstances. Avoid gifts or entertainment that cannot be reciprocated, carry a business obligation, or cause embarrassment to you or the company. Other than inexpensive promotional items with a company's logo, no gifts or entertainment should be offered to government representatives.

### Employee Gifts, Entertainment and Sponsored Travel Policy<sup>3</sup>

#### What is a Business Gift?

The propriety of a business gift should be considered primarily in the context of a possible conflict of interest and improper personal gain. The business gift represents a potential conflict of interest because it has the potential or appearance of undermining one's judgment to act in the best interests of Tech Data.

Business gifts should be interpreted in the broadest sense to include anything of value given or received because of a business relationship where the recipient does not pay fair market value. Business gifts may include, for example, products, meals, services, tickets to entertainment, golf fees, expense paid trips, or discounts not generally available.

The purpose of business gifts is to establish and foster business relationships and their exchange within reasonable bounds is normal and appropriate. Tech Data generally permits the giving and receiving of business gifts in accordance with the nature of the gift and monetary limits that are periodically reviewed by Senior Management and the Board of Directors. This standard is intended to be both flexible in order to accommodate the customs and practices where the company does business throughout the world, and sufficiently objective to provide useful guidance.

<sup>1</sup>Source: [http://www.techdata.com/content/td\\_ethics/internationalbusiness.aspx](http://www.techdata.com/content/td_ethics/internationalbusiness.aspx)

<sup>2</sup>Source: [http://www.techdata.com/content/td\\_ethics/conflictsofinterest.aspx](http://www.techdata.com/content/td_ethics/conflictsofinterest.aspx)

<sup>3</sup>Source: [http://www.techdata.com/content/td\\_ethics/businessgifts.aspx](http://www.techdata.com/content/td_ethics/businessgifts.aspx)

### What is not a Business Gift?

Business gifts do not include and therefore the limitation on the value of the gift does not apply to:

- Gifts, meals and entertainment provided as the result of a personal relationship. This would apply to relationships that were developed and/or maintained independent of the employee's connection with Tech Data.
- An award or prize achieved as the result of an incentive or promotion offered by a business associate. Such payments can be made in a variety of forms and for many reasons. The guiding principle is that the promotion or contest be announced in advance for which an award based upon achieving certain goals. While there may be no gift limitations applicable there may be tax reporting and withholding requirements.

### Appropriate business gifts

In general each employee should carefully consider the appearance and appropriateness of accepting a business gift. The value and nature of a business gift should be commensurate with the circumstances of the offer or receipt. The gift should enhance the Tech Data's business relationship with the giver or receiver and not create an obligation or embarrassment. The gift should be in accordance with accepted practice and custom and not offend the other party. The status of the giver or recipient should correspond to the value of the gift. A recipient of a business gift should consider the motives of the giver and the perception its acceptance will have upon others both within and outside of Tech Data.

In general, infrequent meals, tickets for sports and entertainment events that a business associate provides and at which the host business representative is present are appropriate. The standard is that the cost of the meal, entertainment or event should be reasonable in light of the location, the level of the employee, and the context and nature of the event. The employee should consider whether there is a necessary and valid business reason to be present. If the cost of the meal or event is unreasonable or their occasion frequent, then the employee must promptly submit a

report to his/her manager.

Food and beverages consumed at a business function, or unsolicited promotional items with logos or advertising are acceptable. Infrequent business gifts or sports tickets having a retail value of less than \$300 at which the business associate is not present are acceptable.

If the cost of the gift is to be reimbursed to an employee by Tech Data, the full cost must be identified together with the name and business relationship of the recipient. Business gifts by an employee must be authorized in writing in advance by a Vice-President if less than \$50 in value, or by a Senior Vice-President if in excess of \$50 in value.

When in doubt disclose it and seek guidance on the gifts receipt and disposition from an Ethics Adviser.

### Certain business gifts and entertainment are never permitted to be given or received, including:

- Cash or its equivalents, loans, securities
- Offensive, lewd or illegal products or services
- Solicitation of a specific gift
- Gifts given immediately preceding or in direct response to a favorable business decision
- In violation of a known policy of the recipient or giver
- Prohibited by law or regulation, or
- Persons representing the government (other than TD promotional gifts valued at less than \$20)

**An employee may accept a business gift and is not required to report it under the following circumstances:**

Infrequent business gifts having a value of \$300 or less or its foreign equivalent (herein “gift limit value”).

- Perishable food or beverage consumed at a business function. Or
- Giveaways of business related products, which individually or in the aggregate exceed the gift limit value, if made at industry-wide events to the general attendees at the event.

An employee may accept a business gift that exceeds the gift value limit, but is required to report it under the following circumstances:

- A gift of a product that Tech Data sells or is likely to sell, which is provided to the employee for demonstration or testing purposes, which is loaned or donated product received in accordance with the Gift and Loaned Product Policy Procedures.
- A gift that the employee accepts on behalf of Tech Data that is capable of being turned over to a charitable organization designated by the company. The employee where possible should advise the giver of the company’s intention to donate the item to charity.

**Accepting and reporting events and travel**

The employee may infrequently accept sponsored travel by the vendor or customer to a business-related event; however, the travel must be attended by a representative of the sponsoring organization, and reported and approved in writing (as described below), in advance by the traveler’s supervisor.

**Other restrictions on business gifts**

In addition to the above guidelines, additional responsibilities apply to employees with direct purchasing responsibility. Such employees must report all gifts, except promotional items of nominal value, to their manager.

Gifts, payments or any thing of value from a contractor to the US Government for the purpose of improperly obtaining or rewarding favorable treatment is prohibited and should be referred to the Director of Ethics and Compliance.

A gift to a spouse or family member is considered to be a business gift if given as a result of a Tech Data business relationship. Such gifts are subject to the same policy affecting employees and apply both to the giving and receiving of business gifts.

**Reporting excessive valued business gifts, event, meals or company-sponsored travel**

In the event an employee receives a business gift that exceeds the gift limit value, that is not otherwise excluded from reporting as described above, or a meal, event or entertainment that was unreasonable, or sponsored travel the employee should report it to their manager.

**Following the Code<sup>1</sup>**

Associates are not only encouraged, but have a responsibility, to bring violations or suspected violations of the Code of Ethics to an appropriate party. You may have questions related to the Code, its standards or the operation of the program. The company has a variety of ways to report violations and suspected violations, or to answer questions about the Code, related policies, laws and regulations. These avenues include your supervisor/manager, Human Resources, Internal Audit, the Legal Department, your local ethics advisor, the Director of Ethics and Compliance, "Ask The CEO" on TDnet, "Open Up" forms, and the confidential or anonymous Ethics Reporting Hotline. All communications with your ethics advisor or the Director of

<sup>1</sup>Source: [http://www.techdata.com/content/td\\_ethics/followingthecode.aspx](http://www.techdata.com/content/td_ethics/followingthecode.aspx)

Ethics and Compliance will be treated confidentially in accordance with legal obligations. The Director of Ethics and Compliance will make every effort to maintain your confidentiality but cannot guarantee it, particularly in the event of legal proceedings. Anonymous communications are accepted on the "Hotline." If the anonymity of your call makes it difficult to effectively address your concern, you will be so advised at that time. Any attempt to misuse the Ethics and Compliance Program to intentionally harm a person through false accusations or other wrongful conduct is prohibited. However, associates who report a problem in good faith will not suffer punishment or retaliation. Any such retaliation is strictly prohibited.

- Ethics Reporting Hotline 866-833-8442
- Director of Ethics and Compliance 727-538-5854

#### Ethics Reporting Hotline<sup>1</sup>

If you have knowledge of any activities involving unethical behavior, violation of policy, conflicts of interest, violation of laws or regulations, fraud, waste or abuse of Tech Data's operations or property, you may contact our 24/7 Ethics Reporting Hotline.

- U.S. and Canada  
1-866-TD ETHIC (1-866-833-8442) or 727-532-8065
- International Locations  
You can dial a toll-free AT&T Direct Access number and then at the voice prompt use the toll-free Ethics Reporting Hotline number.

All calls will be received by an independent, third-party provider, Global Compliance Services. Employees and others may use this option to confidentially (and anonymously, if desired) report any activity they believe to be in violation of company policy, law or regulations.

<sup>1</sup>Source: [http://www.techdata.com/content/td\\_ethics/hotline.aspx](http://www.techdata.com/content/td_ethics/hotline.aspx)



## 354. Nordea Bank

### Code of Conduct<sup>1</sup>

#### Ethical employee behaviour

- Employees do not offer, request or accept inappropriate gifts, payments or travel.
- Except when using the services provided to ordinary customers through electronic media (e.g. internet banking), employees do not execute their own financial transactions.
- Employees do not participate in business transactions where conflict of interest can arise with their own economic standing or with a third-party where a close relationship exists.
- Employees do not conduct transactions that even can give the impression of using insider information and dishonesty or will undermine the trust and confidence in Nordea.
- Employees do not conduct private transactions or provide economic guarantees that can seriously undermine their own private financial standing.
- Employee external engagements do not interfere with their ability to perform their duties and functions as an employee or undermine trust and confidence in Nordea. In cases of uncertainty external engagements are declared.

### The Nordea Corporate Citizenship Principles<sup>2</sup>

Nordea is committed to sustainable development by combining financial performance with environmental and social responsibility.

- We are committed to freedom. We stand for democracy and a responsible market economy. We support the UN Global Compact and follow the UN declaration of Human Rights, ILO-conventions and the OECD Guidelines for Multinational Enterprises. We do not

- discriminate based on gender, ethnic background, religion or any other ground.
- We are committed to equal opportunities. We seek high professionalism and make it possible for our employees to develop and assume responsibility. We support diversity and a fair representation of women and men as well as ethnic minorities in our organisation.
- We are committed to caring for the environment. We work to reduce negative and increase positive environmental impact from our business activities. We have signed the UNEP Banking Principles.
- We are committed to good citizenship. We respect the laws, regulations and norms of the countries where we operate while also adhering to our Group policies. We work with others for a prosperous and sustainable development in the communities where our customers and employees do business and live.
- We are committed to ethics, honesty and sincerity. We do not offer, request or accept unwarranted gifts and payment nor limit free and fair competition. By adhering to Group policies so that our integrity can not be questioned, we enable shareholders, customers, employees and other concerned parties to make balanced and well-founded decisions.

To ensure performance according to these principles, we adopt relevant policies, set targets in our management system, ensure that these principles are known throughout the organisation and encourage reports on non-compliance, carry out systematic follow up and deliver open and reliable reporting.

<sup>1</sup>Source: [http://www.nordea.com/sitemod/upload/Root/www.nordea.com%20-%20uk/AboutNordea/Nordea\\_Code\\_of\\_Conduct.pdf](http://www.nordea.com/sitemod/upload/Root/www.nordea.com%20-%20uk/AboutNordea/Nordea_Code_of_Conduct.pdf)

<sup>2</sup>Source: [http://www.nordea.com/sitemod/upload/Root/www.nordea.com%20-%20uk/AboutNordea/Nordea\\_Corporate\\_Citizenship\\_Principles.pdf](http://www.nordea.com/sitemod/upload/Root/www.nordea.com%20-%20uk/AboutNordea/Nordea_Corporate_Citizenship_Principles.pdf)

## 355. L'Oréal

Sustainability Report 2007<sup>1</sup>

### ETHICS

#### How ethics are managed at L'Oréal

The Director of Ethics, Emmanuel Lulin, reports directly to the Chief Executive Officer, Jean-Paul Agon. The Director of Ethics' role includes:

- promoting and embedding good ethical practices throughout the group, namely by offering training and guidance,
- regularly measuring and assessing the group's performance on ethical issues, and providing regular reports to the CEO and the Executive Committee,
- ensuring compliance with L'Oréal's ethical standards, addressing concerns and taking corrective action when required.

The Director of Ethics has full access to all information and documents relating to L'Oréal's activities.

#### Embedding the new Code of Business Ethics

The Office of the Director of Ethics unveiled a new intranet site packed with information to support the launch of the Code. In particular, the new Code is accessible to visually-impaired employees through this site.

The launch of the new Code will be followed in 2008 by a heightened level of education and training, with an ethics module being included in all our "Discovery" induction programmes and in L'Oréal's Country Managers seminars.

Embedding the Code requires the alignment of company processes with the values set out in the Code. For example, two new management competences have been integrated into L'Oréal's annual staff appraisal system: "leading with human sensitivity" and "achieves results with integrity".

We also have an Open Talk process to encourage a culture of openness where employees can raise their genuine concerns. The normal route for employees to raise issues is via their management or Human Resources Manager. Additional resources may be available in countries such as specially appointed Ethics Correspondents, staff representatives, grievance procedures or helplines. Employees may also contact the Director of Ethics directly. Anonymous reports are not prohibited but not encouraged.

#### Monitoring ethics

Country Reporting Ethics, an annual reporting system on ethical issues including communication of the Code of Business Ethics, prohibition of child and forced labour, discrimination, sexual and moral harassment and integrity and loyalty, has been helping assess the group's performance since 2005.

In 2007, 12 of The Body Shop subsidiaries were integrated. In comparison to 2006, the 2007 results showed an increase in communication and training on the Code of Business Ethics, in part due to the launch of the new Code.

#### Code of Business Ethics<sup>2</sup>

### THE L'ORÉAL SPIRIT

#### As a business

Our strategy for leadership is based on continuous investment in rigorous scientific research and development. This enables our brands to deliver products which are innovative, highly effective, practical and pleasant to use, and which are manufactured to the most demanding standards of quality and safety. We aim for excellence, and constantly challenge ourselves and our methods. We place great value on honesty and clarity: our consumer advertising is based on proven performance and scientific data. We are committed to building strong and lasting relationships with our customers and our suppliers, founded on trust and mutual benefit. We do business with integrity:

<sup>1</sup>Source: [http://www.loreal.com/\\_en/\\_ww/pdf/LOREAL\\_RDD\\_2007.pdf](http://www.loreal.com/_en/_ww/pdf/LOREAL_RDD_2007.pdf)

<sup>2</sup>Source: [http://www.loreal.com/\\_en/\\_ww/html/company/pdf/code\\_of\\_ethics\\_uk.pdf](http://www.loreal.com/_en/_ww/html/company/pdf/code_of_ethics_uk.pdf)

we respect the laws of the countries in which we operate and adhere to good corporate governance practices. We maintain high standards in accounting and reporting, and support the fight against corruption. We deliver long-term, sustained shareholder value by protecting and making the most effective use of company assets.

### **HOW TO USE THIS CODE**

#### **RESPECT FOR THE LAW**

L'ORÉAL operates in many countries – home to a wide variety of cultures, laws and political systems.

As a basic rule, we as a business and as individuals in the performance of our duties, must always respect the laws of the countries in which L'ORÉAL operates.

L'ORÉAL is particularly attached to the spirit and the letter of laws governing:

- Human rights: prohibition of child labour and forced labour; discrimination; working time and remuneration; employees' collective representation Quality, health and safety standards
- The environment
- Corruption and bribery
- Taxation and the accurate communication of financial information
- Fair competition

L'ORÉAL seeks to share these principles with its business partners and to ensure, as far as possible, that such partners also respect these laws and regulations.

### **AS A BUSINESS**

#### **BRIBERY AND FACILITATION PAYMENTS**

We believe that corruption is unacceptable. Such behaviour is not in line with the L'ORÉAL SPIRIT, does not benefit the communities in which we operate, and represents a cost for the Company. Bribery is a form of corruption, and is illegal in most countries, particularly where public officials are involved. Some countries even ban “facilitation payments”. These are defined as payments used to secure or speed up routine legal government actions, such as issuing permits or releasing goods held in customs. Most are, in effect, a form of bribery.

We are all expected to:

- Never make, offer or promise cash or services (including gifts and entertainment) to government personnel, other officials and those who influence them
- Never knowingly make such payments through third parties - which means carefully selecting and monitoring contractors, agents and business partners
- Ensure that, if we find ourselves in a situation where such payment would be unavoidable, we inform our Country Manager immediately, and fully document the request

Remember: If you're facing an issue around bribery and facilitation payments, don't keep it to yourself. You'll get help and support from discussing it with your management, your Purchasing Manager or your Human Resources Manager (see also the chapter on “Open Talk”).

#### **GIFTS AND ENTERTAINMENT**

Exchanging gifts and entertainment can help build understanding and improve working relationships, but they can also cause a conflict of interest between personal interest and professional duty.

When receiving gifts or entertainment, the “golden rule” is full disclosure.

When giving gifts or entertainment, the “golden rule” is reasonableness and how this would be perceived by the wider public.

We are all expected to:

- Never accept gifts or entertainment from any supplier unless they are clearly symbolic in value
- Never give or accept cash gifts
- Ensure that all gifts and entertainment offered are appropriate and in line with L'ORÉAL's values
- Make sure that when establishing a new business relationship, all parties are aware from the outset of L'ORÉAL's guidelines on gifts and entertainment. In turn, find out what our business partner's policy is on these issues. That can go a long way to avoiding any misunderstandings
- Immediately disclose to our management any gift or invitation we have received

Remember: If you're facing an issue around gifts and entertainment, find out your Country's policy and don't keep it to yourself. You'll get help and support by discussing it with your management, your Purchasing Manager, or your Human Resources Manager (see also the chapter on “Open Talk”).

### **OPEN TALK**

L'ORÉAL encourages a culture of openness where employees can raise their genuine concerns.

All employees are expected to take personal responsibility for ensuring that our conduct complies with the L'ORÉAL SPIRIT and THE WAY WE WORK.

We encourage all employees to air their views, defend their opinions and signal unacceptable behaviours or demands.

We recognise that employees may have concerns about certain practices and need advice and guidance to help resolve them.

It is our policy that any concerns raised in good faith about misconduct on the part of the Company or any of its employees or business partners are thoroughly investigated, and that appropriate actions are taken to deal with the outcome of that investigation. “Good faith” means that you have provided information that you believe to be honest and accurate at the time, even if you are later proven to be mistaken.

We will provide feedback to the individual who has raised the concern, to the extent that it is appropriate and can be given without infringing legal requirements or other duties of confidentiality.

We will ensure a fair process in case of an investigation and, in particular, respect the principles of due process and the presumption of innocence.

All information given in the course of an investigation will be communicated on a “need-to-know” basis, and any employee raising such concerns in good faith will be protected against retaliation. Full cooperation is expected during such investigations.

The normal route for raising such issues is via your management. If for any reason you feel uncomfortable with this route, you should raise the issue with your Human Resources Manager. There may also be additional resources available in your country, such as staff representatives, grievance procedures or a helpline.

In your country, it is the Country Manager who is ultimately responsible for ensuring the respect of the L'ORÉAL SPIRIT and THE WAY WE WORK.

If you have raised the issue locally and you are still not satisfied with the answer you were given by local management, or in the exceptional case that it is inappropriate to raise the issue locally, you may contact the Group Director of Ethics of L'ORÉAL as follows:

- website: [www.lorealethics.com](http://www.lorealethics.com)
- letter: Group Director of Ethics, L'ORÉAL, 41, rue Martre, 92117 CLICHY, FRANCE

Please note that while we do not prohibit anonymous reports, we do not encourage them. We believe we offer sufficient guarantees to make it unnecessary for an employee reporting a concern in good faith to conceal his or her identity. It is also difficult to investigate a matter thoroughly if it is reported anonymously.

## ETHICS<sup>1</sup>

### L'ORÉAL'S ETHICS PROGRAM

L'ORÉAL's Ethics Program is voluntary and proactive, and develops in tandem with the Group's growth. Under the supervision of the Director of Ethics, the program centres around:

- Policy and guidance
- Communication
- Training
- Open Talk process
- Monitoring

#### Policy and guidance

The Office of the Director of Ethics regularly offers guidance to management on ethical decision-making and also publishes tools and policy papers on various subjects. Recent examples include a risk analysis tool for Management Committees and a policy paper on child labour.

#### Communication

The Office of the Director of Ethics runs the Ethics intranet site, open to all employees and accessible to visually-impaired employees. It offers information and resources,

including the Ethics Maze learning tool. The Office of the Director of Ethics also helps countries develop local communication campaigns on various ethical issues.

#### Training

The Ethics training model is based on blended learning techniques and, as far as possible, integrated into existing training modules to be as close as possible to day-to-day operations. The aim is not only to train employees on specific ethical subjects such as corruption, supply chain management etc.. but also to develop a series of ethical competencies which include "Demonstrating a High Level of Personal Integrity", "Developing Ethical Reasoning" and "Understanding the Business Case for Ethics and its Relation to Value Creation".

#### Open Talk

We encourage all our employees to air their views, express their opinions and signal unacceptable behaviours or demands. We recognize that employees may have concerns about certain practices and need advice and guidance to help resolve them. The normal route for raising such issues is via management. If for any reason employees do not feel comfortable with this route, employees can raise the issue with their Human Resources Manager. There may be additional resources available in countries, such as staff representatives, grievance procedures or a helpline. In each country, it is the Country Manager who is ultimately responsible for ensuring the respect of the Code of Business Ethics. If the employee has raised the issue locally and is not satisfied with the answer given, or in the exceptional case that it is inappropriate to raise the issue locally, employees may contact the Group Director of Ethics of L'ORÉAL.

#### Monitoring

Country Reporting Ethics, an annual reporting system on ethical issues including communication of the Code of Business Ethics, prohibition of child and forced labour, discrimination, sexual and moral harassment and integrity and loyalty, has been helping assess the Group's performance since 2005. L'ORÉAL ensures the respect of fundamental rights and in particular the Fundamental Conventions of the International Labor Organization by its suppliers. All L'ORÉAL suppliers must commit to respect

<sup>1</sup>Source: [http://www.loreal.com/\\_en/\\_ww/html/our-company/l-oreal-s-ethics-program.aspx](http://www.loreal.com/_en/_ww/html/our-company/l-oreal-s-ethics-program.aspx)

these ethical standards and agree to be audited.

These social audits, carried out by external auditors, cover the following issues:

- Child labour
- Forced labour
- Health & safety
- Freedom of association
- Non-discrimination
- Disciplinary practices
- Sexual and moral harassment
- Remuneration
- Working time
- Relations with sub-contractors and suppliers

## 358. Schlumberger

### Code of Ethics<sup>1</sup>

#### Our relationship within the community

##### Contributing to development worldwide

Schlumberger people represent more than 140 nationalities. We live and work in more than 80 countries worldwide. As a company, we contribute to the economic development of these communities particularly by recruiting and training individuals from the countries in which we operate and by combating corruption, which inhibits economic growth. Consistent with this commitment to ethical development, Schlumberger expects its contractors and suppliers to act consistently with the Code. The use or contracting, directly or indirectly, of slave labor, child labor, or any form of forced labor is strictly prohibited.

We actively promote health and education in our local communities.

#### Improper Payments

##### Never offer or accept a bribe or inducement

We compete solely on the quality of our employees and our products and services. Although nominal gifts may at times be permitted, you must never give or receive any kind of bribe or hidden payment—or anything else of value—for any reason, in order to

- influence someone's judgment about Schlumberger products and services or those of another company
- gain improper advantage when selling our goods and services, conducting business transactions, or representing Schlumberger interests
- influence the use of discretionary authority by any government official.

This includes payments to any government official in any branch of government (or anyone exercising governmental powers), political candidates or parties, officers or employees of any corporation owned or controlled by the government, any customer, or anyone else. This applies not only to direct payments but also to payments through agents, consultants, suppliers, customers, or other third parties or reimbursing a payment that you or someone else may have made personally.

### Beware of facilitation payments

The company generally prohibits the payment of facilitation or expediting payments made to speed up routine government action (for example, customs inspections, visa processing, and the like). Only where any payment would strictly comply with our internal financial procedure for approving, identifying, and recording the nature of such payments may a facilitation payment be considered by the appropriate level of management. These facilitation payments cannot be used as a substitute for proper licenses or other required documentation.

It is mandatory that local management implement processes to comply with these requirements.

### Recognizing and avoiding conflicts of interest

#### Business gifts

Accepting a gift from a business associate could create a sense that you owe that person a favor. Gifts can be any items or benefits for which the recipient does not pay fair market value. You must not accept any gift of more than nominal value (defined as USD 200 or any lower limit specified by your location) from any individual or organization that does business with Schlumberger or wants to establish a business relationship with us.

We must also avoid giving gifts beyond nominal value to companies or individuals with whom we may do business. Unacceptable gifts include cash, loans, excessive entertainment or travel, or substantial favors. Gifts are also subject to the requirements in the "Improper payments" section of the Code and the Schlumberger guideline on business gifts and courtesies.

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#### Giving gifts

Token or goodwill gifts such as pens and baseball caps are examples of common nominal gift giving. Use your good judgment to thoughtfully select and present gifts in a way that is consistent with the Code and our policies.

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<sup>1</sup>Source: [http://www.slb.com/media/about/slb\\_code\\_of\\_ethics.pdf](http://www.slb.com/media/about/slb_code_of_ethics.pdf)

## About the Code – Questions and compliance

### Retaliation is forbidden

Schlumberger does not tolerate retaliation against any employee who reports a potential or actual violation of company policy or provides further information during a review of a violation.

However, any employee who fails to report or provide further information about a violation or who intentionally reports false information will be subject to disciplinary action.

#### **Who can you talk to about concerns or to report a violation?**

As Schlumberger employees, we are each accountable for upholding the Schlumberger Values. If you know or have reason to believe there has been a violation of the Code, associated policies, or applicable law, you must report the incident.

To report a violation or to ask questions or express concerns about the Code of Ethics, associated policies, or business practices, you should contact your direct or functional supervisor. If this is not practical, contact a member of the Personnel, Legal, or other relevant department or function or the Schlumberger Limited Director of Compliance.

In addition to these resources, you may raise your concern via the QUEST Ethics and Compliance Event Report feature or you may call the EthicsLine at 888-884-8849. For calls made outside North America, it may be necessary to dial a country access number before the toll-free number. A list of country access codes is available at the Ethics and Compliance Web site at [www.ethics.slb.com](http://www.ethics.slb.com).

In the most serious cases, you can confidentially bring ethical, business, or accounting concerns directly to the attention of the Schlumberger Limited General Counsel.

#### **What happens if you do not follow the Code?**

Whether knowingly or not, if you violate the Code of Ethics, associated policies, or applicable laws, you could be subject to personal legal liability or company disciplinary action, so it is essential that you understand what is expected of you.



## 359. McDonald's

2008 CR Report<sup>1</sup>

### McDonald's Corporation Political Contributions Policy

#### CONTRIBUTION APPROVAL GUIDELINES

Any political contribution made by the Company must be approved in advance by the head of the Government Relations Department of McDonald's Corporation, and must support a political candidate or ballot initiative that the head of the Government Relations Department determines is beneficial to the long-term interests of the Company and its system of restaurants. In determining whether or not to approve a request to make a political contribution, the head of the Government Relations Department may examine many factors, including, but not limited to, the merits of the candidate, election or ballot initiative, the value of the contribution to the election or ballot initiative, the quality and effectiveness of the organization to which the contribution will be made and the appropriateness of the Company's level of involvement in the election or ballot initiative. When possible, the Company should avoid making political contributions through a conduit or intermediary organization.

All political contributions must also: (1) comply with all current applicable laws and regulations in the jurisdictions in which the contributions are made (including the Foreign Corrupt Practices Act); (2) adhere to this Policy and McDonald's Standards of Business Conduct; and; (3) not be made to any organization in the United States required to report their contributions and expenditures to the IRS under 26 USC Sec. 527. However, even where applicable law would permit the Company to make a political contribution, the decision may be to deny the contribution request. In making any determination, the head of the Government Relations Department may consult with legal counsel, compliance personnel, and members of the Company's management.

In addition to the approval of the head of the Government Relations Department, any request for political contributions to a single candidate, political party or ballot initiative that will aggregate to more than U.S. \$100,000 in a calendar year shall require the

approval of the McDonald's area of the world president of the market in which the contribution will be made. Also, McDonald's Board of Directors, by resolution, may establish an annual aggregate spending limit for the Company's political contributions.

#### How we run our business

Success in any marketplace isn't just about results. At McDonald's, each one of us has a responsibility to do the right thing. Our Standards of Business Conduct provide a framework for living up to this responsibility. These Standards provide clarity, guidance and resources on a wide range of issues for operating on a daily basis with fairness, honesty and integrity.

First published more than 40 years ago, the Standards are updated regularly. In 2008, we revised them once again (They were last revised in 2003). At the heart of the Standards are three basic principles—personal accountability, open communication and responsible action. Enhancements in the 2008 Standards include:

Affirmative statements on McDonald's policies related to human rights and the right to association  
Explanation of special responsibilities of supervisors and officers and a greater emphasis on our policy protecting employees who report wrongdoing against retaliation. An expanded explanation of our anti-bribery and anti -kickback policies  
The duty of employees to cooperate in internal investigations  
Description of appropriate use of electronic communications  
Importance of protecting confidential information and privacy of employee, franchisee and customer data.

#### ONGOING EFFORTS TO STRENGTHEN OUR ETHICS AND COMPLIANCE PROGRAM

Employees are the face of our company. They have the power to shape and strengthen the McDonald's way of doing business and protect our bottom line. So we expect them to exercise good judgment.

One of the most critical elements of the McDonald's compliance program is the continued training and education of employees on their obligations under applicable laws, regulations and company policies.

<sup>1</sup>Source: [http://www.crmcdonalds.com/publish/csr/home/report/corporate\\_ethics.printreport.html](http://www.crmcdonalds.com/publish/csr/home/report/corporate_ethics.printreport.html)

Each year, McDonald's provides training on the Standards of Business Conduct, as well as topics including anti-trust, confidentiality, e-compliance, HIPPA privacy and security, mutual respect, privacy, records management and trademarks. Finally, the company conducts anti-corruption training for employees outside the U.S., with special priority given to markets considered to have high levels of public corruption.

Since our 2006 Worldwide Corporate Responsibility Report, we have also expanded our compliance efforts to be more collaborative and global in scope. One of the most effective tools we've introduced is compliance service visits. These visits present unique opportunities for compliance staff to collaborate with our worldwide employees and business partners in identifying and responding to specific risk areas that are unique to certain countries.

We have also rolled out an expanded due diligence program, which involves cross-functional collaboration to ensure that the company is making wellinformed decisions about business relationships. We communicate our antibribery policy to our suppliers, contractors, agents and partners and require them to certify that they will abide by all applicable laws and regulations.

We are in the food business, so we care a lot about where our food comes from and how it is produced – well before it enters our restaurants. We strive to ensure that every link of the supply chain contributes positively to the safety, quality, and availability of our final products. We also want our product ingredients to be produced in ways that contribute positively to the development of sustainable agricultural and food manufacturing practices.

## Standards of Business Conduct<sup>1</sup>

### INTRODUCTION

#### **Additional Responsibilities of Supervisory Employees**

Those employees who have supervisory authority over others are in positions of trust and influence. Therefore, they have special responsibilities under the Standards of Business Conduct to sustain an ethical work environment and to lead by example. They must ensure that the employees who report to them understand and follow the Standards and complete all required compliance and ethics training. In addition, they must communicate relevant McDonald's policies to employees and assist them in understanding such policies.

Supervisors must maintain open and honest two-way communication with employees.

This means encouraging employees to ask questions, make suggestions and report wrongdoing. Finally, supervisors must follow up on allegations of wrongdoing that are brought to their attention and take appropriate corrective or disciplinary action.

#### **Open communication/ Business Integrity Line**

At McDonald's, we speak honestly and openly and listen for understanding. We raise questions or issues, even if they are difficult.

If you know of any violation of the Standards of Business Conduct or of any applicable law, you are responsible for reporting the violation immediately.

There are a number of ways to raise issues. If you believe that a law has been violated, consult with the Global Compliance Office or the Legal Department immediately. For other matters, you can talk to your direct supervisor or another member of management, or contact Human Resources or the Global Compliance Office. You can also call the McDonald's Business Integrity Line, a toll-free telephone line reserved specifically for employee calls on ethics and compliance issues.

<sup>1</sup>Source: [http://www.crmcdonalds.com/publish/etc/medialib/mcdonalds\\_media\\_library/report/downloads/standards\\_of\\_business\\_conduct.Par.0001.File.tmp/standards\\_of\\_business\\_conduct.pdf](http://www.crmcdonalds.com/publish/etc/medialib/mcdonalds_media_library/report/downloads/standards_of_business_conduct.Par.0001.File.tmp/standards_of_business_conduct.pdf)

The McDonald's Business Integrity Line is staffed 24 hours a day, 7 days a week, 365 days a year by an outside firm experienced in handling sensitive calls. Phone 1-800-261-9827 within the United States. Reverse charges if outside the U.S. Interpreters are available. Callers may report anonymously, and no attempt will be made to identify them. Anonymous callers should know, however, that it is sometimes more difficult to follow up on issues raised anonymously.

## **Ethics**

### **CONFLICT OF INTEREST – Gifts, Favors & Business Entertainment**

We will not pay bribes or provide anything of value that may influence or appear to influence the judgment or actions of another. We will not seek or accept bribes, kickbacks or any improper payments. We exercise good judgment and moderation in providing business gifts or entertainment. We respect the policies of other organizations with whom we do business.

The purpose of business gifts and entertainment in a commercial setting is to create goodwill and sound working relationships.

The following applies to Company employees, immediate family members of Company employees, and agents or third parties working on behalf of the Company:

Do not offer, give or accept any gift, entertainment or other personal benefit if it:

- Is inconsistent with customary business practices;
- Is cash or a cash equivalent;
- Is excessive in value;
- Could be construed as a bribe or payoff; or
- Violates any laws or regulations.

If you are not certain about whether any gift, proposed gift or other personal benefit is appropriate, you must consult your supervisor before taking any action.

## **International Business**

McDonald's complies with all applicable laws and regulations wherever we do business. Almost every country in the world prohibits making payments or offers of anything of value to government officials, political parties or candidates in order to obtain or retain business. We must never pay commissions or fees to dealers, distributors, agents, finders or consultants that are used as a bribe or kickback.

As a U.S.-based company, many U.S. laws apply to our business both inside and outside the U.S. Among these are laws that:

- Ensure that companies do not cooperate in any way with unsanctioned boycotts;
- Restrict trade with certain countries;
- Prohibit dealings that could aid terrorists or organizations that support terrorists; and
- Require that transactions are not being used for money laundering.

## **Anti-Bribery**

For more than three decades, the U.S. Foreign Corrupt Practices Act ("FCPA") as applied to McDonald's business operations globally. The FCPA is a U.S. law that makes it a crime to pay or offer to pay anything of value, directly or indirectly, to any non-U.S. official, including employees of state-owned companies, political candidates or anyone acting on behalf of a public organization. The FCPA also requires that all publicly-traded companies maintain a system of internal controls and books and records that accurately reflect every transaction. All employees, agents, consultants, representatives and joint venture partners acting on behalf of McDonald's or its controlled subsidiaries must fully comply with the provisions of the FCPA. We do not tolerate violations. Compliance is a condition of employment or association with our Company. Interpreting the FCPA is not a simple task. There are times when situations fall into the "gray areas" of the FCPA. If you have any questions regarding the FCPA or a request for payment, contact the Global Compliance Office or the Legal Department.

## 362. Michelin

Michelin Performance and Responsibility Charter<sup>1</sup>

**Implementing our values, exercising our responsibilities**

**Serving our customers through our attitude**

*Fundamentally, we wish to have a solid, honest relationship with our customers, based on mutual trust, professional excellence and a genuine will to communicate.*

*To achieve this, we strive to provide precise technical and commercial information on the value of our products and services, regarding not only the technical aspects and characteristics of use, but also the commercial aspects.*

*More broadly, our role is also to make roads safer for all users, via specific operations advising customers on the use of our products, as well as by encouraging them to behave in a prudent and responsible manner.*

*With our tire dealers, our aim is to build up balanced commercial relations, enabling them to constantly develop their business alongside our own, via quality products and services.*

*We are in favor of fair commercial competition from all players, within the framework of competition law. Wherever we operate, throughout the world, we are firmly against all and any form of corruption, irrespective of the organizations and bodies concerned, whether public or private.*

*We are attentive to such practices in all bids we submit and in all relations with authorities. We refuse all and any remuneration to third parties if such remuneration does not correspond to an actual service, for a justified amount, duly posted in our accounts.*

*We also refuse all and any arrangements contrary to the integrity which our customers and our partners rightly deserve and harmful to fair competition.*

*Accordingly, we ensure that our business is carried out fairly in relation to our competitors and our customers alike.*

*We are the more so aware of this matter as we are in a leading position in numerous markets.*

<sup>1</sup>Source: <http://gestdoc.webmichelin.com/repository/DocumentRepositoryServlet?codeDocument=163&codeRepository=MICHCORP&codeRubrique=PRM>

## 364. Nationwide

### Code of Conduct & Business Practices<sup>1</sup>

#### associate responsibilities

The success of each associate – and Nationwide as a whole – depends on strengthening the reputation for trust we have in our dealings with each other and with customers, policyholders, agents, stockholders, vendors and those with whom we do business.

Acting with integrity, complying with applicable laws, rules and regulations – both in letter and in spirit, and living up to the Code are basic requirements to earn that trust. All associates are expected to read, understand and acknowledge the Code. Failure to comply with the Nationwide Code of Conduct and Business Practices can result in appropriate disciplinary action, up to and including termination of employment.

No reason, including the desire to meet business plans or profit objectives, can ever be an excuse to compromise the law or the guidelines in the Code. Additionally, no associate may use a contractor, consultant, agent broker or other third party to do anything prohibited by law or Nationwide policy.

It is the responsibility of all associates to promptly bring to management's attention any matters that are not consistent with the law, this Code or Nationwide's longstanding commitment to integrity. Reports of suspected wrongdoing can also be made to Human Resources or anonymously to the Office of Ethics, if necessary. In addition, the Office of Ethics is a resource to answer questions and provide guidance in making ethical business decisions.

Inquiries or reports may be made by calling the Ethics Helpline at 1-800-453-8442. Anonymous callers interested in following up on their concerns will be assigned a confidential case number. No caller ID or recording devices are used. Knowingly filing false or misleading reports violates this Code.

Retaliation against any individual for making a good faith report is strictly forbidden.

#### customers

##### Gift giving and entertainment

Giving gifts, gratuities and entertainment that are reasonable complements to a business relationship and are of modest value is generally permissible. We expect all of our vendors to respect our gift and entertainment policy when doing business with us. Similarly, we will not give any gifts or provide any entertainment that go against the rules or policies of a recipient's company. Bribes and kickbacks are unacceptable and illegal.

##### conflict of interest

##### Gifts and favors

Gifts from any company or person who does business with, is a competitor of, or is seeking to do business with any Nationwide company must not be sought or accepted. This includes favors not available to all company associates, such as special discounts or low interest rate loans. Common courtesies or business gifts of a minimal value may be accepted if they are associated with normal business practices. Care should be taken to avoid accepting frequent gifts or favors from the same person or organization.

- It is never permissible to accept a gift in cash or cash equivalents.
- Associates who can influence vendor selection or contract negotiations must not accept any gifts, favors or entertainment from vendors during contract negotiations.
- Associates acting as government contractors are prohibited from accepting gifts, favors or entertainment other than common business courtesies that are reasonable in nature and cost.

<sup>1</sup>Source: <http://www.nationwide.com/pdf/ethicsprtopt.pdf>

Recipients of prohibited gifts should notify their manager and return the gift with a letter explaining Nationwide's policy. If a gift is perishable and impractical to return, it should be shared with the department or donated to a charitable organization with a letter of explanation to the donor. If turning down a gift would cause undue embarrassment to Nationwide, the recipient may accept it on behalf of the company and turn it over to management for appropriate disposition.

### **Entertainment**

To judge whether it is appropriate to accept an invitation for entertainment, ask whether the entertainment is appropriate and reasonable. How would the entertainment appear to others?

- A meal or social outing with the host following a business meeting or for business or charitable purposes will usually appear acceptable. On the other hand, tickets to the Super Bowl, Olympics, or golf at exclusive resorts, for example, may appear to be excessive and to influence objective judgment. Frequent entertainment with the same vendor also raises questions and concerns that are important to address with management.
- It is inappropriate to accept invitations from vendors, suppliers or brokers that last for several days where the host is paying for travel, hotel and other expenses. On occasion, it might be desirable for business purposes to accept an invitation to this type of outing. In these cases, Nationwide should pay for travel, lodging and other expenses. If in doubt, consult with management or the Office of Ethics.

### **communities**

#### **International business**

Nationwide complies with all applicable laws and regulations, wherever we do business. As a U.S.-based company, many U.S. laws apply to our business both inside and outside of the United States.

For example, these laws address prohibitions against money laundering and foreign corrupt practices. The Foreign Corrupt Practices Act (FCPA) prohibits associates, agents and representatives from offering or paying bribes or other corrupt payments to government officials, political parties, candidates for political office and officers of public international organizations directly or indirectly. Associates engaging in business outside the U.S. are encouraged to seek additional guidance from the Office of General Counsel.

#### **office of ethics as a resource**

The majority of concerns associates face can be resolved through good communications with management or Human Resources. The Office of Ethics and Business Practices is a widely-used resource to answer questions, provide guidance in making ethical decisions, or to report concerns of suspected wrongdoing.

Inquiries or reports may be made anonymously by calling the Ethics Helpline at 1-800-453-8442. Callers outside of the U.S. may reverse charges to 614-249-2120. Translation services are available. No caller ID or recording devices are used. Callers interested in following up on their concerns will be assigned a confidential case number. Knowingly filing false or misleading reports violates this Code.

Complaints or concerns regarding questionable accounting, internal accounting controls or auditing matters may be directed to the Audit Committee of the Board of Directors by calling the Office of Ethics at its special toll-free telephone number (1-888-422-4646). Complaints or concerns may be made on a confidential and anonymous basis.

Retaliation against any associate for making a good faith report is strictly forbidden.

## 366. AMR

### 2007 ENVIRONMENTAL RESPONSIBILITY REPORT<sup>1</sup>

#### Appendix B: Governance

##### Training

Corporate Environmental provides specialized training to our staff at stations with specific environmental requirements. These courses are usually associated with EPA enforcement initiatives (like the recently revised oil spill prevention regulations) or serious audit findings. American Airlines takes social responsibility very seriously and has established a variety of initiatives to educate employees, including a web-based training program on business ethics. This program includes training on American Airlines policies regarding anti-corruption, fraud, environmental responsibility, workplace harassment, unlawful discrimination and safety. Management and specific non-management employees are required to take the training. You can read about other community involvement practices in the 2008 Citizens Report at [www.aa.com](http://www.aa.com).

Business Ethics Training (includes anti-corruption)	
Employee Group	Percentage
Management	88%
Non-Management	2%
Total Employees	10%

### STANDARDS OF BUSINESS CONDUCT<sup>2</sup>

#### Introduction

The company is committed to maintaining the highest standards of business ethics and complying with both the letter and the spirit of the law in everything that we do and in every country in which we do business. Doing so will also maintain the hard-earned respect that we have established over the years with our customers. Consequently, employees are prohibited from participating in or condoning illegal or unethical activity. Remember that illegal acts by employees can cost the company millions of dollars in fines, and the penalties for corporations convicted of federal crimes are severe. And employees who violate the company's ethical standards will be subject to disciplinary action up to and including termination.

To ensure compliance with this company policy, we have adopted these Standards of Business Conduct for all employees. These Standards also apply to all agents, consultants, contractors, and others when they are representing or acting for the company. We expect our vendors and suppliers to be guided by these principles.

#### reporting Illegal or Unethical Conduct

You may safely report suspected illegal or unethical activity through any of the following means:

- To your immediate supervisor;
- To The Network ReportLine SM - (800) 241-5689 - available 24 hours a day, seven days a week, for employees wishing to remain anonymous. Employees outside North America can call The Network collect at 770-409-5006, or see <http://jetnet.aa.com> (Policies & Procedures) for information on calling the ReportLine if collect calls are prohibited from your location.
- To Corporate Security by boardmail (MD 5555 HDQ1) or by calling (ICS or 817) 967-2142 (for questions or concerns about theft and security violations);
- To the Business Ethics & Compliance Office by boardmail (MD 5675 HDQ), by calling (ICS or 817) 967-6923, or by e-mail to [Business.Ethics.Office@aa.com](mailto:Business.Ethics.Office@aa.com);

<sup>1</sup>Source: <http://www.aa.com/content/images/amrcorp/amrerr.pdf>

<sup>2</sup>Source: <http://www.aa.com/content/amrcorp/corporateInformation/facts/ethics.jhtml>

- To American Airlines, Employee Services, by boardmail (MD 5137 HDQ) or by calling (800) 447-2000 -- Press“4” as soon as you hear the greeting to be transferred to a representative (for questions or concerns about harassment, discrimination, or hate-related behavior);
- To American Eagle, People Department, by boardmail (MD 5485 HDQ) or by calling your local Human Resources Representative -- contact information can be found on Jetnet, from the American Eagle home page, select People, and Human Resources (for questions or concerns about harassment or discrimination, or hate-related behavior); or
- To your local Human Resources Department for international employees from the Europe/Pacific Division.

### **Conflict of Interest**

As an employee, you or any member of your immediate family should not engage in any activity that might benefit you or your family member personally at the company's expense, or that would be harmful to the company or contrary to the company's interests, without the express written consent of the company's General Auditor or, for an executive officer, the consent of the Board of Directors or a Board Committee.

Every employee owes the company a duty of loyalty, which includes protecting the company's legitimate interests, and advancing those interests when the opportunity arises; protecting the company's assets and ensuring their proper and efficient use; and using company assets only for legitimate business purposes.

While it is not practical to list all situations that are prohibited because they might lead to or constitute a conflict of interest or violation of trust, the following Key Points to Remember are good examples.

Key Points to Remember:

- You, or any immediate member of your family, may not accept commissions, a share of profits or other payments, loans (other than with established banking or

financial institutions at prevailing market rates), services, preferential treatment, excessive entertainment or travel, or gifts of more than nominal value, from any individual or organization doing or seeking to do business with the company.

- Never solicit any gift or entertainment or anything of value, or accept any gift or entertainment that would be illegal or result in any violation of law, from any individual or organization doing or seeking to do business with the company.
- Never accept any gift of cash or cash equivalent (such as gift certificates, loans, stock, or stock options), or accept anything as a “quid pro quo,” or as part of an agreement to do anything in return for the gift, from any individual or organization doing or seeking to do business with the company.
- Never accept any gift or entertainment that violates your own department 's more restrictive standards.
- Never participate in any activity that you know would cause the person giving the gift or entertainment to violate his or her own employer's standards.
- Never attend or participate in any entertainment that is unsavory, sexually oriented, or otherwise violates the company 's commitment to mutual respect, as a guest of or host of any individual or organization doing or seeking to do business with the company.
- You, or any immediate member of your family (spouse, domestic partner, parents, children and their spouses, domestic partner's children and their spouses), may not have a business interest in any organization doing business with, or seeking to do business with, or competing or seeking to compete with, the company. (This does not include a non -material interest (less than 1%) in securities in widely held corporations that are quoted and sold on the open market.) Ownership of or an interest in a travel agency by you, or a family member who resides with you, is never permitted.
- You, or any immediate member of your family, may not, directly or indirectly buy, sell, or lease any kind of property, facilities, equipment, or services from or to the company through another company, firm, or individual.



- You may not use or release to a third party any proprietary or confidential information about the company, including information concerning company operations, practices, decisions, plans, or competitive bids.
- You, or any immediate member of your family, may not receive improper personal benefits (including loans to, or guarantees of obligations) as a result of your position in the company.
- You may not work for a company doing or seeking to do business with the company, or competing or seeking to compete with the company, if you are a management/specialist, individual contributor, function in a manager, supervisor, or team lead capacity, or are an officer or function in an officer capacity for American, American Eagle, or any other AMR-affiliated company; or if you will be working in a management/specialist or officer/director capacity at the other company. This includes any company engaged in a phase of aeronautics, such as other air carriers and most of American 's and American Eagle's suppliers of aircraft, aircraft parts, and aircraft accessories.

Note: If you work for another company or are self-employed, you must notify your manager in writing, and a copy of this letter must be placed in your Personnel file. If you are not in the Europe/Pacific Division, you also must inform your immediate supervisor in writing if your immediate family member works for a travel agency or in a management/specialist or officer/director capacity for a competitor.

A copy of this letter must be placed in your Personnel file.

- No outside activities, including outside employment, may interfere with your job performance for the company.
- A current or former employee may not solicit, directly or through a third party, current company employees to terminate their employment.

### **Gift Policy for Public Officials**

The vast majority of public officials are hardworking, dedicated people who often make personal sacrifices to serve what they believe is the public's best interest. Because of their public service, they often become familiar faces and household names like celebrities. It is natural, especially in a service business such as ours, to want to offer special treatment to celebrities or people who have done good things for the company or for the public in general. In most instances, such a reaction is appropriate.

However, public officials and those who deal with them must be very cautious to avoid the appearance that the public official's actions are influenced by any special treatment they receive from us. In fact, fears that public officials might trade on their official status for their own personal gain have resulted in the enactment of numerous laws, rules, and regulations dealing with when gifts and other benefits may be given to and accepted by public officials.

Under federal law and most state and local laws, it is illegal for the company or any of its employees to give a public official a gift or anything of value to influence or induce that public official to take action or refrain from taking an official act. It is also against the company's policy to attempt to influence official actions through gifts or other items of value. This would also include return or appreciation for an official act the public official has taken or may take on the company's behalf. Violations of the various federal, state, and local bribery and gift statutes may, in some instances, result in serious criminal sanctions, not to mention possible public embarrassment and damage to our reputation.

Accordingly, all employees must follow these policies when dealing with federal, state, or local public officials, who include:

- Members of Congress (Representatives and Senators).
- Executive Branch officials and employees, including officials of the office of the President and Vice President and members of the President's Cabinet and officials or employees of bureaus, offices, or regulatory agencies under a Cabinet member's jurisdiction, such as U.S. Embassies (Department of State), FAA, DOT, etc.

- State and local officials and employees such as state senators, county commissioners, and/or city councilmen.
- Staffers working for officials covered in the above bullet points.
- Family members of officials and staffers covered in the above bullet points. Family members include: spouse, domestic partner, children, parents, siblings, siblings-in-law, and dependant relatives.

Key Points to Remember:

- Never give a gift of cash to a public official.
  - Never give, directly or indirectly, a gift, service, special treatment, or entertainment to any public official to influence or induce the public official to take or refrain from taking official action.
  - Never give, directly or indirectly, a gift, service, special treatment, or entertainment to any public official in appreciation for official acts the public official has taken or may take on the company's behalf.
  - You may give gifts, services, special treatment, or entertainment to a public official that would be provided to any customer in the same or similar circumstances. For example, you should treat a public official, who also happens to be a qualified Platinum member, like any other Platinum member. Do not treat a public official differently than any other similarly situated customer simply because he or she is a public official.
  - Never give gifts, services, special treatment, or entertainment that would reasonably be considered to be lavish or excessive -- in terms of quantity or frequency. Gifts, services, special treatment, or entertainment must be of such a modest scale and nature that they don't compromise the integrity or reputation of the public official or the company. In making this determination, a good rule of thumb is to consider whether you would be comfortable if the giving of the gift, service, special treatment, or entertainment became a matter of public knowledge.
- Never aggressively offer gifts, services, special treatment, or entertainment to public officials. Keep in mind that in some instances public officials are prohibited from accepting even occasional meals or promotional sales items. If the public official declines the offer of a gift, service, special treatment, or entertainment, accept the decision without question and do not attempt to change his/her mind.
  - Politely refuse any public official who demands inappropriate gifts, services, special treatment, or entertainment. If the public official continues to insist, contact the company's Government Affairs office at (ICS or 202) 496-5666.
  - If you regularly deal with public officials, you must familiarize yourself with and obey all laws relating to their activities.

The application of the various federal, state, and local gift laws and rules as applied to airline benefits (many of which don't have a fair market value) can be confusing. So if you have any questions about how to apply this policy, contact Government Affairs at (ICS or 202) 496-5666, or the Business Ethics & Compliance Office at (ICS or 817) 967-6923.

#### **Bribes, Illegal Payments, and Illegal Solicitations**

Bribing foreign government officials to obtain or maintain business is a crime under the U.S. Foreign Corrupt Practices Act (FCPA) as well as under the laws of many countries in which the company does business. It is unlawful, except in limited circumstances, for the company or its employees to offer, corruptly pay, authorize, or promise to pay money or provide anything of value to a foreign official to obtain, retain, or direct business to that company. This includes payments made to foreign officials, political parties, political party officials, or candidates, or officers or employees of certain public international organizations. (Public international organizations covered by the FCPA include such diverse agencies as the International Bank for Reconstruction and Development, the Food and Agriculture Organization, the International Civil Aviation Organization, and the International Committee of the Red

Cross. If you have questions about whether the FCPA applies to a particular international organization, please consult the Legal Department.)

U.S. federal laws and regulations also prohibit payments to federal agencies, federal officials, government contractors, and government subcontractors to improperly obtain favorable treatment or business. Federal laws also prohibit asking for or receiving proprietary information or selection information about the procurement of a government contract.

These laws can be difficult to interpret and apply, so any exception to the company policies set forth below must first be discussed with the Legal Department.

Key Points to Remember:

- Don't give or offer money or anything of value to a foreign official (including officials of state-owned enterprises such as foreign-government-owned airlines), political party, political party official, or candidate, or an officer or employee of certain public international organizations, to obtain, retain, or direct business to the company.
  - Don't give or offer money or anything of value to any other person if you know or suspect it will be offered as a bribe to a foreign official, political party, political party official, or candidate, or an officer or employee of certain public international organizations to obtain, retain, or direct business to the company. Under this policy, "knowing" includes consciously avoiding the truth or ignoring clear "red flags" that the transaction is likely improper, such as unusual requests to segment a payment or pay a portion offshore to an agent or other third party.
  - Don't give or offer any money, fee, commission, credit, gift, object of value, or compensation of any kind, directly or indirectly, to a U.S. or foreign government official, government contractor, or government subcontractor to improperly obtain a contract, business, or preferential treatment for the company.
  - Don't seek or accept (directly or indirectly) from a government employee any proprietary information or selection information of a government agency during any federal procurement process.
- If you regularly deal with travel for foreign officials or employees of foreign governments, you should be familiar with the information contained in the AMR Policy and Procedures for Providing Discounted Travel to Officials and Employees of Foreign Governments.
  - Promptly report to the Business Ethics & Compliance Office or the General Auditor any solicitation of improper payments, information, or benefits by foreign officials.

#### **Training Records**

State and federal regulations require that the company provide certain training and maintain accurate and complete training records. Any failure to train or any discrepancy in these training records -- accidental or otherwise -- could violate these regulations and result in penalties against the company as well as against any individual who committed the violation. Failure to complete training required for you to do your job can result in your being withheld from work, without pay, until the training is completed. Continued failure to complete required training can result in disciplinary action, up to and including the termination of your employment. Falsification of training records can also result in the termination of your employment. The Employee Training policy can be found on Jetnet in the Employee Policy Guide. Employees in the Europe/Pacific Division should check the European Employee Guide or their country-specific Human Resources Guide.

#### **Business Ethics Training and Compliance Certification**

Key employees and those in sensitive positions must also attend Business Ethics Training and annually complete the Compliance Certification. You will be contacted if you are required to attend training and complete the annual Certification.

## 367. Toronto-Dominion Bank

Corporate Responsibility Report 2007<sup>1</sup>

### Corporate Responsibility Overview - Business Conduct, Ethics & Integrity

#### Setting a High Standard

Our Code of Conduct and Ethics helps set the “tone at the top” for a culture of integrity within our organization. The Code sets out the standards and expectations for how we deal with each other, our shareholders, customers, communities, suppliers and competitors.

From major decisions made by our Board of Directors to day-to-day transactions in branches, it stipulates that concern for what is right should be the first consideration in all business decisions and actions, and that includes compliance with the law. The Code addresses issues such as how to handle potential conflicts of interest and ensure confidentiality of information, and makes it very clear that any form of irregular business conduct, including bribery, corruption or insider trading, will not be tolerated under any circumstances.

Each year the Code is reviewed to determine if any changes are needed. Every employee and director worldwide is governed by the Code and must review and attest to their compliance with the Code and other key corporate policies annually. Any breach is considered a serious offence that may lead to dismissal, and employees must immediately report any possible violations they witness.

#### Internal Control Framework Policy

TD’s Internal Control Framework Policy serves as the first and primary line of defence in safeguarding employees, customers and assets, and in preventing and detecting errors and fraud, including corruption. The Policy provides for the ongoing identification and assessment of risks that TD faces from both internal and external sources and for a self-assessment of internal controls.

Extensive security systems are maintained to detect financial crime, particularly fraud.

Each of our businesses is subjected to periodic reviews by our internal audit teams,

who independently assess the level and direction of risks facing their area and the effectiveness of internal controls. Relevant risks related to corruption and fraud are assessed as part of this process.

TD has a whistleblower hot line for employees and other stakeholders to report any concerns regarding the integrity of TD accounting, internal accounting controls or auditing matters. We also have an employee complaint process, including an employee Ombudsman Office, to enable staff to report any matter they view as a serious workplace issue. Additional measures that support and promote responsible business conduct — such as our privacy policies and anti-money laundering measures — are discussed in other sections of this report.

#### Customers – Protecting Customers

##### Employee Conduct

As discussed on page 7, employees must comply with our Code of Conduct and Ethics, which defines organizational expectations and the way we do business. In addition, certain businesses in TD have supplementary codes of conduct and policies that apply to their employees that also require compliance.

We have e-learning compliance courses covering various topics related to consumer protection and responsible business conduct (see page 35). Successful completion is monitored and mandated on an annual basis for all applicable employees and for new employees within 30 days of taking a position. Additional training, job aids, meeting planners and other learning tools are also made available to retail branch employees to help ensure awareness of and compliance with consumer protection measures.

##### Anti-money Laundering

To combat money laundering, TD has robust policies and programs in place, including tracking tools to monitor suspicious transaction activity. We continually update our deterrence and detection infrastructure and train employees in compliance controls so we stay ahead of these sophisticated crimes. We also share intelligence as permitted by law and coordinate our efforts with governments, international organizations and others in the financial industry.

<sup>1</sup>Source: <http://www.td.com/corporateresponsibility/crr2007/pdf/CRRReportFinalPrintOptEng.pdf>

## Code of Conduct and Ethics for Employees and Directors<sup>1</sup>

### Personal Integrity

#### Gifts and Entertainment

You may not accept, offer or give gifts, entertainment or other benefits (referred to as “gifts” in this section) having more than nominal value from or to existing or potential customers, suppliers, employees or others doing or seeking to do business with TDBFG. Further, you must never solicit gifts of any size at any time.

In determining nominal value, consider whether the gift could reasonably be construed as an attempt to influence your behaviour or that of TDBFG (or, in circumstances where you are offering or giving the gift, the behaviour of the recipient or their organization), as well as the value of the gift in relation to your personal situation (or that of the recipient). In this regard, it is also important to consider the circumstances, nature and timing of the gift.

Occasionally, a third party might offer TD employees an opportunity to participate in a sale of merchandise or the purchase of services at reduced prices. Such an offering may be acceptable where the same opportunity is extended to large groups of individuals outside TD, and where the discount offered is consistent with other offerings by the manufacturer, distributor, service provider or retailer. If the offer is only made available to TD employees, consideration must be given to whether or not the circumstances may give rise to a perception of a conflict of interest.

Gifts of nominal value may be accepted, offered or given provided they:

- are not in cash or readily convertible to cash (such as securities, cheques or money orders);
- are consistent with accepted business practice;
- cannot be construed as an attempt to influence, or as a form of payment for a particular transaction or a referral;

- do not contravene any law and would not compromise your integrity or that of TDBFG (or, in circumstances where you are offering or giving the gift, the integrity of the recipient or their organization); and
- would not adversely affect your reputation or the reputation of TDBFG if knowledge of the gift was to become public.

To help you interpret these rules, here are some examples:

1. Being taken to lunch or dinner by a supplier would not normally be prohibited even though the supplier is likely trying to maintain or extend the services, provided that the lunch or dinner is consistent with accepted business practices. This applies equally when taking a customer to lunch or dinner.
2. Attending a networking or educational event where the travel or overnight accommodation expenses are paid for by a supplier is not permitted unless you first obtain the approval of the executive vice president responsible for your business area. As well, you may not offer to pay the travel or overnight accommodation expenses of a customer without first obtaining the approval of the executive vice president responsible for your business area.
3. Taking (or being taken by) a customer or a supplier to a local sporting or other event would generally be acceptable, subject to being reasonable and consistent with accepted business practices. Giving or accepting tickets to events for personal use should be subject to the guidance for other gifts provided above.
4. Giving (or accepting) a gift certificate to a local restaurant or a gift card to a book store is acceptable provided the certificate or card is modest in value. If you have any doubt about whether a gift is of nominal value or may otherwise be accepted, offered or given, you must seek guidance from your manager or Human Resources relationship manager.

<sup>1</sup>Source: [http://www.td.com/governance/code\\_ethics.pdf](http://www.td.com/governance/code_ethics.pdf)

### **Irregular Business Conduct**

Irregular business conduct (which includes any criminal, fraudulent or illegal conduct, any impropriety, lack of professional responsibility or dishonesty) will not be tolerated under any circumstances. Such conduct may not only be subject to internal disciplinary action but may also lead to criminal prosecution or civil suit. Examples of such conduct include:

- **Bribery**

Engaging in any act that can be perceived as giving or receiving a bribe or other questionable payment.

- **Money Laundering**

Making profits derived from criminal activity appear as if they came from legitimate business activity is a criminal offence, and knowingly failing to report a suspected money laundering scheme is also a criminal offence. Employees must not knowingly initiate or be party to a money laundering scheme. You will be considered to have been party to such a scheme if it is evident that you knew or ought to have known of the activity. Suspicious money laundering situations must be reported to the Financial Intelligence Unit of Corporate Compliance by completing an Unusual Transaction Report.

### **Compliance with the Code of Conduct**

#### **Reporting Violations**

If you become aware of or suspect any violation of the Code by any employee, you have a responsibility to report it immediately to your manager, your business head, your Human Resources relationship manager, your regional office, the Employee Ombuds Office, or Corporate Security and Investigation, as the circumstances require.

Alternatively, if you are uncomfortable with using any of these channels, you should report it through some other means or the TDBFG Whistleblower Hotline, an independent, confidential and anonymous reporting channel for your financial and ethical concerns. Should you become aware of or suspect any violation by an executive officer (other than the General Counsel) or a director, it should be reported to the General Counsel. Any suspected violation by the General Counsel should be reported to the Chief Executive Officer.

Failure to report any breach of the Code may have serious consequences for you as well as for the offender. Good faith reporting of possible violations by others will not subject you to reprisal. Any employee who attempts to intimidate or retaliate (directly or indirectly) against an employee who makes such a report, will face disciplinary action. As such, you understand that should any employee within TDBFG in good faith suspect you of violating the Code, they are expected to report the situation to TDBFG, regardless of which business unit they work within or how they came to suspect you of violating the Code.

#### **Failure to Comply**

All employees are responsible to be aware of and understand the provisions of this Code as well as other applicable TDBFG policies, including those specifically identified in this Code. Failure of an employee to comply with the Code and those policies may result in disciplinary action up to and including termination of employment, and may also impact upon your performance rating and incentive pay. Directors of TDBFG are also required to comply with the Code. Failure of a director to comply with the Code will be dealt with in accordance with the policies and procedures of the Board of Directors of TD Bank.

## Corporate Governance – TDBFG Whistleblower Hotline<sup>1</sup>

### **Our Commitment**

As a responsible business enterprise and corporate citizen, TD Bank Financial Group (TDBFG) is committed to conducting its affairs to the highest standards of ethics, integrity, honesty, fairness and professionalism – in every respect, without exception, and at all times. While reaching our business goals is critical to our success, equally important is the way we achieve them. Every employee and director of TDBFG is expected and required to assess every business decision and every action on behalf of the organization in light of whether it is right, legal and fair. This applies at all levels of the organization, from major decisions made by the Board of Directors of The Toronto-Dominion Bank to day-to-day transactions in branches. It also applies to all TDBFG wholly-owned subsidiaries around the world.

### **What to Report**

TDBFG is responsible for and committed to providing accurate and reliable financial reporting. To support that goal, we have established this communication channel for employees and other stakeholders to report their concerns regarding the integrity of TDBFG accounting, internal accounting controls or auditing matters. Employees may also use this communication channel to report concerns relating to ethical business or personal conduct, integrity and professionalism. This reporting system does not replace the other methods employees or other stakeholders have traditionally used to communicate with TDBFG. You are encouraged to continue using our existing communication channels. Please click here for additional contact information.

### **How to Report**

EthicsPoint is an independent, third party supplier that has been selected to provide this confidential and anonymous communication channel for submitting your reports. You may file a report by clicking "File a Report" or by calling 1-866-293-2365.

### **You Are Protected**

This reporting system is confidential and anonymous, so you should feel comfortable using it. TDBFG employees are protected against termination, demotion or any other adverse consequence to their employment when making a valid report

<sup>1</sup>Source: <http://www.td.com/governance/whistleblower.jsp>

## 368. Evonik Industries

Code of Conduct for Employees of Evonik Group<sup>1</sup>

### **Business conduct**

#### **Managing business transactions**

##### **Bribery**

Evonik prohibits any form of bribery or attempted bribery, be it as an offer or acceptance of money or valuables.

##### **Gifts, offers of entertainment, and other privileges**

Gifts, favors, hospitality, and other privileges may be offered or accepted within the limits of statutory or labor law limits only if they do not exceed the bounds of typical business practice in the relevant region, are not of an inappropriately high value, and are not considered a bribe.

In cases of doubt, employees must obtain the approval of their supervisor or compliance officer.

#### **Practical implementation of compliance rules**

##### **Responsibilities**

The Corporate Compliance Officer is responsible for ensuring Group-wide implementation of compliance rules. This includes ensuring independent and objective treatment of all issues drawn to the attention of the compliance officer. The Corporate Compliance Officer reports directly to the Chairman of the Executive Board but is not subject to technical directions.

To ensure the global implementation of this Code of Conduct, the regional presidents and regional heads or the persons appointed by the business units act as compliance officers for their respective regions or business units. In this function they report to the head of the business unit or service unit and to the Corporate Compliance Officer.

The compliance officer is a direct contact for all employees requiring information or advice on compliance rules. He or she takes note of all information submitted and looks into it with due attention. All information is treated with strict confidentiality, as far as permissible by law.

If the compliance officer decides that there is enough initial evidence to suspect violation of the principles contained in the compliance rules, he or she may consult other corporate departments, e.g., Corporate Audit or Legal, to clarify the matter, without, however, jeopardizing the confidentiality of the information received.

Staff working for the compliance officer are required to keep all information absolutely confidential.

Contacting the compliance officer will not have any negative implications for employees, unless they have violated the law or the Code of Conduct.

##### **Responsibility of employees to report failure to observe these guidelines**

All employees are required to inform the compliance officer if they become aware of any violations of this Code of Conduct. In cases of reasonable suspicion the supervisor has to be informed.

##### **Sanctions and consequences**

Violating this Code of Conduct can lead to disciplinary action and is punishable in accordance with the applicable national laws and local labor laws and accordance with company regulations.

##### **Training**

Employees throughout the Group will receive regular information on current compliance issues. Special training will be provided for relevant target groups on issues such as export and terrorism control, antitrust law, environmental protection, safety and occupational health. Attendance may be mandatory. Records will be kept of attendance at such training sessions.

<sup>1</sup>Source: [http://corporate.evonik.de/export/sites/default/binaries/downloads/en/code\\_of\\_conduct\\_en.pdf](http://corporate.evonik.de/export/sites/default/binaries/downloads/en/code_of_conduct_en.pdf)



**Compliance at Evonik Industries Group companies**

The management of each Group company of Evonik is required to include compliance, the related training measures and any compliance failures in the agenda for a meeting of the company's executive management and/or supervisory board at least once a year.

## 369. Continental

Annual Report 2007<sup>1</sup>

### Acting Responsibly

#### CSR report documents principles and activities

##### CSR report documents principles and activities

Our CSR report, based on the international guidelines of the Global Reporting Initiative, can be viewed on our website ([www.continental-corporation.com](http://www.continental-corporation.com)). We are thus pursuing our goal of informing interested stakeholders about Continental's commitment and making our corporate philosophy as well as our entrepreneurial approach transparent and understandable. Numerous projects, measures, and current topics, to which our divisions and locations feel especially committed and in which they are involved, are introduced in detail, as well as our corporate guidelines and Code of Conduct. We are open to suggestions and constructive ideas on how to fulfill our responsibilities more efficiently and continue to bring about change – we also see our social commitment as a process that we want to continuously improve.

Continental is committed to principles that form the basis for standards for entrepreneurial activities in the spirit of CSR. For example, we respect the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy by the UN International Labour Organization (ILO). These principles for multinational enterprises, governments, and employers' and workers' organizations are intended to improve the working and living conditions of people worldwide. The continuous fight against corruption and bribery is especially important to us. It is derived from our Corporate Governance principles, corporate guidelines, and the Code of Conduct. Unethical, illegal, and irresponsible actions can do significant damage to the Company and its stakeholders. We deploy a package of measures to counter this, such as our own Compliance & Anti-corruption Hotline. It is intended to help better track down any improper behavior. In this way, any Continental stakeholder who becomes aware of illegal or dubious activities, such as violations of our basic values, or criminal activities, has the possibility to report such activities effectively and anonymously to the Company. Information regarding the following issues in particular can be reported using the hotline: theft, bribery, fraud, anti-trust violations, conflicts of interest, insider trading, money laundering, accounting manipulation, environmental protection, health and workplace safety, and industrial safety.

<sup>1</sup>Source: [http://www.conti-online.com/generator/www/com/en/continental/portal/themes/ir/financial\\_reports/01\\_reports/download/annual\\_report\\_2007\\_full\\_en.pdf](http://www.conti-online.com/generator/www/com/en/continental/portal/themes/ir/financial_reports/01_reports/download/annual_report_2007_full_en.pdf)

## CONTINENTAL CODE OF CONDUCT<sup>1</sup>

### PERSONAL ETHICS

#### Respect for the law

All business decisions - whether in or outside the country of employment – are to be made in scrupulous compliance with all applicable laws and statutes. Under no circumstances may employees - either directly or indirectly - participate in illegal or corrupt activities.

#### Benefits

Within the framework of local conditions, all those exercising executive responsibility are to see to it that no employee makes or authorizes payment or donations to a customer or to a third party - either directly or indirectly - for the purpose of promoting the conclusion of a business transaction with a corporate company.

#### Suppliers

Suppliers are to be selected on a strictly competitive basis. They are entitled to be treated fairly and correctly. Any attempt on the part of a supplier to influence the decision taken by corporate staff by means of benefits going beyond what is normal in the way of business-related entertaining or of token gifts is to be treated as a serious impropriety, with a suspension of all contractual relations to be considered on a case-by-case basis.

#### Internal controls

Within their scope of authority, all managerial staff are obliged to provide for a suitable system of internal controls. They must take any action they deem appropriate to protect capital assets; to ensure that business is carried out and documented in compliance with corporate guidelines and other internal rules; to ensure that financial records are properly kept; and to guarantee that violations of this code are detected and corrected.

## CONFLICTS OF INTEREST

### Acceptance of gifts/benefits and advantages

Employees, their immediate families and life companions may not accept (monetary) gifts or advantages from persons or companies with whom business relations are maintained. Minor benefits and favors must remain within the scope of what is usual. All employees are requested to inform their superiors of any gifts having more than mere token character.

### Private /business expenditures

Expenditures for gifts and entertaining should be assumed privately if the business and private spheres overlap to such an extent that an exact separation of the business and private content of such expenditures is rendered difficult.

## CSR REPORT – General Information<sup>2</sup>

### Fight against Bribery and Corruption

Continental respects the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of the UN agency, the International Labour Organization (ILO). The principles laid down in this declaration are meant as guidelines for multinational enterprises, governments, and employers' and workers' organizations. The fundamental objective of the guidelines is to improve the working and living conditions of people worldwide.

Continental uses the Corporate-Governance-Principles, the Corporate Guidelines (BASICS) and the Code of Conduct as a basis of its continuous fight against corruption and bribery. Together, they form the groundwork of responsible company management and control that are based on achieving a long-term increase in value.

Unethical, illegal or irresponsible behavior does damage to the company and its

<sup>1</sup>Source: [http://www.conti-online.com/generator/www/com/en/continental/csr/themes/downloads/download/verhaltenskodex\\_en.pdf](http://www.conti-online.com/generator/www/com/en/continental/csr/themes/downloads/download/verhaltenskodex_en.pdf)

<sup>2</sup>Source: [http://www.conti-online.com/generator/www/com/en/continental/csr/themes/general\\_information/briberyandcorruption\\_en.html](http://www.conti-online.com/generator/www/com/en/continental/csr/themes/general_information/briberyandcorruption_en.html)

stakeholders, including customers, shareholders, suppliers, partners and employees. A compliance & anti-corruptions hotline has been set up to help track down any improper behavior. In this way, any Continental stakeholder who becomes aware of illegal or dubious activities such as violations of our basic values or criminal activities can report such activities effectively - and of course anonymously - to the company.

Information about violations in the following areas can be reported through the hotline:

- Theft, bribery and non-cash benefits
- Fraud
- Conflicts of interest
- Insider trading
- Money laundering
- Accounting manipulation
- Environmental protection
- Health and workplace safety, industrial safety.

Tips received by the hotline are passed on to Corporate Auditing for investigation.

## 370. MAN Group

Annual Report 2007<sup>1</sup>

### Corporate Governance

#### Focus on compliance

Compliance with existing laws and corporate guidelines has been emphasized in the Code as an essential management and supervisory task. Accordingly, the Executive Board has further enhanced the system for ensuring compliance.

In this, the Executive Board has been receiving support from the newly created Compliance Board, which comprises the heads of major functional areas at MAN AG as well as the compliance officers of its subsidiaries. Particular measures included adopting anti-corruption guidelines that now incorporate group-wide standards, appointing external ombudsmen (attorneys) for the anonymous reporting of potential compliance violations, carrying out training measures, and setting up an e-learning program on MAN AG's Code of Conduct and core themes of compliance. The Supervisory Board was briefed on the compliance system and, according to a new suggestion in the Code, has determined that the Audit Committee should take on the topic of "compliance" as a special task.

Code of Conduct for the MAN Group<sup>2</sup>

### Customers and Suppliers

#### Offering and conferring benefits

We compete for contracts by relying on the quality of our products and services and their benefit to our customers, coupled with reasonable prices. We support national and international efforts to prevent competition being influenced or distorted by bribery.

Gifts of all kinds made to public officials or employees of other companies by MAN Group employees with the aim of obtaining contracts or unfair advantages for MAN or other persons shall not be allowed.

Courtesy gifts which, up to a certain level, constitute generally-accepted business practice, shall be handled in accordance with the laws by which we are bound and our internal guidelines. These should in all cases be presented in such a way that the recipient is neither required to conceal acceptance of the gift, nor forced into a position of obligatory dependence.

Business and project-related travelling expenses incurred by public officials and non-officials shall only be reimbursed to an extent that is objectively reasonable. The applicable legal provisions shall be complied with in each case. Reimbursements shall be made in such a way that the recipient is not required to conceal the same ("publicity test").

#### Requesting and accepting benefits

To a certain extent, gifts from business partners constitute generally-accepted business practice. Acceptance may however lead to a conflict of interest and jeopardise the high reputation of our company.

No employee may use his or her position or role in the company to request, accept or obtain personal benefits. Acceptance of occasional gifts of minor value is allowed. Beyond this, any gifts or other benefits offered to employees or closely-related

<sup>1</sup>Source: [http://www.man.eu/MAN-Downloadgalleries/EN/Investors\\_Relation/Annual\\_Reports/2007\\_gb/MAN\\_GB\\_gesamt\\_es.pdf](http://www.man.eu/MAN-Downloadgalleries/EN/Investors_Relation/Annual_Reports/2007_gb/MAN_GB_gesamt_es.pdf)

<sup>2</sup>Source: [http://www.man.eu/MAN-Downloadgalleries/EN/Company/Code\\_of\\_Conduct\\_english.pdf](http://www.man.eu/MAN-Downloadgalleries/EN/Company/Code_of_Conduct_english.pdf)

persons shall be refused without exception. In such cases, employees are obliged to notify their superior that they have received an offer of gifts or other benefits.

### **Compliance with the Code of Conduct**

#### **Notes and review**

The Group Auditing Department will review compliance with the Code of Conduct within the scope of its audit activities and include the relevant regulations in its audit criteria. Any breaches of the Code of Conduct should be reported to the Compliance Board.

#### **Breaches and sanctions**

Breaches of the Code of Conduct may have consequences in terms of contractual relations with an employee and the continuation of such relations, and may also lead to claims for damages.

## 371. Japan Tobacco

CSR Report 2008<sup>1</sup>

### JT Group Compliance

#### Compliance Training Programs

A variety of training programs are in place to increase awareness of compliance and promote its implementation, including rank specific training (compliance seminars, new employee education, new manager training courses, and others) and compliance activities leader training. These efforts are also underway at JT places of business and group companies.

In FY 2007, a new program called “Compliance Case Studies” was launched. This program, in which employees can voluntarily participate, is designed to help employees better understand the implementation of compliance through case studies. In addition, relevant information and additional case studies are disseminated through group magazines and the intranet in order to bring compliance issues closer to each employee and put them into practice.

#### Improvement of Consultation and Reporting System

In accordance with the Whistleblower Protection Act, the Compliance Office has a consultation and reporting counters, and others to listen to employee problems, take preventive measures and ensure self-improvement in the organization. In addition, external consultation and reporting counter was set up in January 2008, with the Guidelines for the Use of Consultation and Reporting Counters distributed to all employees.

JT Compliance<sup>2</sup>

### Guidelines for Conduct

#### Moderate entertainment and gift (accepting)

We shall not accept immoderate business entertainment or gifts.

#### Moderate entertainment and gift (offering)

We shall not offer immoderate business entertainment or gifts.

#### Moderate relationship with government officials

We shall never offer prohibited entertainment or gifts to government officials.

<sup>1</sup>Source: [http://www.jti.co.jp/JTI\\_E/environ/assets2008/report2008.pdf](http://www.jti.co.jp/JTI_E/environ/assets2008/report2008.pdf)

<sup>2</sup>Source: [http://www.jti.co.jp/JTI\\_E/compliance/guidelines.html](http://www.jti.co.jp/JTI_E/compliance/guidelines.html)

## 372. Nippon Yusen

CSR-Report 2008<sup>1</sup>

### Compliance

At the most basic level, earning and maintaining the trust of society requires that corporate activities conform to social mores and ethical standards. Indeed, this is the most important factor in being a trustworthy company. NYK's compliance committee is chaired by the president and promotes rigorous compliance based on the NYK Line Business Credo and Code of Conduct.

### Establishment of help line

In June 2003, the company established the Yusen Chat Room<sup>6</sup> as a compliance help line. The company reinforced its "whistleblower liaison" systems in 2007 to conform with the Whistleblower Protection Act. The company also has help lines for its local subsidiaries overseas as warranted by local conditions. These efforts are creating a compliance system that provides comprehensive coverage of all Japan-based and international group companies.

### Whistleblower Protection Act

A Japanese law providing for the protection of whistleblowers who provide beneficial reports (internal accusations that satisfy certain requirements and are not made for improper purposes). It includes clauses to nullify dismissal and prohibit disadvantageous treatment. Entered into effect on April 1, 2006.

### Compliance training

NYK has provided ongoing compliance training for the executives and employees of all group companies since November 2002 as a means of promoting greater awareness and understanding of compliance issues. The company has also offered e-learning programs since July 2005, and in April 2006 launched an English-language version for employees at its international group companies.

### Comprehensive Compliance Checkup Month

NYK designates each September as Comprehensive Compliance Checkup Month and

all group companies review and confirm observance of the Business Credo and Code of Conduct alternately every other year. In 2007, the company conducted a survey of compliance with the Code of Conduct that asked respondents to comment on themselves personally and their workplaces (84.3 percent of those surveyed responded). This was an anonymous survey of randomly selected employees. Up until the previous year, the survey had been a free-response style, but for this year, the style was changed to allow for opinions to be provided after replies to specific questions were obtained. This alteration resulted in a 50 percent increase in responses. We will continue this activity, using it as a means of fostering awareness of compliance issues throughout the Japan-based and international group.

CSR – Compliance<sup>2</sup>

### Compliance Activities

Compliance refers to activities aimed at improving and preventing damage to corporate values by methodically applying corporate ethics and observing laws, regulations, and key practical standards. NYK's primary compliance activities are as follows:

1. To monitor compliance at each division, branch, and subsidiary, both overseas and in Japan, during the company's annual comprehensive compliance checkup every September.
2. To convene the Compliance Committee, chaired by the president, twice a year to examine and evaluate compliance activities conducted during the relevant half of the fiscal year.
3. To hold an NYK Group compliance liaison meeting once a year and implement compliance training for the president and Chief Compliance Officer (CCO) of each company.
4. To administer an internal consulting service, called the Yusen

<sup>1</sup>Source: <http://www.nyk.com/english/profile/csr/pdf/2008.pdf>

<sup>2</sup>Source: <http://www.nyk.com/english/profile/csr/compliance/index.htm>



Chat Room, where employees can get advice anonymously from external lawyers and other relevant experts.

5. To carry out in-house compliance training at NYK and subsidiaries within the group about 50 times a year. In addition, e-learning programs, both in Japanese and English, targeting domestic and overseas employees were offered from April through June 2007.

## 375. Emerson Electric

Employee Handbook for the Emerson Business Ethics Program<sup>1</sup>

### Defined Responsibilities - Supervisors/Managers

#### Responsibilities

- Ensure that all current and new employees under their supervision receive a copy of this Ethics Handbook, are trained in its meaning and application, and sign and return the Acknowledgment on the last page of this Ethics Handbook. The acknowledgment will be maintained in the employee's personnel file.
- Periodically review the Code with employees under their supervision and ensure that “refresher” programs are provided as necessary.
- Direct any inquiries concerning the Code to the unit's Ethics Official and ensure the employee's concern has been addressed.
- Enforce the requirements of the Code and the Company's policies and procedures which support the Code.
- Maintain a workplace environment that encourages frank and open communication, free of the fear of reprisal, concerning compliance with the Code.
- Set the example by conducting themselves and managing their departments and the activities of all employees under their supervision in accordance with the Code.

#### Conflict of Interest

#### Compensation, etc. from Others

An employee or member of his/her immediate family shall not accept compensation, loans, entertainment or gifts of more than nominal value, commissions, property or anything else of personal financial or other advantage, from outside parties in connection with any transactions in which the Company might have an interest,

without making full disclosure to the Company. This policy does not apply to personal loans from a recognized lending institution made in the ordinary course of business on usual and customary terms.

#### Ethical Standards in Government Contracting

##### Avoidance of Gifts, Gratuities, Etc. to Government

No employee may, directly or indirectly, give, offer or promise anything of value (for example, entertainment or a gift) to any government officer or employee in a position to influence any government decisions with respect to the Company or its activities except in compliance with applicable law and of nominal value expressly authorized by Company policy.

##### Gifts, etc. to Others

No gift (regardless of value) or other thing of value shall be given to an employee of a customer, vendor or other entity with the intent to influence corruptly that employee's conduct. Gifts, regardless of reason, are discouraged generally. Gifts are prohibited to U.S. federal, state or local government officials (unless of a nominal amount expressly authorized by Company policy pursuant to U.S. government regulation) and to foreign government officials (unless of a nominal amount expressly authorized by Company policy and in compliance with applicable U.S. and non- U.S. law) Avoidance of Gifts, Gratuities, Etc. to Government

#### International Business

##### Foreign Corrupt Practices

No employee shall promise, offer or make any payments in money, products, or services, either directly or indirectly, to any foreign government employee in order to induce favorable business treatment or to affect governmental decisions in violation of the Foreign Corrupt Practices Act (“FCPA”) or other U.S. or foreign laws. The accounting practices of the Company shall be consistent with the requirements of the FCPA and related regulations.

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/10/107575/corpgov/EmployeeEthicsHandbook050916.pdf](http://media.corporate-ir.net/media_files/irol/10/107575/corpgov/EmployeeEthicsHandbook050916.pdf)

### **Employee Responsibility and Discipline**

Each Company employee shall be responsible to conform his/her conduct strictly to this Code and any other applicable policies. Each employee will be provided a copy of this Ethics Handbook, and shall review it carefully in order to understand and to comply with this Code. The President of each operating unit is responsible for ensuring that all employees of his/her unit receive a copy of the Ethics Handbook. With respect to particular areas of conduct involving specific employees, further training and guidance will be provided as

appropriate. In any instance where any employee requires guidance as to how to follow this Code, he/she should seek advice from his/her supervisor or the unit's Ethics Official.

If at any time a Company employee or agent has engaged in, is about to engage in, has been asked to engage in, or suspects others have engaged in, conduct that may violate this Code, then any employee having knowledge of the matter shall report it directly to his/her supervisor or the unit's Ethics Official. In the alternative, the employee may report such ethics concern or potential violation by calling the Company's "Ethics Compliance Hotline". The telephone number is posted at every Company location. Calls to the Ethics Compliance Hotline can be made on an anonymous basis. No matter how reported, there shall be no retaliation or harassment of employees who report possible violations.

Each supervisor is responsible to oversee the conduct of each employee under his/her supervision and to ensure the employee's compliance with this Code. Any supervisor receiving a report from an employee of a possible ethics violation shall report it to the unit's Ethics Official or the Corporate Ethics Official, who shall take action as appropriate. Anyone violating this Code, whether occurring through individual misconduct, a failure to exercise adequate supervisory oversight, or a failure to report misconduct of others, shall be subject to appropriate disciplinary action. Serious misconduct may result in termination of employment.

### **Reporting Alternatives and Ethics Compliance Hotline**

There are many alternatives available to employees to ask questions about or to

report actual or perceived violations of the Emerson Code of Business Ethics. These alternatives are as follows:

- The immediate supervisor should be the primary resource in most instances.
- The next step should be to seek the advice of anyone in the department's chain of command. In other words, the "open door policy" should be used.
- A further alternative is the operating unit's Ethics Official at the division/location.
- The Corporate Ethics Official may be contacted if the person does not feel comfortable with anyone at the division/location.
- Finally, the Company "Ethics Compliance Hotline" can be used to report ethics concerns or violations or to report concerns regarding potential accounting or financial irregularities. All reports to the hotline can be anonymous if so requested. Your call will be received by an independent company and their report of the call will be sent to Emerson for investigation and response. Calls regarding accounting, internal accounting controls, or auditing matters will be reviewed by the Audit Committee of the Emerson Board of Directors.

Whatever the concern, there is an appropriate resource within the Company. Additionally, the Board of Directors of Emerson is committed to providing avenues through which such issues may be raised, reviewed and, in every possible instance, resolved.

### **No Retaliation**

There shall be no retaliation or harassment of employees who report possible violations or other concerns. Any employee who engages in such retaliation or harassment will be subject to serious disciplinary action, including possible termination of employment.

## 376. Holcim

Corporate Sustainable Development Report 2007<sup>1</sup>

### **Vision, strategy and corporate governance**

#### **Operating with integrity**

The Holcim Compliance Policy sets the rules for compliance with external laws and regulations as well as with Groupwide internal policies.

To ensure that employees and managers are aware of their responsibilities under the Code of Conduct, each Group company implements its own appropriate measures. These may include, for example, integration into employment contracts, a requirement for all employees to sign the Code of Conduct, information and training sessions, translation into local languages, articles in internal newsletters and other reinforcement activities.

As well as covering all aspects of our operations, the Code makes specific provisions on bribery and corruption. Local management takes additional reinforcement measures as circumstances warrant, and this may include more detailed information and training, double signatures and specific policies. Group-level induction and management seminars also aim to build broader awareness and understanding of the issues involved.

All employees are expected to adhere to the Code of Conduct. We do not tolerate violations. Non-compliance may be subject to disciplinary sanctions, including termination of employment.

#### **The business place**

#### **Working with suppliers**

We engage in long-term relationships with suppliers and contractors to secure the most value-enhancing products and services. These relationships are the basis of working toward a sustainable supply chain. The first principle is that our suppliers should respect our social and environmental policies. With this in mind, our Group

procurement policy and supplier qualification program include a self-assessment of suppliers' and contractors' compliance with international social accountability standard SA 8000 and environmental standard ISO 14001. Specific bribery and corruption provisions in our procurement policy build on the principles contained in our Code of Conduct. All contracts with suppliers and contractors must also include a clause securing the health and safety of all personnel

#### **Code of Conduct<sup>2</sup>**

#### **Compliance**

#### **Bribery and Corruption**

We will not utilize bribery and corruption in conducting our business. We will not offer or provide, either directly or indirectly, any undue pecuniary or other advantage for the purpose of obtaining, retaining, directing or securing any improper business advantage.

#### **Gifts and Donations**

We are prohibited from offering, soliciting or accepting gifts and donations related to our business. However, entertainment and gifts of insignificant monetary value arising out of ordinary corporate hospitality are acceptable.

Donations for political or social purposes are permitted only within the limits of local laws and in complete transparency.

#### **Responsibility**

Each of us is responsible to know the relevant laws and regulations including this Code of Conduct.

<sup>1</sup>Source: [http://www.holcim.com/gc/CORP/uploads/Holcim\\_Corporate\\_SD\\_Report\\_2007.pdf](http://www.holcim.com/gc/CORP/uploads/Holcim_Corporate_SD_Report_2007.pdf)

<sup>2</sup>Source: [http://www.holcim.com/gc/CORP/uploads/Code%20of%20Conduct\\_08\\_englisch.pdf](http://www.holcim.com/gc/CORP/uploads/Code%20of%20Conduct_08_englisch.pdf)

In all business situations where the requirements of the law or this Code of Conduct appear incomplete or unclear, each of us shall use good judgment and common sense, and if needed, seek advice from line management or our legal counsel.

All of us are expected to adhere to this Code of Conduct in both the letter and the spirit. Violations against this Code of Conduct will not be tolerated. Non-compliance may be subject to disciplinary sanctions including termination of employment.

## 377. Hochtief

Sustainability Report 2007<sup>1</sup>

### The Company

#### International presence

As an internationally oriented construction services provider we consider it our responsibility to help shape the globalization process and take all social groups into account while doing so. We are therefore engaged in continuing dialog with our stakeholders.

As a logical consequence, our sustainable action is based on high ethical and moral standards. With its Code of Conduct, HOCHTIEF has implemented a compulsory code of behavior for all employees, which is continually brought up to date to conform to new developments. We thus emphasize our commitment to fighting corruption as well as to transparency and responsibility. An ethics hotline enables HOCHTIEF employees to speak confidentially to a representative in the Corporate Headquarters about ethical questions. We urge our business partners to adopt a similar approach.

Through our global network we are present in all major world markets—particularly in the USA, Australia and Europe as well as increasingly in Asia and the Gulf region (see page 12). HOCHTIEF fosters economic growth in these regions and actively contributes to the optimization of living spaces.

The cross-border exchange of experience allows us to use solutions tested in one country throughout the world. The transfer of know-how between the Holding and the individual companies and corporate divisions improves our performance capacity and is conducive to sustainability.

The main focus of our activities currently is on growth market segments such as sustainable construction, public-private partnership, private infrastructure construction, port and power plant construction, and healthcare facilities; we are also steadily strengthening our position as a construction services provider for facility and property management.

### Our Stakeholders

#### Award-winning client magazine

Twice a year our client magazine “concepts by HOCHTIEF” informs clients, partners and decision-makers from the business world and politics about current and attractive HOCHTIEF projects. The magazine also deals with such overriding topics as climate change, environment-friendly energies and anticorruption measures. The publication also appears in English and is used by our international subsidiaries.

“concepts by HOCHTIEF” was awarded the gold medal for the third time in a row in the trades, construction and architecture category in Europe’s largest competition for corporate communications, the Best of Corporate Publishing.

#### Acting according to ethical principles

We consider it our duty to comply strictly with the applicable laws and business practices in all countries in which we work. In addition, HOCHTIEF’s high management standards, our Code of Conduct and our ethical principles must be considered binding in our international business, too.

With our membership of Transparency International, we underline HOCHTIEF’s firm commitment to opposing any form of bribery and corruption. Our company pays no bribe money, nor does it, directly or indirectly, violate the laws on the prevention of corruption. We also abide by these laws in countries where so-called trade facilitation payments are usual. HOCHTIEF also promotes the dissemination of the International Chamber of Commerce’s “Rules of Conduct to Combat Extortion and Bribery in International Business Transactions”.

<sup>1</sup>Source: [http://www.hochtief.com/hochtief\\_en/data/pdf/sr07.pdf](http://www.hochtief.com/hochtief_en/data/pdf/sr07.pdf)

## Code of Conduct<sup>1</sup>

### Foreword

Combining entrepreneurial activity with ethical principles is a key factor in our long-term success and is a well-established HOCHTIEF tradition.

As early as the 1990s, HOCHTIEF introduced an ethics management system and thus assumed a pioneering role in the construction industry. Out of a sense of conviction, we stand for fair competition and transparency in the construction sector and have committed ourselves to a rigorous anti-corruption program.

Ethical principles form an important part of HOCHTIEF's Vision and Guiding Principles, which represent the key standards of conduct and strategies of our company.

HOCHTIEF's reputation in the business world is one of our most valuable assets. It is crucially shaped by the way we conduct ourselves in business life. Our clients, business partners, subcontractors and shareholders must be able to count on us to observe high ethical standards in all our operations, to meet our commitments reliably and to act honestly and uprightly in our business relations. This Code of Conduct provides binding and unequivocal rules for the way we operate. We expect the employees of all HOCHTIEF companies to act in accordance with our ethical principles. We expect and require all the executives of our company to live by and communicate these principles. They are the first persons to turn to when employees need advice on ethical issues.

Every employee has a responsibility to ensure that his or her conduct conforms to the principles governing the way in which HOCHTIEF does its business. It is our aim to make observance of our internal guidelines a regular assessment criterion for all managerial staff and employees. Infringements of the guidelines will lead to appropriate action, which can include termination of employment. Civil prosecution, including claims for damages, is another possible consequence. In this connection, we explicitly point out that bribery and corruption in national and international business is a criminal offence, given even stricter significance by the OECD Convention of

December 17, 1997 and the associated changes in the German Criminal Code of February 15, 1999.

Since its introduction, our ethics management system has been steadily refined and adapted to new requirements. Our constant endeavour is to anchor it firmly in our company. That is also why we offer internal training on our Code of Conduct.

"We are committed to our ethical principles and do everything we can to promote fair business conduct." That statement forms part of our Guiding Principles. We trust and expect every one of our employees to live up to this standard at all times.

### HOCHTIEF Business Ethics: Principles

Business ethics and integrity ensure our credibility. It goes without saying that all HOCHTIEF companies and employees should observe the laws and regulations of the countries they work in and can be counted on to fulfill their obligations reliably. They must demonstrate honesty and fairness in all aspects of their business activities. We expect the same standards of conduct from our partners.

We are convinced that ethical and economic values are mutually dependent and that business needs to be done in a spirit of fairness within the framework of existing rules.

Our principles:

- Local and international laws and regulations are strictly observed.
- Employees receive regular training so they know how to handle ethical issues.
- Employees are required to report infringements of these ethical guidelines or principles. Generally speaking, the first person they should consult is their direct line manager.
- Employees or business partners who encounter situations in actual or potential conflict with these guidelines and principles can also call the ethics hotline, anonymously if necessary.

<sup>1</sup>Source: [http://www.hochtief.com/hochtief\\_en/data/pdf/CodeofConduct\\_en.pdf](http://www.hochtief.com/hochtief_en/data/pdf/CodeofConduct_en.pdf)

If, in the individual case concerned, an employee has to assume that a criminal offence has been committed, he or she is obliged to inform the ethics hotline or Corporate Center Auditing without delay.

- No employee should be disadvantaged at HOCHTIEF as a result of observing ethical principles.

A central compilation of all Executive Board circulars and Group directives including additional regulations on ethics management is available on Indoor (Home > Sub-Community "Code of Conduct/Ethik").

The HOCHTIEF Group promotes and supports adoption of the principles contained in the code of conduct of the International Chamber of Commerce (ICC Rules of Conduct to Combat Extortion and Bribery in International Business Transactions) and the Business Principles for Countering Bribery in the Engineering & Construction Industry (2003).

#### **Conflicts of interest**

HOCHTIEF expects all its employees to demonstrate loyalty to the company.

All employees must avoid situations where their own personal or financial interests conflict with those of the HOCHTIEF Group. In particular, it is prohibited to acquire a participating interest in or enter into private business relations with competitors, suppliers or clients if this could result in a conflict of interest. A conflict of interest exists wherever the nature or scale of a participating interest could in any way influence how employees perform their duties for HOCHTIEF.

No employee should accept anything—especially in the form of a personal gift or a benefit arising from a HOCHTIEF business relationship — that could reasonably be assumed to have a potential impact on business decisions or transactions. Invitations must be within the bounds of normal business hospitality.

Small gifts up to a value of 50 euros are excepted from this ruling. Gifts in the form of money must never be accepted.

#### **Bribery and corruption**

No employee may secure undue benefits from any form of business activity for business partners, their employees or other third parties. Such a state of affairs could be presumed, in particular, where the nature or scale of a benefit might have an inadmissible impact on the recipient's actions and decisions.

Third parties (e.g. consultants, brokers, sponsors, representatives or other agents) must not be used to circumvent this rule.

As a matter of principle, infractions are punished by termination of employment.

#### **Compliance Position Paper<sup>1</sup>**

#### **HOCHTIEF: Active worldwide against corruption and price-fixing**

#### **Code of Conduct lays down ethical principles for all employees – Membership of Transparency International**

HOCHTIEF is a leading advocate, nationally and internationally, of ethically correct business conduct in the construction sector. The Group applies the same strict stipulations governing relations with clients, contractual partners and competitors in all the national markets in which it is represented. Its Vision and Guiding Principles emphasize the obligation of all employees to act in accordance with high ethical standards. Detailed rules governing this are set out in the HOCHTIEF Code of Conduct, which forms part of all service contracts, and employees of all companies in the Group are obliged to adhere to these rules.

HOCHTIEF introduced an ethics management system as early as the 1990s. The company is a convinced champion of fair competition and greater transparency in the construction sector and has committed itself to a consistent anticorruption program. The area Corporate Governance / Compliance reports directly to the Executive Board.

<sup>1</sup>Source: [http://www.hochtief.com/hochtief\\_en/data/pdf/compliance\\_e.pdf](http://www.hochtief.com/hochtief_en/data/pdf/compliance_e.pdf)



It comprises a Chief Compliance Officer, a Corporate Compliance Counsel and a compliance organization which provides training and advice for employees throughout the HOCHTIEF Group. There is a separate compliance contact person for each of the six corporate divisions and for the fields of data privacy, health and safety, and environmental protection.

#### **Ban on price-fixing and bribery**

HOCHTIEF rejects any form of price-fixing or bribery. To ensure ethically correct business conduct throughout the Group, the Code of Conduct establishes precise rules on dealing with potentially difficult situations. For instance, employees are not allowed to accept any gifts which might be considered capable of influencing business decisions or transactions. Only small, occasional gifts worth up to 50 euros are excepted from this rule. There is a total ban on accepting money in any form. In addition, there are strict criteria governing the giving of presents to clients or the making of donations. Infringements of these stipulations can lead to penalty measures up to and including termination of employment.

The Group also provides proactive support to help ensure that employees never become involved in prejudicial situations. On particularly sensitive compliance issues (e.g. corruption, bid rigging, accounting fraud and breach of trust), there is ongoing training. Since July 2008, HOCHTIEF employees can also – in addition to the internal training sessions – use the "Anti-Corruption" computer learning program, which is available in German and English on the company's intranet. The program interactively communicates the relevant legal basis, the economic background and the various forms of corruption, explains possible consequences resulting from infringements and outlines anti-corruption measures. This creates a high degree of awareness for this issue throughout the Group. HOCHTIEF's Chief Compliance Officer: Hartmut Paulsen: "We help our employees at a very early stage, when the first indistinct signs of corruption become evident. It is, after all, the little steps which can gradually make an individual of previously blameless character slip into corruption. That is something we set out to prevent."

HOCHTIEF employees can contact the Compliance Officer for their corporate division to seek advice. Employees and external third parties (clients, subcontractors etc.) can

provide information/tip-offs on possible criminal offences or abuses; if they wish, this can be done anonymously / confidentially. For this, an internal HOCHTIEF hotline to the Chief Compliance Officer is available. In addition, there is an external telephone number via which HOCHTIEF employees can contact a law office which has expert experience in criminal law.

## 379. Raytheon

### Code of Conduct<sup>1</sup>

#### **Protect Our Reputation in the Global Business Arena**

Raytheon expects its employees, consultants, representatives, and agents to protect the Company's reputation for integrity in the global marketplace. Raytheon prohibits improper international business practices and complies with all applicable laws, such as the U.S. Foreign Corrupt Practices Act (FCPA), similar laws of host nations, and related anti-bribery conventions.

The FCPA prohibits corruptly offering anything of value to foreign officials to obtain business, and also requires strict internal accounting controls to prevent concealment of bribery.

#### **Steer Clear of Accepting or Giving Improper Gifts**

Company business courtesies and conflict of interest policies require the use of good judgment and compliance with laws related to giving or accepting gifts. Employees involved in purchasing goods and services for the Company should not accept gifts from suppliers of more than nominal value (less than \$20), such as promotional items, in order to avoid the appearance of favoritism.

With supervisory approval and where there is no conflict of interest, other employees may accept gifts up to \$100 in value. Acceptance of any gift above \$100 in value must be reviewed with, and approved by, the Ethics Office. Company policy allows accepting meals or entertainment, so long as it is infrequent, not lavish, and supports Company business interests (such as relationship building with business partners). It is never permissible for Raytheon employees to solicit gifts or business courtesies.

Government employees, both in the U.S. and in other countries, are subject to varied and complex rules, which often prohibit them from accepting any items of value except as specifically provided under relevant regulations. U.S. Government Executive branch employees typically may only accept gifts (including food and refreshments) valued at \$20 or less on a single occasion, and not exceeding \$50 in a calendar year. Gifts to any elected officials may only be given in strict conformance with applicable laws and subject to advance approvals specified by Company policy. Consult the

Ethics Office or Office of General Counsel if considering offering gifts or other business courtesies to government employees of any nation.

We also comply with the U.S. Anti-Kickback Act, which similarly prohibits giving anything of value to an employee of a prime U.S. government contractor or higher tier subcontractor in order to obtain or reward favorable treatment.

Gifts offered by employees to commercial customers must be reasonable and are also governed by Company policy.

#### **Contacting Raytheon's Ethics Office**

The Ethics Office has a toll-free EthicsLine, at 800.423.0210, available for those wishing to raise a concern, to report alleged misconduct or violation of Company policy, government law or regulation, or to seek advice. You may also contact the Ethics Office at [Comments-Ethics@raytheon.com](mailto:Comments-Ethics@raytheon.com), or by writing to P.O. Box 21, Concord, MA 01742.

Additionally, you may contact an Ethics Officer assigned to your business at toll-free numbers and e-mail addresses found on the Points of Contact page of the internal Ethics website at [home.ray.com/ethics](http://home.ray.com/ethics).

Reports will be investigated, and if substantiated, resolved through appropriate corrective action. Those found to have violated the Code will be subject to disciplinary action, including termination of employment. If you choose to identify yourself when making a report, you will be provided feedback when the Ethics Office has completed its review. For those who wish to report a concern or alleged violation in confidence, confidentiality will be maintained to the extent possible, although limited disclosure may be necessary in some cases to effectively conduct an investigation or where compelled by law. Employees are required to cooperate in internal investigations. Retaliation for filing an ethics complaint is a violation of Company policy. Our internal website is [home.ray.com/ethics](http://home.ray.com/ethics) and our external website is [www.raytheon.com/ethics](http://www.raytheon.com/ethics).

#### **Report Any Illegal or Unethical Behavior**

Observed potential illegal or unethical behavior believed to violate the Code of Conduct must be reported to a manager, to Human Resources, to the Ethics Office, or

<sup>1</sup>Source: [http://www.raytheon.com/ourcompany/stellent/groups/public/documents/legacy\\_site/cms01\\_023524.pdf](http://www.raytheon.com/ourcompany/stellent/groups/public/documents/legacy_site/cms01_023524.pdf)

to the Office of General Counsel. Reports of alleged misconduct will be investigated, and employee cooperation with internal investigations is required. Substantiated allegations are resolved through appropriate corrective action and/or discipline. Retaliation is prohibited for reports of alleged misconduct made in good faith. Directors, officers, and employees are also expected to proactively seek advice from management, the Ethics Office, or the Office of General Counsel to determine the best course of action when in doubt about how to respond ethically in a particular situation.

## **Company Policy**

### **Policy**

#### **Office of Business Ethics and Compliance - Corporate Office**

The Corporate Office of Business Ethics and Compliance reports to the Executive Office and the Board of Directors as well as to the Office of the General Counsel. Utilizing a network of Ethics Officers at each of the Company's Businesses, it is responsible for managing and administering the corporate-wide business ethics and compliance program, developing and implementing ethics awareness and compliance training and related communications initiatives; and establishing processes for the tracking, investigation, disposition and review of ethics matters and other issues.

In addition, it is responsible for managing Raytheon's Ethics Line and exercising functional oversight of the Ethics Officers in the Company Businesses to ensure the adequacy of the ethics and compliance program in each Business. The Corporate Office of Business Ethics and Compliance periodically reports to the Board of Directors key findings and developments relating to ethics matters and investigations as well as the overall effectiveness of Raytheon's ethics and compliance program.

The Corporate Vice President - Business Ethics and Compliance is Raytheon's senior Ethics Officer who is responsible for leading and managing the corporate-wide ethics and compliance program. The Corporate Vice President - Business Ethics and Compliance works with each Company Business in integrating Raytheon's ethics and compliance program, selecting and developing assigned Ethics Officers, and identifying, providing and coordinating necessary resources for conducting corporate internal investigations.

## **Ethics Awareness**

Raytheon maintains an ongoing ethics awareness and communication program. This program is designed to ensure that employees are responsible, accountable and committed to conducting Company business in accordance with relevant laws and regulations, Company policies and procedures, and the Code. Each Raytheon director and employee participates in ethics awareness

training in accordance with direction from the Office of Business Ethics and Compliance. Certain non-employees, such as marketing consultants, will be obligated to participate in ethics awareness and compliance training when so determined by the Office of Business Ethics and Compliance. The Code, relevant Raytheon policies and procedures, and other business ethics and compliance resources are available through Raytheon Company's Business Ethics and Compliance Homepage at <http://www.ray.com/ethics>.

## **Compliance Training**

Raytheon maintains an ongoing compliance-training program. This program is designed to ensure that employees have an understanding of the laws and regulations that are relevant to their daily work tasks at a level of detail appropriate to their job functions and responsibilities. The Company maintains a "Desktop Ethics and Compliance Learning Center" to further employee understanding of their compliance obligations as well as recognizing the ethical dimensions of their actions and decisions. It is accessed through the Business Ethics and Compliance Homepage at <http://www.ray.com/ethics>.

## **Responsibilities**

### **Leadership**

Company Business Presidents and leaders at all levels are responsible for cultivating working environments that embody the Company's core ethical principles and that encourage employees and others to raise issues or concerns without fear of retribution. Raytheon leaders also are responsible for taking appropriate corrective

and disciplinary action when called for to maintain compliance with the Code. Further, they will foster adherence to the Code by ensuring that employees under their cognizance complete required ethics awareness training and relevant compliance training courses.

### **Related Policies and Procedures and Forms**

#### **Record-Keeping and Government Contracting**

Company policy mandates compliance with the Foreign Corrupt Practices Act (the FCPA). Company employees, consultants and representatives are required to adhere to the antibribery and internal accounting control provisions of the FCPA and of our policy to ensure that no improper gifts, business courtesies or offers of anything of value are provided to foreign government officials. Company policy also generally prohibits offers of business courtesies to U.S. Government personnel, with very limited exceptions, and requires compliance with the Anti-Kickback Act concerning Company contracting and subcontracting relationships under U.S. government contracts.

The Company will strictly observe the laws, rules, and regulations that govern the procurement of goods and services by any governmental agency of any country. While this type of information relates primarily to standards required in

contracting with the U.S. Government, the Company's directors, officers, employees, representatives and agents who deal with any governmental entity are responsible for learning and complying with all rules that apply to procurement by that entity.

## 380. State Bank of India

Annual Report 2007/08<sup>1</sup>

### Corporate Governance

#### Disclosure:

The Bank has not entered into any materially significant related party transactions with its Promoters, Directors, or Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Bank at large.

The Bank has complied with applicable rules and regulations prescribed by stock exchanges, SEBI, RBI or any other statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Bank.

Vigilance guidelines of the Bank are in place, which provide that the Bank's staff may have direct access to the Bank's Chief Vigilance Officer. The guidelines also protect any staff acting as the 'informer' from any punitive action for being a whistle blower.

The Bank has complied in all respects with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, to the extent that the requirements of the Clause do not violate the provisions of State Bank of India Act 1955, the Rules and Regulations made there under, and guidelines or directives issued by the Reserve Bank of India.

Mandatory requirements of Clause 49 as to the composition of the Board of Directors, composition and quorum of the Audit Committee, Non-executive directors' compensation, the appointment, reappointment of the Statutory Auditors and fixation of their fees are not binding on the Bank, as separate provisions in the State Bank of India Act, SBI General Regulations and the Reserve Bank of India guidelines deal with the same.

The Bank has complied with all applicable non-mandatory requirements of Clause 49, except for sending half-yearly declaration of financial performance and summary of significant events to the households of shareholders, since detailed information on the same is posted on the website of the Bank.

### CODE OF CONDUCT FOR THE BANK'S BOARD OF DIRECTORS AND CORE MANAGEMENT APPROVED BY THE CENTRAL BOARD<sup>2</sup>

#### Confidentiality and Fair Dealings

##### Other Confidential Information

The Bank has many kinds of business relationships with many companies and individuals. Sometimes, they will volunteer confidential information about their products or business plans to induce the Bank to enter into a business relationship. At other times, the Bank may request that a third party provide confidential information to permit the Bank to evaluate a potential business relationship with that party. Therefore, special care must be taken by the Board of Directors and members of the Core Management to handle the confidential information of others responsibly. Such confidential information should be handled in accordance with the agreements with such third parties.

- The Bank requires that every Director and the member of Core Management, General Managers should be fully compliant with the laws, statutes, rules and regulations that have the objective of preventing unlawful gains of any nature whatsoever.
- Directors and the members of Core Management shall not accept any offer, payment promise to pay, or authorization to pay any money, gift, or anything of value from customers, suppliers, shareholders/ stakeholders, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commission of fraud, or opportunity for the commission of any fraud.

<sup>1</sup>Source: [http://crpd.sbi.co.in/uploads/forms/Corporate-Governance\\_20080610.pdf](http://crpd.sbi.co.in/uploads/forms/Corporate-Governance_20080610.pdf)

<sup>2</sup>Source: <http://www.statebankofindia.com/viewsection.jsp?lang=0&id=0,170,530>

## 381. Wyeth

### Corporate Citizenship 2006<sup>1</sup>

#### Earning Trust

##### Ethics and Integrity

Wyeth's Code of Conduct is administered through the Wyeth Ethics Office and by the Wyeth Ethics and Business Conduct Committee, which is composed of representatives of various corporate and business unit interests. The code sets forth the Company's ethics policies relating to business and commercial activities and employee conduct.

In addition to general principles of integrity in business dealings, some of the specific areas addressed by the code include antitrust and competition laws, fair employment and anti-discrimination laws, intellectual property protection, political contributions and anti-bribery provisions, and advertising and promotional standards. All employees must adhere to the code.

Business decisions always need to reflect high ethical standards and must not be influenced by business or personal interests that employees may have with third parties or by unauthorized concessions or payments to, or from, third parties. Wyeth employees have an obligation to report violations of the law or of the code to their supervisor or to the Wyeth Ethics Office. Reports can be made on a confidential basis, without fear of reprisal, and with the assurance that each report will be investigated fully. For more information about Wyeth's Code of Conduct or any other aspect of governance, please visit the Corporate Governance page of the Wyeth Web site at [www.wyeth.com/aboutwyeth/governance](http://www.wyeth.com/aboutwyeth/governance).

### Code of Conduct<sup>2</sup>

#### Improper Payments in the Public and Private Sectors

##### General Overview

Wyeth complies with all applicable laws and regulations prohibiting improper payments to both government officials and public entities as well as to individuals or entities acting in the private (non-governmental) commercial sector. Generally, these laws prohibit promises or agreements to make improper payments to influence the other party's judgment as well as the actual payments themselves. Prohibited payments can involve money but also can involve gifts, entertainment, meals, products, services, travel, hospitality, discounts or anything else of value. All countries prohibit bribery of their public officials, and many countries also prohibit bribery of officials of other countries.

Further, Wyeth requires third parties working on behalf of the Company (such as consultants, agents, sales representatives, distributors and contractors) to comply with these laws. Any improper payment made through these parties may be attributed to Wyeth. Involvement in bribes or improper payments (including through a third-party intermediary) can severely damage our reputation and can expose Wyeth and our employees to civil penalties and criminal charges, including severe fines and imprisonment.

##### Key Points and Principles

- We do not improperly influence or attempt to influence decisions about our products or services.
- All transactions must be accurately recorded on the Company's books and records. All transactions must accurately state the persons involved and the nature of the transactions, and nothing about a transaction may be hidden or falsely recorded on any document, including invoices or expense reports.

<sup>1</sup>Source: [http://www.wyeth.com/irj/servlet/prt/portal/prtroot/com.sap.km.cm.docs/wyeth\\_html/home/aboutwyeth/shared/Docs/2006\\_Corporate\\_Citizenship\\_Report.pdf](http://www.wyeth.com/irj/servlet/prt/portal/prtroot/com.sap.km.cm.docs/wyeth_html/home/aboutwyeth/shared/Docs/2006_Corporate_Citizenship_Report.pdf)

<sup>2</sup>Source: [http://media.corporate-ir.net/media\\_files/IROL/78/78193/COC.pdf](http://media.corporate-ir.net/media_files/IROL/78/78193/COC.pdf)

- The term “public official” is used broadly in laws addressing improper payments. Public official can mean doctors or other employees at state-owned hospitals and health care companies.
- Wyeth has policies in place to ensure that we do business only with reputable, qualified intermediaries (consultants, agents, sales representatives, distributors and contractors), that those persons are compensated appropriately for the services they provide and that the arrangements are accurately documented. Make sure you are familiar with these policies before retaining any intermediary to perform services for Wyeth.
- Intermediaries acting for Wyeth must comply with our standards.
- International laws as well as Wyeth policy prohibit intermediaries acting for Wyeth from making improper payments on our behalf, regardless of form (i.e., money, products, etc.).

## Money Laundering Prevention

### General Overview

The United States and other jurisdictions around the world have adopted anti-money laundering laws that prohibit transactions that involve funds derived from illegal activities, including transactions designed to conceal or promote illegal activity. Wyeth complies with all applicable anti-money laundering laws, rules and regulations of the United States and of other countries where we do business and will not accept or make any payments with funds known to be derived from illegal activities. Wyeth will conduct business with only reputable parties that are involved in legitimate business activities and whose funds are sourced from legitimate activities. Involvement in money laundering activities can severely damage our good reputation and expose the Company and our personnel to criminal charges and to possible fines and imprisonment.

### Key Points and Principles

- Persons involved in virtually any type of illegal activity (including corruption, fraud, tax evasion, terrorism or terrorist financing and narcotics trafficking) may try to engage in transactions with their illegally sourced funds. We are responsible for taking appropriate steps to check that the funds involved in our business transactions are sourced from lawful activities.
- Red flags that may possibly indicate money laundering can include cash payments, multiple small payments for one larger invoice, payments from parties unrelated to a transaction, payments from countries unrelated to a transaction, payments by money order or travellers checks, or payments from countries that are recognized tax havens.
- Engaging in a prohibited financial transaction could be as simple as cashing a check or depositing funds when you know or should know that the funds were derived from illegal conduct.

## Gifts and Entertainment Policy

### Overview

Under some circumstances, the receipt by Wyeth employees of gifts or entertainment from companies or individuals with which we do business could create a conflict of interest or the appearance of such a conflict. The following policy provides guidance on this issue.

### Receiving Gifts

1. Except where approved by the Wyeth Ethics Office, it is not acceptable for Wyeth employees to accept a gift of more than nominal value from any person or entity with whom Wyeth transacts business or who is a prospective business associate. Examples of nominal gifts are pens, mugs, notepads, books, etc. Any gift above nominal value should be returned to the giver with an explanation of Wyeth’s Gifts and Entertainment Policy.

Gifts of money, gift certificates or other cash equivalents never may be accepted. Suppliers, customers and contractors should be advised of Company policy

2. If a gift cannot be refused or returned due to impracticality or if the return would cause embarrassment, the gift must be turned over to the Chief Financial Officer or Financial Director of the affiliate or site.
3. The General Manager, in consultation with the Chief Financial Officer or Financial Director, if appropriate under the circumstances, shall determine and coordinate the disposition of a gift that is above nominal value and cannot be refused. Suitable disposition may include, for example, raffling the gift to the employees at the site, donating it to charity or treating it as a gift to Wyeth and maintaining it at the site.
4. The General Manager and Chief Financial Officer must report in the Quarterly Representation Letter that:
  - a) Wyeth's Gifts and Entertainment Policy has been distributed to each employee at the site;
  - b) They have no knowledge of any gift of more than nominal value given to any person at the affiliate or site; and
  - c) If a gift of more than nominal value was given to any person at the affiliate or site, the gift was turned over to the Company in accordance with this policy.

#### **Entertainment/Meals**

1. Wyeth employees may not accept entertainment, including meals, with a value of more than USD \$100 from an individual or entity with whom Wyeth transacts business or who is a prospective business associate except in accordance with the following:
  - a) The provider of the entertainment is present at the event; and
  - b) The entertainment would not create an appearance of inappropriate influence; and

- c) You must report the prospective entertainment to your supervisor and receive prior approval if such prior approval is feasible. If prior approval is not possible, you must report the entertainment (including meals) to your supervisor following the event.

2. Attendance at any entertainment or event should not interfere with normal working hours unless required to obtain a specific business objective. Hospitality suites or events that are made available to all participants at a professional meeting or conference may be accepted, as may participation in charity events.
3. Suppliers, customers and contractors should be advised of Wyeth's Gifts and Entertainment Policy.

#### **Policy Guidance**

Any questions regarding this policy or requests for exceptions should be submitted to the Wyeth Ethics Office, which, in turn, will refer the request to the appropriate management level for decision.

#### **Reporting and Disclosure of Violations**

Business ethics issues often are complex and may not have easy solutions. It is important that all actual and potential violations of law or the Code be fully evaluated by the appropriate personnel. You are encouraged to discuss issues relating to law, ethics or business conduct with your supervisor, manager, Human Resources representative or the Law Department. You also may contact the Wyeth Ethics Office through the Helpline by telephone at (866) 423-4864, by e-mail at [codeofconduct@wyeth.com](mailto:codeofconduct@wyeth.com), by first-class mail at P.O. Box 507, 10 Lincoln Place, Madison, NJ 07940, or by the Wyeth intranet Web site at <http://insidewyeth.com/ethics>.

You may choose to identify yourself in a communication or, if permitted by local law, you may make the report anonymously. We respect the confidentiality of any communication and will investigate each report of possible misconduct. Employees are required to cooperate fully in any investigation.



### **Compliance with the Code**

As an employee of Wyeth, you are expected to adhere to the Code, which has its foundation in our shared values. However, there may be situations where a specific provision of the Code appears to be or is inconsistent with the local law of a country in which Wyeth conducts business. If this occurs, the General Manager or Chief Financial Officer of the affiliate should contact the Wyeth Ethics Office or the Law Department for clarification and guidance.

In rare instances, a waiver of compliance regarding specific provisions of the Code may be granted following a case-by-case determination made by the Chief Ethics Officer. A waiver of any of the provisions of the Code granted to any director or any executive officer, including the Chief Executive Officer, Chief Financial Officer or Controller, is subject to proper approval and appropriate public disclosure in accordance with any applicable laws and stock exchange rules.

A violation of the Code may result in disciplinary action up to and including dismissal from employment at Wyeth. Violations of law, in addition, may result in civil liability and/or criminal prosecution. No improper or illegal behavior can be justified by claiming that someone with higher authority ordered it. No one, regardless of position, is authorized to commit or to direct an employee to commit a wrongful act.

## 382. International Paper

### Code of Business Ethics<sup>1</sup>

#### Ethical Behaviour

##### Anti-Corruption and Bribery

International Paper does business globally, and we honor the treaties and laws of the countries where we operate. Certain laws, such as the United States Foreign Corrupt Practices Act (FCPA), apply to the Company's global operations. The FCPA prohibits the Company, its employees, and third parties working on the Company's behalf from paying bribes, offering or promising to pay bribes, or authorizing the payment of money or anything else of value to government officials, employees of government controlled businesses, political parties or candidates in order to obtain an improper business advantage. In addition, we do not exchange illegal payments or bribes with any commercial party or individual. The FCPA contains very few exceptions to the prohibition against bribes, and other countries' laws may be even more stringent. Understanding when you are dealing with a government official or when a payment may be a legitimate payment rather than a bribe is critical to following the law, and you must always seek advice from the Legal department on these issues. If you are ever in a circumstance where you believe you are being asked to violate this provision of the Code, you must notify the Legal department or contact the HelpLine (see page 22).

##### Gifts

We believe that no gift, favor or entertainment should be accepted or provided if it will obligate, or appear to obligate, the receiver. The giving or accepting of bribes, inappropriate, lavish or repeated gifts or other benefits is always prohibited, even if acceptable by local custom. Similarly, requesting or soliciting gifts or services, or requesting contributions from vendors, suppliers or other business partners for yourself or for the Company, is prohibited, except with regard to charitable organizations specifically sanctioned or supported by the Company. In general, providing or accepting normal sales promotion items, occasional meals or other non-cash items of minimal commercial value is permitted.

Policy Reference – Corporate Policies 203 and 211 t My-Policies on the IPNet. Here you will find guidance on the Company's global gift standards, including procedures for specific policies that apply in the country or the business in which you work.

##### Integrity of Commercial Transactions

We take affirmative steps to detect and prevent unacceptable or illegal forms of payment and financial transactions. Complex commercial transactions may hide financing for criminal activity such as terrorism, illegal narcotics trade, bribery and fraud.

Anti-money laundering laws of the United States and other countries and international organizations require transparency of payments and the identity of all parties to transactions. International Paper is committed to full compliance with anti-money laundering laws throughout the world and will conduct business only with reputable customers involved in legitimate business activities and transactions.

##### Finding Assistance

##### Education and Counseling

The Company provides resources for assisting employees who need information or advice concerning all of the topics covered in our Code of Business Ethics.

Education programs regarding business ethics and compliance with laws and Company policies are available through the following departments and resources:

- The Office of Ethics and Business Practice – (Ethics at IP and My-Policies on the IPNet)
- Corporate Environment, Health and Safety department – (Environment, Health and Safety on the IPNet)
- Human Resources department – (Human Resources on the IPNet)
- Legal department – (Legal and Records Management on the IPNet) Periodically, each of these departments conducts training programs regarding

<sup>1</sup>Source: [http://www.internationalpaper.com/PDF/PDFCompany/Faraci-2008\\_Code.pdf](http://www.internationalpaper.com/PDF/PDFCompany/Faraci-2008_Code.pdf)

compliance with Company policies. These seminars include “Respect, Dignity and Diversity in the Workplace” and the Ethics and Compliance series. All training programs are important and employees should participate through arrangements made with their supervisors.

In addition to general education and awareness, counseling in the area of business ethics and compliance is available to employees from the director of Ethics and Business Practice (1-901-419-4879) or e-mail: [ethics@ipaper.com](mailto:ethics@ipaper.com).

There is also written information available to employees on the Ethics Web site (Ethics at IP on the IPNet).

#### **Violation Reporting and Whistleblowing Procedures**

Employees who become aware that our Code of Business Ethics, Company policy or applicable law may have been violated, or of any illegal or unethical behaviors affecting the Company, unless prohibited by law, have a duty and are required to report such incidents to one of the following:

- Immediate supervisor or supervisor’s manager
- Human Resources, Internal Audit or Legal departments
- The International Paper HelpLine 1-800-443-6308 in North America (toll-free) 1-877-319-0263 via AT&T USADirect outside North America (toll-free) E-mail: [ethics@ipaper.com](mailto:ethics@ipaper.com)
- Director of Ethics and Business Practice 6400 Poplar Ave. Memphis, TN 38197 USA 1-901-419-4879 This number is located in the United States. Company employees calling from outside the United States may use Company telephones or call collect.

#### **What happens if I call the HelpLine?**

Many employees around the world have used the HelpLine to report violations or to

seek advice. The HelpLine is available 24 hours a day, every day of the year. All calls to the HelpLine are answered by trained professionals and callers are given the option of speaking in their national language. Callers may provide their identity or remain anonymous — it is their choice. When appropriate, callers are given a call-back date so they can receive a response to their concern. Investigations are thorough and protect confidential information to the maximum degree possible.

There is no requirement that employees making reports under these procedures follow any particular chain-of-command or sequence. Supervisors and managers receiving reports of illegal or unethical behavior are required, as a general matter, to forward these reports to the director of Ethics and Business Practice or, in the case of reports emanating from outside the United States, to the Company’s senior Human Resources or Legal department representative in the affected region.

All complaints or concerns regarding the Company’s accounting, internal accounting controls or auditing matters, irrespective of their source or materiality, should be made directly to the HelpLine or to either the director of Ethics and Business Practice or the director of Internal Audit. Such reports will be forwarded unfiltered to the audit and finance committee of the board of directors.

The reporting of behavior in the Company which employees reasonably believe is illegal or unethical is an important component of our business ethics.

Employees making such reports will be free from any retribution, retaliation or adverse effect in their employment for making such reports. International Paper does not tolerate retaliation — this is the Company’s promise in return for our employees making such reports. Employees should also report any incident of retaliation. Any employee who discourages or prevents other employees from making such reports or from seeking the help or assistance they need will be subject to disciplinary action. Reports made to the HelpLine may be anonymous, at the choice of the individual making the report. All reports made under these procedures will be treated as confidentially as possible consistent with the need to conduct an appropriate investigation. The results of the investigation report will be shared with the person making the report to the extent it is appropriate to do under applicable laws.

## **Our Code of Business Ethics**

### **What happens if someone violates our Code of Business Ethics ?**

We are all responsible for living up to the high standards of ethical behavior set out in our Code of Business Ethics, and for being accountable in all we do. When one person fails to adhere to our Code of Business Ethics, it has the potential to reflect negatively on the entire Company, and that is why ethical behavior and personal integrity are the core of our culture.

The Company investigates all reported violations of our Code of Business Ethics. Following the investigation, the Company takes appropriate remedial action, if necessary.

## 383. Sumitomo Electric Industries

CSR Report 2008<sup>1</sup>

### Compliance

#### Compliance Committee

Sumitomo Electric has established the Compliance Committee, chaired by the President, as an organization that promotes measures necessary to develop and further strengthen the compliance system. The Committee engages in various activities, including preparing and distributing the Sumitomo Electric Employee Compliance Manual, and organizing compliance training programs. In addition, the Committee identifies and analyzes group-wide compliance risks, disseminates preventive measures Group-wide and monitors the compliance activities implemented by each department and division. For Group companies in Japan and overseas, Sumitomo Electric also provides guidance and support for the establishment of their own compliance system, based on the outcome of the Company's compliance initiatives.

In fiscal 2007, the Committee held four regular meetings (May, August and November 2007, and February 2008).

### Compliance Manual Configuration

Basic concept: Establishment of professional ethics and compliance with laws and regulations

#### 1. Fair corporate activities

- (1) Observing the Antimonopoly Act and other laws  
Consideration of small and medium suppliers
- (2) Prohibition of unfair competition
- (3) Protection and respect for intellectual property rights
- (4) Environmental preservation
- (5) Information management
- (6) Trade control and attention to laws and customs concerning international business

#### 2. Practice as a sensible corporate citizen

- (1) Prohibition of bribery and restriction on gifts or offering entertainment  
Prevention of unlawful payments to foreign governmental officials
- (2) Political contributions
- (3) Confrontation with antisocial forces

#### 3. Maintenance of a good working environment

- (1) Respect for human rights  
Health and safety
- (2) Prohibition of sexual harassment
- (3) Protection of private information

#### 4. Personal interests

- (1) Regulation regarding insider trading
- (2) Prohibition of conduct that conflicts with company interests
- (3) Proper use of information system

#### Compliance Education

Our philosophies and code of conduct, stipulated in the Sumitomo Business Spirit, the SEI Group Corporate Principles and the SEI Group Charter of Corporate Behavior, form the basis of the SEI Group's compliance system. We are working to disseminate compliance awareness by various means, by for example holding a variety of training programs and citing comments made and actions taken by top management.

In fiscal 2007, compliance training seminars were organized as follows:

<sup>1</sup>Source: [http://www.sei.co.jp/csr\\_e/pdf/csr2008.pdf](http://www.sei.co.jp/csr_e/pdf/csr2008.pdf)

Target	Period	No. of trainees	Remarks
Officers	Dec.	Approx. 30	Including executive officers
Administrative members	Jan. - Mar.	Approx. 1,790	A total of 33 sessions held at 18 locations in Japan
Newly promoted personnel	Jan. - Mar.	Approx. 210	
New employees	Apr. & Oct.	Approx. 200	

### Speak-up System

In 2002, we established the Speak-Up System, which enables employees to directly report and consult on potential compliance-related issues, so as to identify and resolve such issues by ourselves, at an early stage. In addition to the Company's compliance staff, a law firm has been appointed as an external contact in the Speak-up System. To address issues reported through this System, the Compliance Committee swiftly conducts investigation and takes necessary action.

In March 2006, Sumitomo Electric instructed Group companies in Japan to establish their own in-house consultation contacts. At the same time, Sumitomo Electric decided to position outside contacts in its Speak-Up System, as outside contacts for compliance consultation for the entire SEI Group. We are working to disseminate the Speak-up System to employees through monthly in-house magazines and other means to enable them to recognize the system and use it promptly when needed.

### Development of the Compliance System in Group Companies Overseas

To establish the compliance system of Group companies overseas, since fiscal 1999 Sumitomo Electric has introduced the Business Code of Conduct (BCC) to overseas consolidated subsidiaries. Particularly regarding Group companies in the U.S., compliance seminars have been held for Japanese executives and staff members assigned to those Group companies, in order to raise compliance awareness.

In fiscal 2007, as preparation for applying these training programs to the education of local management staff, we created education tools responding to country-specific conditions (laws, customs and culture) with cooperation of respective external specialist in the fields.

In fiscal 2008, when 12VISION commenced, we began to provide compliance education for local managers. As the first step, we have conducted the education program in 52 companies in the 7 countries of the U.S., the U.K., Germany, China, Thailand, Malaysia and Indonesia.

## Compliance<sup>1</sup>

### Basic Concept of Compliance

Sumitomo Electric believes that complying with laws and regulations and maintaining corporate ethics comprise the backbone of its management; these matters are its social duties as a corporation, and form the absolute basis for the Company's continued existence and development. In recognition of this understanding, Sumitomo Electric has developed the compliance system. Despite our efforts in this regard, in February 2003 Sumitomo Electric received notice from the Japan Fair Trade Commission advising us to end a practice that violated the Antimonopoly Act. This has provided us with an opportunity to thoroughly review our activities and redouble our efforts to further strengthen our compliance.

### Compliance Committee

Sumitomo Electric has established the Compliance Committee, chaired by the President, as an organization that promotes measures necessary to develop and further strengthen the compliance system. The Committee engages in various activities, including preparing and distributing the Sumitomo Electric Employee Compliance Manual, and organizing compliance training programs. In addition, the Committee identifies and analyzes group-wide compliance risks and monitors the compliance activities implemented by each department and division. For Group companies in Japan and overseas, Sumitomo Electric also provides support in establishing their own compliance system, based on the outcome of the Company's compliance initiatives.

### Initiatives to Disseminate Compliance Awareness

Our philosophies and code of conduct, stipulated in the Sumitomo Business Spirit, the SEI Group Corporate Principles and the SEI Group Charter of Corporate Behavior, form the basis of the SEI Group's compliance system. We are working to disseminate compliance awareness by various means, by for example holding a variety of training programs and citing comments made and actions taken by top management.

Each year, we also conduct regular compliance seminars based on the contents of the

Insert text here Compliance Manual. In fiscal 2006, the following seminars were organized.

To establish the compliance system of Group companies overseas, since fiscal 1999 Sumitomo Electric has introduced the Business Code of Conduct (BCC) to overseas consolidated subsidiaries. In consultation with local lawyers, the Company has prepared and provided a model BCC in compliance with the laws and regulations of each region, for respective overseas subsidiaries. As a result, nearly all overseas consolidated subsidiaries completed introduction of their BCCs in fiscal 2006. Particularly regarding U.S. affiliates, compliance seminars have been held (three times since fiscal 2004) for Japanese executives and staff members assigned to those affiliates, in order to raise compliance awareness. Since fiscal 2005, the Company has also surveyed a total of 14 Group companies in the U.S., dispatching specialists appointed from outside the Company to investigate the state of organizational administration and management. Since fiscal 2007, we have conducted compliance activities focusing on BCC education for local employees. We plan to survey overseas affiliates, using external specialists, in European countries as well as China and other parts of Asia.

### Speak-up System

In 2002, the Compliance Committee established the Speak-Up System, which enables employees to directly report and consult on potential compliance-related issues, so as to identify and resolve such issues by ourselves, at an early stage. In addition to the Company's compliance staff, lawyers outside the Company are included as contacts in the Speak-Up System. To address issues reported through this System, the Legal Department, which serves as the Compliance Committee Secretariat, plays a central role in swiftly conducting investigation and taking necessary action.

In March 2006, Sumitomo Electric instructed Group companies in Japan to establish their own in-house consultation contacts. At the same time, Sumitomo Electric decided to position outside contacts in its Speak-Up System, as outside contacts for compliance consultation for the entire SEI Group.

<sup>1</sup>Source: [http://www.sei.co.jp/csr\\_e/compliance.html](http://www.sei.co.jp/csr_e/compliance.html)

## 384. Electronic Data Systems

### 2008 EDS CODE OF BUSINESS CONDUCT<sup>1</sup>

#### Conflicts of Interest

##### Exchanging Gifts and Other Business Courtesies

While the exchange of business courtesies can help build business relationships, accepting or providing business courtesies that are excessive or inappropriate can harm your reputation and the reputation of EDS. You must use your judgment to distinguish between appropriate situations that build relationships and inappropriate situations that create or appear to create conflicts of interest or violate applicable law.

The following rules, together with those set forth in the Conflicts of Interest Policy, should guide you in accepting and giving gifts or other business courtesies.

With respect to non-government business, you may accept or offer gifts and business courtesies, including meals and entertainment, so long as they are customary and commonly accepted business courtesies, not excessive in value, and given and accepted without an express or implied understanding that the recipient is in any way obligated by acceptance of the gift. Gifts that are excessive in value should not be accepted or given without the approval of your leader or the Office of Ethics and Compliance. If you have a question about the value of a gift, consult with the Office of Ethics and Compliance. You must never ask for gifts, entertainment or any other business courtesies from people doing business with EDS.

See the “Bribery and Improper Payments” section of this Code for more restrictive rules that apply to EDS individuals doing business with political parties, governments and government-owned entities (including gifts and business courtesies exchanged between private companies that are working on a government contract as a prime contractor and subcontractor).

For more information on this topic, see the Conducting Business with Government Entities Policy, the Financial Integrity Policy, the Conflicts of Interest Policy and the EDS Policy for the Prohibition of Corrupt Payments.

Gifts and entertainment that are typically okay:

- Pens
- Calendars
- Memo pads
- T-shirts
- Coffee mugs
- Occasional lunch or dinner at a restaurant
- A local sporting event or entertainment

Gifts and entertainment that require pre-approval:

- Travel expenses (such as airfare and lodging) paid by a third party
- Trips or tickets to extravagant sporting events, such as the Super Bowl, the World Cup, the Masters, the Olympics, etc.
- Frequent gifts from the same source, even if each individual gift is moderate
- Gifts exchanged with government officials
- Gifts exchanged between prime contractors and subcontractors on a government contract
- Cash is never okay.

#### Anti-Money Laundering

Money laundering is the process by which large amounts of illegally obtained money (from drug trafficking, terrorist activity or other crimes) is given the appearance of having originated from a legitimate source. Money laundering is not limited to cash

<sup>1</sup>Source: <http://www.eds.com/about/code/downloads/conduct.pdf>



transactions; it also can include, among other things, checks (including traveler's, cashier's or third-party), money orders and all forms of electronic transfers, including transfers of currency and securities. EDS takes seriously its obligation to help close off the channels that money launderers use. If you observe or suspect a money laundering transaction, immediately contact Legal Affairs.

### **Bribery and Improper Payments**

The laws of many countries, including the U.S. Foreign Corrupt Practices Act (FCPA), and EDS policy prohibit us from directly or indirectly giving or offering anything of value to government officials or officials of public international organizations for the purpose of gaining business or favorable government action. Payments need not take the form of cash to be prohibited. They may be anything of value, including gifts or services. Generally speaking, small business courtesies such as reasonable expenses for meals directly related to business promotion or contract performance are not prohibited. Determining what gift or payment may be permitted may involve difficult legal judgments. In addition, in a number of countries there are absolute prohibitions or very tight restrictions on gifts for any purpose to members of the national legislative body, their families and staff. Therefore, do not make any payments or give gifts related to EDS business activities to government officials, officials of public international organizations or members of national legislative bodies, their families or their staff unless the transaction is approved first by Legal Affairs.

In every case, we are required to maintain accurate records and internal controls.

For more information on this topic, see the EDS Policy for the Prohibition of Corrupt Payments, the Conducting Business with Government Entities Policy, the Financial Integrity Policy and the Contractor Compliance Process.

### **Consulting Resources/Ethics Helpline**

If you have a question or concern, your leader or your leader's leader is an excellent resource. If you prefer, you can exercise the Open Door Policy, which allows you to talk to any leader in the company about any work-related issue without fear of retribution. Additionally, you can raise your work-related issues with Human Resources, Legal Affairs, or with the Office of Ethics and Compliance. The Office of

Ethics and Compliance can offer you guidance on the content of the Code as well as EDS' policies and business practices.

At times you may want confidential advice about a business ethics dilemma. You can speak with a member of EDS' Office of Ethics and Compliance by calling 972 605 5607 or 972 605 5564. You may also contact the Office of Ethics and Compliance through use of the Ethics Inquiry electronic message function on the Ethics and Compliance Web page. All calls and Ethics Inquiry electronic messages will be treated confidentially to the extent reasonably possible. EDS prohibits retaliation in any form against employees for seeking advice or for making good faith reports of suspected misconduct.

You may also contact the Office of Ethics and Compliance through use of the Ethics Helpline by calling toll-free 1 888 337 3845 (888 EDS ETHK) if you are in the U.S. or Canada. Callers from other countries can dial toll-free by entering their country's access number + 888 337 3845. Click here to view country access codes. Staff is available 24 hours a day, every day, and language translation services are available.

Although you are encouraged to identify yourself, you may remain anonymous when calling the Ethics Helpline or when using the Ethics Inquiry electronic message function. Local laws may limit the use of anonymous reporting to specific types of matters, and EDS processes incorporate these limits. Whether you identify yourself or not, all inquiries and discussions will be kept confidential to the extent reasonably possible. Your name will be used only on a "need-to-know" basis.

EDS' Corporate Policies discuss many of the laws and regulations that govern our business, and may assist you in determining the best course of conduct in a given situation. Please visit [http://infocentre.eds.com/workplace/corp\\_policies](http://infocentre.eds.com/workplace/corp_policies) to access those policies.

The Ethics Helpline: It is Accessible, Immediate and, if you choose, Anonymous.

### **Reporting Concerns**

If you know of or suspect a violation of EDS policy or the law, you must report it to your leader, Legal Affairs, the Office of Ethics and Compliance, or the Ethics Helpline.

EDS strictly prohibits discrimination or retaliation in any form against employees for making good faith reports.

### **Compliance/Discipline**

We are each responsible for reporting known and suspected violations of EDS policy or legal requirements. EDS takes all reports seriously and expects employees to be truthful and cooperate fully with investigations. Each report is reviewed and, if substantiated, resolved through appropriate corrective and/or disciplinary action, which may include verbal reprimand, written reprimand or termination of employment. Subject to applicable law, EDS will consider disciplinary action under appropriate circumstances, including circumstances where someone:

- Has authorized, condoned, participated in or concealed actions that violate these standards;
- Approves or disregards a violation, or through lack of diligence in supervision fails to prevent or report violations;
- Retaliates directly or indirectly or encourages others to retaliate for reported violations made in good faith; or
- Is uncooperative or untruthful during an investigation into any suspected violation of this Code, any EDS policy or legal requirement

As part of EDS' procedure for receiving and handling complaints or concerns, EDS has established procedures for:

- The receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters; and
- The confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Such procedures are set forth in EDS' Financial Integrity Policy.

### **Canadian Code Provisions**

#### **Bribery and Improper Payments**

Within Canada, governments seek to prevent and prohibit potential domestic corruption by a combination of statutes, parliamentary rules and administrative provisions. The Criminal Code includes offences that prohibit bribery, frauds on the government and influence peddling, fraud or breach of trust in connection with duties of office, municipal corruption, selling or purchasing offices, influencing or negotiating appointments or dealing in offices, possession of property or proceeds obtained by crime, fraud, laundering proceeds of crime, and secret commissions.

Internationally, Canada has actively participated in anticorruption initiatives in various international forums. In response to these initiatives, the Corruption of Foreign Public Officials Act features the offence of bribing a foreign public official. The offence of bribing a foreign public official is added to the list of offences found in the Income Tax Act to deny claiming bribe payments as a deduction. Amendments to the Criminal Code enable the prosecution of possession and laundering offences in respect of the offences of bribing foreign public officials, conspiracy or an attempt to commit the offence, as well as aiding and abetting and counseling others to commit the offences.

Beyond compliance with these laws, each employee is expected to avoid conduct that could appear to violate the law. Therefore, according to EDS policy, we should not make any payments or give gifts related to EDS business activities to officials of Canada or other countries unless the transactions are first approved by the Canadian office of EDS Legal Affairs.

## 386. Onex

### Code of Business Conduct and Ethics<sup>1</sup>

#### Giving and Receiving Gifts or Benefits

Modest gifts and reasonable entertainment may be given and received, where legally permitted and in accordance with local business practices, to and from persons doing business or seeking to do business with the Company. No gift or entertainment should be of such nature or value as to constitute a real personal enrichment of the recipient or to create an obligation on the part of the recipient, or as would reflect unfavourably on the Company or the donor or recipient if subjected to public scrutiny. However, Onex recognizes that employees have personal relationships outside the Company and that there are many circumstances in which personal and business relationships may overlap. Employees are encouraged to be thoughtful with respect to gifts given and accepted in the context of those relationships to ensure that they are appropriate, and would reasonably be perceived as appropriate, in the circumstances.

Cash or equivalents are not to be given or accepted. Employees must not give or accept bribes, directly or indirectly, under any circumstances.

#### Consultation and Reporting

Employees should report all violations of law, regulation or this Code of which they become aware to any one of his or her company's chief financial officer, other senior financial officer (in the case of Onex Corporation, the Vice-President, Finance) or general counsel. Similarly, any employee who is unsure as to whether a violation has occurred or who needs guidance as to whether to take a particular action that may be, or may appear to be, a violation, should consult any of those individuals.

No individual who reports a violation or potential violation or who cooperates in the investigation of a violation or potential violation will be subject to harassment, discipline or retaliation as a result of such report. Employees should have regard to the Company's Whistleblower Policy for details as to how to report a concern, including the procedure for confidential, anonymous reporting, and the protections to which they are entitled in making such a report.

### Consequences of Violation

Breaches will be dealt with promptly and fairly in a manner that takes into account the seriousness of the violation and the conduct of the employee in response thereto. Self-reporting by employees is encouraged and will be given due consideration by Onex in dealing with any violation. Disciplinary action can include, but is not limited to, an impact on the applicable individual's record or remuneration, suspension or termination of employment, pursuit of any and all remedies available to Onex for any damages or harm resulting to it from a violation, and referral to the appropriate legal, regulatory or law enforcement body.

It is ultimately the responsibility of the Onex board of directors to monitor compliance with this Code. The monitoring of compliance is achieved through systems and processes implemented by Onex management that are designed to result in wide dissemination of the Code, to encourage compliance with its provisions and to facilitate the reporting of actual or suspected breaches. Such breaches are investigated by management as appropriate and, depending upon the nature of the breach and other relevant circumstances, either dealt with by management with the results reported to the board or referred to the board for further action.

### Corporate Governance<sup>2</sup>

#### Whistleblower Policy

Onex' Whistleblower Policy applies to the Company and each of its operating subsidiaries. Whistleblowing procedures are designed to encourage employees to report or raise concerns or complaints regarding accounting, internal accounting controls or auditing matters or any other actual, potential or perceived wrongdoings relating to or involving the business and operations of a company. Such wrongdoing may include any act or omission concerning, for example, a violation of any law or regulation or the misuse of company funds or assets.

<sup>1</sup>Source: [http://www.onex.com/Code\\_of\\_Business\\_Conduct\\_and\\_Ethics.aspx](http://www.onex.com/Code_of_Business_Conduct_and_Ethics.aspx)

<sup>2</sup>Source: [http://www.onex.com/Whistleblower\\_Policy.aspx](http://www.onex.com/Whistleblower_Policy.aspx)

Onex' Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns with the comfort that they will not suffer any adverse consequence and that the concern will be appropriately received, considered and investigated. No officer or employee of the Company who in good faith reports an accounting irregularity or wrongdoing will suffer harassment, retaliation, discipline or adverse employment consequence.

## 387. KT

KT 2007 Corporate Social Responsibility Report<sup>1</sup>

### **Ethical Management**

#### **Employees Presented with Guidelines on their Conducts**

To present employees with clear guidelines of conducts to help them make rational judgments, KT has enacted and announced its new “Code of Ethics” in January 2003. It went further; establishing standards for implementing corporate ethics by formulating detailed “Guidelines on Conduct for the Implementation of the Code of Ethics” in order to ensure employee compliance with ethical standards. The information is posted on the ethical management homepage to help employees understand and adhere to the company’s ethical standards. KT also distributes a handbook on ethics to provide guidance to employees.

#### **Ethical Management Training**

KT offers a wide range of training programs to encourage employees to partake in ethical management. Moreover, we are steadily expanding ethics training opportunities for our subsidiaries and partner companies.

Every year, newly-recruited and newly-promoted employees are required to complete an ethical management course at the company’s training center. In addition, all employees receive basic ethics education through a cyber training course. Training is also provided to KT’s business partners, including its partner companies, sales centers and agencies, to promote participation in ethical management by making use of such opportunities as management consulting and business meetings.

#### **Support Programs for Ethical Management Implementation**

##### **Diverse reporting channels**

Customers, partner companies and employees may report or make suggestions on ethics violations, wrongful practices or policies through various channels. These include the Cyber Reporting Center, e-mail, counseling center, mail, telephone, or

making a visit in person. People who make such reports are assured of strict confidentiality and their identities are protected. They may also receive a reward of up to KRW 50 million. Employees or partner companies guilty of wrongdoing are held accountable for their actions. In 2007, the number of disciplinary actions taken against employees due to violating ethics regulations was 31.

#### **Clean 365 Center**

The Clean 365 Center was set up to protect employees and preserve corporate integrity. It allows workers to report the incident and return the bribery items if they have involuntarily received money or gifts while carrying out their duties.

#### **Clean Zone designation**

The risk of wrongdoing is higher in certain functions like purchasing, placing orders, signing contracts, conducting reviews and selecting partner companies. Because ethics are particularly important for departments handling such activities, they are designated cleanzones (207 departments as of the end of 2007). Employees in clean-zones pay greater attention to observing ethical standards and rooting out wrongful practices.

#### **Special agreement on ethics for partner companies**

The special agreement stipulates forms of unethical conduct and penalty imposed for violations to promote clean and transparent transactions between KT and partner companies. All companies that engage in business transactions with KT are required to sign the agreement.

#### **Periodic campaigns to promote an ethical culture**

KT carries out various activities to promote an ethical culture among employees and partner companies to coincide with special occasions such as the major holidays. The red face test (employees’ self-analysis of ethics awareness) is conducted on the first workday of each month and ethical management e-messages(flash animation) are sent out on special occasions.

<sup>1</sup>Source: [http://event.kt.com/kthome/event/20070810/kt\\_2007csr\\_eng\\_low.dpf.pdf](http://event.kt.com/kthome/event/20070810/kt_2007csr_eng_low.dpf.pdf)

## 388. Tesoro

### Tesoro's Code of Business Conduct<sup>1</sup>

#### Conducting Our Business

#### Gifts, Hospitality, and Entertainment

##### In Brief

A gift can be anything of value, including goods, services, favors, meals, trips, hospitality, and sports or entertainment tickets. Gift giving can be a part of conducting business. However, giving and accepting gifts may — or may appear to — compromise your independence and objectivity.

This perception can damage your good name and our standing in the business community.

We follow two primary rules when it comes to giving or receiving gifts:

- A gift, favor, or entertainment should not be given or accepted if it will obligate or appear to obligate Tesoro or you.
- No gift should be exchanged if it could jeopardize our image or reputation.

You should review Tesoro's Gifts Policy (10.20.005) on our intranet site, and comply with our policy limits on the value of gifts offered or received. This policy establishes approval requirements for gifts of any kind.

##### Key Points

- Giving Gifts

We compete solely on the merits of our products and services. You should not give any gift if, under the circumstances, this raises questions about its propriety. We may provide gifts, meals, and entertainment of reasonable value in the course of doing business with commercial customers or non-government personnel, provided this practice does not conflict with our standards or the standards of the recipient's

organization. Gifts of modest value can be given, for instance, to acknowledge good service, to motivate performance, or to promote Tesoro's products and services.

Gifts may be given if:

- There is a sound business purpose.
- They support our corporate strategy.
- Your supervisor authorizes them.
- They are within approved budgets.

- Receiving Gifts

Ask yourself if a gift that you are offered looks like an attempt to sway your judgment. You should not accept a gift from someone doing — or wanting to do — business with Tesoro, if this is an attempt to improperly influence your decisions. Generally, you may receive infrequent gifts of modest value. You can accept promotional items, such as pens, note pads, or coffee mugs.

- Government Relationships

Most government agencies do not allow their employees to accept even nominal gifts. Avoid giving any type of gift to federal, state, or local government employees.

##### In Action

- If you have any questions about giving or receiving gifts, contact the Business Conduct Office or our Compliance Officer and General Counsel for advice.
- Ensure that meals and entertainment have valid business purposes.
- It is never acceptable to give or receive a gift of cash.
- Make sure the vendors and suppliers with whom you do business are familiar with our rules on gifts, hospitality, and entertainment.

<sup>1</sup>Source: [http://www.tsocorp.com/stellent/groups/corpcomm/documents/tsocorp\\_documents/061357.pdf](http://www.tsocorp.com/stellent/groups/corpcomm/documents/tsocorp_documents/061357.pdf)

## Sensitive Payments

### In Brief

We believe customers should choose our products and services because of their intrinsic value, not because they received something extra from us.

You must never offer anything of value to obtain an improper advantage when conducting Tesoro's business. We prohibit kickbacks, bribes, and payoffs. This includes the giving or accepting of money, fees, gifts, favors, or anything of value provided directly or indirectly in return for more favorable treatment.

### Key Points

It is just as wrong to offer a kickback as it is to accept a bribe. Never accept anything from a vendor or supplier in exchange for favourably considering their product. Remember, your good judgment is not for sale.

All countries prohibit bribery of their public officials. Many countries, including the United States, also prohibit bribery of officials of other countries. Generally, these laws prohibit giving anything of value to foreign officials or their family members for the purpose of obtaining business. At Tesoro, our policy extends beyond these laws. You may not make an unauthorized payment, concession, or bribe to government officials or employees or to private parties engaged in a commercial transaction.

In limited circumstances in some countries outside of the United States, you may need to pay a government official to obtain a benefit to which Tesoro is entitled under local law. These facilitating payments must be modest in amount and necessary to achieve a valid business purpose. Never make a facilitating payment without first consulting the Legal Department. If you must make a facilitating payment, be sure to record and account for it properly.

### In Action

- Don't make payments or give gifts that are intended to increase the volume of business that customers do with Tesoro.

- Never hide a payment or falsify business records.
- Inappropriate or questionable payments made through an intermediary are just as unacceptable as those that are made directly.
- Never establish any secret, "off the books," or unrecorded funds, assets, or transactions.
- Agents who represent Tesoro outside of the United States must comply with our Code of Business Conduct.

## Using this Code

### Speaking Up to Get Answers

Most of us have faced a difficult situation where the right course of action was hard to determine. Perhaps the facts were complex. Perhaps a "good" choice was just not obvious. Perhaps your personal interests were inconsistent with the best interests of Tesoro. Maybe you did not have the information you needed to make an informed choice.

When you understand our expectations for legal and ethical conduct, you can handle most situations. You can act with confidence. However, this Code will not give you an answer for every situation. No code can do that. When you are unsure about the right course of action, discuss the situation with your supervisor. If that is uncomfortable or impractical, get help.

When you see or hear something that you believe is improper, contact one of these resources. When you speak up, you help to prevent misconduct and correct problems. We will not tolerate retaliation against anyone who needs help, asks questions, or reports concerns about workplace conduct.

You have several avenues to get advice:

- Your supervisor or manager
- Human Resources

- Code of Conduct Helpline at 1-877-782-3763
- Business Conduct Office
- Compliance Officer and General Counsel

### **Contacting the Business Conduct Office**

Our Business Conduct Office is a company-wide resource where you can get help with business ethics and compliance. If you have a question, want to express a concern, or report a possible violation of law or our policies, contact the Business Conduct Office by e-mail at [business.conduct@tsocorp.com](mailto:business.conduct@tsocorp.com). Often, this Office can provide you with immediate advice. If your issue requires additional attention, they will keep you informed of progress on your question. You can also call the Code of Conduct Helpline at 1-877-782-3763.

Our Business Conduct Office reports directly to the Compliance Officer and General Counsel, who meets regularly with the Audit Committee of the Board of Directors. If you have concerns or complaints regarding questionable accounting, auditing, internal controls, or other financial matters, you are expected to report your concerns to the Business Conduct Office or the Code of Conduct Helpline.

You may also contact our Audit Committee Chairman directly by writing to:

- Chairman  
The Audit Committee  
300 Concord Plaza Drive  
San Antonio, Texas 78216-6999

### **A Culture of Compliance**

#### **Calling the Code of Conduct Helpline**

Each day you make choices that are critical to our success. Our Code of Conduct

Helpline is an important way for you to get answers to your questions or report concerns. Our Helpline is available 24 hours a day, 7 days a week and may be contacted directly at 1-877-782-3763. An independent third party will take your call, listen, and ask questions about your concern. You will receive a unique number and date so that you can follow-up on your call. A report of your call is promptly forwarded to the Business Conduct Office for action.

All calls to the Code of Conduct Helpline are confidential. Our goal is to answer your questions and to handle issues fairly and consistently. We will make sure that reports of improper conduct are thoroughly investigated. We will take appropriate action to resolve each reported matter.

When you contact us, you may remain anonymous. Sometimes, it may become necessary to know your identity in order to resolve your concern. We will tell you when that is the case.

You should call the Code of Conduct Helpline when:

- You have a question about ethics, business conduct, or compliance.
- You want to report a suspected violation of the Code, the law, or a Tesoro policy.
- You have a concern or information regarding questionable accounting or auditing matters.
- You tried to raise a concern but did not receive a response.
- You are uncomfortable reporting an issue through other channels.
- You believe management may be involved or will not be impartial.
- You don't know where to go to get the information you need.
- You want advice before you act.

Calls to the Helpline are Confidential



### **Prohibition Against Retaliation**

It is Tesoro's obligation to protect you from retaliation. When you step forward to report something you believe is unethical or illegal, we will investigate and address the problem. Individuals who raise concerns in good faith or who help to resolve reported matters are protected against retaliation. Good faith does not mean that you are always right. It does mean that you sincerely believe that you are telling the truth. Anyone who misuses this program will be subject to disciplinary action.

### **Disciplinary Action**

Violations of the law, this Code, or our policies can have severe consequences. Violations can jeopardize our relationships with customers and suppliers, and could result in loss of our ability to do business. Anyone who violates the law, this Code, or our policies is subject to disciplinary action up to and including termination.

## 389. Cemex

2006 Sustainable Development Report<sup>1</sup>

### GOVERNING AND MANAGING OUR BUSINESS

#### Our Code of Ethics and Business Conduct

Our employees must carry out their work according to the highest ethical standards. All our employees receive a copy of our Code of Ethics, which guides our conduct and explains our expectations for:

- Relationships with stakeholders
- Workplace safety, health, and environmental responsibility
- Protection of confidential information
- Conflicts of interest
- Financial controls and records
- Preservation of assets

A corporate-level Ethics Committee oversees the code and is the highest authority on ethical matters. Ethics Committees at business unit level, comprised of senior executives, are responsible for implementing the code and ensuring compliance within their sphere of influence.

We have a single code for our company and are implementing it in our new operations. In 2006, we adapted the code and the various tools that support it for our European businesses, to take into account the different cultures and legal requirements in which they operate. For example, in France and Germany we agreed on changes to the procedure for reporting violations of the code with workers' councils, and adapted our secure website to comply with data protection laws.

Our employees are required to sign the code electronically. In our pre-RMC operations, 90% of executives and 43% of all employees have signed the code. The

Ethics Committees received 124 reports on alleged violations to the code from our pre-RMC operations in 2006, 11 of them related to discrimination. We have resolved 60%, 32% are in progress, and 8% were rejected. We constantly improve the way we manage and report cases of unethical behavior.

We take all alleged violations of our Code of Ethics seriously. In one case, a supervisor was reported for use of inappropriate language, verbal harassment, and the unfair dismissal of an employee. Following investigation, the employee was reinstated in a different area. The supervisor received a formal warning and the case was recorded in his personal file. In a second example, employees reported fraud committed by a supervisor who had taken kickbacks from customers. The supervisor was dismissed, and an investigation is taking place to establish whether other people were involved.

We have designed an online learning program for the Code of Ethics, to provide consistent training for employees worldwide. We run classroom training courses for Ethics Committee members and business unit Ethics Committee Administrators. In 2006, seven courses were available in total, including two on Sarbanes-Oxley. A total of 710 employees received an average 3.8 hours of training each. We have launched the code in all new operations and expect statistics on implementation and compliance to be available in mid-2007.

#### Cemex Code of Ethics and Business Conduct<sup>2</sup>

### CUSTOMER RELATIONS AND FAIR DEALING

#### Gifts, services, and other courtesies

Gifts, services, and other courtesies for the benefit of current and potential customers are allowed only for legitimate business reasons. In all cases, such courtesies must be lawful and require written authorization from the giver's immediate supervisor. Any resulting expenses must be specifically recorded in exact accordance with established

<sup>1</sup>Source: [http://www.cemex.com/sr2006/eng/pdf/CX06SR\\_English.pdf](http://www.cemex.com/sr2006/eng/pdf/CX06SR_English.pdf)

<sup>2</sup>Source: [http://www.cemex.com/ic/pdf/Codigo\\_de\\_Etica\\_Ingles.pdf](http://www.cemex.com/ic/pdf/Codigo_de_Etica_Ingles.pdf)

company procedures.

Employees are not allowed to seek or structure negotiations on the basis of any gift, service, or other courtesy from a customer.

With the exception of legitimate promotional materials, services, or other courtesies in line with standard business practices, CEMEX employees are not allowed to accept gifts or other courtesies from customers. If accepted, such courtesy requires the approval of the recipient's immediate supervisor and, most importantly, must not compromise or appear to compromise any negotiations.

#### **SUPPLIER RELATIONS AND FAIR DEALING**

##### **Gifts, services, and other courtesies**

Gifts, services, and other courtesies for the benefit of current or potential CEMEX suppliers are acceptable only if they are given for legitimate business reasons. In all cases, such courtesies must be lawful and require the written consent of the provider's immediate supervisor.

Any associated expenses must be specifically recorded in exact accordance with established company procedures.

Employees are not allowed to seek or structure a negotiation on the basis of any gift, service, or courtesy from a supplier.

CEMEX employees are not allowed to receive gifts, services, or other courtesies from suppliers, except for legitimate promotional materials, services, or other courtesies in line with standard business practices. If accepted, such courtesy requires the written consent of the recipient's immediate supervisor and, most importantly, must not compromise or appear to compromise any negotiations or create an expectation of personal obligation.

CEMEX employees may not request, negotiate, or accept discounts or courtesies from suppliers for their own or others' benefit unless such action is a generally accepted business practice between the company and its suppliers and the recipient secures the written approval for such courtesy from the senior vice president/head (director) of

his or her area. Employees will not request or accept donations for charitable or other altruistic purposes from current or potential suppliers unless CEMEX, in collaboration with other companies, decides to support campaigns oriented to specific needs.

#### **GOVERNMENT RELATIONS**

##### **Relations with government officials**

Before the first business contact with a government or any of its agencies, CEMEX employees will ensure that they are authorized to interact with government officials on CEMEX's behalf.

Gifts, services, and other courtesies for the benefit of any government agency, official, or employee are allowed only for legitimate business reasons. In all cases, such courtesies must be lawful and require written authorization from the giver's country manager. Any associated expenses must be specifically recorded in exact accordance with established company procedures.

CEMEX employees will never promise, offer, commit, pay, lend, give, or in any other way transfer, either directly or indirectly, any part of the company's assets to a government agency, official, or employee if such contribution is unlawful or intended for an illegal purpose. Lawful contributions require due authorization by the relevant country manager.

#### **CONFLICTS OF INTEREST AND CORPORATE OPPORTUNITIES**

##### **Gifts, services, and other courtesies**

CEMEX employees may not accept courtesies of any kind that may compromise, or appear to compromise, their decision-making on current or future negotiations. Employees may, however, accept promotional courtesies that are lawful and acceptable common business practices if such courtesies are authorized by their immediate supervisor. CEMEX employees may offer gifts, services, and courtesies on behalf of the company as long as such courtesies are lawful, are authorized by their immediate supervisor, and correspond to the company's interests. Any expenses incurred for this purpose must be specifically recorded in exact accordance with legal

requirements and established company procedures.

It is forbidden to seek or condition a negotiation on any kind of gift, service, or courtesy.

#### **Bribes and/or coercion**

Bribes and coercion are unlawful under any and all circumstances. Members of the company who are offered bribes or are coerced in their work relations, whether inside or outside the organization, must report the situation immediately. Employees are also accountable for reporting coercion or bribery if they are aware of such pressure being exerted on others in the company.

### **MANAGEMENT OF THE CEMEX CODE OF ETHICS AND BUSINESS CONDUCT**

#### **Procedures for inquiries, suggestions, and reports**

CEMEX encourages all officers, directors, and employees to report any suspected violation. The company will thoroughly investigate all good-faith reports of violations.

CEMEX will not tolerate any kind of retaliation for reports or complaints of misconduct that are made in good faith. Open communication of issues and concerns by all officers, directors, and employees without fear of retaliation is vital to the successful implementation of the Code.

CEMEX employees are required to cooperate in internal investigations of misconduct and unethical behavior. Any information supplied in regard to a particular case will receive expeditious, professional, and confidential treatment.

The Code is applicable throughout the organization. Every employee is required to follow and enforce the guidelines established in the Code. Toward this end, the company has established different communication channels for CEMEX employees to ask questions, give suggestions, and inform of cases in which CEMEX's values have been actively promoted, as well as, to report incidents and submit evidence of inappropriate conduct. Situations that may involve a violation of the Code are not always obvious or easy to resolve. CEMEX employees are expected to report any

concerns about violations of the Code to one of the following persons, departments, or bodies:

- Immediate supervisor
- Human Resources Department or Legal Department
- Business Unit Ethics Committee

Any concern about violations of the Code by the Chief Executive Officer and members of the CEMEX Ethics Committee should be reported promptly to the Audit Committee of the Board of Directors.

Violations or suspected violations in accounting, internal financial controls, or auditing matters should be reported directly to the Audit Committee of the Board of Directors through a secure website accessible through a link published in CEMEX Plaza.

To learn more about how to submit inquiries, suggestions, and reports please read the related procedure published in CEMEX Plaza.

#### **Consequences**

By putting our values into practice everyday, we benefit ourselves and others. CEMEX encourages ethical behavior. Unethical employee behavior will require CEMEX to enforce disciplinary measures, which may include termination of employment, in addition to any actions, obligations, or sanctions that may be required by or that may result from the enforcement of applicable law.

CEMEX supervisors are responsible for exemplifying CEMEX's values; they must recognize their colleagues when appropriate, or take timely and appropriate disciplinary action in case of improper behavior.

Each employee should encourage other employees to abide by the CEMEX values and guidelines of the Code. An employee's failure to comply with the Code will be considered misconduct and may subject that employee to disciplinary action.

## 390. Standard Chartered Bank

Sustainability Review 2007<sup>1</sup>

### Tackling Financial Crime

#### A trustworthy partner

“The Bank’s reputation for being a trustworthy partner depends on its exemplary governance and ethical standards. A tough stance on tackling financial crime (money laundering, terrorist financing, fraud and corruption) is essential in maintaining strong partnerships.”

Criminal activity related to financial services not only affects the Bank’s business, but also hurts our customers and the communities where we do business. It can undermine the sustainability of our own growth and, by fuelling poverty and inequality, that of the economies we operate in.

International Monetary Fund (IMF) estimates suggest that money laundering globally accounts for between two and five per cent of the world’s GDP annually,<sup>1</sup> so tackling the threat is a major challenge for the entire financial sector. The banking industry needs to respond to this threat through industry-wide cooperation and constructive partnership with governments.

Standard Chartered monitors financial crime risk management through the Audit and Risk Committee and specialist Group and business committees at various levels including on-the-ground Country Operational Risk Groups.

#### Anti-money laundering (AML) and terrorist financing

Money laundering is the process through which the proceeds from crime are disguised and concealed. At each stage of our operations, Standard Chartered strives to minimise the risk of our products and services being used by money launderers. During 2007, we launched revised, more risk-based, ‘Customer Due Diligence’ (CDD) standards across Consumer Banking.

Once an account is opened, the Bank uses sophisticated systems to detect suspicious transactions. The Norkom transaction monitoring system went ‘live’ across eight more

countries in 2007, with enhanced reporting procedures for exceptional transactions implemented in more than 25 other countries.

Despite such automated systems, the vigilance of our staff remains critical. Our employee induction programmes make these responsibilities clear to new recruits.

The Bank now passes several thousand suspicious activity reports to the relevant authorities every year.

In 2007, the Bank completed a programme to enhance payments screening in all processing centres and to improve its ability to identify transactions that may be linked to a terrorist suspect.

The Bank works closely with regulators, other banks and industry bodies, such as the Wolfsberg Group, to ensure that its AML control framework continues to reflect international best practice.

The Bank has also contributed to the development of new laws and industry guidelines in several countries, such as ‘Know Your Customer’ and transaction disclosure requirements issued by the South Korean authorities and the new Hong Kong industry guidance. In early 2007, the Bank joined representatives of the Basle Committee to train regulators from across Africa, who are in the process of implementing their own AML standards.

We recognise, however, that AML is a fastevolving field. In late 2007, we engaged the services of the Promontory Financial Group, a leading consultancy, to ensure we keep pace with developments, continue to meet the expectations of our regulators and stay at the forefront of international best practice. We plan to refine our AML operating model based on their recommendations in 2008.

#### Fraud and corruption

Aside from the obvious financial impact on the Bank itself, we have a wider responsibility to protect customers from fraud and to contribute to the security and stability of the financial sector.

While fraud levels in the Bank have remained stable in recent years (indeed, they

<sup>1</sup>Source: [http://www.standardchartered.com/\\_documents/2007-sustainability-review/sc\\_2007\\_sustainabilityReview.pdf](http://www.standardchartered.com/_documents/2007-sustainability-review/sc_2007_sustainabilityReview.pdf)

have fallen relative to the size of our business), we remain on our guard against new methods of attack and strive to reduce our losses. Like the Bank's AML regime, our approach to fraud reduction uses a series of preventive barriers from front-line controls to a risk-focused internal audit programme.

To reduce the risk of employee fraud, in early 2007, the Group rolled out new procedures for staff screening and vetting at the point of recruitment. The Bank also reviewed its 'Speaking Up' programme, which provides employees with a confidential channel to raise concerns they may have about possible malpractice, with an aim to combat corruption. In 2007, over 25 reports were made, which helped the Bank to improve controls and reduce fraud.

### Group Code of Conduct<sup>1</sup>

#### **The Code and how to use it**

The Code of Conduct sets out the standards of behaviour expected from all of us employed in any company within the Standard Chartered Group. All members of staff, contractors, sub contractors, secondees, temporary staff and voluntary workers are bound by the Code.

The Code provides a quick reference guide; it does not replace the relevant Policies and Procedures. It is important that you familiarise yourself with all Policies and Procedures applicable to your role.

Failure to follow the Code may result in breaches of law, regulation, Group standards and reputational damage. It may also lead to disciplinary action, which could lead to your dismissal.

Copies of this Code are available on SCyBernet. The relevant Policies and Procedures documents can be accessed via this route. If you have any questions about the Code, you should contact Compliance & Assurance.

#### **Reject bribery and corruption**

##### **You must not give or accept bribes nor engage in any form of corruption**

##### **Why is this important?**

Bribery and corruption damage our business and conflict with our values. We oppose all forms of bribery and corruption because it is illegal and dishonest, and damages the countries and communities where it occurs. You are in breach of the Code of Conduct and also liable to criminal prosecution if you engage in such practice.

##### **What must you do?**

1. Do not offer or give any kind of personal payment, benefit or improper advantage to government officials or others with decision-making power or influence over any aspect of the Group's affairs.
2. Do not offer to pay a customer or potential customer for their business.
3. Do not request or accept any kind of personal payment, benefit or other improper advantage.
4. Comply with the Group Gifts and Entertainment Policy.

You must immediately report to Compliance & Assurance any suspicion or knowledge about anyone seeking or offering personal payments, benefits or other favours in contravention of the Code.

#### **Avoid being compromised by gifts and entertainment**

You must not offer, give or accept inappropriate gifts or benefits to or from third parties

##### **Why is this important?**

Gifts, business entertainment or other benefits are a part of commercial life in many

<sup>1</sup>Source: <http://files.shareholder.com/downloads/STANCHAR/550580708x0x29458/C76F34A6-6B78-4144-A450-639CFEEB9CFC/Group%20Code%20of%20Conduct.pdf>

countries. They are also often part of traditional festive occasions. However, problems arise when they compromise – or appear to compromise – normal commercial relationships between the Group or its staff and customers, vendors and other stakeholders. The Group Gifts and Entertainment Policy details procedures relating to gifts and entertainment. Breach of this Policy can lead to severe reputational damage and is potentially illegal.

Gifts and entertainment are not permissible unless they are reasonable in value, consistent with established market practice and appropriate to the occasion in the context of local custom and cost of living. Gifts and entertainment must not be, nor be perceived to be, an inducement for business.

#### **What must you do?**

1. Ensure that all gifts and entertainment given to or received from third parties, are approved and recorded in the department's Gifts and Entertainment Register.
2. Do not offer gifts and entertainment to government officials, employees of regulatory bodies and employees of majority-government-owned entities without pre-approval of Compliance & Assurance.
3. Do not receive or offer a cash gift unless it is of small value and is part of a traditional festive custom.
4. Do not offer gifts and entertainment that contravene the Group Gifts and Entertainment Policy.
5. If in doubt refer to WB/CB Gifts and Entertainment Committee or Compliance & Assurance.

Read and understand chapter 2 of the Code – Reject bribery and corruption – to ensure that any gifts or entertainment are appropriate and could not be viewed as a bribe or part of a corrupt practice.

If you believe that refusal of a gift or entertainment is not possible, you should promptly inform your manager AND Compliance & Assurance, ideally before it is

accepted. The gift or entertainment will then be dealt with in accordance with local and Group standards. Normally this means it will be donated to a staff member or charity event.

#### **Speak up**

You must Speak Up if you suspect any actual or planned behaviour that may break any laws, regulations or Group standards

#### **What is Speaking Up?**

Speaking Up describes our individual responsibility to report in confidence, actual or suspected misconduct, malpractice and illegal or unethical behaviour by informing senior management of our concerns. It is an essential part of our values and our brand promise – Leading by Example to be The Right Partner.

#### **Why is this important?**

The Group is committed to maintaining an ethical culture, one of integrity and compliance with laws, regulation and Group standards; we also want to avoid control breaches that could lead to fraud. The Group encourages the practice of Speaking Up by providing staff with confidential and secure means to raise genuine concerns.

More details can be found in the Speaking Up Guide.

#### **What must you do?**

There are three ways of Speaking Up

1. Talk to your line manager and/or Compliance & Assurance.
2. Email your concerns to [speaking.up@standardchartered.com](mailto:speaking.up@standardchartered.com). Details are contained in the Speaking Up Guide.
3. If you wish to remain anonymous, you can send your concern to [shareholder.com](http://shareholder.com), an independent organisation. They will forward the information on your behalf to the Group but completely protect your anonymity. Visit <http://www.openboard.info/stan> for more information.

You do not have to be 100% sure before Speaking Up. If you have a genuine suspicion, you should Speak Up and explain your concerns. These will be recorded, reviewed, and where appropriate, promptly investigated. Feedback will be given provided your name is known. The Group will not tolerate the victimisation of anyone who Speaks Up. However please note that Speaking Up is not a mechanism to raise general complaints nor should it be used maliciously or in bad faith.

### **Combatting financial crime**

You must comply with laws, regulations and Group standards on money laundering, terrorist financing and fraud prevention

#### **Why is this important?**

The Group recognises the critical importance of protecting the integrity of the global financial system by managing the risks arising from laundering the proceeds of crime, including child pornography, financing terrorism and aiding corruption. Financial crime can severely damage our brand and the communities in which we operate; it undermines our business and exposes us to severe penalties. It is also illegal.

We cooperate with governments, regulators and other financial services providers to safeguard customer accounts from fraud and to help combat organised financial crime. We must also comply with local anti-money laundering laws and regulations.

#### **What must you do?**

You must always be alert and recognise that we are all part of the fight against financial crime. To do this you must:

1. Ensure that you participate in all required training and awareness programmes.
2. Establish the identity of our customers from reliable evidence as described in the global Customer Due Diligence (CDD) procedures for Wholesale Banking and Consumer Banking. Know enough about our customers to identify transactions which are inconsistent with their business or personal status, or which do not match the normal pattern of activity for which the account was set up.

3. Report suspicious activities immediately to your line manager. For suspected money laundering, your Country Money Laundering Prevention Officer (CMLPO) should be informed.

### **Failure to follow this Code**

Failure to follow this Code of Conduct will be treated very seriously by the Group and may lead to disciplinary action. This could result in dismissal.

In any disciplinary situation the Group may:

1. Involve external authorities where external regulations have been breached.
2. Involve the police if a criminal offence may have been committed.

### **Building a sustainable business<sup>1</sup>**

#### **Our changing world**

The world in which our business operates is changing rapidly. We live in a world of finite resources, faced with global challenges of climate change, terrorism, corruption and pandemics capable of affecting millions. Many of these challenges are complex and interrelated and as a business we recognise that we must ensure that our impact on the world around us is positive. In doing so we must work closely with governments, customers, and other key stakeholders to ensure that we can continue to be a successful company for another 150 years.

<sup>1</sup>Source: [http://www.standardchartered.com/\\_documents/building-sustainable-business/sc\\_buildingSustainableBusiness.pdf](http://www.standardchartered.com/_documents/building-sustainable-business/sc_buildingSustainableBusiness.pdf)



## **Our Core Sustainability Themes**

### **Tackling financial**

Corruption and financial crime continue to outpace international cooperation to fight it, with annual estimates crime of the cost of money laundering exceeding USD \$500 billion<sup>2</sup>. Bribery, corruption, fraud and financial crime affect the ability of economies to grow and develop, and impact the communities we operate in by fuelling poverty and inequality. Our response stems from our own code of conduct but is relevant to our approach to tackling financial crime through our monitoring activity and lending.

## 391. Chubu Electric Power

CSR Report 2008<sup>1</sup>

### Ensuring Compliance

#### Compliance Promotion System

Under the leadership of Chubu Electric Power's Compliance Committee (established in December 2002 and chaired by the president), we are building systems for the promotion of compliance throughout the company. We have formulated the Chubu Electric Power Declaration of Compliance, the Eight Action Guidelines, and other guiding statements, and are developing autonomous programs in every division and office of the company. We are also conducting a broad range of programs designed to enlighten and educate employees. Specifically, we distribute a booklet documenting sample situations where compliance action is needed, and provide training for compliance leaders as well as training programs specific to each class of employees and each place of business. We have a grassroots initiative for frontline proposal of ideas and solutions that has been underway since fiscal year 2006. Measures are being implemented to hear the voices of people in the workplace in order to find solutions to issues in our ongoing work. Starting in fiscal year 2007, we have also had a new program to encourage autonomous activities by training Compliance Instructors (CIs) who are assigned to all the divisions and regional offices.

We will make use of these CIs for the promotion of even more autonomous activities.

#### Ensuring Compliance in the Chubu Electric Power Group

The Chubu Electric Power Group has been working in a comprehensive manner to ensure compliance in all our companies, and we established the Chubu Electric Power Group Compliance Council for that purpose in April 2003. Under the guidance of this council, the Group companies have been building compliance systems and promoting programs for heightened awareness of compliance.

Chubu Electric Power has also been dispatching trainers to Group companies and holding training sessions with Group company participation. In these and other ways, we are working to upgrade our support and provide further reinforcement for

compliance programs.

#### Hotlines in Operation

In December 2002, hotlines were set up as points of contact regarding compliance issues at Chubu Electric Power, and in April 2004, we set up joint hotlines as contact points for the Chubu Electric Power Group.

With the enactment of the Whistleblower Protection Act in April 2006, we expanded the scope of the hotlines to allow use by temporary workers and business partners as well. Efforts are underway to upgrade this system as it continues in operation.

The hotlines are an important mechanism by which the company can comprehend its own problems and work to make improvements itself. We will therefore make every effort to respond properly to matters that arise.

#### Non-Compliance Events at Power Plants and Remedial Action

##### Tracking the Occurrence of Non-Compliance Events

Since the autumn of 2006, cases of falsification of data and inappropriate or insufficient procedures have emerged as problems at the various electric power companies in Japan. Chubu Electric Power conducted a painstaking survey and found that, although no events compromising security had occurred, a total of 40 non-compliance events (unacceptable acts and events) were confirmed to have taken place. (This was announced in March 2007.)

##### Countermeasures Prevent Recurrence

A detailed analysis of the causes of these noncompliance events was carried out. Corresponding measures to prevent their recurrence were then formulated systematically, and action plans were drawn up to promote those measures in specific detail. (These steps were taken in April-May 2007.)

These measures are classified under the following three pillars:

- Spread / reinforce the importance of compliance (Increase awareness of individuals)

<sup>1</sup>Source: <http://www.chuden.co.jp/english/corporate/pdf/csrreport2008.pdf>

- Create a mechanism for a well ventilated communications (Improvement of organizational climate)
- Apply a mechanism that does not cause incongruous phenomena (Improvement of organizational structure)

#### **Implementation and Evaluation of Recurrence Prevention Measures**

Measures to prevent recurrence are not implemented solely by the power generation divisions. The entire company takes part and the measures are implemented laterally across all divisions of the company, with information shared among all the divisions concerned. The status of implementation and entrenchment of such preventive measures will be evaluated on a regular basis and the results will be utilized to make improvements. We will also conduct audits and take appropriate actions to correct any problems we may find.

#### **Commitment to Continuing Improvement**

The Assessment/Inspection Committee and the Compliance Committee confirmed that, as a result of these actions, progress had been achieved according to plan under nearly all countermeasure headings during fiscal year 2007. These findings were announced in April 2008.

The status of implementation of the main compliance measures is as shown in the table below. Steady progress is being made in establishing widespread awareness of compliance, as well as in creating mechanisms for open communication and improving arrangements to prevent the occurrence of noncompliance events. We evaluate this positively, and consider that the recurrence prevention measures are functioning effectively.

We are committed to the steadily continued implementation and dissemination of these recurrence prevention measures into the future. Chubu Electric Power is fully engaged in the endeavor to further promote "the building of a corporate culture founded on compliance," and "the improvement of corporate structure to prevent the occurrence of non-compliance events."

## 392. Accenture

Code of Business Ethics: Our core values in action<sup>1</sup>

### A Message from Our Compliance Officer

When we live our core values we make good decisions. Our Code of Business Ethics guides how to behave according to those values. For those situations in which it is clear how to apply the law or our policy, we have zero tolerance for violations. In the more difficult situations that involve hard judgments between competing values, we expect all of our people to get assistance and involve others to help make good decisions. Accenture investigates alleged violations of our Code and policies, and we discipline violators, including terminating their employment where appropriate.

Acting ethically is your personal responsibility. Employees who come forward with concerns play an important role in maintaining our ethical workplace and high-performance business. If you have questions about the Code, contact the Ethics and Compliance Program at [ethics.and.compliance.program@accenture.com](mailto:ethics.and.compliance.program@accenture.com) or visit the Ethics and Compliance Home Page. For a full list of resources, see the Where to Go for Help section in this Code.

### Integrity

#### We refuse to offer bribes or make questionable payments

A bribe is providing something of value— gifts, hospitality or entertainment—to influence a decision to do business with Accenture. Bribes to public officials are against the law in every country where we do business. A “public official” is not only someone who works for a government; he or she could work for a private company, in which a government has a partial ownership interest. Bribes to personnel of even private companies are also against the law in many places where we do business. And it is bad business.

We are committed to marketing our services and solutions solely on their merits, and we strive to avoid even the appearance of impropriety.

On occasion we hire others—“agents”— to help us open doors and market our

services. We follow Policies 1327 and 1221 when we hire agents. We recognize and exercise even greater caution where we see warning signs that an arrangement or a payment may be improper. If you see a warning sign, contact your local Legal representative for help.

It is simple: Accenture will not pay bribes or make improper payments to obtain new business, to retain existing business or to secure any improper advantage. And we will not use others to do things we cannot. Accepted local business practices that ignore or even condone bribery are irrelevant. Our company's standards may be higher than local law (although bribery is illegal in every country where Accenture operates), and all Accenture people must adhere to these standards, regardless of work location. Remember, even if our competitors may be doing it, Accenture's expectations are clear:

We will not tolerate any violations of this policy.

#### We do not give or receive inappropriate gifts or hospitality

Occasionally, employees may offer or receive social amenities or exchange business courtesies with clients to foster goodwill and enhance business relationships. These might include gifts of nominal value, reasonable meals and entertainment with private organizations that are directly linked to Accenture's business. However, when dealing with public officials, what might be acceptable in a purely commercial setting may be unacceptable or even against the law.

Generally, Accenture discourages providing gifts to public officials or inviting them to attend Accenture sponsored events. Many of our clients may have rules that require gifts and invitations to be reported and/or refused.

#### Avoiding bribes and inappropriate gifts

Public officials include:

- Employees of publicly listed companies where there is government ownership (even if partial) or control.
- A university professor at a state-owned university.

<sup>1</sup>Source: <http://www.accenture.com/NR/rdonlyres/7DA172D1-C101-4E14-92BD-AE9C6B520994/0/AccentureCodeofBusinessEthicsv411.pdf>

- The spouse or son-in-law or daughter-in-law of a public official.
- A political candidate.
- Someone appointed to a honorary or ceremonial government position.
- Employees of international organizations like the World Bank or the International Monetary Fund.

**What are some warning signs that suggest we use extra caution?**

- We are doing business in a country that has a reputation for corruption.
- An Accenture agent or subcontractor asks for an unusually large or contingent fee.
- An Accenture agent's reputation is questionable.
- We are asked to make payment to another person, in another country, to a numbered bank account or to pay in cash.
- An Accenture agent has a family or business relationship with a public official.
- Our client asks us to make a political or charitable contribution or to use a particular subcontractor.
- An Accenture agent asks for an increase in the agreed fees to close the deal.

**A service provider that would like Accenture's business invites me to lunch at least twice a month. What should I do?**

Accepting lunch invitations is acceptable if you are meeting for a business purpose, but frequent or extravagant meals can appear to create a conflict of interest. Consult your supervisor. Tell the provider about our Code and limit hospitality in a reasonable manner.

**Always ask yourself the following questions on gifts or entertainment:**

- Would the gift or entertainment appear to influence the recipient's objectivity?
- Is the entertainment for a private purpose or a business purpose? (Is business going to be discussed as part of the event or only in a very limited way?)
- Would the gift or entertainment be considered unique, lavish or extraordinary?
- Would you be embarrassed if the gift or entertainment was made public, for example, in the local newspaper, or if senior executives at the client learned about it?
- Does the client's code of conduct limit gifts or entertainment?

If you answer yes or maybe to any of these questions, crosscheck with others and get help before you decide to proceed.

Accenture relies on the good judgment of its employees and expects them to understand our clients' codes of conduct in addition to any applicable legal rules. In short, employees may not offer or receive anything of value, directly or indirectly, if it might cause a conflict between personal interests and professional duties or create the appearance of such a conflict.

**Client Value Creation**

We purchase goods and services on their merits Accenture purchases goods and services on price, quality, performance and suitability. We avoid transactions that even appear to be improper or illegitimate, such as money laundering, or that may misrepresent the accounting reports or results of any

party to the transaction. For example, we do not place a purchase order for software that we do not need simply to help a client meet its financial objectives, and we do not purchase from a client to induce them to purchase services from Accenture.

To control our business and financial expenditures and to maximize our buying power, employees require approval and authorization before committing to purchases or paying invoices. The appropriate people assess whether the business expense is valid, that we have received the goods or services that we expected, and that the invoice complies with our purchasing policies.

### **Where to Go for Help**

If you have questions about the Accenture Code of Business Ethics or any Accenture policy, many resources are available to help you. Depending on the circumstances, use the Five Cs or contact the Ethics and Compliance Program at [ethics.and.compliance.program@accenture.com](mailto:ethics.and.compliance.program@accenture.com) or visit the Ethics and Compliance Home Page.

### **Reporting**

To report specific concerns, you should bring them to the attention of your supervisor, your career counselor, a Human Resources representative, a member of the Legal group or any member of Accenture management. Alternatively, if you prefer, you may report specific concerns regarding Accenture's financial affairs, accounting practices, auditing matters, corruption or fraud—and in serious cases where the vital interest of the company or the moral or physical integrity of our people are at stake—to the Accenture Business Ethics Line at +1 312 737 8262, available 24 hours a day, seven days a week (you can reverse the charges) or by visiting the encrypted website at <https://businessethicsline.com/accenture>. You should use the Ethics Line only to make a good faith claim. Accenture takes all allegations seriously.

When using the Ethics Line, you are not required to identify yourself. However, if you choose to remain anonymous, Accenture's ability to investigate the matter may be impaired and we may not be able to fully address all of your concerns.

If you choose to identify yourself, your identity will be treated confidentially and shared with a limited number of people who have a need to know or who are responsible for dealing with reports and investigations. Your personal information will be held and used in accordance with Accenture Policy 0090-Data Privacy and data privacy law.

To learn more about how Accenture protects personal data of individuals that Accenture receives or obtains during the reporting and investigation process and how we respect the privacy of our people, please refer to the Data Privacy Notice.

### **The Ethics and Compliance Program**

The Ethics and Compliance program—of which the Code of Business Ethics is the cornerstone—is responsible for the vision and framework for Accenture's ethical conduct and compliance with laws, under the direction of the Office of the CEO and the board of directors and its audit committee. A small global staff is responsible for: managing the Business Ethics Line; overseeing investigations, global compliance programs and local compliance programs under the direction of local country company leadership; and developing global training and communications in key areas, including Data Privacy, Export Compliance and Securities Law Compliance. The program also includes the Ethics Champions role, carried out by our People Advocates, who focus on the ethics part of the ethics and compliance equation, advising the program on what will be effective locally, supporting our people, and helping communicate and reinforce ethics messages to people in their geographies and workforces.

### **Our Responsibilities**

All Accenture people acknowledge that violating the Code breaks our trust with Accenture and our clients, and opens us not only to individual disciplinary action, including termination, but also perhaps to legal liability. All Accenture people are expected to become familiar with this Code and Accenture's policies and must comply with them at all times. Do more than read the Code—measure your actions against it.

Acting ethically is your personal responsibility and is Accenture's expectation of you. You have a responsibility to act when you know or have good reason to suspect a violation of this Code. All Accenture people must speak up or take action if they are aware of any potentially unlawful, unethical or fraudulent activity, questionable accounting or auditing matters, or any other activity that causes them concern. Accenture leaders create an environment in which members of their teams feel comfortable in raising such concerns in their normal reporting lines.

Accenture will not tolerate retaliation against any employee because he or she raised such an issue or used the Business Ethics Line (or any other appropriate channel) to report an ethical or legal concern. Employees who come forward with concerns play an important role in maintaining our ethical workplace and high-performance business.

Also, we may be asked to certify periodically our compliance with this Code or various specific policies.

## 393. EnCana

### EnCana's Business Conduct & Ethics Practice<sup>1</sup>

#### Inducements and Gifts

Unlawful or unethical behaviour in EnCana's workforce is not tolerated, including soliciting, accepting, or paying bribes or other illicit payments for any purpose. Situations must be avoided where judgment might be influenced by, or appears to be influenced by such unlawful or unethical behavior. Payment or acceptance of any "kickbacks" from a contractor or other external party is prohibited.

Examples of laws to which EnCana is subject and abides by include the Corruption of Foreign Public Officials Act (Canada), the Foreign Corrupt Practices Act (USA) and equivalent legislation in other countries. Non-compliance could have serious ramifications.

EnCana does not normally support the use of facilitating payments. However, in some jurisdictions where it is determined to be absolutely necessary for the conduct of EnCana's business, the foregoing Acts allow such payments to be made if not prohibited by local law. The amount must be reasonable and the payment approved by Division or Corporate Group leaders and internal legal counsel. Such payments must be recorded in reasonable detail, including the amount paid, the purpose and authorization for such payment.

EnCana does not allow the acceptance or giving of gifts, favours, personal advantages, services payments, loans, or benefits of any kind, other than those of nominal value that can be made as a generally accepted business practice. If there is any doubt in specific cases, the Acceptance of Gifts Guideline should be referred to and or written approval from EnCana leaders should be requested. Gift-giving practices may vary among different cultures, and therefore local gift practices and guidelines will be considered when addressing these issues.

#### Reporting Violations of the Business Conduct & Ethics Practice

Actions that violate or appear to violate this practice must be reported in accordance with EnCana's Investigations Practice. The Investigations Practice outlines how a report will be treated once it is made, protection for complainants and the

consequences of violating this practice.

Violation of this practice and its associated guidelines may result in disciplinary action up to and including termination of employment.

### Corporate Governance – Policies & Practices<sup>2</sup>

#### Integrity Hotline

#### Integrity at EnCana

Integrity is the foundation of all that EnCana does.

EnCana's Integrity Hotline is one way for concerned individuals — from shareholders, employees and suppliers, to governments, non-governmental organizations and community members — to convey issues about EnCana's operations.

EnCana wants to know of and act upon any concerns about its operations. Many questions can be answered with an immediate conversation. Our employees are encouraged to discuss concerns about integrity with their supervisors or human resources contacts. Those who regularly work or interact with EnCana should report concerns to their primary contact at the company.

If, for any reason, these channels aren't appropriate, concerns can be reported directly to the Integrity Hotline or through EnCana's Investigations Committee (Investigations.Committee@encana.com).

<sup>1</sup>Source: <http://www.encana.com/responsibility/policies/pdfs/p001778.pdf>

<sup>2</sup>Source: <http://www.encana.com/responsibility/policies/integrityhotline/index.htm>



### What to Report<sup>1</sup>

Emergency situations and general business queries should be reported through our designated contact numbers so that they can be acted upon immediately.

Our employees are encouraged to discuss concerns about integrity with their supervisors or human resources contacts. Those who regularly work or interact with EnCana should report concerns to their primary contact at the company. These concerns include, but are not limited to:

- Potential violations of any statute, regulation, rule or EnCana policy or practice.
- Potential violations of any accounting standards, internal accounting controls or auditing matters (including questionable accounting or auditing matters).
- Fraudulent activities or theft.
- Breaches of EnCana's Business Conduct & Ethics Practice.
- Harassment or other inappropriate workplace conduct.
- Concerns about other EnCana business practices.
- Coercion of EnCana's external or internal auditors or any other attempt to improperly affect EnCana's financial statements or financial reporting processes.
- Risk to our assets, property or resources.
- Breaches of environmental, occupational health and safety legislation.
- Violations of EnCana's complainant protection practice.
- Privacy concerns.

### Integrity Hotline<sup>2</sup>

#### How to Report Concerns

EnCana's Integrity Hotline is structured to receive information verbally or in writing, and all reports are treated as confidential. Requests for anonymity will be honored, though it's important that anonymous reports contain sufficient detail for an investigation.

Integrity Hotline numbers and address

- The Integrity Hotline  
In North America, phone: 1-877-445-3222
- The Integrity Hotline Online  
Electronic submission of a concern via email
- The Integrity Hotline Address  
Integrity Hotline  
c/o EnCana Corporation  
1800, 855 - 2nd Street SW  
P.O. Box 2850  
Calgary, AB T2P 2S5  
Integrity.Hotline@encana.com

### Integrity Hotline<sup>3</sup>

#### Investigating a Concern

Any questions about EnCana's integrity are serious, regardless of the subject or scope. Integrity is the foundation of all that EnCana does.

Any query we receive through the Integrity Hotline is reviewed and investigated in a manner appropriate to the concern and level of confidentiality that's required. Often,

<sup>1</sup>Source: <http://www.encana.com/responsibility/policies/integrityhotline/whattoreport/>

<sup>2</sup>Source: <http://www.encana.com/responsibility/policies/integrityhotline/howtoreport/>

<sup>3</sup>Source: <http://www.encana.com/responsibility/policies/integrityhotline/investigating/>

sharing of information quickly resolves any concern. Investigations are discreet, confidential, professional, unbiased and timely, and always in accordance with EnCana's Investigations Practice.

EnCana's Board of Directors receives quarterly summaries on the nature and status of ongoing investigations, and the details of the resolution of any investigations since previous reports.

#### **Non-Retaliation**

EnCana does not tolerate retaliation against complainants because they registered a concern. In particular:

- EnCana and each of its officers, employees, contractors, subcontractors and agents are prohibited from discharging, demoting, suspending, threatening, harassing, engaging in any other form of discrimination, or taking any other retaliatory action against an employee because of any lawful act done by the employee:
  - to provide information or cause information to be provided, or otherwise assist in any investigation reasonably believed by the employee to constitute fraud against shareholders or a violation of applicable securities laws, where the information or assistance is provided to a regulatory or law enforcement agency or to authorized persons; or
  - to file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed (to the knowledge of EnCana) relating to shareholder fraud or applicable securities laws.
- In addition, EnCana and each of its officers, employees, contractors, subcontractors and agents may not, with the intent to retaliate, take any action harmful to any person, whether or not employed by EnCana, for providing to a law enforcement officer any truthful information about the commission of any criminal offence.

Any person who believes that this complainant protection practice has been violated may report a potential violation in accordance with the terms of this practice.

#### **Policies and Practices<sup>1</sup>**

##### **Acceptance of Gifts Guideline**

EnCana's Business Conduct & Ethics Practice from accepting or giving gifts, including prizes or other advantages, that have a greater than nominal value. This guideline provides additional information on how EnCana employees can determine what and when gifts are acceptable from vendors, contractors, associates, industry colleagues and other non-EnCana personnel they interact with as a result of their employment with EnCana. When giving gifts, employees should refer to the Event and Special Occasions Guidelines.

The exchange of gifts can also be related to conflicts of interest, which are addressed in detail within EnCana's Conflict of Interest Practice. This practice states that employees must avoid situations where their personal interests could conflict or appear to conflict with their employment duties or responsibilities. For more information, review the Conflict of Interest Practice.

Contractors working for the Company must have in place guidelines for exchanging gifts that achieve the same standards as EnCana's Acceptance of Gifts Guideline.

##### **Personal Gain**

EnCana employees may from time to time be offered gifts (e.g. tangible products; invitations to meals; tickets to sporting, cultural or political events; payments, loans or favors) from vendors, contractors, associates, industry colleagues and other non-EnCana personnel. Gifts may be offered or received in celebration of project achievements, at vendor trade shows, sports tournaments or a variety of other situations. In some situations, gifts are unacceptable and should be declined. Those situations include:

<sup>1</sup>Source: <http://www.encana.com/responsibility/policies/links/P1161191191894.html>

- acceptance of gifts that have a greater than nominal value
- acceptance of frequent gifts from the same source
- acceptance of gifts of any value or frequency where:
  - the giver seeks benefit from decisions or actions the gift might influence (e.g. in exchange for a gift, an employee provides confidential insider information)
  - a sense of obligation may be created (e.g. causing the EnCana employee to influence the selection of vendors)
  - intentional or unintentional interference with fair and equitable competition may occur (e.g. in exchange for gifts, an EnCana employee shares proprietary information with a member of a competitor's company)
  - a benefit may be provided to the employee's family, friends or associates inconsistent with the Conflict of Interest Practice

#### **What is Acceptable?**

EnCana expects all employees to use good judgment in determining what is acceptable. To assist in that process, EnCana defines reasonable gifts as those that are nominal in value and occur infrequently.

Nominal in the context of this guideline is any gift (e.g. tangible products; invitations to meals; tickets to sporting, cultural or political events; payments, loans or favors) beneath maximum value. For employees in North America, a guideline maximum value is \$250. Any gifts, individually or cumulatively, beyond this level would represent unique circumstances, serving EnCana's corporate interest, and would require the prior consent of your supervisor. For example, some sporting events are above the maximum, and discretion may be applied subject to the approval of the supervisor.

Frequency of gift acceptance should be determined by business circumstances, and in any case should not exceed 4 occurrences in a 12-month period involving the same vendor.

If an employee is uncertain about the appropriateness of a gift because of value, frequency or the intent of the giver, they should decline the gift and discuss the situation with a supervisor. There may be circumstances where it is in the Company's interest to pay for the employee's participation through the normal expense account process.

All staff are responsible to ensure that, at all times, their actions would be judged to be reasonable and ethical when measured against the principles of our Constitution and the scrutiny of our peers, our shareholders and the general public.

#### **Monitoring**

To ensure compliance with the Company's Business Conduct & Ethics Practice, Conflict of Interest Practice and this guideline, audit programs are in place that track both the contracts issued to external parties and the expenses those parties incur in providing gifts. All violations will be investigated and disciplinary actions will be taken as necessary.

## 394. Arcandor

United Nations Global Compact <sup>1</sup>

**Communication on Progress 2007**

### **Anti-Corruption**

- | The rules of free and fair competition are a fundamental prerequisite for a performance-based market economy. Arcandor therefore declares in its code of conduct that it is committed without reservation to fair and unrestricted competition and fair contractual arrangements with all its business partners.
- | The Group consistently advocates the observance of established rules of conduct: When in contact with suppliers, other business partners or officials, no employee may demand or accept anything that would be to his or her personal advantage such as payments, gifts or other donations of value.
- | Employees of other companies may not be offered or promised any personal advantages as compensation for preferential treatment in connection with their official duties.
- | In exercising their social responsibilities, the leading entities and committees of the Arcandor Group rely to a large extent on the German Corporate Governance Codex for guidance. We work continuously on the further development of our efforts to implement the code and review the effectiveness of these efforts at regular intervals.
- | In December 2007, based on the recommendation of the Codex, we created a fourth supervisory committee, the nomination committee. We ensure transparency regarding dates and financial data by providing a financial calendar as well as comprehensive investor relations and press information on the Group's website. Remuneration of the entities of the Arcandor Group is likewise subject to the principles of transparency.

<sup>1</sup>Source: [http://www.arcandor.de/de/downloads/Arcandor\\_AG\\_UN\\_Global\\_COP\\_2007\\_english.pdf](http://www.arcandor.de/de/downloads/Arcandor_AG_UN_Global_COP_2007_english.pdf)

## 396. Vattenfall

### CORPORATE SOCIAL RESPONSIBILITY REPORT 2007<sup>1</sup>

#### Our vision for sustainability

#### Materiality Analysis

To facilitate effective decision-making, we invited a number of key stakeholders in spring 2008 to help select and prioritise sustainability issues that concern Vattenfall. This external input was analysed and matched with Vattenfall's internal stakeholders views and insights, and the results can be seen in the matrix. The overall conclusion is that external and internal stakeholders agree to a large extent on what issues are important for Vattenfall to focus on from a sustainability perspective.

Both internal and external stakeholders assigned top scores to emissions and waste, indicating the major importance of climate change. Other issues that were assigned high importance by both internal and external stakeholders included corruption & anti-competitive behaviour and openness & transparency, showing the importance of fair business and transparency in our communication.

Many issues were assigned a higher degree of importance by external stakeholders than by internal stakeholders, including human rights, biodiversity and materials used in production. All these issues are of course important to Vattenfall as a company, but are seen internally as issues that are well handled which is why they are given a lower importance internally than externally.

On the contrary, internal stakeholders assign higher importance to economic performance than external stakeholders indicating that economical performance as a prerequisite for sustainability is an internal priority that our external stakeholders take for granted.

A total of 58 respondents participated, representing the stakeholder categories Financial (capital providers & owner), Business and Industrial Customers, Society (authorities, NGOs, politicians, potential employees/ academia), and Internal (employee representatives, employees & Executive management).

Issues singled out as important to stakeholders and of high significance to Vattenfall, ie. the issues found in the upper right corner, will be highlighted in our reporting. Some of the issues are highlighted and coupled to our strategy.

Vattenfall wishes to thank all stakeholders that took part, giving us valuable input for our continued work and prioritisation of sustainability issues.

#### Impact on society – management approach

#### Management of societal issues

- **Corruption**

Vattenfall works against corruption in all its forms, including extortion and bribery. Vattenfall also takes part in the Partnering against Corruption Initiative and follows the Principles of Countering Bribery derived from Transparency International's Business Principles for Countering Bribery.

Vattenfall's business ethics principles state that no employee may offer or receive improper benefits or benefits that may be regarded as improper remuneration in order to obtain, retain or direct business or in order to secure any other improper advantage in business conduct. Such prohibited benefits (bribes, etc.) include cash, items, pleasure trips or services of another nature.

The key issue in anti-corruption work is to educate staff on all levels in the organisation about internal and external rules and, for management, to ensure compliance with these rules. Vattenfall has a monthly Group-wide reporting system in place in order to ensure compliance.

- **Anti-Competitive Behaviour**

Vattenfall has a range of principles, policies and rules designed to ensure that Vattenfall does not engage in anti-competitive behaviour. Effective and fair competition is vital to ensuring market efficiency. Competition rules are important tools that serve this purpose. As it is truly beneficial from a business perspective, the Vattenfall Group shall not only comply with competition rules, but act according to business standards that meet the highest expectations from

<sup>1</sup>Source: <http://report.vattenfall.com/Material/StaticPdf/VF+complete+CSR+Report+2007+-+100+pages+-+081008>

customers and the public.

Vattenfall's Code of Conduct clearly states: "We are to carry on our business activities effectively and in fair competition. We do not enter into or carry into effect restrictive agreements with competitors."

Vattenfall has also adopted specific antitrust and competition rules designed to ensure fair trade and practice in the market. An antitrust compliance programme has been initiated by the Executive Group Management (EGM) and is part of Vattenfall's global leadership development programme. This programme supports Vattenfall's core values of openness, accountability and effectiveness while fostering an overall common business culture and attitude.

The key issue in anti-corruption work is to educate staff on all levels in the organisation about the internal and external rules and, for management, to ensure compliance with these rules.

Vattenfall has a monthly Group-wide reporting system in place in order to ensure compliance.

A specific issue for energy utilities is unbundling. Vattenfall complies with the unbundling rules. These rules form part of national legislation, based on EU directives, and state that transmission and distribution business must be separated (for instance placed in separate legal entities) from other businesses, especially the electricity generation and sales business. Thereby, the regulated monopoly business is separated from the businesses under free competition. Compliance with unbundling rules is essential in order to secure that Vattenfall only uses fair means of competition. For instance, Vattenfall's transmission and distribution companies must not discriminate generation and sales companies from outside the Vattenfall Group. We also expect transmission and distribution companies from outside the Vattenfall Group not to discriminate Vattenfall's generation and sales business.

- **Organisational responsibility**

The General Counsel of the Vattenfall Group (who is also Head of Group Function

Legal Affairs) coordinates the guidelines, instructions and follow-up of measures to prevent corruption and anti-competitive behaviour. It is the responsibility of each manager in the line organisation to ensure compliance (e.g., by implementing local instructions) and to report on this compliance.

- **Training and awareness**

Vattenfall offers training programmes on community interaction, corruption, public policy and anti-competitive behaviour. For example, in the Antitrust Compliance Programme developed and implemented by Vattenfall's Executive Group Management (EGM), seminars are held in the form of one-day dialogues discussing Vattenfall business cases and how to apply the Company's rules in different situations. The participants prepare for each seminar with a special e-learning tool. The target group is all managers at the Business Group level and Business Unit levels as well as other employees with extensive external and competitor contacts. The objectives of these seminars are to:

- foster a shared basic understanding of the rules and how to comply with them and Vattenfall's internal values, policies and rules,
- support a shared Vattenfall business attitude and a shared corporate mind-set, and
- enable delegation of responsibility for compliance with the rules.

### **Goals, performance and risks**

#### **Risks**

Vattenfall has a zero-tolerance policy regarding the soliciting and accepting of bribes, and it expects its suppliers to respect this position. Prevention of corruption and anti-competitive behaviour issues are mainly regulated through internal instructions at different levels in the Group. Prevention of corruptive behaviour is followed up by regular reporting to the responsible Group functions. This regulation, in turn, is audited by the Internal Audit function.

In 2008 a seminar for purchasers focusing on compliance was developed and held for the first time.

In cases of non-compliance, Vattenfall's management may, in accordance with internal instructions, take all necessary actions. Employees found responsible for a breach of the instructions and/or competition rules will be held accountable. Depending on the nature of the breach, appropriate disciplinary actions, not excluding dismissal, will be considered and taken.

#### **Risks related to corruption (SO2)**

Business units are analysed for risks related to corruption (and anti-competitive behaviour) as part of the general risk reporting of the Vattenfall Group. All operating units without exception are part of this reporting and analysis system.

#### **Anti-corruption policies, procedures and training (SO3)**

In 2005 Vattenfall's Executive Group Management initiated the Antitrust Compliance Programme for management teams and other employees with extensive external contacts.

The programme supports the Vattenfall Code of Conduct and Company Philosophy. The programme has now been concluded.

All managers at Vattenfall Trading Services, at the Business Group and Business Unit levels, and other employees within the Vattenfall Group with extensive external competitor contacts, are required to participate in at least one antitrust compliance seminar or in a similar education programme. Following the conclusion of the Antitrust Compliance Programme, the seminar platform has been further developed, and additional antitrust compliance seminars are being arranged.

By year-end 2007, 1,043 employees had participated in the programme or in an antitrust compliance seminar.

#### **Actions against corruption (SO4)**

No incidents of corruption were reported during the year.

In February 2005, Vattenfall endorsed the Partnering Against Corruption Initiative of the World Economic Forum (PACI) and the PACI Principles for Countering Bribery. PACI is driven by the private sector with the mission to help consolidate industry efforts in fighting bribery and corruption and shaping the evolving regulative framework.

## **CODE OF CONDUCT AND COMPANY PHILOSOPHY<sup>1</sup>**

### **RESPONSIBILITIES**

#### **BUSINESS PARTNERS AND SUPPLIERS**

Responsibility to business partners and suppliers means that we must work on the basis of high standards of business ethics and integrity and that we must support national and international organisations' work to establish and maintain strict ethical standards for companies.

We are to carry on our business activities effectively and in fair competition. We do not enter into or carry into effect restrictive agreements with competitors. We do not directly or indirectly, offer, provide, request or accept a bribe or other improper benefit.

<sup>1</sup>Source: [http://www.vattenfall.com/www/vf\\_com/vf\\_com/Gemeinsame\\_Inhalte/DOCUMENT/360168vatt/392719work/P02.pdf](http://www.vattenfall.com/www/vf_com/vf_com/Gemeinsame_Inhalte/DOCUMENT/360168vatt/392719work/P02.pdf)

## 399. Constellation Energy

2008 Corporate Social Responsibility Report<sup>1</sup>

### Governance & Management Systems

#### Principles of Business Integrity

We expect all of our employees to adhere to the highest principles of ethics, integrity and accountability. Our Principles of Business Integrity provide a guidepost for our employees on a wide range of conduct issues. All employees

are required to review the principles annually and certify they agree to follow them. Areas covered by our Principles of Business Integrity include:

- Disclosure practices,
- Fair dealing,
- Support for nonprofit and community organizations,
- Workplace principles: zero tolerance for harassment and discrimination,
- Legal and regulatory compliance,
- Environmental, health and safety responsibilities, and
- Government relations.

Employees have a responsibility to report activity that violates our Principles of Business Integrity or other laws, rules or regulations. They may do so by calling or sending an e-mail to our Corporate Compliance Department or, if they wish to remain anonymous, by calling our Business Integrity Helpline, which is operated by an outside firm that specializes in providing confidential reporting services.

Principles of Business Integrity<sup>2</sup>

#### Principles of Business Integrity

[...] In rare circumstances, waiver of these Principles of Business Integrity may be appropriate. For employees, waivers may be made only by the Chief Compliance Officer. For executive officers or directors, such waivers may be made only by the Nominating and Corporate Governance Committee of Constellation's Board of Directors and will be promptly disclosed as required by law or any other applicable rule and/or regulation. You should keep and refer to these Principles of Business Integrity whenever you have a question or concern about an ethical situation, a potential conflict of interest, appropriate conduct or legal compliance. Following these Principles will help you avoid inadvertent violations of Constellation's policies and may protect you from personal criminal and civil liability. Employees who violate these Principles are subject to corrective action, including termination. [...]

#### Gifts or Other Business Courtesies and Improper Personal Benefit

The giving and receiving of gifts, meals, services or entertainment can be effective and appropriate means of building and maintaining legitimate business relationships. However, in order to maintain trust and integrity with our customers, suppliers, business partners or others in the course of conducting business with the company, it is important to be prudent when accepting gifts. No Constellation employee, officer or director should accept a gift that might be intended to influence, or appears to influence, a business decision.

#### Interaction with Government Officials

Constellation is subject to regulation at various levels of government, and is profoundly impacted by decisions of elected and appointed government officials. Constellation is therefore engaged with and actively lobbies such government officials in the policy-making process in support of Constellation's business interests on various issues. It is important to our success that advocacy on behalf of Constellation be consistent, coordinated and focused on both our short-term and long-term interests. No Constellation personnel may engage in lobbying activities on behalf of Constellation without first obtaining the approval of Corporate Affairs. Corporate

<sup>1</sup>Source: [http://www.constellation.com/vcmfiles/Constellation/Files/CEG\\_CSR07\\_Final\\_06\\_081230.pdf](http://www.constellation.com/vcmfiles/Constellation/Files/CEG_CSR07_Final_06_081230.pdf)

<sup>2</sup>Source: [http://files.shareholder.com/downloads/CEG/578775573x0x213074/f37dc2a5-8510-43cc-a380-bc2c3680f1e2/PBI\\_CEG.pdf](http://files.shareholder.com/downloads/CEG/578775573x0x213074/f37dc2a5-8510-43cc-a380-bc2c3680f1e2/PBI_CEG.pdf)



Affairs will also help ensure compliance with all lobbying registration, reporting and disclosure requirements. All Constellation lobbyists are expected to follow both the letter and spirit of the lobbying laws and to maintain the highest standards of professional integrity.

The giving of gifts to government officials may be prohibited by law, create reporting obligations, or result in potential conflict of interests. Under no circumstances may a gift be offered to a government official for the purpose of influencing or rewarding such person with respect to his or her official actions or duties. Lobbying laws typically define “gift” as anything of value, including tangible items, meals, travel expenses, tickets to or attendance at events, and honoraria. Prior to offering or providing any gift to a government official, you must obtain and follow guidance from Corporate Affairs.

### **Doing Business Outside the United States**

When Constellation employees conduct business outside the country, they are subject to federal, state or local laws of the United States and laws of any foreign country. In particular, personnel must comply with the Foreign Corrupt Practices Act (“FC PA”). The FC PA sets forth antibribery provisions and accounting provisions. The antibribery provisions make it unlawful for a company representative to offer anything of value, including payments, gifts or bribes, to a foreign official for the purpose of influencing that official. Promising, offering or authorizing a bribe violates the FC PA. Employees should not make payments or gifts to government officials without prior approval from the Corporate Compliance Department. No employee should retain a consultant or agent in a foreign country without legal review of the terms and conditions of the engagement to ensure compliance with the FC PA. The accounting provisions of the FC PA seek to curb bribery of foreign officials by preventing companies from creating “off-the books” funds and other means to conceal the use of corporate funds for wrongful purposes. The FC PA requires that Constellation keep accurate books and records that fairly reflect transactions and disposition of assets. Again, violation of the FCPA can result in criminal penalties (i.e. prison) for individuals and/or fines imposed on Constellation.

All Constellation businesses also must comply with economic sanctions and trade embargoes imposed or approved by the United States. Additionally, U.S. law prohibits

U.S. persons from taking actions or entering into agreements that have the effect of furthering any unsanctioned boycott of a country that is friendly to the U.S. This prohibition applies to persons located in the U.S. (including individuals and companies), U.S. citizens and permanent residents anywhere in the world, and many activities of U.S. subsidiaries abroad. Employees should be alert to the fact that boycott-related requests can be subtle and indirect, and may include requests to refuse to do business with other persons or companies, discriminate in employment practices, furnish information about race, religion, gender or national origin, furnish information about a person’s affiliations or business relationships with a boycotted country, or requests to include boycott provisions in contracts, letters of credit or similar documents. Constellation will abide by applicable anti-boycott laws and will promptly report any request for Constellation to participate in a boycott. Contact Corporate Compliance if you have questions.

### **How to Seek Advice, Report Concerns and Ask Questions**

The answers to some questions are not easy. If you need advice or assistance with these topics, we encourage you to contact the Corporate Compliance Department. Constellation recognizes that the decision to report a concern or problem is not always easy. However, you have a personal and professional responsibility to report in good faith any activity that violates the Principles of Business Integrity or any other laws, rules or regulations.

You should immediately report to Constellation any actual or potential conflicts of interest, questionable activities, violations and suspicions of a violation of the Principles of Business Integrity. In most instances, the first person you should go to with a question or concern about business integrity and compliance issues is your supervisor. If you wish to report a concern about activity that you believe may implicate the Principles of Business Integrity, or you are not sure how the Principles of Business Integrity apply to your situation, ask your supervisor. Your supervisor can contact the appropriate internal specialist to help clarify issues and resolve concerns.

If your supervisor does not address your concern or question to your satisfaction; if your concern involves your supervisor; or if for any other reason you are not comfortable addressing the concern with your supervisor, you should contact the company’s Corporate Compliance Department.

### Employees have three options

1. You can reach the company's Corporate Compliance Department by phone at 410-470-5748. This number is answered by a Constellation employee in the Corporate Compliance Department. Messages can be anonymous, but there is no way for the company to respond to your question/concern if you do not leave your name or number.
2. You may send an e-mail to [corp.compliance@constellation.com](mailto:corp.compliance@constellation.com). The Corporate Compliance Department will investigate reported matters as promptly and as confidentially as possible.
3. The Business Integrity Helpline

Some situations may be too sensitive for you to take to your supervisor or the company's Corporate Compliance Department. In certain situations, you may want to report an incident anonymously. In situations where you want to communicate your concerns anonymously, the Business Integrity Helpline is available at 1-877-460-5700, 24 hours a day, seven days a week, every day of the year. The Helpline is operated for Constellation by an outside firm experienced in providing confidential reporting services. A person, not an automated answering service, will take your call. The call will not be recorded, and there is no caller ID system. If you identify yourself, every effort, within legal limits, will be made to keep your identity anonymous.

If you decide not to identify yourself, you will be given a case number and an agreed-upon callback date to allow you to follow up on the issue you raised. Your issue will be investigated and treated with sensitivity and confidentiality, except to the extent necessary to investigate and resolve the complaint.

### No Retaliation for Reporting Concerns

You can report concerns without fear of retribution. Constellation will not tolerate any form of retaliation or adverse action against any employee who in good faith has asked a question, raised a concern, or reported questionable activities or the misconduct of others. Employees found to have engaged in retaliation will be subject

to corrective action, including termination.

Whether you choose to communicate with your supervisor or the company's Corporate Compliance Department or call the Business Integrity Helpline, you can do so without fear of retribution.

### Corporate Compliance Program<sup>1</sup>

This Corporate Compliance Program of Constellation Energy Group, Inc. and its subsidiaries ("Constellation Energy" or the "Company") is designed to assist the Company in preventing, detecting and responding to criminal and other illegal or unethical conduct. The Corporate Compliance Program is designed to serve as a procedural framework for enhancing and monitoring compliance with the substantive compliance programs and policies of the Company, including, but not limited to, the Company's Principles of Business Integrity and Insider Trading Policy and policies which address (i) the Foreign Corrupt Practices Act, (ii) antitrust laws, rules and regulations, (iii) relationship amongst the various subsidiaries of the Company, and (iv) laws, rules and regulations governing the Company's operating units. In addition, the Corporate Compliance Program is intended to ensure compliance with the requirements of the Sarbanes-Oxley Act and the New York Stock Exchange as regards the handling of employee complaints. Each operating and corporate unit within the Company will continue to be responsible for complying with all company policies and procedures with such unit coordinating the reporting of their activity with the Chief Compliance Officer and Compliance Committee as further discussed below.

### DISCIPLINE

It is the policy of the Company that the standards of conduct set forth in the Principles of Business Integrity will be enforced through appropriate disciplinary mechanisms. Disciplinary actions may include termination of employment and filing of criminal charges, and may extend, as appropriate, to managers responsible for the failure to prevent, detect or respond to an offense.

<sup>1</sup>Source: [http://files.shareholder.com/downloads/CEG/578775573x0x205148/187149dd-fb77-49ca-8c86-89083a28906e/corporatecompliance\\_102003.pdf](http://files.shareholder.com/downloads/CEG/578775573x0x205148/187149dd-fb77-49ca-8c86-89083a28906e/corporatecompliance_102003.pdf)

## 400. Canadian Imperial Bank of Commerce

CIBC Annual Accountability Report<sup>1</sup>

### Our Employee

#### Creating a positive employee experience

[...] Our Code of Conduct is one of the many ways we promote these values. It guarantees every employee the right to be respected, to receive fair and equitable treatment, to be free from harassment or discrimination, and to be protected from retaliation if they report a contravention of the Code. To help ensure knowledge and practice of these values, all employees are required to complete annual certification and testing on the Code.

[...] Our continued focus on employee training and development is a critical element of both our employees' success and CIBC's success. In 2008, we invested approximately \$66 million globally on training, including governance and regulatory compliance, client service, product knowledge and a broad range of business and technical skills. Training is also accessible for all employees through a webbased learning management system.

To help our employees grow, develop and achieve their full potential, we provide corporatwide training and development programs in the areas of People Management, Regulatory and Mandatory Training, new employee orientation and core capabilities.

Our annual corporate mandatory training program for employees incorporates training with respect to CIBC's vision, mission and values. Additional vision, mission and values training is provided to managers to ensure a healthy, safe and secure workplace. CIBC's Corporate Mandatory Training and Testing program received the Silver Canadian Award for Training Excellence in the Internal eLearning category from the Canadian Society for Training and Development.

### Our Clients

#### Respecting our clients

We are committed to treating our clients with respect, providing products and services in a professional manner and safeguarding our clients' personal information and privacy.

Our Service Commitment to You, available in branches and online, outlines our commitment to high-quality client service, fee transparency, privacy protection and confidentiality. The CIBC Code of Conduct for employees and comprehensive ongoing training programs include a strong focus on maintaining our clients' privacy and confidentiality, as well as on detecting fraud and money laundering.

Resolving client complaints at the first point of contact continues to be a priority at CIBC. If a satisfactory resolution is not reached, the client is first referred to a trained Customer Care specialist, and then to the CIBC Ombudsman's office.

CIBC will continue to invest in enhanced programs, procedures and training to ensure we continue to fulfill our commitment to clients.

#### Code of Conduct<sup>2</sup>

### CONFLICTS OF INTEREST

#### Gifts or Other Benefits

In this section, "gift or other benefit" includes entertainment.

Giving a gift or other benefit to, or receiving a gift or other benefit from, certain entities or individuals may give rise to a conflict, especially where the gift or other benefit is of more than nominal value.

<sup>1</sup>Source: <http://www.cibc.com/ca/pdf/about/aar08-en.pdf>

<sup>2</sup>Source: <http://www.cibc.com/ca/pdf/about/code-of-conduct-en.pdf>

Even where a conflict does not exist, the gift or benefit may be viewed as an attempt to influence one's ability to make objective business decisions. For this reason, CIBC's Gifts and Entertainment Policy prescribes limits on the value of certain gifts or other benefits.

#### **CONTRAVENTION OF THE CODE**

Contravention of any provision of this Code may result in disciplinary action up to and including termination of employment without notice, in addition to possible civil, criminal or regulatory action. Such conduct may also impact upon individual performance assessment and compensation.

As part of being accountable to each other as well as to CIBC, each of us has an obligation to report all actual and apparent contraventions of the Code by speaking to our manager, or to the appropriate contact listed in section 10.0 below, or by calling the confidential Ethics Hotline, or as otherwise provided in this Code or in an applicable policy.

Any report of concern about conduct that may contravene the Code will be treated confidentially to the extent possible and in a manner consistent with CIBC's responsibility to address the issue raised.

No one may retaliate or take adverse employment action against another employee who in good faith reports an actual or apparent contravention of the Code, or provides information or assistance for an investigation.

# Section 4

## Appendix

# Section 4.1

## Summary