

# UNODC in Cooperation with PricewaterhouseCoopers Austria

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

Volume 3

# Table of Contents

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	Page
1 Foreword	1
1.1 Foreword	2
2 Introduction, Acknowledgements and Disclaimer	4
2.1 Introduction	5
2.2 Acknowledgements and Disclaimer	8
3 Fortune Global 500	9
3.1 Table 201-300	10
3.2 Fortune Global 500 • Volume 3	11
4 Appendix	181
4.1 Summary	182

# 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.

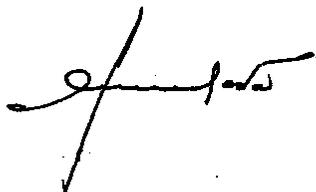
Generally, businesses want to do the right thing. But there are times when executives find themselves in tricky situations where a bribe is offered in order to gain a competitive advantage, or to facilitate a deal. What should be done?

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.



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**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 201-300

201	Marubeni	226	China Southern Power Grid	251	Suzuki Motor	276	Bridgestone
202	Legal & General Group	227	Sabir	252	DuPont	277	CRH
203	Rosneft Oil	228	Woolworths	253	Scottish & Southern Energy	278	Shinhan Financial Group
204	Banco Bradesco	229	DZ Bank	254	George Weston	279	Woori Finance Holdings
205	Foncière Euris	230	Manulife Financial	255	Mazda Motor	280	News Corp.
206	Reliance Industries	231	Centrica	256	ABB	281	BAE Systems
207	Walt Disney	232	Millea Holdings	257	Sinochem	282	Banco do Brasil
208	J. Sainsbury	233	SNCF	258	Endesa	283	América Móvil
209	Swiss Reinsurance	234	American Express	259	Baosteel Group	284	PPR
210	Mitsubishi Electric	235	CVRD	260	TUI	285	Mitsubishi Heavy Industries
210	National Australia Bank	236	Sumitomo	261	Sharp	286	Hutchison Whampoa
212	Denso	237	Northrop Grumman	262	Idemitsu Kosan	287	Bharat Petroleum
213	KBC Group	238	Danske Bank Group	263	Rio Tinto Group	288	China Telecommunications
214	FedEx	239	La Poste	264	Vivendi	289	L.M. Ericsson
215	Nippon Mining Holdings	240	Hess	265	AstraZeneca	290	Hindustan Petroleum
216	Ingram Micro	241	Wolseley	266	Anglo American	291	Aetna
217	Sysco	242	Meiji Yasuda Life Insurance	267	GS Holdings	292	Flextronics International
218	Cisco Systems	243	KDDI	268	New York Life Insurance	293	Coles Group
219	Johnson Controls	244	GMAC	269	Sumitomo Life Insurance	294	TIAA-CREF
220	Honeywell International	245	Korea Electric Power	270	ACS	295	OMV Group
221	Prudential Financial	246	JFE Holdings	271	Power Corp. of Canada	296	General Dynamics
222	Air France-KLM Group	247	Samsung Life Insurance	272	Xstrata	297	Bayerische Landesbank
223	Agricultural Bank of China	248	Comcast	273	Itaúsa-Investimentos Itaú	298	Tyson Foods
224	POSCO	249	Alcoa	274	Adecco	299	HCA
225	Old Mutual	250	Lufthansa Group	275	Coca-Cola	300	Cathay Financial Holdings

## Section 3.2

# Fortune Global 500 • Volume 3

## 201. Marubeni

Marubeni CSR Report 2008<sup>1</sup>

### Corporate Governance and CSR

#### Ensuring Compliance

The Marubeni Group distributes a hardcopy of the Compliance Manual to all employees in the Group. An electronic copy is also available on our Intranet (Extranet). The manual is also available to the public via our website.

Moreover, each year, every employee and executive of the Marubeni Group pledges to adhere to the manual, thereby raising awareness for compliance. Again in fiscal 2007, all executives and employees took an oath that they would abide by the manual.

As a result of our efforts in ensuring compliance, in fiscal 2007, there were no material violations of compliance.

Each of Marubeni's group companies has also been developing compliance systems suited to their respective businesses. Every year, the Compliance Committee Chairperson visits the main subsidiary companies to receive briefings and to directly communicate the importance of compliance. Furthermore, given that the Marubeni Group has expanded globally, our overseas sites have also been creating compliance systems suited to the laws and business practices of the respective countries.

In fiscal 2007, we employed the services of an external contractor to conduct a compliance monitoring survey in the Marubeni Group. By and large, the results of the survey were excellent, surpassing the average for other corporations.

To further instill the spirit of compliance, in fiscal 2005, we introduced an e-Learning Training Program, and since then, we have promoted participation in the "Door of Courage"

It is important that misconduct in a company be curtailed at its initial stages. There needs to be a system in place whereby, if a problem arises, it is communicated immediately to top-level management via division lines. While the Marubeni Group aspires to create an open and free environment where advice of any nature can be sought, for some matters, reporting through ordinary means is difficult.

To address this situation, Marubeni established the "Door of Courage" - a reporting and consultation hotline, whereby any member of the Marubeni Group can consult directly with the Compliance Committee or External Legal Counsel. This ensures that reports and consultations are held in the strictest confidence, and will not become the basis for any unfair treatment.

In February 2006, a female lawyer was added to the staff of the "Door of Courage," with a view to creating a safer and more comfortable environment for female employees.

<sup>1</sup>Source: [http://www.marubeni.com/dbps\\_data/\\_material/\\_maruco\\_en/data/csr/pdf/csr\\_08e.pdf](http://www.marubeni.com/dbps_data/_material/_maruco_en/data/csr/pdf/csr_08e.pdf)

Compliance Manual<sup>1</sup>

#### **Matters to be Observed (summary)**

##### **Prohibition on Bribes and Matters relating to the Exchange of Presents and Client Entertainment**

Not to bribe public servants and not to provide, propose or promise an illegal profit to foreign civil servants.

Not to provide presents or client entertainment to a transaction partner that exceeds the accepted business and societal norms.

#### **Use of the Compliance Manual**

##### **Measures to Handle Violating Conduct**

If you become aware of a violation of this manual, if you are instructed by your superior to act in contravention of this manual, or if you find yourself inadvertently in contravention of this manual, you must not hesitate to report such contravention.

There are no particular corporate regulations to penalize for violation of this manual. Each contravention shall be judged and punished in accordance with the Employment Handbook and other applicable rules.

#### **Compliance System of the Marubeni Group**

##### **Compliance Access Point (Door of Courage)**

If a person becomes aware of any conduct that is contrary to the compliance system, he/she should report it in accordance with the established lines of the staff organization. If the usual lines of reporting are not functioning properly for some reason, the following access points are available to the entire Marubeni Group:

- Compliance Committee
- Outside legal counsel

#### **[Rules on reporting to and consulting with a Compliance Access Point]**

1. A person filing a report or requesting a consultation shall provide his/her name which shall remain confidential. (The report to the Compliance Committee from outside legal counsel shall omit the name of the reporting person, if he/she so desires.)
2. The company guarantees that the reporting person shall not in any way be prejudiced or reprimanded because of his/her decision to report or consult with a Compliance Access Point. In relation to the employees of group companies, the Divisional and Branch Office Compliance Officers shall provide adequate instruction and supervision to the group companies to guarantee the same protection.
3. Anyone who believes that the company has not acted in accordance with rule 2. above may consult with the Compliance Committee.
4. The Compliance Committee shall provide the reporting person with details of its findings in relation to any matter reported to it and any matter upon which they have been consulted.

<sup>1</sup>Source: <http://www.marubeni.com/company/policy/compliance.html>

## 202. Legal & General Group

### Legal & General Group Code of Ethics<sup>1</sup>

#### **Bribery and corruption**

We're firmly committed to maintaining the highest standards of business ethics, honesty, openness and accountability.

As part of this culture, the offer or acceptance of bribes is unacceptable behaviour for Legal & General and its employees.

#### **What is Corruption?**

This can be defined as a lack of honesty and integrity; the misuse or abuse of a position for personal gain. This can also include any benefit enjoyed by someone other than the person involved in the corruption, for example a family member or colleague.

#### **What is Bribery?**

It is the offering, giving or receiving of something of value in exchange for an act that is dishonest, illegal, improper or a breach of trust e.g. giving or gaining undue influence in a decision making process. Both the giver and the receiver are committing bribery.

For example, a member of staff may receive money or a gift from a customer to ensure that their insurance application is accepted, or money/gift is offered to a staff member from a supplier to ensure they win a contract even though there are other cheaper suppliers. It can also apply to a staff member bribing an external party, for example, to help Legal & General to obtain new lucrative business / business partnership.

#### **Legal & General's Approach**

The following principles apply to the whole of the Group worldwide:

- We will not sanction corrupt behaviour under any circumstances;
- We will not engage in bribery in any of its activities;

- We will not tolerate the acceptance of bribes in any of its business activities;
- We restrict the giving and receiving of gifts; and
- We restrict payments for securing or expediting an action, to reasonable transparently recorded amounts for a legitimate quantified service.

If you have any suspicion of corrupt behaviour or bribery, you can report this by confidentially talking to one of the contacts detailed on the Raising Concerns section of this Code.

If bribery or corruption is discovered, Legal & General will take all appropriate measures to eradicate it and will report illegal activity to law enforcement authorities.

#### **Conflicts of interest**

Conflicts of interest can sometimes arise between ourselves and our stakeholders: our customers, our employees, our associated companies or our representatives. A conflict of interest is where our duties to any of these may conflict with what is best for us. We will identify and tell our stakeholders about any such conflicts.

Examples of this would be:

- the acceptance of gifts or hospitality, which could be perceived as having been offered to gain a business or personal advantage; or
- an employee/representative/associated company having a financial interest in a competitor or supplier, which could cause divided loyalty.

To ensure we treat customers consistently and fairly, we have a Conflicts of Interest Policy on how to identify and manage these conflicts.

#### **Raising concerns**

We encourage an open and honest culture in all dealings between employees, managers and people with whom we come into contact.

<sup>1</sup>Source: <http://files.shareholder.com/downloads/LGEN/548148452x0x260382/1d31e4ba-644e-4e8d-a97e-3816b5f60cfb/CW1075200812LoRes.pdf>

If you ever need guidance, advice or you are in doubt about the course of action involving an ethical choice, then you can raise your concerns by confidentially talking to any of the below:

- Your Manager
- Human Resources
- Unite
- Employee Assistance Programme (24 hr helpline).
- Employee Speak-Up Hotline
- Or by consulting our policies on:
  - Whistleblowing
  - Grievance

Effective and honest communication is essential if malpractice is to be effectively dealt with. We operate appropriate procedures which provide guidelines to all employees and individuals who work with Legal & General including temporary employees, trainees, home-based employees, vocational workers, business partners and contractors who feel they need to raise matters of concern relating to Legal & General in confidence.

## 204. Banco Bradesco

2007 Sustainability Report<sup>1</sup>

### Government and Society

#### Corporate Responsibility

Bradesco adopts a series of measures to prevent the use of its structure in illegal businesses. Among the initiatives are the Anti-Money Laundering and Anti-Terrorism Financing Program, as well as specific surveys to make sure employees understand the current regulations on these matters. This program includes classroom and distance learning programs, systems to monitor financial transactions, disclosure of specific internal standards, and an Anti-Money Laundering and Anti-Terrorism Financing Executive Committee, in addition to a team of experts exclusively dedicated to the analysis of financial transactions with origin in and traces of illegal acts.

In terms of misconduct by its employees, the Bank has defined a relation of standards and ethical behavior for its employees and collaborators, in documents which are periodically updated, such as the Corporate Code of Ethics and the Sectorial Code of Ethics, Internal Regulations, Know Your Client Policy, Know Your Employee Policy, Brochure of Recommendations on Preventing Money Laundering, and Map of Instructions – Internal Controls System, among others. All the rules are updated by the Committee on Ethical Conduct, and made available to the staff. In 2007, all of the Bank's employees were informed of anti-corruption practices.

Corruption is another topic addressed by our Code of Ethics. Noncompliance with and violations of the Code by misconduct, in any form or fashion, including likely cases of corruption, are subject to disciplinary and/or legal measures, after investigating if the cases are grounded or not, by an independent area – in the case of corruption, the General Inspection/Internal Audit Department. On its turn, it is incumbent upon the Ethical Conduct Committee to assess and apply the applicable penalties.

From January to December 2007, there was no material occurrence recorded. There are records of immaterial occurrences, to which the following types of penalties were applied and involved, in this order: guidance, reprimands and even dismissals,

including those with a cause. In general, violations of the Code were around 0.4% for the auxiliary and intermediate employee levels, and 0.2% for the middle management levels. There were no cases of violation in the upper and top management levels.

As for financial contributions occasionally made by Bradesco Organization to political parties or on behalf of candidates to positions at the Legislative Power, these are made in strict conformity with the current legislation on donations to election campaigns. Thus, all actions of this nature are duly disclosed online on the website of the Brazilian Electoral Court (TSE).

### Code of Ethical Conduct<sup>2</sup>

#### ETHICAL VALUES AND PRINCIPLES

##### Government and Regulatory Bodies

We must prevent any concession of advantage or privilege to public agents.

We must strive for compliance with our policies, rules and strict prevention controls and fight against money laundering and financing terrorism and illicit acts of any nature, in strict compliance with applicable laws and in accordance with the best national and international practices, in the locations where they are applicable.

##### Conflict of Interests

A conflict of interests takes place when there is the possibility of direct or indirect confrontation between employees' personal interest and the Organization's interests, which may compromise or exert undue influence on the performance of their duties and responsibilities. Interest is characterized by all and any material advantage in their own favor or in favor of third parties (relatives, friends etc.) with whom we have or had personal, commercial or political relations. In the case of such conflicts, the employee must immediately tell his or her immediate superior so that he or she may make the

<sup>1</sup>Source: [http://www.bradescori.com.br/uploads/conteudo/18749/RS\\_2007\\_eng.pdf](http://www.bradescori.com.br/uploads/conteudo/18749/RS_2007_eng.pdf)

<sup>2</sup>Source: [http://www.bradescori.com.br/uploads/conteudo/1337/Codigo\\_de\\_Conduta\\_Etica\\_-\\_30\\_10\\_2008\\_-\\_eng\\_rev.pdf](http://www.bradescori.com.br/uploads/conteudo/1337/Codigo_de_Conduta_Etica_-_30_10_2008_-_eng_rev.pdf)

appropriate decision, always protecting the assets of the Organization, its clients, shareholders, investors and other related parties.

We must refuse all gifts and monetary or material advantages that may represent an improper relationship or cause financial damage or damage to the reputation of the Organization from anyone who may offer them.

#### **CODE MANAGEMENT**

##### **Violations of Bradesco Organization's Codes of Ethical Conduct, policies and rules**

Such violations are subject to applicable disciplinary actions, regardless of the hierarchical level, without adverse effects to the appropriate legal penalties.

Accusations and complaints of employees or third parties who are aware of any violation of the Organization's Codes of Ethical Conduct, policies and rules, as well as any information related to any non-compliance with legal and regulatory provisions applicable to the Bank and its subsidiaries, may be made to their immediate superior, to their Facility's compliance area or respective Management, or also through the following channels:

- a) Ethical Conduct Committee;
- b) Audit Committee;
- c) General Inspectorate Department – IGL;
- d) Compliance and Risk Management Department – DGRC;
- e) Internal Controls and Compliance Superintendence of Grupo Bradesco de Seguros e Previdência;
- f) “Alô RH”; or
- g) “Alô Bradesco” (“Talk to Us”) / Ombudsman of Banco Bradesco S.A.

Facts related to any accounting aspects or frauds committed by managers and employees of the Bank and its subsidiaries, or by third parties, must be brought to the attention of the Audit Committee, which will maintain the identity of the provider and the confidentiality of the information. In the event that accusations of this nature are made by means other than the Audit Committee, the issue shall be mandatorily communicated to it.

When the situation so requires, and if it is in the accuser's interest, the right to make an anonymous report is guaranteed. Facts must be presented in a diligent manner, gathering, when feasible, the documents that confirm the allegation.

The content of complaints shall always be the most thorough possible, so that an eventual investigation process can take place.

Contact information can be found in the document “Channels for receipt of complaints related to violation of Bradesco Organization's Codes of Ethical Conduct, policies and rules”, available on Bradesco's website [www.bradesco.com.br](http://www.bradesco.com.br) – Corporate Governance Area – Codes of Ethical Conduct.

## 206. Reliance Industries

Sustainability Report 2006-07<sup>1</sup>

### **Corporate Governance**

At Reliance, we have a long-standing history of corporate governance leadership and commitment to high ethical standards. Corporate governance is integral to our culture and openness about the company's corporate governance principles, practices, and structure is an important element of our policy. We see effective corporate governance as critical to achieving corporate goals and increasing the company's value. Our management systems acts as the implementation tool to ensure long-term sustainable performance.

Our whistleblower policy empowers any employee to report any wrong doing without fear of reprisal. For matters where a director has an interest element, he abstains from the relevant proceedings of that meeting. We recognise that it is our responsibility to use the Company's earnings to deliver value to our shareholders and competitive prices to our customers.

In 2006-07, the Board of Directors met nine times. Of the 13 Directors on our Board, eight are independent. We have several sub committees on key issues represented by the Directors who oversee and guide on these issues. The broad functions of various sub committees are given below:

<sup>1</sup>Source: <http://ril.com/downloads/pdf/RIL-SR2006-07.pdf>

## 207. Walt Disney

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

#### **Foreign Corrupt Practices Act and Related Matters**

**The Company, and each Cast Member and employee acting on its behalf, will comply with the Foreign Corrupt Practices Act.**

The Foreign Corrupt Practices Act generally makes it unlawful to give anything of value to foreign government officials, foreign political parties, party officials, or candidates for public office for the purposes of obtaining, or retaining, business for the Company, or directing business to the Company or anyone else. This prohibition also applies to payments that agents, representatives, or business partners to whom the Company pays commissions or other fees might make for purposes of obtaining or retaining business for the Company, or directing business to anyone else on the Company's behalf. It is now and always has been the Company's strict policy not to make any payment that violates the Foreign Corrupt Practices Act and to take steps to ensure that our agents, representatives, and foreign business partners not do anything that would put us in jeopardy of violating that Act. Because of the broad reach of this statute and its harsh criminal penalties, each Cast Member and employee contemplating any transaction that might even appear to be covered should consult with the Corporate Legal Department. If such transaction is approved, the transaction must be accurately reported on the Company's books and records.

#### **Relationships with Local, State and Federal Officials**

**The Company, and each Cast Member and employee acting on its behalf, will make no improper payments to government officials.**

The Company, its Cast Members and employees, sometimes deal with government officials in the course of the Company's business. This happens in situations as diverse as a health inspection at one of our restaurants or a zoning review for a park expansion. All interaction with government officials while on Company business should be professional. Any payment of cash, property or services that is, or could be interpreted to be, a bribe, kickback, or improper gift is strictly prohibited. Equally prohibited are promises of influence or favors in return for favourable government

action. For instance, Cast Members and employees should never offer employment to friends or family members of a government official in the hope of obtaining favorable government action.

Cast Members and employees are free to exercise the right to make personal political contributions within legal limits, unless such a contribution is either prohibited by other policies of the Company, or would give rise to an improper appearance of partiality. Generally, no contribution may be made with the expectation of favourable government treatment in return. In any event, all contributions, whether made by an individual, political action committee, or the Company, are subject to complex rules governing, among other things, their amount, and manner in which, they may be made. Any questions about compliance should be directed to the Corporate Legal Department. In addition, any political activity or contribution by a Cast Member or employee which might appear to constitute an endorsement or contribution by the Company shall be discussed first with the Corporate Legal Department.

#### **Relationships with Other Companies**

No improper or unethical payments will be made by the Company, or by Cast Members or employees or agents of the Company acting on its behalf.

In dealing with customers, suppliers or agents working on the Company's behalf (such as lawyers or lobbyists), no Cast Member or employee of the Company shall give, receive (or promise or agree to either give or receive), any cash, property or service that is improper or unethical. Improper payments include kickbacks or bribes paid to an employee of another company in order to secure some advantage for the Company, or receipt of kickbacks or bribes from an employee of another company in order to secure an advantage for that company. It is prohibited to give or receive payments which are improper.

Payments that are proper but which may be misinterpreted should be avoided and, in any event, can be made only after consulting with the Corporate Legal Department.

<sup>1</sup>Source: [http://corporate.disney.go.com/corporate/conduct\\_standards.html](http://corporate.disney.go.com/corporate/conduct_standards.html)

### **Cash-Related Reporting Requirements**

#### **The Company, and each Cast Member and Employee acting on its behalf, will comply with the laws regarding proceeds of illegal activity.**

It is a crime under federal and some state money laundering statutes for any person to engage in commercial transactions with the proceeds of criminal activity knowing that the property involved is the proceeds of criminal activity, if the intent in so doing is to promote the criminal activity, conceal or disguise the source or ownership of the proceeds, avoid transaction reporting requirements or evade taxes. If a financial institution, such as a bank, loan company or travel agency is involved, and the transaction exceeds US\$10,000, it is not even necessary that the person have the intent to promote the criminal activity, conceal or disguise it, evade taxes or avoid a reporting requirement. These statutes are not limited to cash transactions. Transactions such as payments for hotel bills, airline tickets and retail purchases that involve personal checks, Company checks or wire transfers may be covered.

While it is often thought that such statutes are limited to drug money laundering, these statutes reach almost every crime that generates large amounts of money. Violations of these statutes are extremely serious and can subject a person to 20 years in prison and a fine of the greater of US\$500,000 or twice the amount of money involved in each transaction.

The Company does not want to be used by those engaged in criminal activity. Each Cast Member and employee is expected to be on the alert for activities indicative of drug trafficking, money laundering or other crimes. If a Cast Member or employee has reason to believe that a transaction involves criminal proceeds, or if the transaction otherwise appears suspicious, the Cast Member or employee must immediately notify his or her supervisor, or, alternatively, report the transaction to the Guideline or to the Corporate Legal Department.

### **Responsibility to Other Businesses**

#### **Customers and Licensees**

Cast Members and employees dealing with our customers or licensees should:

acquaint themselves with each customer's or licensee's policies and standards applicable to the Company's relationship. In addition, Cast Members and employees should: acquaint customers and licensees with the Company's terms and conditions governing their purchase, sale or agreement; sell Company products and services based only upon the quality and merit of those products and services; never recommend products or services that are not appropriate to customer needs; and never misrepresent the characteristics or capabilities of the products or services we offer.

Since we sell on the basis of quality, we do not want to undermine the judgment of others through gift-giving.

Accordingly, no Cast Member or employee may give anyone a gift if it appears to be, or could be considered to be, an improper inducement to do business with the Company. This means that a gift should not be excessive under the circumstances, should not be offered if the nature or amount of the gift would violate the Company policies of the recipient, should not seek to bring about an act that is contrary to the interest of this Company or of the company by which the other individual is employed, should not be given in exchange for an act or service which is normally provided for free, and should not be given when the actual purpose or use of the gift is different from that which is reported or stated to others.

#### **Acceptance of Gifts**

In any one calendar year no Cast Member or employee may, without the approval of the Company, accept more than one gift - the fair market value of which may not exceed US\$75 - from any one person or entity that is doing, or seeking to do, business with, or is a competitor of, the Company. A "gift" is anything of value, and includes all tangible items, such as jewelry or art; and intangible items such as discounts, services, special privileges, advantages, benefits, rights not available to the general public, vacations, trips, use of vacation homes, paid admission to sporting events or special events, golf outings, vendor familiarization trips and use of recreational facilities, loans or other favors. In no event may any gift in the form of marketable securities or cash be accepted (other than customary circumstances such as weddings or funerals, in which case the \$75 limit applies).

Gifts in excess of \$75 are subject to an "ordinary course of business" test. Gifts which, based on a good faith assessment by the recipient, have an aggregate fair market value of less than \$500, and which the recipient in good faith believes to be in the ordinary course of business, may be accepted from any party in any one calendar year without any notice to the Management Audit department. A gift will be considered to be in the ordinary course of business if: (a) it is of a type that is customary, considering the job duties, job title, and seniority of the person to whom the gift is offered, and (b) accepting the gift would provide a business advantage to the Company by enhancing its business relationship with the gift-giver. By way of example, a tangible item such as a watch will almost never be in the ordinary course of business, while intangible benefits, such as admission to a sporting event or an invitation to a golf outing, may be. Meals in the ordinary course of business are not subject to the \$500 limitation.

If a party provides any Cast Member or employee with a gift in the ordinary course of business, the fair market value of which exceeds, or may exceed, \$500 during any calendar year, he or she may either refuse or accept the gift. If the gift is accepted, within 15 days of its acceptance the recipient must notify Management Audit, which will confirm whether the gift was, in fact, within the ordinary course of business. If Management Audit determines that the gift was not in the ordinary course of business, the recipient must pay to the Company - or make a charitable donation through the Company equal to - the amount by which the fair market value of the gift exceeds \$500.

The Company recognizes that it may not be easy or, in certain circumstances, culturally appropriate, to refuse or return a gift given out of genuine generosity, so the Company has provided alternatives with respect to gifts that do not comply with this policy. Therefore, with respect to gifts not in the ordinary course of business, a Cast Member or employee may: 1) return the gift with a letter stating that it is against Company policy to accept such gifts; 2) give the gift to the Company, so that the gift can be either donated to a charity or otherwise disposed of; or 3) keep the gift and make a charitable donation, through the Company, for the amount by which the fair market value of the gift exceeds \$75. (In the case of options 2 and 3, or if none of the listed options seems appropriate for specific circumstances, Cast Members or employees should contact the Management Audit Department.) In any event, this gift

olicy is not intended to prohibit reasonable gifts from those who have a genuine personal relationship with the recipient wholly apart from any business relationship.

#### **Dealing with Improper or Illegal Behavior, and Suspected Violations of Law**

Cast Members and employees are encouraged to talk to their supervisors or managers when in doubt about the appropriate or ethical course of action in a particular situation. Every Cast Member and employee must report any unethical, improper or illegal behavior, or any suspected criminal activity involving or relating to the Company. The Company also must be made aware of any complaints regarding accounting or auditing matters, as well as its internal controls. Thus, any Cast Member or employee who believes, suspects, or becomes aware of any complaint that anyone at the Company is acting unethically or is violating, or has violated, any law, governmental rule or regulation on behalf of the Company, must report this to the Guideline or to the Corporate Legal Department. The Company believes that it is most helpful when a Cast Member or employee making such a report identifies himself or herself; however, it is not required. While, in any event, the confidentiality of any person reporting unethical, improper or illegal activity will be protected to the extent possible under the circumstances, reports will also be accepted anonymously. Moreover, the Company strictly prohibits any form of retaliation against anyone who reports unethical, improper or illegal activity.

#### **The Guideline (800) 699-4870**

The Guideline is one way for employees, Cast Members, vendors, suppliers, customers, and others to report 1) questionable activities - including questionable accounting or auditing matters; 2) complaints regarding the Company's accounting, internal accounting controls or auditing matters; or 3) to ask for guidance on any work related issues, or to make the Company aware of any suspected unethical or illegal conduct, or violation at the Company.

The Guideline may be called any time, day or night, as it is available 24 hours a day, 365 days a year. The Company strictly prohibits any form of retaliation against anyone who reports any suspected wrongful conduct to the Company or any governmental agency. Reports are accepted anonymously, and the confidentiality of all reports will be maintained to the extent possible.

### **Accountability for Compliance with the Standards of Business Conduct**

The standards referred to herein are mandatory and apply to all employees and Cast Members, who will be held accountable for compliance with the Standards. Failure to abide by applicable standards may lead to disciplinary action up to and including termination. Additional standards may apply to employees of specific business units or locations. Thus, for example, station and network programming and news personnel are subject to additional standards which are set forth in other documents.

### **BUSINESS STANDARDS AND ETHICS<sup>1</sup>**

#### **Business Standards and Ethics Training**

Business Standards and Ethics training is provided by the company through its Business Conduct Training Center, which provides education and training to domestic and international employees through web-based tutorials via the My Disney TEAM internal portal, regarding the company's Standards of Business Conduct and related areas. It is the company's intent, through the Business Conduct Training Center, to ensure that all of its employees have the knowledge and training to act ethically and legally, in compliance with the company's Standards of Business Conduct.

<sup>1</sup>Source: [http://corporate.disney.go.com/corporate/cr\\_business\\_standards.html](http://corporate.disney.go.com/corporate/cr_business_standards.html)

## 209. Swiss Reinsurance

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

### Ensuring transparency for all stakeholders

#### Group Code of Conduct

The Group Code of Conduct (the “Code”) is an integral part of Swiss Re’s corporate governance. It outlines the basic legal and ethical compliance principles and policies applied by Swiss Re on a global basis. The Code also offers practical guidance and examples for deciding the appropriate course of action and solving ethical dilemmas. It further sets out how the Group’s employees should react when they observe a possible breach of the principles laid down in the Code. All employees are expected to comply with both the letter and spirit of the Code and the Group’s corporate governance principles, and to respect and obey the spirit and letter of applicable laws and regulations wherever Swiss Re does business.

The Code of Conduct comprises five main sections: Business Ethics, Moral Behaviour (including bribery and corruption), Corporate Records and Communication, Market Practice and Information Integrity. Swiss Re’s commitment to sustainability is included in the Code as an integral part of its business ethics. The Code thus creates a direct connection between corporate governance and corporate sustainability. In 2007, 97% of all employees worldwide completed an e-learning course on the Group Code of Conduct.

Group Code of Conduct<sup>2</sup>

#### Moral Behaviour

#### Gifts and Entertainment

- Offering or receiving any gift, gratuity, entertainment or any other favor that goes beyond common courtesies associated with acceptable business practices and might be perceived to unfairly or illegally influence a business relationship or any decision, must be avoided (also during traditional gift-giving seasons).
- Never give, offer, or authorize the offer of anything of value to a business partner, customer, supplier, or government official to obtain any improper advantage. The value of gifts should be nominal, both with respect to frequency and amount.
- Use your good judgement. If you have difficulty determining whether a specific gift or entertainment item lies within acceptable business practices, you can first ask yourself:
  - “Is it legal?”
  - “Is it clearly business-related?”
  - “Is it moderate, reasonable, and in good taste?”
  - “Would public disclosure embarrass Swiss Re?”
  - “Is there any pressure to reciprocate or grant special favours?”
- If still in doubt, disclose the issue and consult with your superiors and your Compliance Officer. If a doubt still remains, Swiss Re recommends and supports you to abstain.

<sup>1</sup>Source: [http://www.swissre.com/resources/dfe971804a1e544b890edb1e1eec54e8-CR\\_Report\\_2007.pdf](http://www.swissre.com/resources/dfe971804a1e544b890edb1e1eec54e8-CR_Report_2007.pdf)

<sup>2</sup>Source: [http://www.swissre.com/resources/ea04d400455c503b8a4bba80a45d76a0-Group\\_code\\_short\\_en.pdf](http://www.swissre.com/resources/ea04d400455c503b8a4bba80a45d76a0-Group_code_short_en.pdf)

Moderate gifts and entertainment may be exchanged with business partners or other external parties as a customary courtesy, never to influence business decisions or obtain any improper advantage.

Remember:

- There is a thin line between acceptable gifts, to build up good personal business relationships, and bribery or corruption.
- Problems arise when business gifts and entertainment (appear to) compromise Swiss Re's or its business partners' ability to make objective and fair business decisions.
- Illegitimate gifts are often made in secret, and indirectly.
- No matter how small, repetitive gifts may be perceived as creating an inappropriate obligation to the giver and are not acceptable.

### **Bribery and Corruption**

- Swiss Re prohibits all forms of bribery and corruption.
- You must not make any payments or gifts, or provide other favors, to any public official, representative of a regulatory body or governmental agency or to a political figure, nor to any of our business partners, customers or suppliers, to influence any act or decision to obtain or retain business, or for any other unlawful purpose.
- When in doubt, always make the issue transparent and consult with your supervisor and your Compliance Officer.

Swiss Re values long-lasting relationships, and deals with its business partners, regulators, governmental agencies and public officials as well as political figures on the basis of ethics, merit and trust, never illicit payments or other unlawful "favours".

The following may serve as guidance in critical situations:

- Ignore or reject any hints at bribes.
- Try to have someone as your witness to support you.
- Agree to nothing, even if the suggestion includes a "charitable donation".
- Seek advice from the Compliance Officer, Legal Counsel and/or Security Officer.

### **Market Practice**

#### **Money Laundering**

- To "Know Your Customer" is paramount. Whenever possible (or legally required), conduct a "Customer Due Diligence" by:
  - obtaining evidence of customer identity (including the source of the wealth) and type of business;
  - checking the authority of your counterpart; and
  - determining the underlying reason for the transaction.
- The following unusual dealing patterns may be suspicious:
  - many securities transactions across many countries and/or in small amounts, also where proceeds are credited to unverified third-party accounts;
  - transactions with no obvious purpose, e.g. low-grade overseas securities exchanged for high-grade securities; and
  - bearer securities held outside a recognised custodial system.

- Report any suspicions to your Compliance Officer and supervisor without disclosure to the (proposed) client.
- Any transactions appearing illegitimate should be declined.

To avoid Swiss Re's unintentional involvement in money laundering, adherence to the "Know Your Customer" (also known as "Customer Due Diligence") principle is crucial.

Money laundering is viewed as a two-way problem. It is the process whereby:

- funds from illegitimate sources are brought into legitimate financial channels; or
- legitimate funds are diverted to illegitimate purposes.

### **Applicability and Responsibilities**

#### **Purpose and Applicability of Code**

- The Code applies to all employees, contingent workers and representatives of Swiss Re, acting on its behalf.
- Management must lead by example.
- Wilful or negligent violations of the Code will be appropriately disciplined.
- Good-faith reporting of illicit acts is encouraged and supported. Retaliation against "whistle-blowers" is prohibited.

This Code reflects the legal and ethical compliance standards Swiss Re applies worldwide.

Local laws and regulations may dictate variations to the Code; they can be a higher, but never a lower standard.

## 211. National Australia Bank

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

#### prevention of fraud

NAB can at any time be the target of fraud and corruption.

Fraud and corruption involves dishonest actions, or dishonestly failing to act, that cause actual or potential financial loss, or an unjust advantage, including theft of money, data or other property whether or not deception is involved. Deliberately falsifying, concealing or destroying documentation, particularly financial statements, of your own, a customer's or NAB's, is regarded as fraudulent or corrupt action. Furthermore, employees or contractors must not be involved in an act or acts of bribery by providing or promising to provide a benefit, including non-monetary and non-tangible inducements, to another person where that benefit is not legitimately due.

Our policies and procedures have been designed to minimise risk to our employees and NAB. You should be alert to unusual activities or requests from other employees or customers and adhere strictly to NAB's policies and procedures.

For example, accounts must not be opened or operated in fictitious names. By ensuring that the correct procedures are adhered to at all times, such as checking a customer's identity, including the 100 point AUSTRAC check list, fraudulent situations such as this can be prevented.

The definition and example outlined above is not exhaustive. Please refer to the full policies and procedures located on NAB's intranet for more information. If you are unsure whether fraud has occurred, or if you are pressured by a customer or fellow employee to depart from our policy/procedures, consult your people leader or next level manager. The Whistleblower Protection Program Policy and Process has also been established to assist employees to report suspected and actual fraud. Failure to report fraud will be regarded as seriously as the fraud itself.

Failure to adhere to procedures designed to prevent fraud occurring, or failure to report suspicious activity such as money laundering, may result in disciplinary action against an employee.

#### conflicts of interest and relations with customers and/or third party providers

You should always remember that as an employee of NAB you are expected to represent and support NAB's policies.

You should exercise caution in your personal relationships with customers to ensure they do not involve obligations that may prejudice or influence your business relationship or conflict with your duties to NAB. In addition, services and products must not be made available to customers if you are aware, or have reason to suspect, these facilities will be used for criminal or illegal activity.

You should also exercise considerable care in accepting any opportunity to become involved in non-NAB employment/ business ventures whether as a principal, partner, director, agent, guarantor or employee. Any such interest in other employment/business may only be pursued with the written consent of NAB. Specifically, this consent must be given by the person responsible for conflicts of interest management within your business unit.

You may accept positions in clubs, charitable organisations etc. However, if you feel your personal activities may result in a conflict of interest with your work you must consult your people leader, the person responsible for conflict of interest management in your business unit and/or People and Culture prior to accepting such positions.

If your circumstances change, for example you make important purchasing decisions for the bank and people close to you, e.g. partner, relative, friend etc, have a major interest in, or are the actual supplier, you should disclose this to your people leader, the person responsible for conflict of interest management in your business unit and/or People and Culture prior to any purchasing decision being made.

You must also exercise care in the giving and receiving of business related gifts/entertainment from customers, even small gifts, to ensure they do not entail any obligation or expectation of favours.

The exchange of gifts of limited value is accepted business practice. However, processes are in place to ensure transparency and to protect staff from any perception of improper conduct or conflicts of interest. Subject to your Business Unit's

<sup>1</sup>Source: <http://www.nabgroup.com/vgnmedia/download/CodeOfConductAustJan08.pdf>

requirements, gifts given or received must be recorded in the relevant Gift/Conflicts of Interest Register. If in doubt, consult with your manager or people leader.

Identification and management of conflicts of interest is a compliance obligation, and you should familiarise yourself with the Group Conflict of Interest Policy located on the Intranet.

#### **consequences of breaching the code of conduct**

The material presented within the Code of Conduct is by no means exhaustive. The Code has been designed to focus upon particular recurring examples of misconduct identified by NAB.

As previously discussed, the importance of a relationship based on trust between NAB and its employees cannot be underestimated. All suspected breaches of our Code of Conduct or any other situation pertaining to the relationship of trust between NAB and its employees will be thoroughly investigated.

Depending on the nature of the issue such investigations will be conducted by the people leader supported by Audit, People and Culture, Compliance, Technology, Security or an external party. If these investigations reveal breaches of policy, appropriate disciplinary and remedial action will be taken. This will range from providing the employee with training, coaching and counselling through formal warnings to termination of their employment. The NAB's consequence management framework provides further guidance for employees on the process NAB will undertake where suspected breaches are identified.

All such breaches of the Code of Conduct or policy will impact on an employee's performance appraisal and consequent short term incentive payment.

#### **complying with regulatory obligations**

Regulatory compliance is about complying with all laws, regulations and codes that are applicable to NAB as a financial service provider and in order to stay in business. Failure to meet our regulatory obligations can impact our license to operate and can result in fines, termination of employment or imprisonment for employees. It is also about developing the right compliance culture "doing the right thing" so that we treat

our customers fairly and as we would wish to be treated ourselves. In this way, we will achieve our corporate objectives and meet the expectations of all of our stakeholders.

We can then take pride in NAB's compliance culture and achievements. Your conduct will be a key contributor to this.

The minimum behavioural expectations for all employees are defined in the Corporate Principles and Compliance Standards, as well as in the Code of Conduct.

Primarily an employee's behaviour is assessed against these principles as part of their annual performance review. Doing the right thing, living the Corporate Principles, Compliance Standards, and abiding by this Code of Conduct means that an employee is compliant. Where an employee fails to do this penalties will be applied.

Our compliance procedures and training are in place to protect you, NAB and our customers. Make yourself familiar with your obligations, actively encourage others to do the right thing and let us know where problems arise.

Any suspected issues of non compliance or potential breaches should be reported to your people leader, to Concern Online, or to the Whistleblower Protection program. Identifying incidents and potential breaches is about noticing mistakes and process or system failures that could lead to a breach of our policies, procedures or relevant legislation and codes and making sure this is reported so that we can work together to remedy any weaknesses.

Examples of a breach can include, but are not limited to:

- Failing to take additional steps to ensure that a customer from a Non English Speaking Background understands the fees and charges that may apply to a product.
- Failing to report cash transactions at your Branch that are in excess of \$10,000 or transactions that you suspect may be suspicious.
- Keeping a list of your customer's tax file numbers in a spreadsheet on your computer.

## Group Whistleblower Policy<sup>1</sup>

### Overview

- Our Corporate Principles, Compliance Standards, Code of Conduct and policies guide our day-to-day decisions, actions and behaviours and govern our business. The National Australia Bank Group (the Group) does not tolerate known or suspected incidents of illegal, unacceptable or undesirable conduct by its employees.
  - The Group Whistleblower Program (this Policy and the accompanying Group Whistleblower Guidance Notes) is part of the Group Corporate Governance and Fraud Risk Management framework. Overall governance of the Group Whistleblower Program is undertaken by the Principal Board Audit Committee (PBAC) via Internal Audit. Day to day operation of the Program is managed by the Protected Disclosure Coordinator within Group Operational Risk & Security.
  - The Group Whistleblower Policy is designed to complement the normal communication channels between people leaders and employees to address questions, concerns, suggestions or complaints. If employees have any concerns about what is proper conduct for themselves or others, it is expected they will do the right thing and raise their concern. In most cases, an employee's immediate supervisor is in the best position to address an area of concern. Serious matters should in turn be escalated through appropriate management channels in the normal course of business. See section 1.2 of the Guidance Notes for details of standard communication channels for reporting concerns.
  - Alternatively, where an employee feels unable to raise a concern via standard communication channels for reporting incidents and where the matter comes within the definition of 'Reportable Conduct' (see section 3.3 below), an employee can make a 'Protected Disclosure', anonymously if required, which enables formal whistleblower protection to occur in accordance with the Group Whistleblower Program. Refer to section 3.2 below for a definition of Protected Disclosure and refer to the Guidance Notes for more information on how to make a Protected Disclosure.
- This Policy is intended to encourage and enable employees to raise serious concerns within the Group prior to seeking resolution outside the Group. Processes are in place to ensure employees making Protected Disclosures are protected from reprisals.
  - The Group employs persons in a variety of capacities and therefore the term 'employee' is to be given a broad definition. For the purposes of this Policy and the Group Whistleblower Program Guidance Notes, 'employees' include 'any director, officer, employee, contractor, subcontractor, or agent of the Group'.

<sup>1</sup>Source: <http://www.nabgroup.com/vgnmedia/download/GroupWhistleblowerPolicyJan08.pdf>

## 212. Denso

CSR Report 2008<sup>1</sup>

### **DENSO Group Declaration of Corporate Behavior**

#### **For International and Local Communities**

We will comply with each country's competition laws and endeavor to maintain sound and fair business operations.

- We will not tolerate collusion and bribery, and will maintain honest and fair relationships with government agencies and public authorities.

### **Compliance**

#### **Education and enlightenment**

Ongoing education and enlightenment activities are important tools for improving employees' awareness of compliance issues. DENSO Corporation began providing compliance education by employee level in 2002 and introduced education and enlightenment activities led by compliance leaders by workplace in 2006 (including contract, temporary and other employees). In fiscal 2008, a total of 3,117 employees participated in these programs. Furthermore, we offered e-learning courses for about 23,000 employees who have their own computers (including temporary employees) in April and May 2008 in an effort to enhance individual employees' awareness of compliance issues. About 21,000 workers participated in the program, which we plan to offer twice a year in the future.

Legal Department initiatives include raising employees' awareness by means of the Business Ethics Newsletter (published 8 times in fiscal 2008) and information pages on the corporate intranet, as well as holding group legal education classes and visiting local sites to provide legal education (including 35 companies in fiscal 2008). Overseas, we are working to share and raise awareness of the most up-to-date legal information by publishing the quarterly bulletin Legal News in English and Japanese in locations such as North America and China. Additionally, we began holding a series of Business Ethics Lectures given by attorneys in fiscal 2007 to provide an opportunity

for employees to reaffirm the importance of compliance and learn about external trends. In fiscal 2008, 360 executives, department managers, domestic Group company presidents, and compliance leaders attended lectures (and 95% of attendees replied that they were glad they participated). Going forward, we are focused on bringing this information not only to managers but also to all employees in an effort to bolster compliance.

#### **Internal whistle-blowing system**

DENSO Corporation's internal whistle-blowing system provides an effective means of preventing and promptly addressing improper and illegal behavior. The system (in the form of the Business Ethics Hotline), which allows anonymous reporting, is independent from the normal chain of command at the Company and is administered by outside attorneys and the Legal Department in accordance with Japan's Whistle-blower Protection Act. We passed out cards listing the hotline number and expanded the scope of the program in May 2006 to include principal suppliers (300 companies). In fiscal 2008, the hotline received 114 reports and requests for advice in areas such as employment, labor, work environment, information management, business transactions and accounting, all of which were addressed after staff investigated the situation and confirmed the facts. All hotline tips and inquiries were reported to the Business Ethics and Compliance Committee.

#### **Activity reviews and improvements**

Since 2003, we have set aside each October as DENSO Group Business Ethics Month, during which time workplaces conduct a standardized self-review. In fiscal 2005, DENSO Corporation began conducting an annual Business Ethics Survey to assess awareness of policies and latent risks. Results of the fiscal 2008 survey (which targeted about 4,000 workers, including temporary employees) indicated that general employees were less aware of the Code than were managers, and that awareness of the internal whistle-blowing system was low in production and other departments. In fiscal 2009, we will address these issues by handing out a simplified version of the Code of Conduct for DENSO Group Associates, continuing e-learning training and strengthening efforts to promote the whistle-blowing system.

<sup>1</sup>Source: <http://www.globaldenso.com/en/csr/report/2008/pdf/e2008.pdf>

## 213. KBC Group

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

### Responsibility towards the community

#### Compliance

The Group Compliance Division acts as our independent adviser, monitoring and promoting compliance of our entities with our internal ethical codes and with regulations in force regarding banking and insurance operations. It reports directly to the President of the Group Executive Committee and to the Chairman of the Group Audit Committee. In particular, it is charged with monitoring and reporting unusual transactions in connection with money laundering and insider trading and performing investigations related to fraud, as set down in detail in the Compliance Charter and in KBC's Integrity Policy (see boxed text). In this regard, the Group Compliance Division collaborates with the internal Audit Division at KBC, which is in charge of monitoring risk management at and assessing internal control systems within all KBC entities.

Special units have been set up within the Group Compliance Division to handle particular issues, including the Group Anti-Money-Laundering Unit and the Group Ethics & Anti-Fraud Unit. In addition, local compliance units have been set up at virtually all our main international subsidiaries and entities, which report by function to the Group Compliance Division on all areas of priority, and, in particular, the areas of anti-money laundering and terrorism financing, fraud and tax evasion, monitoring of the MiFID implementation and market abuse and data protection. We pay much attention to maintaining the confidentiality of information and to respecting privacy, in accordance with local privacy laws, as well.

The Group Compliance Division has also stepped up its contribution to KBC's training courses by way of traditional classes or information sessions for staff on various aspects of compliance, as well as an e-learning package for employees in the bank branches in order to prevent the laundering of funds from criminal activity.

In 2007, we rolled out the 'Know Your Customer' policy to all group entities to further buttress our commitment to anti-money laundering and anti-terrorism and to safeguard

our operations from such risks. Moreover, our 'personal transactions' and our 'conflicts of interests' group-wide compliance rules were distributed throughout the group. And, our gifts policy, our dealing code for key employees and our whistleblower guidelines<sup>34</sup> were implemented throughout the group and are already in place in the majority of group entities. In particular, the whistleblower guidelines ensure the protection and privacy of staff members who wish to report irregularities or operational shortcomings in good faith.

### Code of Conduct for KBC Group Employees<sup>2</sup>

#### Conduct towards clients

#### Soliciting or accepting gifts or fees

It is unacceptable for members of staff to abuse their position to solicit or accept from client, suppliers or other business relations, direct and indirect gifts and commissions for personal enrichment, to infer that they might be made or provided, or to encourage their offer.

In the choice of suppliers or other business relations, the interest of the company must be the sole criterion.

However, because of their position, members of staff of an institution in the banking or insurance sector may find themselves in situations where it is customary to offer gifts or a consideration. In such circumstances, it is required practice to check whether what is offered is commensurate with the relationship and the position of the person concerned, and with what is customary. Here, it is the gesture that counts, which means that the business gift should not be an expensive one. Gifts of money are never permitted.

<sup>1</sup>Source: [https://multimediafiles.kbcgroup.eu/ng/published/KBCCOM/PDF/COM\\_RVG\\_pdf\\_CSR\\_rapport\\_2007.pdf](https://multimediafiles.kbcgroup.eu/ng/published/KBCCOM/PDF/COM_RVG_pdf_CSR_rapport_2007.pdf)

<sup>2</sup>Source: [http://newkbc-pdf.kbc.be/financial\\_information/KBC\\_code\\_of\\_conduct\\_ENG.pdf](http://newkbc-pdf.kbc.be/financial_information/KBC_code_of_conduct_ENG.pdf)

When the members of staff are in doubt as to whether or not accepting a gift is permitted, they must confer with their immediate supervisor or the senior management. On no account may the acceptance of any gift influence the choice of business relation and the terms under which transactions are concluded with the institution.

### **Conduct towards the authorities and the community**

Special attention shall be paid to the following:

- laundering of money from criminal activities

The laundering of money from criminal activities is a punishable offence.

Although the legislation on money-laundering is aimed particularly at serious crimes, such as drug-dealing and terrorism, the legislator opted to introduce a general penal law. Consequently, transactions involving money derived from no matter what crime, including social and tax fraud, are punishable by law.

In order not to expose themselves to criminal prosecution, every member of staff is required to be particularly vigilant as regards suspect transactions and to avoid co-operating in any way in money-laundering operations. Members of staff may in no way offer any intermediation for transactions known to be linked to the laundering of money or that can reasonably be assumed to be linked to such activity.

Furthermore, the law imposes a number of obligations with a view to combating money laundering operations.

Accordingly, members of staff are required in the prescribed and other cases to identify each client, to keep a copy of the documents used for identification purposes and to report any suspect transaction forthwith via the appropriate channels.

Transactions with clients who will not prove their identity on request must be refused.

The principles concerning the laundering of money derived from criminal activities are covered comprehensively in the relevant set of instructions. They are required to be strictly observed. Only through proper conduct with regard to this problem can the group companies' employees avoid jeopardizing the good name of the group and its personnel.

### **KBC Group's Anti-corruption policy statement<sup>1</sup>**

KBC Group formally opposed to any form of corruption, including extortion and bribery. In both the private and public spheres. Under no circumstances will KBC or any member of its staff knowingly offer or give bribes, either directly or indirectly, in the conduct of its operations. KBC does not condone any form of donations whatsoever to persons or parties in a political or public capacity that is in contradiction of the applicable law, nor will KBC tolerate such behaviour by its employees.

<sup>1</sup>Source: [http://newkbc-pdf.kbc.be/financial\\_information/KBC\\_anti\\_corruption.pdf](http://newkbc-pdf.kbc.be/financial_information/KBC_anti_corruption.pdf)

## 214. FedEx

Global Citizenship Report 2008<sup>1</sup>

### Creating a Safe Workplace

#### Human Rights

Our workplace policies are designed to promote a fair environment, where all team members feel respected, satisfied and appreciated. We hire, evaluate and promote employees, and retain independent contractors, based on their skills and performance.

FedEx always seeks to comply with local, state, national and international laws. We articulate our expectations beyond legal compliance in our Code of Business Conduct & Ethics, and FedEx Values. Our people across the globe are accountable for complying with these policies.

The FedEx Code of Business Conduct & Ethics sets forth the legal and ethical standards with which our people are expected to comply and covers discrimination, bribery, corruption and many other topics. For the FedEx Code of Business Conduct & Ethics, visit <http://ir.fedex.com/downloads/code.pdf>.

FedEx has a toll-free 24-hour whistleblower hotline, the FedEx Alert Line, established for the anonymous and confidential reporting of any known or suspected violation of law, the Code of Business Conduct & Ethics, or any other company policy or any unethical behavior. The Code prohibits retaliation for making such reports.

Code of Business Conduct & Ethics<sup>2</sup>

#### Improper Payments

We do not tolerate the making of payments or payments in-kind (gifts, favors, etc.) to influence individuals to award business opportunities to us or to make a business decision in our favor. In international business, in particular, employees or Contractors may sometimes come under pressure to make payments or payments in kind to induce others improperly to grant permits or services to which we would not generally

be entitled. Never make or agree to such payments. Bribes, “kick-backs,” secret commissions and similar payments are strictly prohibited. Moreover, they may expose FedEx and its employees and Contractors to criminal prosecution and serious penalties under U.S. law and the laws of other countries.

Strict rules apply when FedEx does business with governmental agencies and officials, whether in the U.S. or other countries. For instance, you are required to comply with the Foreign Corrupt Practices Act (FCPA), which, in addition to requiring compliance with internal control procedures, makes it illegal to bribe a foreign official or anyone acting on such official’s behalf in order to affect any governmental act or decision, obtain or retain business or gain improper advantage. A bribe could be a payment or an offer or promise of anything of value (regardless of the amount), and a foreign official could be a government official, political party official, political candidate or public international organization official. “Facilitating payments” are prohibited without prior, written approval of your company’s legal department unless such a payment is necessary to protect the health or safety of a person. Although U.S. law permits such a payment under certain narrow circumstances, facilitating payments violate the anti-bribery laws of most countries, are often poorly documented and tend to encourage and perpetuate corruption generally. Therefore, FedEx has decided to join many other multinational corporations in adopting a higher standard than the FCPA. Obtain approval from your manager or Company Contact and, as required, your company’s legal department before providing or offering transportation, lodging, meals, entertainment, gifts or hospitality to government employees. Any such payment or gift must be fully documented.

#### Gifts, Entertainment, Loans or Other Favors

You, and members of your immediate family, should not accept gifts or paid-for entertainment (other than of nominal value), loans (of any amount) or other favors from a vendor, prospective vendor or any person with whom FedEx does, or may do, business. Receiving such items or favors may compromise – or appear to compromise – your ability to make objective and fair business decisions. Offering or receiving any gift, gratuity or entertainment that might be perceived unfairly to influence a business relationship must be avoided. Cash gifts must never be offered or received. In addition, you must never solicit a gift or entertainment. Business

<sup>1</sup>Source: [http://citizenshipblog.fedex.designcdt.com/fedex\\_citizenship\\_2008.pdf](http://citizenshipblog.fedex.designcdt.com/fedex_citizenship_2008.pdf)

<sup>2</sup>Source: <http://ir.fedex.com/downloads/code.pdf>

entertainment should be moderately scaled and intended only to facilitate business goals. Gifts that are repetitive (no matter how small) may be perceived to be an attempt to create an obligation to the giver and are therefore inappropriate. This policy applies at all times, and does not change during traditional gift-giving seasons.

You must obtain the approval of your manager or Company Contact before accepting any gift or entertainment of more than nominal value from a vendor, prospective vendor or any person with whom FedEx does, or may do, business. When in doubt, advice should be sought from your company's legal department.

#### **Reporting Abuses; FedEx Alert Line**

If you know of or suspect there is a violation of any law, regulation, this Code, any other FedEx policy, any unethical behavior related to FedEx, or any questionable accounting, internal auditing controls or auditing matters related to FedEx, you must immediately report it to your manager, human resources representative, Company Contact or your company's legal department or use the complaint processes within your operating company. We encourage you to talk to managers, human resources representatives, Company Contacts, members of your company's legal department or other appropriate personnel when in doubt about the best course of action in a particular situation. If you report a violation or suspected violation to your manager, human resources representatives, or Company Contact and appropriate action is not taken, you must contact your company's legal department. FedEx's policies prohibit intimidation or retribution for any reports of misconduct by others that you make in good faith.

The FedEx Alert Line has been established for the anonymous and confidential reporting of any known or suspected violation of law, this Code or any other company policy or any other unethical behavior. The FedEx Alert Line is toll-free, and is available 24 hours a day for use by FedEx employees and Contractors anywhere in the world to the extent permitted by applicable law. Trained operators who are not FedEx employees staff the FedEx Alert Line. Information you provide using the Alert Line will be promptly transmitted to the appropriate parties, which may include members of senior management and persons from any or all of the following FedEx

departments: Legal, Security, Human Resources and Internal Audit. When you call the FedEx Alert Line, your report will be assigned a control number that will allow you to call back to receive an update on the matter from FedEx, if any is available, or to contribute additional information.

#### **The FedEx Alert Line:**

1-866-42-FedEx (1-866-423-3339)

International callers should consult the FedEx Web site to find the number that applies to their region or country: <http://fdx.client.shareholder.com/WBphoneNumbers.cfm>

#### **Enforcement**

It is our policy to prevent the occurrence of unethical or unlawful behavior, to immediately stop any such behavior that is detected and to discipline persons who engage in such behavior. We will also discipline managers who fail to exercise appropriate supervision and oversight, thereby allowing such behavior to go undetected.

Deviating from the guidelines set forth in this Code or in other FedEx policies can have severe consequences for both the individuals involved and FedEx. Conduct that violates the guidelines set forth in this Code or in other FedEx policies constitutes grounds for disciplinary action, up to and including termination of employment or engagement. In some cases, criminal and civil prosecution may also be pursued.

The Executive Vice President and General Counsel of FedEx Corporation has ultimate responsibility for overseeing compliance with all applicable laws, this Code and all related policies and procedures. Each officer is responsible for ensuring compliance with this Code, and all other applicable policies and procedures, within the area of the officer's responsibility.

## 215. Nippon Mining Holdings

CSR Report 2008<sup>1</sup>

### Compliance and Risk Management

#### The compliance advancement system of the Company Group

Further, the committee manages the whistleblower systems of Nippon Mining Holdings and the Group companies that report directly to it.

In addition, the Company extends and strengthens compliance initiatives by convening the Nippon Mining Holdings Group Compliance Committee, which comprises the members of the Nippon Mining Holdings Compliance Committee and the presidents of Group companies.

#### Japan Energy Group

Since establishing its Mission in 1997, Japan Energy has convened the Corporate Principles Committee, chaired by its president, every month in principle. Also, Japan Energy created the Mission Consultation Office for Internal Reporting as an in-house body in June 2001. As well as responding to the questions, opinions and concerns of directors and employees about the Mission, the office helps prevent misconduct by providing consultation and a point of contact for whistleblowers, based on the Basic Compliance Rules established in May 2004. Moreover, in order to complement and add to its existing channel for reporting misconduct, Japan Energy created a whistleblower helpline that enables consultation with external lawyers in April 2006.

Risk management can be divided into risk assessment (preventative), risk control (dealing with problems), and risk communication (public relations). Japan Energy places particular emphasis on preventative risk assessment. The company evaluates the highest-risk aspects of its business activities – the production equipment of its oilrefineries – using the HAZOP method.

#### Nippon Mining & Metals Group

The Nippon Mining & Metals Group incorporates compliance education into annual training programs for each class of employee. Also, the Nippon Mining & Metals Group heightens awareness of compliance by providing information on related laws and statutory regulations through its intranet. In May 2007, the Nippon Mining & Metals Group Compliance Guidebook was prepared and distributed to all directors and employees. As a practical manual on conforming to the Nippon Mining & Metals Group's Code of Corporate Conduct, the guidebook includes explanations of important points for specific areas and categories. Further, from July to December, 18 presentations were conducted at the major operating bases of Nippon Mining & Metals Group companies.

The risk management of the Nippon Mining & Metals Group centers on the Risk Management Subcommittee of its CSR Committee. Guided by the subcommittee's basic policies and advancement plans, the group identifies and evaluates risk at operating bases, prepares risk countermeasure plans and steadily implements them. The Nippon Mining & Metals Group reviews risk countermeasure plans and implementation progress twice a year. In addition, the Nippon Mining & Metals Group continuously improves risk management through a PDCA cycle in which divisions annually review risks and undertake self-evaluations of progress in implementing measures.

In April 2006, the Nippon Mining & Metals Group further improved compliance and risk management by establishing the Nippon Mining & Metals Group Hotline, providing points of contact and consultation inside and outside the Nippon Mining & Metals Group to in-house whistleblowers.

<sup>1</sup>Source: [http://www.shinnikko-hd.co.jp/english/csr/report\\_2008/pdf/2008e\\_report\\_a4.pdf](http://www.shinnikko-hd.co.jp/english/csr/report_2008/pdf/2008e_report_a4.pdf)

## 216. Ingram Micro

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

#### **WHAT ARE THE POLICIES AND PRINCIPLES?**

##### **Foreign Corrupt Practices**

Directors, officers and associates cannot pay or offer to pay money or anything else of value to government officials, officials of public international organizations, political candidates or political parties for the purpose of obtaining or retaining business for Ingram Micro. Ingram Micro policy also prohibits the payment of bribes to commercial customers, as well as vendors, to obtain or retain their business.

##### **Receipt of Gifts and Gratuities**

Directors, officers and associates can accept from present or prospective suppliers, or offer to our customers, only gifts, gratuities, entertainment or other courtesies that are not excessive and are consistent with reasonable standards in the business community and specific company requirements.

#### **WHERE DO I REPORT VIOLATIONS, DISCLOSE ISSUES OR ASK QUESTIONS?**

Associates suspecting violations of the Code of Conduct or company policies regarding legal and ethical conduct should immediately report them, and disclose any potential conflict of interest, to their supervisor, to the Human Resources department or to the General Counsel. Associates are encouraged, if they prefer anonymity in reporting violations, to contact the Ingram Micro Hotline (see attached charts).

All officers suspecting violations of the Code of Conduct or company policies on legal and ethical conduct must immediately report them, and disclose any potential conflicts of interest, to the General Counsel. Furthermore, the Chief Executive Officer and the principal financial officers (meaning the Chief Financial Officer, the Corporate Controller and all other officers and associates so designated by the General Counsel) must immediately disclose to the General Counsel any material transaction that could reasonably be expected to give rise to a conflict of interest. The General Counsel must in turn notify the Audit Committee of any such disclosure. Conflicts of interest and

other issues of legal and ethical compliance involving the General Counsel must be disclosed to the Audit Committee. All directors suspecting violations of the Code of Conduct or company policies on legal and ethical conduct must immediately report them, and disclose any potential conflicts of interest, to the General Counsel, who shall in turn notify the Audit Committee.

Any associate with questions about the interpretation of this Code or its application to a particular situation is encouraged to contact the human resources or legal departments for further assistance; officers and directors should direct their questions to the General Counsel.

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/98/98566/gov/CodeofConduct4\\_08.pdf](http://media.corporate-ir.net/media_files/irol/98/98566/gov/CodeofConduct4_08.pdf)

## 217. Sysco

### Code of Business Conduct and Ethics<sup>1</sup>

#### Payment of Gratuities

In all dealings with suppliers, customers, governmental officials and associates of SYSCO, no director (in connection with his or her efforts or role as a director of SYSCO), associate or officer shall offer to give or give any payment or other significant thing of value that has as its purpose, or potential purpose, or may appear to have as its purpose, improperly influencing the business relationships between SYSCO and such persons or entities. Notwithstanding the foregoing, this paragraph is not intended to prevent participation by SYSCO associates in legitimate promotional activities of SYSCO's suppliers or participation of SYSCO's suppliers in legitimate promotional activities of SYSCO. A SYSCO associate will be entitled to participate in such supplier promotional activities, however, only if and to the extent that the details of such activities are fully disclosed to and approved by the associate's immediate supervisor and the Chief Executive Officer of the Operating Company employing such associate, if he or she is employed by an Operating Company, or Sysco Corporation's Chief Executive Officer or his designee if the associate is employed by Sysco Corporation. In addition, this paragraph shall not prohibit a SYSCO associate from giving a reasonable and customary holiday gift to a SYSCO customer or supplier.

#### Receipt of Payments or Gifts

In all dealings with vendors, suppliers, customers and associates of SYSCO ("Business Associates"), no associate, officer or director (in connection with his or her efforts or role as a director of Sysco Corporation), associate or officer shall request or accept any payment or other significant thing of value in exchange for business opportunities or that has as its purpose, or potential purpose, or may appear to have as its purpose, improperly influencing the business relationships between SYSCO and such Business Associates.

This prohibition applies to any Business Associates with whom SYSCO has an existing or prospective relationship known to such associate, officer or director. In our continuing effort to maintain high ethical standards and to avoid appearances of impropriety, it is required that all associates, officers and directors decline any such

payment or gift, except to the extent specifically permitted by this Section 4 of the Code.

Notwithstanding the foregoing, a non-cash token of appreciation such as a meal, gift box, sporting event tickets, or similar items can be accepted if the value of such gift does not exceed \$250.00.

Furthermore, no associate, officer or director (in connection with his or her efforts or role as a director of Sysco Corporation) may accept any gift whose value exceeds \$250.00, participation in supplier promotional activities, vacation packages, hotel accommodations, trips or other similar items of value from any Business Associate with whom SYSCO has a business relationship unless he or she has fully disclosed the details of such item and obtained prior approval as follows: (i) in the case of an Operating Company associate, from the President/Chief Executive Officer of his or her Operating Company; (ii) in the case of an Operating Company President or Executive Vice President, from the Senior Vice President to whom he or she reports; (iii) in the case of Corporate associate, from the Executive Vice President to whom his or her department reports; (iv) in the case of Corporate officer, from the senior executive to whom he or she reports; (v) in the case of the President of Sysco Corporation, from the Chief Executive Officer of Sysco Corporation; (vi) in the case of a director, from the Chairman of the Board of Directors of Sysco Corporation; and (vii) in the case of the Chairman of the Board, from the Presiding Director. Gifts in the form of cash or checks are strictly prohibited.,

Although gifts valued at \$250 or less may be accepted without prior disclosure and approval, corporate officers and Operating Company Chief Executive Officers are responsible for ensuring that there is no abuse or violation of SYSCO's ethical standards in the receipt of gifts by associates.

Therefore, corporate officers and Operating Company Chief Executive Officers may implement, at their discretion, procedures for monitoring the receipt of gifts to ensure that there is no abuse in the receipt of gifts by associates or violations of the SYSCO's ethical standards. Corporate officers and Operating Company Chief Executive Officers must take appropriate action where the receipt, frequency or offer of gifts compromises business integrity or otherwise violates or has the potential to violate the

<sup>1</sup>Source: <http://files.shareholder.com/downloads/SYY/540584555x0x229948/9d41f158-ec7b-42f6-9617-53f54d9ff517/CodeofConduct.pdf>

Code.

### **Foreign Corrupt Practices and Anti-Bribery**

All associates, officers or directors of SYSCO or any Operating Company, as well as agents, joint venture partners or other persons acting on behalf of SYSCO or any Operating Company, are prohibited from engaging in any activity that would offer, promise or pay money or anything of value to any Foreign Official with the intent and for the purpose of improperly influencing such official to secure, keep or obtain an unfair advantage in any contract, concession, or other favorable treatment for SYSCO or any Operating Company. Offers, promises or paying anything of value, including non-cash items, indirectly through agents, contractors or other third parties are also prohibited for such purposes. Small facilitating payments to effect routine government actions are permissible but only if fully described and approved by the associate's immediate supervisor and the Chief Executive Officer of the Operating Company employing such associate if employed by an Operating Company, or SYSCO Corporation's Chief Executive Officer or his designee if the associate is employed by SYSCO Corporation.

Further, payments that are considered lawful under the written Laws of the foreign country in which the action takes place are permissible. For purposes of this Code, "Foreign Official" means any person acting in an official capacity for a foreign government, foreign political party or party official, candidate for foreign public office, officials of international organizations, or other individual in any country acting in an official capacity for or on behalf of the government of that country.

All books, records and accounts must accurately and fairly reflect the transactions and dispositions of Company assets, both quantitatively and qualitatively. SYSCO shall maintain a system of internal accounting controls sufficient to ensure compliance with all legally mandated record-keeping requirements.

### **Operating Company Compliance and Training Program**

The Chief Executive Officer of each Operating Company is responsible for developing and implementing a compliance and training program in his or her Operating Company to assist associates in becoming aware of and complying with the Code and

other legal obligations imposed on the Operating Company by law or regulation. Such programs will be under procedures established by the Ethics Compliance Board, which procedures shall provide at least the following elements:

- Initial distribution of the Code to all associates, officers and directors and subsequent distribution of the Code when modifications and/or updates have been made to the Code. (A written acknowledgment will be obtained from all associates, officers and directors indicating that they have received, read, understood and agreed to comply with the Code.)
- Training for all new associates, officers and directors at the time of their hiring and all existing associates, officers and directors on at least an annual basis concerning the Code.
- Additional training concerning the antitrust laws and government contracting on at least an annual basis for Operating Company management, sales, marketing and merchandising associates and all associates involved in bidding activities and government contracting.
- A mechanism within the Operating Company (for example, a hot-line) to report actual or reasonably suspected violations of the Code or any applicable laws or regulations.
- Maintenance of a register at the Operating Company of all training satisfactorily completed by each associate.
- Internal operations review programs to determine compliance with the Code on a periodic or other appropriate basis.

**Reporting Violations of the Code**

It is the obligation of every associate, officer and director to report promptly any actual or reasonably suspected violations of the Code in the manner established by SYSCO's Ethics Compliance Board or by the SYSCO Board of Directors (including anonymous "hot-line" reports). All reports will be promptly investigated and appropriate corrective or disciplinary action will be taken, including dismissal and notification of regulatory authorities when appropriate.

## 218. Cisco Systems

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

#### I Follow the Law

##### **Cisco requires full compliance with the U.S. Foreign Corrupt Practices Act (FCPA) and all other anti-bribery and anti-corruption legislation.**

The FCPA is a U.S. law that prohibits corrupt “payments” to non-U.S. government officials and employees (at any level) for the purpose of obtaining or keeping business. “Payments” is broadly interpreted to mean anything of value, not just money or gifts. The FCPA also requires that we maintain accurate records and internal controls. This law carries significant criminal and civil penalties (including imprisonment and monetary fines) for noncompliance. All Cisco employees are required to comply with this law, and to promptly report any suspected violations to Cisco’s EthicsLine, the Ethics Office, or to the Legal Department.

See Cisco’s global anti-corruption policy for its partners, subcontractors, and consultants for more information.

With respect to training regarding the FCPA, all Cisco sales employees who work with either global or non-U.S. partners and customers, or who engage with non-U.S. government officials and employees, are required annually to take Cisco’s online FCPA training (also available in CD format upon request). Check Cisco’s FCPA policy or contact the Public Sector Compliance office at [publicsectorcompliance@cisco.com](mailto:publicsectorcompliance@cisco.com) for more information and support.

#### I Understand Policies Related to Favors, Gifts, and Entertainment

##### **“Favors, gifts, and entertainment” means anything of value.**

It can include meals, lodging, discounts, loans, cash, services, equipment, prizes, products, transportation, use of vehicles or vacation facilities, home improvements, tickets, gift cards, certificates, and favorable terms on a product or service. It can also include stocks or other securities, including an opportunity to buy “direct shares” (also

called “friends and family shares”) in any company with a connection to Cisco. These are just examples—the list of potential favors, gifts, and entertainments of value is impossible to specify in advance.

##### **Rules for offering and accepting favors, gifts, and entertainment can be complex, and every situation should be evaluated carefully.**

We want to make sure that business is won or lost based on the merits of our products and services. Rules about favors, gifts, and entertainment serve a very important purpose—we want to promote successful working relationships and goodwill, but we must be careful not to create situations that suggest a conflict of interest, divided loyalty, or the appearance of an improper attempt to influence business decisions. Our business relationships must be based entirely on sound business decisions, fair dealing, and applicable laws. In all cases, use good judgment and, when in doubt, ask questions.

##### **Know the policies regarding favors, gifts, and entertainment between Cisco and Commercial companies.**

The occasional exchange of favors, gifts, or entertainment of nominal value with employees of a nongovernmental entity is appropriate, unless the recipient’s employer forbids the practice. If you are unsure whether an entity is government-owned or not, contact the Public Sector Compliance office at [publicsectorcompliance@cisco.com](mailto:publicsectorcompliance@cisco.com) for help. Remember, any courtesy you extend should always comply with the policies of the recipient’s organization, and those we are doing business with should understand our policy as well. Favors, gifts, and entertainment offered to or accepted by Cisco employees or their family members fall into three categories:

- Acceptable: The following guidelines describe what is considered generally acceptable and requires no approval:
  - Favors or gifts with a combined market value of US\$100 or less, to or from a single source per year.
  - Occasional meals with a business associate should follow the Global Expense Reimbursement policies and guidelines.

<sup>1</sup>Source: [http://files.shareholder.com/downloads/CSCO/540611136x0x154706/03c08e05-ed0e-4916-9365-8d90bbd5d29a/07\\_Cisco\\_Code\\_of\\_Business\\_ConductFY07\\_External.pdf](http://files.shareholder.com/downloads/CSCO/540611136x0x154706/03c08e05-ed0e-4916-9365-8d90bbd5d29a/07_Cisco_Code_of_Business_ConductFY07_External.pdf)

- Occasional entertainment (for example, attendance at sports, theatre, or other cultural events) valued at less than US\$200 per source, per year.
- Inappropriate: Some types of favors, gifts, or entertainment are simply wrong, either in fact or in appearance, and are never permissible. Employees and members of their immediate family may never:
  - Offer or accept favors, gifts, or entertainment that would be illegal.
  - Offer or accept cash or cash equivalent (including loans, stock, stock options, bank checks, travelers' checks, money orders, investments securities, or negotiable instruments).
  - Offer or accept gifts or entertainment during a tender or competitive bidding process.
  - Incur an expense on behalf of a customer that is not recorded properly on company books.
  - Offer, accept, or request anything (regardless of value) as part of an agreement to do anything in return for favors, gifts, or entertainment.
  - Use their own money or resources to pay for favors, gifts, or entertainment for a customer, vendor, or supplier.
  - Participate in an activity that would cause the person giving or receiving favors, gifts, or entertainment to violate his or her own employer's standards.
  - Offer, accept, or participate in favors, gifts, or entertainment that are unsavory or otherwise violate our commitment to diversity and mutual respect. Any situation that would cause a customer or employee to feel uncomfortable or that would embarrass Cisco by its public disclosure (for example, adult entertainment) is inappropriate.
- Questionable: For anything that does not fall into the Acceptable or Inappropriate categories, or exceeds the dollar limit noted above, ask your manager or the Ethics Office for guidance. You will then need to obtain written approval from your

department vice president and your Human Resources manager before offering or accepting it.

#### **Government officials and agencies.**

Stricter and more specific rules and company policies apply when we do business with governmental entities, employees, officials, and representatives, as well the public sector, which includes government-owned organizations (such as public universities, hospitals, or telecom service providers). For example, Cisco has published policies concerning the giving of anything of value to a non-U.S. government official or employee (see COBC "I Follow the Law"). Cisco also has policies in place for gift-giving to U.S. federal government personnel and gift-giving to U.S. state and local government personnel.

As reflected in Cisco's gift policies, government employees are often prohibited from accepting anything of value, and violating their laws and rules can be a serious offense for both the giver (and the giver's organization) and receiver of a prohibited gift.

If you work with government or private sector employees, make sure you know and comply with the specific laws and regulations that pertain to your customer and location. For example, if you wish to invite a non-U.S. government official or employee to a Cisco-sponsored business meeting or other business event, you are required to use Cisco's online Foreign Official Invite Process (FOIP). You are encouraged to seek help from your local legal support representative for guidance in this area. For more information about a government customer's gift laws and policies, contact the Public Sector Compliance office at [publicsectorcompliance@cisco.com](mailto:publicsectorcompliance@cisco.com).

#### **Internal employees.**

There are specific policies that address giving gifts internally to Cisco employees. You may contact the Ethics Office for guidance.

**There are special rules relating to raffles and giveaways.**

Raffles and giveaways that are fair, non-discriminatory, and conducted in a public forum for all to see and understand are typically permitted unless the prize is worth more than US\$500. Gifts worth more than US\$500 must be disclosed to a manager who will consult with the Ethics Office to determine if the gift should be accepted.

- When Cisco hosts the raffle or giveaway and only Cisco employees participate: The US\$500 limit does not apply, but frugality should be observed.
- When Cisco hosts the raffle or giveaway and opens it to non-Cisco employees: It is subject to the US\$500 limit unless written approval from your department vice president is obtained (and keeping in mind any specific and applicable gift laws or rules that may apply to any government-related personnel).
- When an outside party hosts the raffle or giveaway: Cisco employees may accept the prize as long as the process appears to be fair and unbiased. The drawing should take place in a public forum and the prize must be disclosed to a manager. Written approval from your manager is necessary if the prize exceeds the US\$500 limit.

**Local customs in some countries may call for the exchange of expensive gifts as part of the business relationship.**

In these situations, gifts may be accepted only on behalf of Cisco (not an individual) with the written approval of your department vice president and your Human Resources manager. Any gifts received should be turned over to Human Resources for appropriate disposition or donated to the Cisco Foundation or other nonprofit, charitable organization. The foreign company's gift policy regulations must be observed. In all cases, the exchange of gifts must be conducted so there is no appearance of impropriety. Gifts may only be given in accordance with all applicable laws, including the U.S. FCPA (see COBC "I Follow the Law").

**Employee-to-employee gifts.**

Cisco-employee-to-Cisco-employee gifts must not exceed US\$25. Recognition and

awards for employees (in excess of US\$25) must be awarded via the HR CAP Award Program, so that the employee can be taxed appropriately.

**Expense report records must accurately reflect favors, gifts, and entertainment that you provide to customers.**

Because of tax and other legal reporting rules, it is essential that you accurately report expenditures for favors, gifts, or entertainment that you give as part of your Cisco employment. Reports should accurately state the purpose of the expenditures and the identities of the individuals receiving the favors, gifts, or entertainment and identify if the favor, gift or entertainment was given to a public sector official or employee.

**I Share My Concerns**

**You have an obligation to speak up.**

Every employee has a responsibility for promptly reporting any issue or concern they believe, in good faith, may constitute a violation of the COBC or any other Cisco policy. We also encourage you to come forward if you encounter a situation that "just does not feel right." Open communication and empowerment are two of our core values, and your commitment to take action to share your concerns will help to ensure an ethical workplace for everyone.

**You have several options available to you for voicing your concerns.**

Maybe you have a question about the COBC or want more details about a particular policy, or maybe you have seen or suspect that someone has violated the COBC. Who do you contact?

- Start by talking with your manager or Human Resources representative. Since they may be your closest link to an issue, they can act as a good resource to resolve your issue. This person has a responsibility to listen and to help. Cisco managers have a duty to promote an open and honest environment where members of their teams can feel comfortable about voicing their concerns without fear of retaliation.
- If you do not feel comfortable initially discussing your concern with

your manager or Human Resources representative, or after seeking assistance you do not feel the outcome resolved your issue, please contact the Ethics Office at [ethics@cisco.com](mailto:ethics@cisco.com). The Ethics Office is responsible for administering the COBC and is available to all employees, customers, partners, and shareholders who wish to raise concerns or an alert about potential violations. The Ethics Office manages all inquiries promptly and confidentially, to the extent possible by law.

You can call the Cisco EthicsLine, available 24 hours a day, 7 days a week. The EthicsLine is a confidential option provided by The Network, a leading third-party reporting service. Your concern is documented by a highly trained interview specialist and is disseminated to appropriate Cisco management who will promptly address the matter.

When the operator asks for your name, you can use “Cisco Systems” as your “name” if you want to remain anonymous.

**Whatever reporting method you choose, your concern will be promptly addressed.**

Depending on the nature of an alleged violation, the Ethics Office, the Legal Department, Internal Control Services, or another applicable organization will promptly address the concern. Cisco will attempt to impose discipline for each COBC violation in a consistent manner appropriate to the nature of the violation, including termination of employment if the circumstances warrant. Cisco employees have an obligation to cooperate with investigations into ethical misconduct. Failure to cooperate and provide honest and truthful answers or information could result in disciplinary action up to and including dismissal.

## 219. Johnson Controls

2007 Global Reporting Initiative (GRI) Report<sup>1</sup>

### Aspect: Corruption

#### Corruption Risk GRI SO2: Percentage and total number of business units analyzed for risks related to corruption.

100% of the company's business units and corporate activities have been analyzed for risks related to corruption. This risk assessment is part of our strategic planning and Sarbanes Oxley processes. This risk assessment is also part of our audit plan which is a risk-based audit process. We are in the process of improving even further our international trade compliance program which includes the topic of corruption and will make sure risks are identified and processes are in place. This new program will look at all of our businesses and geographies.

#### Anti-Corruption Training GRI SO3: Percentage of employees trained in organization's anti-corruption policies and procedures.

Our Ethics Policy addresses anti-corruption and is consistent with the Ten Principles of the UN Global Compact that also addresses anti-corruption.

All Johnson Controls employees are subject to our Ethics Policy and receive formal and on-the-job training about its requirements.

On an annual basis, Johnson Controls requires key employees, as defined below, to certify compliance with the Johnson Controls Ethics Policy and complete ethics training over the Internet. All full or part time employees (except those subject to bargaining) who meet the criteria of a "key" employee, defined by each business unit as someone who meets one or more of the following criteria must complete the required training over the Internet before the deadline established by each business unit.

The criteria is as follows:

- Is at a pay grade of 57 or above (or the local equivalent); and regardless of pay grade, if the employee meets one or more of the following criteria:

- Has signature authority or is responsible for significant commitments of company resources;
- Assumes a leadership role within the organization either through title or by having direct reports;
- Is an employee of Johnson Controls Corporate business unit, regardless of location

Responsibility for participant inclusion is driven by the local payroll system, thus regardless of a stated business unit or current physical location, all employees meeting the above criteria who are on a local human resources payroll system will fall under the jurisdiction of that local human resources department. The business units can, in their judgment, expand these definitions of which employees are subject to the Ethics Policy certification to include other employees, as they consider appropriate.

A key module in this training program is entitled Avoiding Foreign Corrupt Practices Act Violations. It is one of three required courses in the Legal Compliance and Ethics Certification intranet site. A total of 27,045 Johnson Controls employees completed the module with an average time spent of 1/2 hour per person, or approximately 13,522.5 hours of training. The training program is an overview of the Foreign Corrupt Practices Act (FCPA), a law that makes it illegal to bribe a foreign government official or political party for the purposes of gaining a business advantage. Through this training, managers learn that bribery is not limited to cash payments, but can also include other items such as gifts and employment offers. The FCPA applies to U.S. companies and citizens and some foreign companies and citizens as well. The FCPA also has accounting provisions that require companies to keep accurate books and records and not to conceal improper payments. The penalties for violating the FCPA can be quite severe, therefore Johnson Controls has ensured that all employees involved in international business have a basic understanding of its requirements.

<sup>1</sup>Source: [http://www.johnsoncontrols.com/publish/us/en/sustainability/sustainability\\_reporting/global\\_reporting\\_initiative0.html](http://www.johnsoncontrols.com/publish/us/en/sustainability/sustainability_reporting/global_reporting_initiative0.html)

**Corruption Response GRI SO4: Actions taken in response to incidents of corruption.**

Compliance with Our Ethics Policy is a condition of employee. With respect to anti-corruption practices it states the following:

"Within the United States, no contribution of funds or services is to be made to, or on behalf of, any political organization or candidate by Johnson Controls or any of our subsidiary companies without advance approval by the Law Department. Within the United States, offering any favor, service, entertainment, meal, gift, or other thing of value, directly or indirectly, to government officials or employees in connection with their government duties is prohibited and includes things of value offered to their family members. Throughout the world, direct or indirect contributions to any government officials (including their representatives or family members) that are intended to gain preferential treatment for our company are always prohibited.

Johnson Controls recognizes that in some countries outside the United States it is legal and customary for companies to make certain contributions to political parties and government officials. Nevertheless, no contributions, payments or the provision of anything of value (or the offer or promise of a contribution, payment or provision of anything of value) can be made to any foreign official by Johnson Controls or its subsidiaries, affiliates, employees, officers, directors or agents, directly or indirectly, with the intent to influence the official or secure an improper advantage in order to obtain or retain business. In addition, all contributions or payments, or offers or promises of contributions or payments, to foreign officials must be approved by the Law Department and must be completely and accurately documented in our company's books and records.

Johnson Controls must be familiar with the companies and people with whom it does business. Reasonable due diligence and screening of new business partners, including agents, consultants and distributors, is critical to ensure compliance with anticorruption laws. The company expects that employees will take necessary steps to become familiar with Johnson Control business partners and implement safeguards to comply with anticorruption laws."

Ethics policy<sup>1</sup>

**Anti-corruption: political/governmental contributions**

Within the United States, no contribution of funds or services is to be made to, or on behalf of, any political organization or candidate by Johnson Controls or any of our subsidiary companies without advance approval by the Law Department. Within the United States, offering any favor, service, entertainment, meal, gift, or other thing of value, directly or indirectly, to government officials or employees in connection with their government duties is prohibited and includes things of value offered to their family members. Throughout the world, direct or indirect contributions to any government officials (including their representatives or family members) that are intended to gain preferential treatment for our company are always prohibited.

Johnson Controls recognizes that in some countries outside the United States it is legal and customary for companies to make certain contributions to political parties and government officials. Nevertheless, no contributions, payments or the provision of anything of value (or the offer or promise of a contribution, payment or provision of anything of value) can be made to any foreign official by Johnson Controls or its subsidiaries, affiliates, employees, officers, directors or agents, directly or indirectly, with the intent to influence the official or secure an improper advantage in order to obtain or retain business. In addition, all contributions or payments, or offers or promises of contributions or payments, to foreign officials must be approved by the Law Department and must be completely and accurately documented in our company's books and records.

Johnson Controls must be familiar with the companies and people with whom it does business. Reasonable due diligence and screening of new business partners, including agents, consultants and distributors, is critical to ensure compliance with anticorruption laws. The company expects that employees will take necessary steps to become familiar with Johnson Control business partners and implement safeguards to comply with anticorruption laws.

<sup>1</sup>Source: <http://irm-media.course.irm.com/jci/english-ethics.pdf>

### **Responsibilities**

Each employee, officer, and director of Johnson Controls is expected to carry out his or her work in accordance with the business standards of conduct of Johnson Controls. Managers are expected to implement policies, programs, and procedures and ensure adequate communications as well as ensure internal controls are in place for their business unit to ensure compliance with the spirit and intent of applicable laws and policies. The next high level of management must be notified of any inconsistencies and must establish goals, targets and plans against which progress can be measured. Further, all employees are urged to direct any questions or concerns about the company's activities or these standards to their supervisors or the divisional or corporate human resources departments without delay. This includes customer and supplier activities that may directly affect our operations or employees. Any employee who suspects that a violation of the Ethics Policy has occurred is obligated to report it, and such employees shall be protected from retaliation.

This Ethics Policy supersedes all previous ethics policies. Employees should also be aware that these standards are greater than those that may be required by local law. Adherence to these standards is a condition of employment with Johnson Controls. Violations are serious matters and will result in disciplinary action. Managers and supervisors are responsible for distributing copies of the Ethics Policy to employees, officer and directors, as well as making them aware of the importance and specific requirements of the policy.

The Ethics Policy is not all encompassing, and questions about situations not discussed in the Ethics Policy should be addressed to the Law Department, the Internal Audit Department, the Human Resources Department, or your supervisor.

Employees may anonymously report a violation of Johnson Controls policies by calling 1-866-444-1313 in the United States and Canada, or 1-678-250-7578 if located elsewhere. Reports of possible violations of the Ethics Policy may also be made to Jerome D. Okarma, vice president, secretary and general counsel, at Jerome.D.Okarma@jci.com or to the attention of Mr. Okarma at 5757 North Green Bay Avenue, P.O. Box 591, Milwaukee, Wisconsin, 53201-0591. Reports of possible violations of financial or accounting policies may be made to the chairman of the Audit

Committee of the board, Robert A. Cornog, at Robert.A.Cornog@jci.com or to the attention of Mr. Cornog at 5757 North Green Bay Avenue, P.O. Box 591, Milwaukee, Wisconsin, 53201-0591. Reports of possible violations of the Ethics Policy that the complainant wishes to go directly to the board may be addressed to the chairman of the Corporate Governance Committee, Robert L. Barnett, at Robert.L.Barnett@jci.com or to the attention of Mr. Barnett at 5757 North Green Bay Avenue, P.O. Box 591, Milwaukee, Wisconsin, 53201-0591.

The company's Ethics Policy is applicable to the members of the board of directors and to all company employees, including, but not limited to, the principal executive officer, principal financial officer, principal accounting officer or controller, or any person performing similar functions.

## 220. Honeywell International

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

#### Our Relationship with Our Customers

##### We Comply with Government Procurement Regulations

In addition to the provisions of this Code and other Honeywell policies, employees working with any governmental entity in any country have an obligation to know, understand and abide by the laws and regulations that apply to the conduct of business with government entities in that country.

- If a government agency, whether national, state or local, has adopted a more stringent policy than Honeywell's regarding gifts and gratuities, Honeywell employees and representatives must comply with that more stringent policy.
- Honeywell employees should contact a member of the Law Department for additional relevant corporate and business unit policies governing gifts and gratuities for government customers.
- The U.S. Foreign Corrupt Practices Act ("FCPA") prohibits Honeywell from making a payment or giving a gift to a foreign government official, political party or candidate or public international organization ("foreign official") for purposes of obtaining or retaining business. The FCPA applies to Honeywell everywhere in the world we do business. A violation occurs when a payment is made or promised to be made to a foreign official while knowing that the payment will be used to unlawfully obtain or maintain business or direct business to anyone else.

Almost every country in which Honeywell operates has laws of a similar nature. Employees should contact a member of the Law Department with questions.

- We will not give or encourage anyone else to give inducements of any kind to any government employee, or to any supplier under government or non-government contracts or subcontracts, in order to gain any business advantage or contract.
- Managers will be aware of and comply with conflict of interest laws and regulations covering government procurements, including circumstances under

which current or former government employees may be offered, or can accept, employment with the Company.

- In transactions involving the U.S. government, we will adhere to the provisions of the Truth in Negotiations Act, and we will make certain that cost and pricing data are current, accurate, complete, properly disclosed, documented and retained in appropriate files.
- It is Honeywell's policy to use consultants, sales agents or other professional service independent contractors only for legitimate, legal purposes,
- With respect to government contracts, only costs properly chargeable to the government contract will be billed to the government.
- Care will be taken to avoid mischarging of costs, including crosscharging of costs between contracts, charging direct costs as indirect costs or any other similar mischarging.
- Employees working directly on government contracts or subcontracts must be particularly diligent in recording their time, correctly indicating hours worked and the projects to which time is charged.
- All employees whose costs are allocated to government contracts or subcontracts must identify any expenses that are not allowable, paying special attention to such categories as alcohol, business meals and entertainment.
- In any government procurement process, we will not improperly obtain, use or disclose government source selection or proprietary information, such as sealed bid prices, technical evaluation plans, competitive range determinations or ranking of proposals.
- We will not accept nor retain government classified materials to which we are not entitled or for which there is no need.
- When we do accept or retain government classified materials, we maintain those materials in accordance with the laws pertaining to those materials. In the U.S., U.S. government classified information may be received and maintained only

<sup>1</sup>Source: [http://www51.honeywell.com/honeywell/common/documents/1.4\\_CodeOfConduct.pdf](http://www51.honeywell.com/honeywell/common/documents/1.4_CodeOfConduct.pdf)

at "cleared" facilities, locations specifically covered by a Security Agreement. Employees with government security clearances who have access to classified data will safeguard that data according to government regulations, including applicable agency procedures.

- We will not use without proper approval any government-owned equipment to support non-government production or divert government-owned or other customer-owned materials from their intended contractual use.
- Should an improper practice or irregularity occur within the Company, Honeywell is committed to making all necessary corrections and taking prompt remedial action to prevent recurrence.

### **We Seek Business Openly and Honestly**

Sales are the lifeblood of the organization, and we will market our technologies, products and services fairly and vigorously based on their proven quality, integrity, reliability, delivery and value.

- Honeywell strictly prohibits bribes, kickbacks or any other form of improper payment, direct or indirect, to any representative of a government, labor union, customer or supplier in order to obtain a contract, some other commercial benefit or government action. The Company also strictly prohibits any employee from accepting such payments from anyone.
- Reasonable business entertainment and customer gifts of nominal value are permitted, including traditional promotional events, as long as what is offered is consistent with usual business practice, cannot be construed as a bribe or a payoff, is not in violation of any law and would not embarrass the Company or individual if disclosed publicly. Customer entertainment and gifts must be discussed in advance with your supervisor. If you have any question about the propriety of any entertainment or gift, consult with a member of the Law Department.
- Reasonable business entertainment and customer gifts of nominal value are

permitted, including traditional promotional events, as long as what is offered is consistent with usual business practice, cannot be construed as a bribe or a payoff, is not in violation of any law and would not embarrass the Company or individual if disclosed publicly. Customer entertainment and gifts must be discussed in advance with your supervisor. If you have any question about the propriety of any entertainment or gift, consult with a member of the Law Department.

- Where a customer or potential customer notifies Honeywell of a policy or preference to prohibit or limit gifts to the customer's employees, Honeywell will respect the customer's policy or preference.
- It is Honeywell's policy to avoid any misstatement of fact or misleading impression in any of its advertising, literature, exhibits or other public statements. All statements made in support of our products and services should be true and supported by documentation.
- We will communicate clearly and precisely, either orally or in writing, so that our customers understand the terms of our contracts, including performance criteria, costs and schedules.
- We will seek all marketing data properly and legally, and we will not obtain or use any government classified or sensitive information from any source where there is reason to believe that the release of the information is unauthorized. If you are in doubt, contact a member of the Law Department.
- We will comply with the domestic and international antitrust and competition laws of all countries where we do business. These laws protect the free enterprise system and encourage vigorous, but fair, competition. Among other stipulations, these laws prohibit any formal or informal understanding, agreement, plan or scheme among competitors that involves prices, territories, market share or customers to be served and activities or agreements that unfairly restrict competition.

All mergers, acquisitions, strategic alliances, and other types of extraordinary business combinations should receive timely legal review to assure that they do not raise concerns of market dominance or improper coordination among

competitors. Likewise the Company's routine business and licensing plans should be conducted so that we compete aggressively, but within the law.

### **Our Relationship with our Suppliers**

#### **We Will Not Be Influenced by Gifts**

We will not be influenced by gifts or favors of any kind from our suppliers or potential suppliers. The Company expects each employee to exercise reasonable judgment and discretion in accepting any gratuity or gift offered to the employee in connection with employment at Honeywell.

- It is Honeywell policy to discourage the receipt of gifts either directly or indirectly by employees as any gift may be misconstrued as an attempt to influence business decisions. This does not apply to unsolicited promotional materials of a general advertising nature, such as imprinted pencils, memo pads and calendars as long as what is given is accepted without any express or implied understanding that the recipient is in any way obligated. Gifts of nominal value are permitted, provided they are given as a gesture of professional friendship, and do not involve a Company commitment having to do with the transaction of business. Such gifts must be reported to your supervisor. If you have any questions regarding the propriety of accepting a gift, consult with a member of the Law Department.
- Presentations of a ceremonial nature in keeping with national custom may be permitted as long as what is accepted is not in violation of any law, cannot be construed as a bribe or a payoff and would not embarrass the Company or individual if disclosed publicly.
- In no event should a gift be accepted from a supplier or potential supplier during, or in connection with, contract negotiations.
- An occasional meal or entertainment in the normal course of business relations, paid for by a supplier or potential supplier, is permitted provided that a

representative of the supplier is in attendance and such hospitality is not excessive or unusual in nature. When practical, hospitality should be reciprocated.

- Where a supplier or potential supplier notifies Honeywell of a policy or preference to prohibit or limit gifts to the supplier's employees, Honeywell will respect the supplier's policy or preference.
- Gifts shall not be solicited from suppliers for Honeywell functions or employee awards.
- It is never acceptable to solicit gifts, gratuities, or business courtesies for the benefit of a Honeywell employee, family member or friend.

### **Our Relationship with the Company and Each Other**

#### **We Avoid Conflicts of Interest**

Each of us and our immediate families should avoid any situation that may create or appear to create a conflict between our personal interests and the interests of the Company. A conflict of interest may arise when a director, officer or employee takes actions or has interests that may make it difficult to perform his or her duties and responsibilities to the Company objectively and effectively.

- A conflict, or appearance of a conflict, might arise, for example, by accepting a gift or loan from a current or potential customer, supplier or competitor; owning a 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 of interest may also arise when a director, officer or employee, or a member of his or her immediate family, receives improper personal benefits as a result of his or her position in the Company, such as gifts or loans from an entity or person with whom the Company does business.
- We will take necessary steps to avoid improper reporting relationships and not directly or indirectly supervise or report to persons with whom we have a family or a close personal relationship.
- Directors, officers and employees are prohibited from taking for themselves personally opportunities that are discovered through the use of Company property, information or position; from using company property, information or position for personal gain; and from competing with the Company.
- If a conflict of interest or appearance of a conflict of interest develops, the employee must report the matter in writing to a member of the Law Department or the Honeywell Integrity and Compliance Office and a member of the leadership team of the business in which the conflict arises to determine what actions need to be taken to eliminate the conflict of interest.

### **Our Integrity and Compliance Program**

#### **All Employees**

Each Honeywell employee shall comply with the letter and spirit of the Code of Business Conduct and with the policies and procedures of the Company, and shall communicate any suspected violations promptly.

- Employees may confront an ethical issue where this Code or other Company policy does not expressly provide an answer. Employees should feel comfortable contacting a member of leadership, the Integrity and Compliance Council, a member of the Law Department or using one of the other resources described in this section.
- Employees are encouraged to report violations through their normal reporting channels, to their business unit's Integrity and Compliance Officer, to any member of the Corporate Integrity and Compliance Council or the Law Department.
  - In addition, all employees shall have access to one or more telephone helplines, which will be monitored on a 24-hour basis by a professional, independent contractor, through which suspected violations of laws, regulations, Company policies, or the Code of Business Conduct may be reported. This helpline is not intended to replace normal supervisory channels for reporting questionable conduct or seeking advice about appropriate ethical behavior.
  - Any employee who in good faith raises an issue regarding a possible violation of law or Company policy will not be subject to retaliation and their confidentiality will be protected to the extent possible, consistent with law and corporate policy and the requirements necessary to conduct an effective investigation. Any supervisory personnel who retaliates against an employee as a result of such employee's report of an alleged violation of law or Company policy shall be subject to disciplinary action, including termination, and may risk criminal sanctions as a result of such actions.
  - Allegations will be investigated by the appropriate corporate, business unit or department personnel, and upon the advice and approval of the Law Department, will be reported as appropriate or required by law to the appropriate authorities. Employees may refer to the Honeywell Policy Manual, policy titled: Integrity and Compliance Program, for additional information regarding the investigation process.
  - In order to facilitate implementation of this Code of Business Conduct, employees have a duty to cooperate fully with the Company's investigation process and to maintain the confidentiality of investigative information unless specifically authorized or required by law to disclose such information.

## 221. Prudential Financial

Our Company's Code of Business Conduct and Ethics<sup>1</sup>

### MANAGING OUR BUSINESS

#### Payments and Gifts to Public Officials

The Company does not permit associates to engage in activities or use Company resources for any purposes that violate the laws or regulations of any country in which we do business. No gift, payment or entertainment that would violate any applicable laws, including anti-bribery laws, may be offered or provided to any official, employee or representative of a government or public international organization or any political party, party official or candidate. Moreover, while giving modest gifts or payments to expedite or secure the performance of routine governmental actions may be permitted in limited circumstances, it is Company policy to discourage such payments. The Company is required to maintain books, records and accounts in reasonable detail that accurately and fairly reflect all Company transactions.

Associates should also consult with the Company's Compliance and Law Departments for specific details regarding relevant anti-bribery laws and other laws on such payments and gifts, the Company's responsibilities in joint ventures, partnerships and other strategic relationships and dealings with third parties, consultants or intermediaries. Associates should also review the Company's Gifts and Entertainment policy for additional guidance.

### BALANCING CONFLICTING INTERESTS

#### Transactions and Relationships with Suppliers

A conflict of interest may arise if an associate is offered goods or services from a third party on terms not generally available to the public. This includes gifts from vendors or suppliers with whom the Company does business and which are not otherwise permitted under the Gifts and Entertainment policy. Such an arrangement could create the appearance that an associate is being singled out because of his/her position with the Company. In addition, it may appear that the individual would be expected to

provide something in return for the benefit he/she has received.

We should be fair to our suppliers. It is our policy to award orders, contracts and commitments to suppliers strictly on the basis of merit without favoritism. The choice of suppliers should be based on factors such as price, quality, reliability, service and technical advantage and, in appropriate circumstances, the impact on the community, such as purchasing from local, minority or women-owned vendors.

MTRC may also cover conduct by an associate's family or household members, subject to any restrictions set by local law.

Associates should seek guidance from their business management, their local business ethics contacts or their Compliance, Law or Human Resources professionals or the Enterprise Business Ethics Office in Newark, New Jersey, if they have questions regarding any transaction with our suppliers or vendors.

#### Gifts and Entertainment

Associates should not accept or provide any gifts or favors that might influence the decisions they or the recipient must make in business transactions involving the Company, or that others might reasonably believe could influence those decisions. Even a nominal gift should not be accepted if, to an observer, it might appear that the gift could influence business decisions. Company associates may not solicit gifts, meals and entertainment.

Associates may occasionally give or receive gifts, meals or entertainment of moderate or reasonable value, subject to compliance with all applicable laws and regulations, rules of self-regulatory organizations and Company policies. The value of gifts, meals and entertainment that are permitted to be given or received must be reasonable and adhere to the Company's Gift and Entertainment policy mandates, including its approval and reporting requirements.

Business Groups may impose stricter gift and entertainment requirements than those rules set forth in the Gift and Entertainment policy, but may not permit more liberal rules. In some jurisdictions, associates that are registered with broker-dealers or hold

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/12/129695/\\_MTRC%20IR%20VERSION%20052808.pdf](http://media.corporate-ir.net/media_files/irol/12/129695/_MTRC%20IR%20VERSION%20052808.pdf)

insurance or other licenses may be subject to more stringent rules and reporting requirements and should consult with their compliance officer.

Employees can find additional information on gifts, meals and entertainment, speaking engagements, prohibited gifts, reporting requirements and other matters in the Company Principles and Policies.

MTRC may also cover conduct by an associate's family or household members, subject to any restrictions set by local law. If there are questions about a gift, entertainment or payment, associates should discuss the matter with business management, their local business ethics contacts or their Compliance, Law or Human Resources professionals or the Enterprise Business Ethics Office in Newark, New Jersey.

### **OUR CODE OF BUSINESS CONDUCT AND ETHICS**

Ethical conduct is the obligation of all who work for or act on behalf of the Company. It is each associate's responsibility to help us:

- Nurture a company culture that is highly moral and make decisions based on what is right.
- Build lasting customer relationships by offering only those products and services that are appropriate to customers' needs and provide fair value.
- Enhance our reputation as a company that people trust and respect
- Create an environment where associates conduct themselves with courage, integrity, honesty and fair dealing.
- Ensure no individual's personal success or business group's bottom line is more important than preserving the name and goodwill of the Company.
- Regularly monitor and work to improve our ethical work environment.

The Company expects associates to be honest and forthright and to use good judgment. We expect associates to deal fairly with customers, suppliers, competitors

and one another. We expect associates to avoid taking unfair advantage of others through manipulation, concealment, abuse of confidential information or misrepresentation.

Because business ethics is not a science, there may be gray areas. We encourage individuals to ask for help in making the right decisions. Your business management, local business ethics contacts and our Compliance, Law, Human Resources and Enterprise Business Ethics professionals are all available to provide guidance at any time.

Associates should also be aware that failure to adhere to the Company's policies may lead to disciplinary action up to and including termination of employment.

Except as otherwise stated, associates must bring any knowledge of possible or actual unethical business conduct, including any violations of laws, rules, regulations or any Company policies, to the attention of their local business management or supervisor, their local business ethics contacts or to the Enterprise Business Ethics Office. However, in some of the countries in which we do business mandatory reporting of unethical conduct and the scope of reportable matters is limited by local laws.

Our associates in Switzerland are required to report violations of criminal, civil or administrative laws, or violations of accepted industry or professional rules.

In today's business climate, it is particularly important for associates to raise any financial reporting concerns (questionable accounting or auditing matters) they may have. The Enterprise Business Ethics Office has been designated the central facility for handling financial reporting concerns and has established ways for associates to report such concerns in a confidential, anonymous manner. All business ethics matters are treated confidentially, to the extent possible.

There will be no retaliation or adverse consequences resulting from the submission of a reportable concern. However, in accordance with our "Whistleblower Protection" policy and our "Open and Respectful Culture" principle, any associate who knowingly reports false or misleading information with the intent to defame or injure any person or entity will be subject to disciplinary action.

Unless local law provides to the contrary, MTRC may also cover conduct by members of an associate's family and individuals living in an associate's household. If, for example, an associate's family or household member is involved in an activity that could create a conflict of interest, or the appearance of a conflict of interest, the associate would be considered in violation of MTRC if he or she did not adhere to its approval and disclosure requirements.

In some places where we conduct business, particularly in European countries, local privacy laws or other requirements may not allow activity by a family or household member to be covered. Associates should refer to the Company policies on this subject for more specific guidance concerning these matters. They may also consult with their business management, local business ethics contacts or their Compliance, Law or Human Resources professionals, if they have any questions regarding the applicable local provisions.

The Company seeks to foster an environment of respectful engagement and encourages the professional development of all associates.

## 224. POSCO

### SUSTAINABILITY REPORT 2007<sup>1</sup>

#### **Business Ethics**

At POSCO, we devote ourselves to creating a culture that is based on high ethical standards. This commitment is underscored by our extensive infrastructure, training and communication.

The firm dedication to integrity demonstrated by our top leadership inspires our employees to make responsible and ethical decisions in their everyday operations. At POSCO, repeated training, strict disciplinary action against ethics violators and leading by example are the keywords that sum up its governance principles. The CEO frequently highlights the importance of integrity and proposes various ways to implement the culture of compliance. In addition, we offer continuous education to instill proper ethical values in our employees.

#### **Code of Conduct**

Our code of conduct, first adopted in 2003, includes a wide range of sophisticated policies and system to maintain high standards for personal and business integrity. At the beginning of every year, employees make an online pledge to adhere to the Code of Conduct.

To encourage our employees and the general public to uphold integrity and ethical behavior, we offer ethics counseling via our corporate website as well as the cyber ombudsman center. Anyone can freely report or discuss their concerns about legal or ethical violations by phone, fax, mail or the Internet. For those who prefer anonymous communication, the company has a system that ensures their privacy. To encourage the reporting of unethical actions, we introduced a reward system of up to KRW 50 million. A report of an illegal monetary transaction will result in a reward of ten times the reported amount; in the case of a voluntary confession of being a party to an illegal monetary transaction, the person will receive a reward of five times the reported value. In 2003, we opened the country's first 'gift return center' to root out the old corporate custom of receiving gifts during major holidays. Gifts that cannot be returned are sold through in-house auctions and the proceeds are donated to support charitable causes.

#### **Employee Education and Communication**

We believe that the only way business ethics can be embedded in our corporate culture is through continuous education. Under this belief, we have developed a unique blend of online and offline training. All employees are required to receive a three hour group training on business ethics and a 20-hour mandatory e-learning program. In 2005, we initiated the Ethical Practice Program, under which each department chief is responsible for instituting ethical practices within his/her department. Utilizing the Six Sigma method, each department conducts workshops to discover ethical risks and seeks ways to address the identified risks. Under the program, which is conducted on a one-year cycle, the business ethics execution leader of each division takes on the role of facilitator, designing the ethical practice program, consulting with his/her staff, and communicating with the ethics department.

Various other events are organized to spread the code of ethics among our employees. We publish the bi-weekly Ethics Digest, an online newsletter to promote compliance awareness. When logging onto our Intranet, pop-ups with specific ethics-related information show up once every week. A business ethics screen saver is offered twice a year. In addition, the CEO delivers a periodically message highlighting the importance of integrity.

#### **Ethical Practice Program**

Our code of conduct represents POSCO's commitment to integrity, defining what is expected of every POSCO employee and detailing their responsibilities for behaving ethically. On the back of every employee ID is a business ethics checklist. The five-item checklist offers answers to key ethical questions to ensure that our employees make the right choices on and off their job. In addition, the best ethical mottos and quotes are posted on company elevators and lobbies while the in-house magazine features a regular column on workplace compliance.

#### **Enhancing Supplier Code of Conduct**

POSCO is enhancing and implementing our supplier code of conduct to promote ethical standards among our business partners. We hold an ethics seminar for all our clients and new business partners. Also upon signing a contract, we attach a special

<sup>1</sup>Source: [http://www.posco.com/homepage/docs/eng/dn/sustain/report/2007\\_SR\\_en.zip](http://www.posco.com/homepage/docs/eng/dn/sustain/report/2007_SR_en.zip)

clause regarding code of conduct, a disciplinary tool which helps to prevent unethical behaviors such as bribery that can undermine trust. The special clause goes into effect only after reaching an agreement with our counterparty.

## 225. Old Mutual

corporate citizenship report 2007<sup>1</sup>

### Corporate governance and risk management

#### Our enterprise risk management approach

Old Mutual (SA)'s approach to risk management recognises it as a core competency that allows management to exploit opportunities, whilst managing and mitigating the likelihood and impact of hazards. For this reason the role of Chief Risk Officer was elevated to the Executive Committee during 2007. The company implements strategy via the “three lines of defence” model:

- The first line of defence consists of operational business management, which is tasked with both responsibility and accountability for ensuring outcomes. Management is supported by internal control, risk management and governance structures.
- The second line of defence is provided by independent risk monitoring in the central risk, compliance and group finance functions.
- The third line of defence is provided by the Internal Audit Committee.

The Board bears ultimate responsibility for ensuring that the company has a sound risk management structure, which requires it to objectively evaluate the effectiveness of the risk management process.

Management is accountable to the Board for designing, implementing and monitoring the process of risk management, and integrating it within the daily activities of the company.

The Chief Risk Officer is responsible for assisting the Board in reviewing the risk management process and any significant risks facing the company.

Old Mutual (SA) embraces four key risk management activities:

- Setting and maintaining world-class risk management standards, thereby endorsing calculated risk-taking as an area of competitive advantage.
- Embedding the culture of risk management as an enabler to the business in terms of the overall Group strategy.
- Implementing and maintaining compliance to all legislation and regulatory requirements in a manner that adds value to the business of Old Mutual (SA), for example compliance with the National Credit Act (NCA), Financial Intelligence Centre Act (FICA) and Financial and Advisory Intermediate Services Act.
- Promoting open communication with stakeholders and regulators to ensure complete transparency in risk management.

These focus areas build on the work undertaken by the Group Compliance Office between 2003 and 2006, and inform:

- A comprehensive Group compliance manual and framework.
- A comprehensive Group compliance philosophy and policy.
- Appropriate performance contracts for compliance role players.
- Guidelines for interaction with regulators.
- Revised reporting and monitoring frameworks.
- A comprehensive Group Anti Money Laundering policy.
- Appropriate suspicious transaction reporting and “Know Your Customer” procedures to combat money laundering.
- Internal staff awareness and communication programmes.

#### Steps to ensure ethical business practices

We have made various platforms available to staff to facilitate the anonymous

<sup>1</sup>Source: [http://www.oldmutual.co.za/ccr/Downloads/OM\\_World\\_Class.pdf](http://www.oldmutual.co.za/ccr/Downloads/OM_World_Class.pdf)

reporting of fraud or compliance-related breaches in company policies and procedures. We have implemented the following:

- Web-based reporting via the company intranet.
- A “Tip-offs Anonymous” Hotline
- A FreeCell number for tip-offs
- A unique email address
- A generic FreePost and FreeFax facility.

Over the past four years, we have placed special emphasis on communicating the need for stringent corporate governance within the company. Specific campaigns included:

- The “War on Corruption” campaign, which set out to draw attention to white-collar crimes such as bribery, dishonesty and fraud.
- The publication of the New Conflicts of Interest and Gifts policies, which were communicated to employees via the staff magazine, a poster campaign and information briefing sessions for staff members and management.
- An intensive campaign highlighting the need for client confidentiality, and to warn staff of the dangers of identity theft, was undertaken by the Group Forensic Services department.
- An intensive campaign whereby all staff indicated acceptance of Old Mutual’s policies and procedures was launched via our staff HR Management System on the intranet.
- An electronic Code of Ethics training programme, which all staff members are expected to complete on appointment, and at regular periods throughout their employment.

These and other communication campaigns are routinely repeated to ensure that staff are constantly aware of the need to conduct business in an ethical manner. During 2007, the company released revised Codes of Conduct, and continues to use internal communications channels to draw attention to our Unfair Discrimination Policy.

## 228. Woolworths

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

#### How we do business

##### When we buy for our company it must also be done fairly

Employees that are involved in buying goods, including non-inventory items and services for Woolworths Limited, need to do business fairly and ethically with suppliers by:

- obtaining the best value for money from all trade arrangements;
- never accepting or demanding any form of inducement or bribe in return for business;
- complying with the spirit and law regarding fair trading;
- ensuring that our procurement processes are transparent and align with our Fair Trading Policy; and
- regularly reviewing our trade partners' contractual arrangements.

#### Gifts and Gratuities

Woolworths Limited is committed to ensuring all business relationships with suppliers are legal and based on professional integrity.

As a matter of company principle we do not receive gifts and gratuities. We understand, however, that small tokens of goodwill may be exchanged between us and our suppliers on special occasions, such as Christmas, and that from time to time employees may be offered an invitation to a social, sporting or cultural event because of the job that they do.

Gifts like these can be accepted provided they do not exceed A\$100/NZ\$100/R's750 in value or result in personal gain for the receiver, or favourable treatment for the giver if they are someone from whom we buy, sell or receive goods and services. Any employee who receives a gift should declare it to their manager. Failure to do so is a

serious matter.

It is important that employees inform any suppliers with whom they work that it is a condition of our relationship with them that we only accept and give modest and discreet gifts when appropriate. Suppliers should also be aware that we do not believe in supplier paid lunches during working hours.

Accepting some types of gifts and gratuities like bribes, inducements, special personal discounts or merchandise, however small, could embarrass an employee, the supplier, and compromise Woolworths Limited. In some cases these gifts could be interpreted as fraud and be illegal.

The company has an obligation to fully cooperate with any investigation by law enforcement or regulatory authorities in cases where employees knowingly accepted a gift that has been interpreted as a bribe.

If employees are unclear about what is acceptable behaviour in relation to gifts and gratuities they should talk to their manager or the Company Secretary.

#### What do I do if I get offered a gift?

- ensure the intention of the gift is in keeping with the company policy on Gifts and Gratuities;
- if it is under A\$100/NZ\$100/R's750 in value, note it in your Department Gift Register and tell your manager;
- if it exceeds A\$100/NZ\$100/R's750 in value you need to seek approval from your General Manager to accept it.

Note: For employees in Hong Kong please refer to your Gifts and Gratuities policy.

#### Your Code and Conflict Declaration

I understand that failure to comply with the Code or to disclose a Conflict is a serious breach of the conditions to my employment which may result in disciplinary action including termination.

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/14/144044/cg/codeofconduct.pdf](http://media.corporate-ir.net/media_files/irol/14/144044/cg/codeofconduct.pdf)

## 229. DZ Bank

Nachhaltigkeitsbericht 2008<sup>1</sup>

### COMPLIANCE NACH INTERNATIONALEN STANDARDS

Die rechtlichen Vorschriften im Bereich der Finanzdienstleistungen müssen ständig neuen Entwicklungen und Produkten angepasst werden und verändern sich zum Schutz der Anleger und der Finanzindustrie mit hoher Dynamik. Die Einhaltung aller nationalen und internationalen rechtlichen Standards entspricht daher nicht nur unserem innersten Selbstverständnis als Spitzeninstitut des genossenschaftlichen Finanzverbundes, sondern stellt auch hohe Anforderungen an unsere Compliance.

#### DAS COMPLIANCE OFFICE MIT SEINEN BEIDEN TEAMS

Unser Compliance Office berät, überwacht und kontrolliert unsere verschiedenen Geschäftseinheiten bei der Einhaltung aller rechtlichen Standards.

Es besteht aus den beiden Teams Wertpapier-Compliance und Geldwäscheprävention. Zu den Aufgaben des Compliance-Teams gehören unter anderem die Beratung der Fachbereiche sowie die Sicherstellung der Einhaltung aller wertpapierhandelsrechtlichen Regelungen in diesen Einheiten, also

beispielsweise die Verhinderung von Insiderhandel und Regelungen für private Geschäfte der Mitarbeiter. Dazu führt es Kontrollen durch, erstellt interne Policies und schult Mitarbeiter in relevanten Vorschriften.

Zur Kernaufgabe des Teams Geldwäscheprävention gehört es, entsprechende Grundsätze und Verfahren zu entwickeln, so dass Geldwäsche verhindert wird und die Finanzierung von terroristischen Vereinigungen ausgeschlossen ist. Monitoringmaßnahmen sowie Gefährdungsanalysen werden durchgeführt und die Mitarbeiter der Bank geschult.

Das Compliance Office verfügt über einen direkten Berichtsweg zum zuständigen Dezernenten im Vorstand und ist organisatorisch an den Bereich Recht angebunden. Die Auslandsniederlassungen verfügen über eigene lokale Compliance Officer, die nicht nur an den jeweiligen Niederlassungsleiter, sondern auch an den Leiter des Compliance Office der DZ BANK AG berichten.

<sup>1</sup>Source: [http://www.dzbank.de/unternehmen/index.jsp?path=/downloads/DZBANK\\_Nachhaltigkeitsbericht\\_2008.pdf](http://www.dzbank.de/unternehmen/index.jsp?path=/downloads/DZBANK_Nachhaltigkeitsbericht_2008.pdf)

#### PROFESSIONELLES WHISTLEBLOWING-SYSTEM

Zur Vorbeugung gegen Wirtschaftskriminalität und unzulässige Einflussnahme auf Mitarbeiter hat die DZ BANK im Jahr 2008 ein Whistleblowing-System eingeführt, über das sowohl unsere Beschäftigten als auch Außenstehende Informationen vertraulich übermitteln können. Dazu können sie sich zum einen an den internen Ombudsmann wenden. Dieser ist durch eine arbeitsrechtliche Zusatzvereinbarung zur Geheimhaltung der Identität des Informanten verpflichtet und bildet die Schnittstelle zum Hinweisgeber. Darüber hinaus steht aber auch ein Anwalt als externer Ombudsmann zur Verfügung. Auch hier ist durch seine Schweigepflicht Vertraulichkeit gewährleistet. Neben einem eigenen Compliance Office und einem professionellen Whistleblowing-System beruht unser ordnungsgemäßes Handeln aber auch auf der Integrität unserer Mitarbeiter. Um sie zu fördern, haben wir Regelungen aufgestellt, die verbindlich sind und deren Missachtung sanktioniert wird. Daneben führen wir Schulungen durch, die rechtliche Anforderungen und ihre Auswirkungen auf die tägliche Arbeit vermitteln. In der Vergangenheit haben wir alle nationalen und internationalen Standards und Vereinbarungen im Bereich Compliance erfüllt. Wir werden dies auch in Zukunft gewissenhaft tun.

## 230. Manulife Financial

### Code of Business Conduct and Ethics<sup>1</sup>

#### Ethics in Your Business Relationships

##### TAKE CARE IN GOVERNMENT AND POLITICAL DEALINGS

We must take special care to use our corporate positions responsibly when dealing with government agencies and representatives. This is especially true in relation to the political process. It is important that we comply with all laws and regulations that apply when offering to provide entertainment, meals, gifts, gratuities and other items of value to any employee or representative of federal, provincial, state or local governments or when accepting such items of value from any employee or representative of federal, provincial, state or local governments.

While the Company expresses views on local and national issues that affect its operations, we cannot represent ourselves as Company spokespeople without proper authorization. Questions in this regard should be referred to the Global Chief of Compliance.

The Company respects and supports the right of every individual to participate in the political process. However, the Company will not provide reimbursement for any political contributions made by any individual, including the purchase of tickets to political fund-raising events such as dinners. These are to be handled personally by the employee. The Company's general policy is that it will not make any political contributions. No officer or employee may make or authorize any payment by or on behalf of the Company to any political party, organization, committee, candidate or public official or in connection with any political caucus, convention or election, except as permitted by law and approved by the divisional government relations chief and the Law Department. Under applicable laws, prohibited Company contributions and expenditures include the donation of Company funds, the use of Company facilities, including office space and equipment, as well as the donation of the services of Company employees to the campaign committee of a candidate.

The giving of gifts to, or the payment of expenses for, or on behalf of, public officials is

governed by a complicated array of regulations, which vary from jurisdiction to jurisdiction. Before making any expenditures for, or on behalf of, public officials you must contact your divisional government relations chief for clearance unless the expenditure conforms to written guidance received from Government Relations or the Law Department. You must not engage in any lobbying activities on behalf of the Company unless you first obtain specific authorization from your divisional government relations chief.

In addition, no officer or employee may make or authorize any payment or transfer of anything of value to any foreign public official except as may be permitted by applicable law and approved by the Law Department.

#### Conflicts of Interest

##### BRIBERY AND KICKBACKS ARE PROHIBITED

Manulife Financial does not allow unfair business practices such as rebating, bribery or kickbacks. These practices are against Company policy in all places where we conduct business.

##### BE CAREFUL ABOUT GIFTS

Offers of gifts and entertainment are courtesies common among business partners. However, offering or accepting gifts, entertainment or other benefits can be mistaken for improper payments. For this reason, the guidelines below must be followed.

Officers and employees or their family members must not receive money or any item of value from any third party in connection with the officer's or employee's participation in any Company transaction. Officer compensation, other than Company wages, bonus, pension or benefits, may be regulated by law and requires approval by a Division Head.

Company officers may not have any interest in commissions or other compensation based on premiums or consideration payable to the Company on any policy or contract of insurance unless the policy or contract was written and effective prior to the officer's appointment.

<sup>1</sup>Source: [http://www.manulife.com/corporate/corporate2.nsf/LookupFiles/BusinessEthicsBusinessConductandEthics2008-FullDocument/\\$File/businessConductEthics.pdf](http://www.manulife.com/corporate/corporate2.nsf/LookupFiles/BusinessEthicsBusinessConductandEthics2008-FullDocument/$File/businessConductEthics.pdf)

In addition to the rules noted below, directors, officers and employees must not receive from, or give any gift or form of entertainment to, anyone with whom the Company has or is likely to have any business dealings, if the gift or entertainment could reasonably be perceived as an attempt to influence the recipients' judgement in carrying out their duties to the Company or their employer. If the suitability of a gift or entertainment is questionable, employees should consult with their Division Head or the Law Department, while MFC directors should forward inquiries to the General Counsel.

**Public Officials:** Please note that gifts or entertainment provided to public officials are covered in the section titled "Take Care In Government and Political Dealings."

**Insurance Customers or Prospects:** Gifts or entertainment, including promotional items, are subject to insurance anti-rebating and inducement laws governing the sale of insurance and annuity products. Questions regarding the application of these laws should be directed to your divisional compliance officer.

**Sales and Related Activities:** Specialized rules and regulations apply to sales activities. In the U.S. NASD rules govern the receipt and giving of gifts involving registered representatives or broker-dealers. Questions regarding the applicability of these sales-related rules and regulations should be directed to your divisional compliance officer.

### **Why Ethics Matter**

#### **WHAT IF SOMEONE VIOLATES THIS CODE?**

All our activities must be able to withstand close scrutiny. To protect Manulife Financial's good name, the Company may discipline and/or terminate its relationship or affiliation with any director, officer, employee, representative, associate or supplier who breaches this Code or any related Company policy.

If violating the Code also violates the law, you will be subject to prosecution.

#### **WHERE TO GO FOR HELP**

It is critical that all of us who represent Manulife Financial, its subsidiaries and

controlled affiliates use good judgement and common sense. It is the best way to ensure that our Company continues to meet high standards of business conduct. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach questions and concerns.

Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

Speak to your manager, a member of the Human Resources Department or Law Department or your divisional compliance officer if you have:

- doubts about a particular situation;
- questions or concerns about a business practice; or
- questions about potential conflicts of interest

You may report suspected or potential illegal or unethical behaviour without fear of retaliation. The Company does not permit retaliation of any kind for good faith reports of illegal or unethical behaviour.

Concerns about potential or suspected illegal or unethical behaviour should be referred to a member of the Human Resources or Law Department. The appropriate contact persons are identified on MFCentral.

Unethical, unprofessional, illegal, fraudulent or other questionable behaviour may also be reported by calling a confidential toll free Ethics Hotline or at [www.ManulifeEthics.com](http://www.ManulifeEthics.com). Ethics Hotline telephone numbers can be found on the Manulife Ethics website.

### **Ethics and the Law**

#### **IDENTIFY AND REPORT FRAUD AND THEFT**

As a provider of financial services, Manulife Financial is vulnerable to loss from dishonesty and fraud. Fraud can take many forms, such as mishandling of money,

<sup>1</sup>Source: [http://www.manulife.com/corporate/corporate2.nsf/LookupFiles/BusinessEthicsBusinessConductandEthics2008-FullDocument/\\$File/businessConductEthics.pdf](http://www.manulife.com/corporate/corporate2.nsf/LookupFiles/BusinessEthicsBusinessConductandEthics2008-FullDocument/$File/businessConductEthics.pdf)

theft of cash or property, money laundering, terrorist financing, misrepresentation and falsification or forgery of documents.

Dishonesty, combining personal and business funds, and fraud are all illegal. It is management's responsibility to ensure there are proper internal controls to deter and detect fraud and other dishonest activities, but everyone in the Company must help. If you are aware of any suspicious activity, you have a duty to report it immediately to the relevant immediate supervisor, Business Unit Chief of Compliance and the Divisional Compliance Officer, (Hotline).

Furthermore, you have a duty to cooperate with any investigations pertaining to Company matters.

#### **REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOUR**

You are encouraged to talk to appropriate personnel about suspected or potential illegal or unethical behaviour or when you are in doubt about the best course of action in a particular situation. Consult the procedures described in the section of this Code titled "Where to go for help" on reporting any suspected or potential illegal or unethical behaviour. It is the policy of the Company not to allow retaliation for reports of misconduct by others made in good faith. Directors, officers, employees, representatives and other associates are expected to cooperate in internal investigations of misconduct.

For more guidance:

See the following sections in this Code:

- Ethics in your Business Relationships
- Conflicts of Interest
- Handling Information

See the following related policies:

- Anti-Fraud Policy
- Regulatory Compliance Management Policy
- Anti-Money Laundering Policy

## 231. Centrica

Corporate responsibility report 2007<sup>1</sup>

### Our approach

### Our policies

Our policies build on our business principles, establishing a clear framework to help our employees and business partners understand the standards we expect.

- Anti-Corruption
- Community and Local Impact
- Environment
- Gifts and Hospitality
- Health and Safety
- Human Rights
- Political Involvement
- Responsible Procurement and Supplier Management

### Business principles

#### Who do our business principles apply to?

- All employees (staff, contract and temporary), officers and directors of Centrica in each of our business units worldwide
- All our majority-owned business dealings and transactions in all countries in which we or our subsidiaries and associates operate
- Where we have a minority interest, we will encourage our business partners to apply our principles

We will fully support those who make decisions based on our business principles and treat any infringement with the utmost seriousness, even if this would result in Centrica losing a business opportunity. Those who fail to respect our business principles could face disciplinary action and dismissal.

### Employee training

We integrated our business principles into induction training for people joining the business at all levels. In addition, many of our learning and development programmes were redesigned to incorporate specific training on our principles.

### Group Public Interest Disclosure ('Speak Up') Policy<sup>2</sup>

#### Purpose

To provide a procedure to enable you to raise your concerns should you have reasonable grounds to believe that an incident of work malpractice or mismanagement has occurred, is occurring, or is likely to occur within the Centrica Group.

#### Scope

All employees, agency staff, consultants and directly contracted persons employed within the Centrica Group in the UK and overseas operations.

#### Policy

We are committed to dealing responsibly, openly and professionally with any genuine concern employees may have about any practice, procedure or policy carried out by any officer or employee of the Company, which may be a breach of rules, irregularity, malpractice, a danger to our employees or our customers, financial malpractice, breach of legal obligations or may damage the environment.

<sup>1</sup>Source: [http://files.the-group.net/library/centrica/zips/\\_234.zip](http://files.the-group.net/library/centrica/zips/_234.zip)

<sup>2</sup>Source: [http://www.centrica.com/files/pdf/businessprinciples\\_speakup.pdf](http://www.centrica.com/files/pdf/businessprinciples_speakup.pdf)

We encourage employees and those working with the Company in any other capacity to raise their concerns about any incidents of malpractice in the workplace at the earliest possible stage. Our approach to 'Speak Up' is to enable staff to raise their concerns internally or externally to disclose information they believe shows malpractice or impropriety in the first instance.

This policy is non-contractual and can be subject to change or withdrawn at any time.

### **Malpractice**

The Public Interest Disclosures Act 1998 encourages staff to raise their concerns internally about malpractice or impropriety, which may include:

- I. the commission, or likely commission, of a criminal offence; or
- II. a failure to comply with any legal or regulatory obligation; or
- III. a miscarriage of justice; or
- IV. endangering the health and safety of any individual; or
- V. damage to the environment; or
- VI. fraud or financial irregularity; or
- VII. blackmail, corruption or bribery; or
- VIII. deliberate concealment relating to any of I to VII;

It is immaterial whether the relevant failure occurred, occurs or would occur in the United Kingdom or elsewhere, and whether the law applying to it is that of the United Kingdom or of any other country or territory in which the Centrica Group operates or has facilities.

### **Making a Disclosure**

It is our primary aim to prevent workplace malpractice from occurring in the first place. If it happens, it is our objective to prevent it from recurring. If appropriate, every effort

will be made to resolve the situation promptly. If this is not possible, we will take further action to fully investigate and then take appropriate action.

### **Initial Report**

If an employee has a concern about work place malpractice, they should initially discuss it with their Line Manager or HR Manager. He or she will attempt to resolve the matter as promptly as is reasonably practicable.

There may be circumstances where the employee feels unable to approach their Line Manager or HR Manager and in these circumstances they can raise concerns via external helplines or directly with one of the people designated Public Interest Disclosure Act (PIDA) Officers<sup>1</sup> for this purpose. They will either deal with the matter or nominate a management representative, as appropriate.

Alternatively, employees can raise concerns through one of the following confidential helplines:

Independent 'Speak Up' Helpline - This confidential helpline is run by Expolink2, our third party providers to ensure that concerns about malpractice in the workplace are properly raised and addressed.

Employees or fixed term workers who work in an area of the Company regulated by the Financial Services Authority (F.S.A.), may also raise their concerns directly with the Director of Business Assurance, on a confidential basis, or with the F.S.A. on 020 7066 9200 or via e-mail: [whistle@fsa.gov.uk](mailto:whistle@fsa.gov.uk). Further information is available at <http://www.fsa.gov.uk/Pages/Doing/Contact/Whistle/index.shtml>

The employee may remain anonymous if they wish but he or she is encouraged to provide their name and contact details to help facilitate the effectiveness of the subsequent investigation and to keep them up to date with progress.

### **Company Action**

Following Investigation, if the concern raised is found to be valid, we may take one or more of the following steps (which is a non-exhaustive list):

Refer the matter to the Centrica Executive Committee with a view to an internal

investigation being carried out;

Refer to a technical expert;

Refer you to the grievance procedure;

Refer the matter to the Board of Directors;

Refer the matter to the appropriate external regulatory body for further investigation;

The employee will, unless exceptional circumstances do not permit, be informed of the resulting action, either directly or via Expolink. If the employee is dissatisfied with the way the disclosure has been dealt with they should raise their concern in writing to one of the PIDA Officers or by telephone to Expolink and their concerns will be investigated.

#### **External Disclosure**

If, after having followed the procedural steps set out above, the employee remains genuinely and reasonably dissatisfied with the outcome, they may raise their concern, on a confidential basis with:

- the relevant regulatory authority;
- a member of parliament; or
- a professionally qualified lawyer for the purposes of obtaining legal advice.

#### **Confidentiality**

Provided the employee raises any concerns in good faith and not out of malice or with a view to personal gain and they have reasonable grounds for believing their concerns to be true and they have complied in full with the spirit of the policy and procedural steps set out above, the following will apply:-

So far as possible the employee's identity, if known, will not be disclosed at any time by the Company unless necessary for the purposes of our investigations, to obtain legal advice, or to comply with a legal or regulatory obligation.

Whilst every effort will be taken to ensure the employee's identity is not disclosed it may become necessary to identify them or become possible for third parties to deduce your identity. For this reason no guarantee of anonymity can be given.

The Company will take all reasonable steps to ensure the employee is not subjected to any harassment, victimisation or disciplinary action as a result of raising the action.

So far as possible any supporting evidence relating to the disclosure will be kept secure at all times.

#### **Unfounded Allegations**

If an employee makes an allegation in good faith that is not confirmed by subsequent investigation no action will be taken against them. However, malicious or unfounded allegations may result in disciplinary action.

#### **Responsibility**

All those persons referred to within the scope of this policy are required to be familiar with the terms of this policy.

Individual managers are responsible for ensuring that this policy is communicated and applied within their own area. Any queries on the application or interpretation of this policy must be discussed with the HR Policy Unit prior to any action being taken.

#### **Group gifts and hospitality policy<sup>1</sup>**

##### **Introduction**

Gifts and/or hospitality are offered voluntarily and without compensation. We recognise that giving and accepting gifts can be part of building normal business relationships. In different geographical locations, this practice can vary significantly, often depending on local laws and specific customs. But some gifts and hospitality can

<sup>1</sup>Source: [http://www.centrica.com/files/pdf/businessprinciples\\_gifts\\_hospitality.pdf](http://www.centrica.com/files/pdf/businessprinciples_gifts_hospitality.pdf)

create improper influence and conflicts of interest. In some instances they can be viewed as bribes that could damage Centrica's reputation or even break the law.

### **Purpose**

The purpose of this policy is to set out the responsibilities of Group functions and business units in observing and upholding our position on the giving and acceptance of gifts and hospitality. In developing this policy reference has been made to relevant laws including the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions 1997.

### **Scope**

This policy applies to Centrica employees (staff, contract and temporary) and extends to all our majority owned business dealings and transactions in all countries in which we or our subsidiaries and associates operate.

Where we have a minority interest we will encourage the application of this policy amongst our business partners including contractors, suppliers and joint venture partners.

This policy should be implemented in conjunction with the guidance on giving and accepting gifts and hospitality within the Group Guide to Sound Business Practice. Employees should also read the Group policy on bribery and corruption.

### **Policy**

Our Group Business Principles set out our commitment to operate responsibly wherever we work in the world and to engage with our stakeholders to manage the social, environmental and ethical impact of our activities in the different markets in which we operate.

Our first principle, 'integrity in corporate conduct', states that Centrica does not engage in bribery or any form of unethical inducement or payment. All employees are required to avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Company. Employees must declare and keep a record of hospitality or gifts accepted or offered, which will be subject to managerial review. We do not make direct or indirect contributions to political parties.

### **Key policy elements**

- Any hospitality valued at more than £100 or individual gift valued at more than £50 must be approved by your line manager.
- All travel and overnight accommodation requires prior approval from your line manager. In some business units or departments, more restrictive guidelines or rules may apply.
- Employees and employees' families should refuse to accept gifts or hospitality which could influence or appear to influence decisions they make on behalf of the Company.
- The acceptance and/or offer of small gifts such as flowers, and/or casual hospitality such as business lunches, is acceptable within reasonable bounds, as long as it is a normal and appropriate expression of business courtesy.
- Employees must ensure that offering or accepting a gift or hospitality does not create or appear to create a conflict of interest for those involved.
- Employees should make management aware of all offers or acceptance of gifts or hospitality. If there is any doubt about the propriety of accepting a gift or hospitality it should be refused.
- The primary responsibility for deciding whether gifts or hospitality should be accepted lies with the employee. Employees should refer to the Group Guidance on giving and accepting gifts and hospitality.
- The offer or acceptance of all gifts or hospitality must be fully documented, approved by the relevant line manager and recorded in the Group Gift Register.

### **Responsibilities**

The Group Chief Executive is the main board director with primary responsibility for implementing this policy and for reporting annually to the Centrica Board of Directors.

The Managing Director of each business unit will establish appropriate responsibilities and procedures within their operations. If any instance of non-compliance with the stated Group policy is identified, we will take remedial steps immediately.

#### **Training and communications**

We will communicate this policy and relevant guidance to employees across the Group, through our established internal communication channels. We will also communicate this policy to our suppliers, contractors and business partners and wider stakeholders. Managers, employees and agents will receive relevant training on how to implement this policy in the scope of their employment with the Group.

#### **Raising concerns and seeking guidance**

Employees are encouraged to raise concerns about any instance of malpractice at the earliest possible stage through our confidential 'speak up' helpline. Please refer to the Group Speak Up Policy for further information.

#### **Monitoring and review**

The Centrica Executive Committee will review the implementation of this policy in respect of its suitability, adequacy and effectiveness and make improvements as appropriate. It will periodically report the results of this process to the Group Audit Committee, which will make an independent assessment of the adequacy of the policy and disclose any material non-compliance in the Annual Report to shareholders.

#### **Internal controls and audit**

Centrica will establish feedback mechanisms in order to maintain accurate records - available for inspection - which properly and fairly document all financial transactions. Internal control systems will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

## 234. American Express

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

#### INTRODUCTION

American Express Company's reputation is a priceless asset. It not only affects whether someone chooses to be our customer or do business with us, it also determines whether we are proud to be associated with this organization — how we feel about coming to work. Each of us must protect and maintain the Company's reputation by following the high standards of personal business ethics as set forth in the Code of Conduct. Adherence to the Company's Code of Conduct is a condition of your employment.

In our rapidly evolving businesses, each of us is challenged by a complex environment, which often requires a fast response under pressure. No written policy can anticipate every ethical dilemma or definitively set forth the appropriate action for all business situations. Accordingly, rather than a set of specific rules, this Code, in conjunction with our Company values, emphasizes a standard of ethical conduct that must permeate all of our business dealings and relationships. American Express relies on your good judgment in applying these standards.

Individual businesses may issue additional policies that provide more specific guidance about certain practices related to that business. Leaders must inform employees about any additional policies relevant to their particular business. You should speak with your leader for more information about any of those policies that pertain to you. You are expected to participate in all applicable training programs that are offered to help you apply the Code in your daily activities.

#### ANTI-CORRUPTION

You may not offer or accept any improper payments, gratuities or gifts to obtain or retain business or secure services anywhere in the world.

It is against Company policy to engage in any form of bribery, including the offer or acceptance of any improper payments, gratuities or gifts, to obtain or retain business or secure services anywhere in the world.

#### Improper Payments

It is the Company's policy that bribery in all forms is prohibited.

You may not offer or make any payment or other benefit, directly or through an intermediary, to any government official or official of an international organization to influence actions, inactions or decisions, or to obtain any improper advantage with respect to that intermediary or government official or to the government entities that they may influence. You may not make charitable contributions to organizations on behalf, or at the suggestion, of a government official, or to organizations with which a government official is affiliated, if that official can influence decisions concerning American Express or if the contribution is intended to enhance the Company's ability to obtain or retain business.

The law prohibits offers and payments that include a direct or indirect offer or promise to give money or anything of value to persons, public officials or political parties in order to assist the Company in securing business, services or any improper advantage. There is no exception for small amounts.

#### Expediting Payments

You may not make any expediting or facilitating payments demanded by clerical and other low-level government personnel, even if the reason for the payment is to cause the government personnel to take routine action that the Company is entitled to under applicable law.

A facilitating, or "grease," payment is a payment made to expedite or secure the performance of a routine government action in order to avoid delay or avoid a refusal by government personnel to perform their duties. Although a primary U.S. anti-corruption law has an exception that permits such payments, the payments may be considered illegal bribes in many countries (even though such bribery laws may not be enforced in every country). The Company does not permit employees to make facilitating payments. Any exceptions to this policy require the prior review and approval of both the applicable business unit's Controller and Regional Compliance Officer, and strict adherence to the Company's policies and procedures. If you believe that the Company or its employees face potential damage or harm as a result of the

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/64/64467/2007\\_AXP\\_COC.pdf](http://media.corporate-ir.net/media_files/irol/64/64467/2007_AXP_COC.pdf)

refusal by government personnel to perform assigned duties, you should immediately escalate your concern to your leader, Regional Compliance Officer, the General Counsel's Office or the business unit's Controller. In the event that facilitating payments are pre-approved and paid, the business unit's Controller must provide a quarterly written report of any such payments to the Company's Controller. These payments should be reported in accordance with the Reporting of Improper Payments Policy.

### **MONEY LAUNDERING AND TERRORIST FINANCING**

You must actively guard against the use of the Company's products and services for purposes of money laundering or for the financing of terrorism or other criminal activity.

Money laundering and terrorist financing have become the focus of considerable attention by governments, international organizations and law enforcement agencies throughout the world. Money laundering is the process by which the proceeds of criminal activity are moved through the financial system in order to hide all traces of their criminal origin. Terrorist financing, by contrast, focuses on the destination and use of funds that may come from legitimate or criminal sources, or a combination of the two.

The Company and its subsidiaries have Anti-Money Laundering Compliance Officers and programs to promote compliance with applicable money laundering and terrorist financing laws and regulations. Each business unit has adopted a specific program, including policies and procedures for record keeping, reporting of financial transactions and suspicious activity, customer identification, "Know Your Customer" or Customer Due Diligence requirements, transaction monitoring, and limitations involving the use of our products and services.

All employees must be vigilant and exercise good judgment when dealing with unusual customer transactions. You must alert your leader to any situation that seems to you to be inappropriate or suspicious. You should not let the customer know that you find the transaction suspicious, although you should ask whatever questions are necessary to better understand the customer's identity, source of funds and reasons

for the transaction. Reporting of suspicious activities according to your business unit's procedures is vital to detect and deter unlawful activity. Do not discuss your suspicions with third parties or other employees unless directed to do so by your leader after consultation with your Anti-Money Laundering Compliance Officer.

The Company also is required to take reasonable steps to choose business partners that are owned by identifiable, reputable individuals and who will not use the American Express brand, products or services to engage in activities that pose unreasonable risks to the Company. You must promptly report any concerns you have about the reputation or vigilance of business partners to your leader, Compliance Officer or the General Counsel's Office. Ignoring or turning a blind eye to concerns or suspicions in this area may expose both you and the Company to criminal liability, civil monetary fines and asset forfeiture.

### **Conflicts of Interest**

#### **Gifts and Entertainment**

You must not solicit, accept or give gifts that may influence business decisions.

You must not solicit or accept significant gifts of cash or monetary equivalents, objects of value or preferential treatment directly or indirectly from any person or enterprise that has, or is seeking, business with the Company. Doing so may influence, or appear to influence, your business judgment. Indirect gifts can include gifts to your family members or a charity you support. You may accept business-related meals, entertainment, token gifts or favors only when the value involved is not significant and clearly will not place you under any real or perceived obligation to the donor. You also must not offer excessive gifts or entertainment to others whose business the Company may be seeking. In no event should you offer or accept business meals, or attend business functions, at establishments featuring sexually suggestive entertainment.

Special rules may apply to employees involved in seeking business with, or providing services to, government entities. In addition, some of the Company's businesses are regulated by government agencies that strictly limit their employees' ability to give or accept gifts. Contact your business unit's Compliance Officer or the General Counsel's

Office for specific information and guidance on these rules. In some countries, it is traditional to present gifts to business associates or customers as a demonstration of courtesy or appreciation. Gifts to nongovernment officials may be given in locations where such gift giving is customary, widely accepted and consistent with the laws or regulations applicable to the giver or recipient. The value of such gifts must be reasonable and properly reported.

### **COMPLIANCE WITH THE CODE**

You must read, understand and comply with the Code. If you have any questions, you are responsible for asking your leader for clarification.

If you believe that you may have violated the Code or any applicable law or regulation, you must report your concerns so that the Company can take appropriate action. The fact that you have reported your concerns will be given consideration in determining any appropriate disciplinary action. In many cases, a prompt report of a violation can substantially reduce any adverse consequences to you, to the Company or to third parties.

If you have reason to believe an employee or a person performing services for the Company, at any level of seniority, may have violated the Code or any law or regulation applicable to the Company's businesses, you have a duty to report that violation so that the Company can take steps to rectify the problem and prevent a recurrence.

You should report actual or suspected violations to one of the contacts set out in "Where to Go for Help" on p. 31. Such reports will be treated confidentially to the extent possible. No one who suspects a violation and reports it in good faith will be subject to retaliation for making such a report. The Company's policy, entitled Handling Whistleblower Claims, describes actions the Company takes to make sure that employees who report Code violations are treated fairly.

### **Disciplinary Action**

If you fail to comply with the Code or any applicable law or regulation, you will be subject to disciplinary action that may include termination.

Disciplinary measures will depend on the circumstances of the violation and will be applied in a manner consistent with the Company's policies and applicable laws. Consideration will be given to whether or not a violation was intentional, as well as to the level of good faith shown by an employee in reporting the violation or in cooperating with any resulting investigation or plan of remediation.

Disciplinary action will be taken against any employee who:

- authorizes, directs, approves or participates in violations of the Code of Conduct or applicable law or regulations;
- deliberately fails to report, or conceals, violations of the Code or applicable law or regulation, or deliberately withholds or misstates relevant information concerning a violation of the Code;
- retaliates, directly or indirectly, against any other employee because of a report by that employee of a suspected violation of the Code or applicable law or regulations;
- is a leader and who, under the circumstances, should have known about a violation by people under his or her supervision, or who did not act promptly to report and correct a violation; and
- encourages others to do any of the above.

In addition, persons who violate the law during the course of their employment may be subject to criminal or civil penalties, as well as payment of civil damages to the Company or third parties.

### **Office of the Ombudsperson**

If you prefer, you can speak informally and confidentially with the Office of the Ombudsperson:

1-800-297-1010 U.S. and Canada  
E-mail: amexombud@aol.com

For more information about the Office of the Ombudsperson, go to AmexWeb at [www.aexp.com/ombudsperson](http://www.aexp.com/ombudsperson).

Reports of violations of the Code will be treated confidentially, to the extent possible. No one who suspects a violation and reports it, in good faith, will be subject to retaliation for making such a report.

## 235. CVRD

Sustainability Report 2007<sup>1</sup>

### Governance, Ethics and Transparency

#### Code of Ethical Conduct

Our Code of Ethical Conduct restates our commitment to responsible action. This code is available at [www.vale.com](http://www.vale.com).

The Code of Ethical Conduct establishes good governance and corporate social responsibility as essential principles for valuing employees, preserving the environment and contributing to development of the communities in which Vale operates. According to this code, all employees – from the Board of Directors, Advisory Committees and the Fiscal Council to Officers, Operational staff, including those of our subsidiaries, and interns, must act with responsibility, honesty, trust, respect, and loyalty, obeying all laws and regulations in effect.

The Code also establishes a set of 11 desirable behaviors, which promote a positive and responsible professional attitude among employees and leaders. The Code further identifies nine intolerable actions related to discrimination, harassment, corruption, personal illicit benefits and administrative fraud.

To protect the company's strategic interests, we also created a Code of Ethical Conduct specific to professionals in the Executive Financial Department, who work with classified information and data. This document is also available at [www.vale.com](http://www.vale.com).

In cases where there is a clear violation of established guidelines, transgressors are subject to penalties ranging from warnings and temporary suspension to dismissal.

#### Corporate risks

Vale's risk management system also includes a Corporate Security Policy, in addition to the Code of Ethical Conduct and the Reporting Channel. In 2007, our Corporate Security area in Brazil added a new management area in its structure to improve the prevention of fraud and corruption.

Efforts in this area include the development of an intelligence system that will allow the strict management of data and information for the monitoring and evaluation of suppliers. In association with our fraud detection system, the evaluation of suppliers' operations to detect corruption and ethical violation will help with decision making.

Code of Ethical Conduct<sup>2</sup>

#### ETHICAL CONDUCT RULES

##### **2. The following conducts are intolerable and subject to disciplinary penalties:**

*2.6. Accepting presents, except when these can clearly be identified as gifts with no significant commercial value;*

*2.7. Offering payment or any other sort of personal benefit to any authority or server from the public administration, directly or indirectly, whether Federal, State or Municipal, in exchange for advantages, other than sending invitations for visits to the company's facilities and surrounding communities, events, congresses, seminars or events sponsored by the company or that Vale may participate in directly or indirectly, as well as offering clearly identified gifts and presents with no significant commercial values;*

<sup>1</sup>Source: [http://www.vale.com/vale\\_us/media/sustainability\\_report\\_-\\_complete\\_version.pdf](http://www.vale.com/vale_us/media/sustainability_report_-_complete_version.pdf)

<sup>2</sup>Source: [http://www.vale.com/vale/media/Codigo\\_de\\_Conduita\\_Etica.pdf](http://www.vale.com/vale/media/Codigo_de_Conduita_Etica.pdf)

## **GENERAL PROVISIONS**

*Knowledge of conducts that violate this code must be immediately communicated to the Chairman of the Board of Directors or to the delegate Ombudsman, according to procedures established by the Audit Committee, accompanied by elements that allow their assessment. The procedures aimed at safeguarding the rights of the denouncer and the denounced will be observed, always respecting the local legislation.*

*Violations to the provisions set forth in this Code and to the company's rules and disciplinary guidelines, subject the violators to disciplinary guidelines, subject the violators to disciplinary penalties, which include advertence, suspension or dismissal. When applying the disciplinary penalties, the nature and severity of the infraction will be considered, always observing the company's human resources rules and applicable legislation.*

*Doubts or issues concerning the interpretation, scope or procedures regarding any issue concerning this Code, must be appreciated by the General Ombudsman, General Legal Consultant or Internal Auditor, which together will deliberate about the approach to be adopted.*

*The Executive Board is responsible for overseeing that this Code is followed, as well as proposing recommendations to the Board of Directors for its improvement, targeting its permanent updating.*

## 236. Sumitomo

Sustainability Report 2008<sup>1</sup>

### Acting Responsibly in Business – CSR Management

#### Compliance

Positioning legal and regulatory compliance as a basic premise for all corporate activity, Sumitomo Corporation is building a compliance structure in accordance with clearly defined policies. In maintaining strict adherence to this compliance structure, we are ensuring our existence as a going concern and securing our credibility and status.

#### Policies and the Reporting Structure of Corporate Compliance

To promote compliance, Sumitomo Corporation established the Compliance Committee in November 2000 under the direct supervision of the President and CEO. Among its various duties, the Compliance Committee is responsible for the Company's Compliance Manual, first issued in April 2001 and revised in December 2003 and July 2005 and distributing it to all officers and employees. The Compliance Manual covers the following 19 Guiding Principles to ensure the Company's bottom line: "If there is even a trace of doubt, don't do it." It is our policy that employees should never risk transgression in pursuit of profit for the Company. If a potential compliance problem is detected, we continuously encourage our employees to report it to their supervisors or the relevant departments immediately, so that the best countermeasures can be implemented swiftly.

Guiding Principles	
<b>I. Business Activities</b>	
<ul style="list-style-type: none"> <li>● Observing Antimonopoly Laws</li> <li>● Security Trade Control</li> <li>● Customs/Controlled Items</li> <li>● Compliance with Applicable Laws</li> <li>● Respecting and Protecting Intellectual Property Rights</li> </ul>	<ul style="list-style-type: none"> <li>● Prohibition of Unfair Competition</li> <li>● Information Management</li> <li>● Preservation of the Environment</li> <li>● Overseas Business Activities</li> </ul>
<b>II. Corporate Citizen as a Member of Society</b>	
<ul style="list-style-type: none"> <li>● Prohibition on Giving Bribes</li> <li>● Prevention of Unlawful Payments to Foreign Governmental Officials</li> </ul>	<ul style="list-style-type: none"> <li>● Political Contributions</li> <li>● Confrontation with Antisocial Forces</li> </ul>
<b>III. Maintenance of a Good Working Environment</b>	
<ul style="list-style-type: none"> <li>● Respect for Human Rights*</li> <li>● Prohibition of Sexual Harassment</li> </ul>	<ul style="list-style-type: none"> <li>● Prohibition on Abuse of Authority</li> </ul>
<b>IV. Personal Interest</b>	
<ul style="list-style-type: none"> <li>● Insider Trading</li> <li>● Conflict of Interest</li> </ul>	<ul style="list-style-type: none"> <li>● Proper Use of Information Systems</li> </ul>

<sup>1</sup>Source: <http://www.sumitomocorp.co.jp/english/society/doc/env2008e.pdf>

## Compliance Training and Education

Employees have access to the latest version of the Compliance Manual and other manuals detailing applicable laws and regulations on the Company's intranet. We also offer various training programs and educational activities on compliance, including: programs for specific groups, such as new employees, managers and corporate officers; seminars provided by each Business Unit; seminars targeted at all officers and employees; and seminars for overseas offices and Group companies. We also make use of various domestic and overseas conferences for compliance education. In fiscal 2007, 93 seminars and conferences on compliance were held for members of the Company and Group companies that approximately 5,400 people attended. In addition, in the fiscal years 2006 and 2007, Sumitomo Corporation held four e-learning compliance seminars which were open to employees from all levels.

## Speak-Up System

The "Speak-Up System" was established at the same time as the Compliance Committee. If an employee becomes aware of a possible compliance problem, he or she can pass the information along the chain of command. In addition, the Speak-Up System allows an individual to report a potential problem directly to the Compliance Committee. Outside legal counsel and our Corporate Auditors were included as additional points of contact within the Speak-Up System in August 2003. Although, in principle, reporting individuals are asked to identify themselves so that they may be updated on the outcome of their cases, Company rules state that both the identity of such individuals and the nature of the information provided are kept confidential, and that no negative repercussions will redound on the reporting employees due to such reporting. The Compliance Committee is responsible for handling all the information it receives in an appropriate manner. As of March 2008, similar systems have been implemented at approximately 130 domestic affiliates.

<sup>1</sup>Source: <http://www.sumitomocorp.co.jp/english/society/doc/env2008e.pdf>

## 237. Northrop Grumman

Corporate Social Responsibility Report – EXECUTIVE SUMMARY 2007<sup>1</sup>

### SUPPLY CHAIN Management

#### ETHICS

Each year, we send a letter to every supplier outlining Northrop Grumman's ethics policies and code of conduct. In 2007, we sent 26,298 such letters (25,192 in 2006). We will continue to issue these letters electronically to the supplier base and communicate the theme of ethical behavior throughout the year. We also plan to reiterate this theme through process controls built into

our supply chain bidding, Request for Information (RFI) response schedules, and overall technical and financial evaluation processes.

Our procurement processes segregate technical bidders' data from financial data in order to ensure adequate evaluation processes. Internally, Northrop Grumman procurement employees are required to annually review the procurement integrity policy and sign a certification specifying that they will never accept supplier gifts, bribes or kickbacks. Northrop Grumman employees are also required to identify any conflicts of interest with current and potential suppliers. Additionally, Northrop Grumman procurement employees perform due diligence in assessing whether suppliers have been debarred or suspended in any way, and whether suppliers have any ties to terrorist organizations or governments plotting against the United States of America.

#### OUR ETHICS AND GOVERNANCE

#### STANDARDS OF BUSINESS CONDUCT

In 1986, Northrop Grumman was an original signatory to the "Defense Industry Initiative on Business Ethics" and first published its own "Standards of Business Conduct" based on that template. Every Northrop Grumman employee receives a

copy of the "Standards of Business Conduct."

The principles outlined provide a foundation for operating each day with the highest ethical standards. These "Standards of Business Conduct" apply to everyone within the company, regardless of position or level of responsibility, and they extend to all non-employees who act on behalf of Northrop Grumman in any capacity. In short, our belief is that each person is responsible for his or her individual integrity and the consequences of all actions.

All employees receive ongoing ethics awareness training. Additionally, employees receive compliance training on selected topics through interactive video, live presentations and printed publications. Northrop Grumman also communicates the ethics message through corporate and sector websites, presentations, and lesson-plan kits for managers on shared values, newsletters and the integration of ethics into leadership training.

#### CORPORATE GOVERNANCE IN 2007 – Our Major Areas of Concentration

##### OPENLINE - 1-800-247-4952

The Corporate Office of Ethics and Business Conduct maintains a nationwide, toll-free phone number for anyone seeking guidance on ethics or business conduct, and for reporting suspected violations. The department also maintains an online reporting system in addition to the toll-free number.

In 2007, improvements were made to the OpenLine process, including the creation of a company-wide case tracking system. This system allows the company to track OpenLine calls by total number and type of contacts, by sector, by allegations with and without merit, and by disciplinary action rendered.

##### SPREADING THE WORD

In 2007, the company began publishing OpenLine results each quarter. The company continues to emphasize the ethics message in two brochures distributed to all employees: Vision, Values and Behaviors and When to Challenge, When to Support. Employees receive both brochures from their managers, who also receive a

<sup>1</sup>Source: <http://www.northropgrumman.com/corporate-responsibility/pdf/2007-corporate-social-responsibility-report.pdf>

supporting lesson plan. This booklet shows managers how to create an ethical and vibrant work climate by building trust. In addition, all employees receive regular ongoing communication from managers, company leaders and the Executive Office including an annual email message from the CEO.

### **ETHICAL LEADERSHIP**

To ensure that a strong ethical culture continues to thrive throughout the organization, a key segment of the company's management development program, Lead1NG, is devoted to ethics. In these training programs leaders learn how to maintain and reinvigorate sound ethical behavior among their employees.

### **EMPLOYEE ENGAGEMENT**

The ethics organization conducted its first company-wide poster contest that engaged employees in a "Set the Tone for Integrity" theme for 2008. The winners were announced during ethics awareness week with the winning posters incorporated into the 2008 ethics calendar.

### **ETHICS AND COMPLIANCE INVESTIGATIONS**

In 2007, Northrop Grumman investigated 509 cases of alleged internal governance malfeasance. In these investigations, the company took various disciplinary actions, up to and including termination of 36 employees for ethics and business conduct violations. These results only reflect cases addressed through the OpenLine process.

### **LOOKING FORWARD: 2008 FOCUS**

1. Increase awareness of OpenLine and online reporting that provides 24-hour coverage with a third-party call center open every day of the year. Continually emphasize the Northrop Grumman non-retaliation policy.
2. Deploy ethics awareness training across the corporation to include modules on compliance risk areas.
3. Conduct a follow-up Defense Industry Benchmarking survey and communicate results.

4. Publish a new quarterly ethics newsletter for all employees.
5. Conduct new ongoing training for all frontline supervisors.

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

#### **RELATIONSHIPS**

##### **1) With Customers:**

We expect our customers, both government and commercial, to select our products because of quality, service and price. We conduct our business in an open and above-board manner and we do not seek any improper influence. Our policies, procedures and practices are designed to prevent even the appearance of such influence.

All products must be exactly as specified by the customer in the contract and all testing and quality assurance steps must be followed. Any change to a contract must have the prior written approval of the contracts organization and an authorized customer representative.

The nature of our business requires that we be especially attentive to the strict standards that government agencies have established for their employees. As a general rule, business courtesies such as gifts, entertainment, services or favors should not be offered to any actual or potential government customer

or representative. When dealing with non-government personnel in connection with government contract or subcontract activities, similar restrictions apply.

It is a crime to offer or give anything to a government employee because of an official act performed or to be performed. Also, offering, providing, soliciting or accepting anything of value to or from anyone in return for favorable consideration on a government contract or subcontract is called a kickback and is a crime.

<sup>1</sup>Source: [http://www.northropgrumman.com/corporate-responsibility/ethics/noc\\_standards\\_conduct.pdf](http://www.northropgrumman.com/corporate-responsibility/ethics/noc_standards_conduct.pdf)

Finally, business courtesies offered to commercial, nongovernment customers must demonstrate good business judgment and be reasonable (for example not frequent or lavish), legal and offered in a manner that could not hurt Northrop Grumman's reputation for impartiality and fair dealing.

2) With Suppliers:

Helpful, friendly, professional relationships are essential to any business. While cultivating such relationships with our suppliers, we must also maintain an honest, objective and efficient procurement process. The purchase of materials and services must be in accordance with Northrop Grumman procurement policies and procedures.

Northrop Grumman employees and members of their immediate families may not solicit or accept gifts, payment or gratuities from our suppliers. (Promotional items of nominal value may be accepted.) Any financial interests in a Northrop Grumman supplier or someone seeking to become a supplier must be reported to the company.

Northrop Grumman policies in this area go beyond the law prohibiting kickbacks. We must avoid even the appearance of improper conduct in all our business dealings. Exceptions to these standards are not allowed unless specifically provided for in the company's written procedures.

## **RESPONSIBILITY AND CONSEQUENCES**

1) Responsibility:

In addition to the Chief Executive Officer, the Chief Financial Officer and all other managers and employees, the Northrop Grumman Values and Standards of Business Conduct apply to members of the Board of Directors, consultants, agents, contract labor (job shoppers) and anyone who represents the company in any capacity. It is the responsibility of all of these parties to comply with the standards, to seek advice and guidance when questions arise and to report violations of the Standards of Business Conduct of which they have knowledge. Employees are encouraged to raise such issues with their manager first. In the

event that is not possible, contact the local Business Conduct Officer, legal counsel, human resources or the Corporate or sector OpenLine. The company will treat such reports as confidential. You may make an anonymous report if you desire. In any case, company policy prohibits direct or indirect retaliation on anyone reporting a violation of the Standards of Business Conduct.

2) Consequences:

Employees who violate company standards of conduct, especially those relating to our relationships with the U.S. Government but also those related to commercial customers, will be subject to disciplinary action up to and including termination of employment. Violations may also result in civil or criminal penalties.

An employee who witnesses such a violation and fails to report it may be subject to discipline. Also, a supervisor or manager may be subject to discipline to the extent that the violation reflects inadequate supervision or lack of diligence.

### **OPENLINE**

Open communication is especially important when our integrity as a company is compromised. Contact the OpenLine to raise concerns about:

- Time reporting (intentionally falsifying or misstating time)
- Mischarging (unallowable or shifting costs)
- Misuse of company resources/ information
- Accounting issues
- Conflicts of interest (organizational, financial, personal)
- Customers or suppliers
- Quality/manufacturing
- Other ethical violations
- Export/import control compliance issues

Northrop Grumman OpenLine:  
800.247.4952 (toll-free)

Web Reporting  
<https://www.compliance-helpline.com/nothgrum.jsp>

Northrop Grumman European OpenLine:  
0041 1 319 9251

The Sarbanes-Oxley Act of 2002 requires the Audit Committee of the Board of Directors to establish procedures to receive employees' confidential or anonymous concerns regarding questionable accounting or auditing matters.

## **INTERNATIONAL**

### **Foreign Corrupt Practices Act:**

FCPA, as it is known, is intended to prevent bribery of foreign officials by representatives of U.S. companies for the purpose of securing an improper business advantage. It prohibits the payment or offering of anything of value directly or indirectly to a foreign government official, political party, party official or candidate for the purpose of influencing an official act of the person or the government in order to obtain such an advantage.

## **SOME ADDITIONAL LAWS AND REGULATIONS**

### **Anti-Kickback Act of 1986:**

Directly or indirectly offering, providing, soliciting or accepting anything of value in return for favorable treatment in connection with a government contract or subcontract is a violation of company policy and federal law that may result in company discipline as well as severe civil or criminal penalties.

## 238. Danske Bank Group

### Responsibility – Policies<sup>1</sup>

#### Code of Conduct

The Group's approach to corruption can be summed up in the following three guiding principles of our code of conduct on corruption:

- The Danske Bank Group and its employees do not accept or solicit bribes in any form
- The Danske Bank Group strongly discourages facilitation payments
- The Group's employees do not give or receive gifts above token value

Even with these guiding principles, the line between right and wrong can sometimes be difficult to draw, considering the variations in local culture and habits. The Group therefore encourages employees, if they are in doubt about this matter, to refer their concerns to the Compliance department.

### Summary of Danske Bank's global policy to prevent money laundering and financing of terrorism<sup>2</sup>

It is the global policy of Danske Bank – including all branches and subsidiaries, domestic as well as foreign – to take all necessary steps to comply with the rules regarding money laundering and combating the financing of terrorism. The global policy includes establishing adequate procedures of customer due diligence, reporting, record keeping, internal control, risk management and communication in order to forestall and prevent operations related to money laundering or financing of terrorism. In addition, the Bank's branches and subsidiaries that are located abroad are required to comply with the applicable money laundering and anti-terrorism legislation in the country in question.

Concerning relationships with correspondent banks and other financial institutions, the Bank has set up special international guidelines covering the entire Danske Bank Group.

<sup>1</sup>Source: [http://www.danskebank.com/en-uk/CSR/policies/Pages/Code\\_of\\_conduct.aspx](http://www.danskebank.com/en-uk/CSR/policies/Pages/Code_of_conduct.aspx)

<sup>2</sup>Source: [http://www.danskebank.com/en-uk/ProdServ/Institutional/financial-institutions/Documents/db\\_aml\\_policy.pdf](http://www.danskebank.com/en-uk/ProdServ/Institutional/financial-institutions/Documents/db_aml_policy.pdf)

## 240. Hess

### 2007 CORPORATE SUSTAINABILITY REPORT<sup>1</sup>

#### HOW WE OPERATE

We must create value and consistently achieve outstanding results in our business and also excel in other critical areas including personal and business ethics.

The company monitors compliance with the law and its own policies and has established both telephone and internet e-mail hotline services to facilitate reporting of potential noncompliance. All reports of suspected violations, whether made anonymously or otherwise, are treated confidentially and are investigated promptly, thoroughly and fairly. In 2007, there were 103 calls received on the hotline, 25 of which were substantiated and resulted in follow up action including six employee dismissals. Reports are made periodically to the Audit Committee of the Board of Directors.

We conduct regular mandatory training and evaluate salaried employees on ethical guidelines using a computer based Ethics Awareness Training course. No action is taken against an employee for making a complaint or reporting, in good faith, known or suspected violations of company policy. Intimidation or retaliation against anyone making such reports is not tolerated and any employee, officer or director who retaliates against another employee, officer or director will be in violation of company policy and subject to disciplinary action.

### CODE OF BUSINESS CONDUCT AND ETHICS<sup>2</sup>

#### BUSINESS ETHICS

#### FOREIGN CORRUPT PRACTICES ACT

The United States and other countries in which the Company or its subsidiaries operate have laws restricting or prohibiting the providing of gifts to government

officials. Company representatives may not offer anything of value to a government official for the purpose of influencing the recipient to take or refrain from taking any official action or to induce the recipient to conduct business with the Company.

In addition, the Foreign Corrupt Practices Act (FCPA) prohibits the payment of, or offer to pay, anything of value, directly or indirectly, to any foreign official, foreign political party or foreign political candidate, if the purpose of the payment is to cause the recipient to act, or refrain from acting, so as to assist a company in obtaining or retaining business or in directing business to any particular person. Payment made indirectly (through a consultant, contractor or other intermediary) is also prohibited.

Representatives of the Company are not permitted to offer gifts of other than minimal value or to provide travel or entertainment to any government employee without the prior written approval of the Executive Vice President and General Counsel or Vice President Audit & Compliance.

The FCPA does provide for an exception for facilitation payments, if they are legal and customary in the local country. It is the policy of the Company that these payments be avoided whenever possible. If such payments are necessary, they must be approved in advance by the Executive Vice President and General Counsel or Vice President Audit & Compliance.

The FCPA applies to all U.S. companies, foreign companies subject to the jurisdiction of the U.S. Securities and Exchange Commission, and all persons subject to U.S. jurisdiction. Penalties under the FCPA include fines and prison terms. Individuals should consult Executive Directive 26 for additional information.

#### ENTERTAINMENT AND GIFTS

Company representatives may not accept cash or anything of more than token value (including entertainment) from any concern that does, or is seeking to do, business with, or is a competitor of, the Company. Likewise, bribes, kickbacks or other similar gifts or payment to or from an individual or company are prohibited. Furthermore, no Company representative should ever accept a gift where it could appear that the representative's business judgment has been compromised. If you have any questions about the appropriateness of accepting a gift please consult the Legal Department.

<sup>1</sup>Source: <http://www.hess.com/downloads/reports/EHS/US/2007/2007.pdf>

<sup>2</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/10/101801/corpgov/2007\\_CODEOFCONDUCT.pdf](http://media.corporate-ir.net/media_files/irol/10/101801/corpgov/2007_CODEOFCONDUCT.pdf)

With respect to giving gifts, Company representatives may not give a gift if it could be seen as consideration for an official or business favor. Appropriate entertainment may be offered by persons authorized to do so. As discussed in more detail below, particular care should be taken when the proposed recipient of entertainment or gifts is a government official since entertainment of, or even token gifts to, such officials are prohibited in many jurisdictions.

#### **COMPLIANCE PROGRAM**

##### **DISCIPLINE AND PENALTIES**

In order to maintain compliance with the law and preserve its reputation, the Company will treat seriously any violation of law or failure to adhere to the principles set forth in this Code. In appropriate circumstances, suspension or dismissal may result.

Violations of law can result in criminal or civil penalties against the Company and the employee, including substantial fines and prison terms.

##### **REPORTING SUSPECTED VIOLATIONS**

The Company monitors compliance with the law and its policies. Representatives of the Company are encouraged to speak to supervisors, managers or other appropriate Company officials when in doubt about the best course of action in a particular situation. In addition, employees, officers and directors have an obligation to notify their supervisors, the Legal Department or other appropriate Company officials of suspected violations of law or failures to adhere to the principles set forth in this Code. Failure to notify can itself be grounds for discipline. The Company has established two additional channels for reporting violations, which may be done anonymously.

The Vice President Audit & Compliance is responsible for monitoring and investigating suspected violations.

- Call the Company's reporting hotline at 1-800-353-2790 and a representative from Global Compliance Services will take your call.
- File a report anonymously by e-mail by using the following secure website:

<https://www.compliance-helpline.com/hesshotline>.

If your concern is regarding employee benefits, salary administration or leave of absence issues, please call the HR Service Center at 1-877-511-4377.

If your concern is regarding customer service at a retail gas station please call 1-800-437-7645.

##### **NO RETALIATION**

Reporting known or suspected violations of the Company's legal or ethical obligations is the responsibility of each employee, officer and director.

Employees, officers and directors must never be discouraged from reporting violations. In no event will any action be taken against the Company representative for making a complaint or reporting, in good faith, known or suspected violations of Company policy. Such representative of the Company will not lose his or her job for refusing an order he or she reasonably believes would violate the provisions of this Code. All reports of suspected violations of law or failures to comply with the principles set forth in this document or any other Company Statement or Policy, whether made anonymously or otherwise, will be treated confidentially and will be investigated promptly, thoroughly and fairly. Intimidation or retaliation against anyone making such reports will not be tolerated and any employee, officer and director who retaliates against another employee, officer or director will be in violation of Company policy and subject to disciplinary action including dismissal.

## 241. Wolseley

### Corporate responsibility<sup>1</sup>

#### Responsible Business

We are committed to working within the laws and regulations of all jurisdictions in which we operate and to comply with our Code of Ethics. We will encourage our suppliers to meet similar standards.

The Group's Code of Ethics sets out a number of fundamental principles which all Group companies and employees are required to follow. The Code covers many areas including fair competition, compliance with laws, including antitrust laws, and maintenance of the Group's reputation for integrity, including a prohibition on bribery and general principles for dealing with suppliers and authorities. The Code can be viewed on the Company's website at [www.wolseley.com](http://www.wolseley.com) or a printed copy is available from the Company Secretary.

Our subsidiary businesses are required to adopt their own codes which respect local cultures and practices but which also set clear standards which are no less exacting than those detailed in the Group Code. These individual codes are appropriate to the scope of the local operation. All new companies joining the Group are required to adopt codes of ethics on the same basis as existing businesses.

Over the coming financial year, we intend to develop two new initiatives, which will strengthen our standards and demonstrate our commitment to sustaining our ethical business practices:

- we will begin the process of seeking assurances from our suppliers regarding a number of social measures, including in relation to labour standards; and
- we will develop an anti-fraud and corruption prevention programme which will reinforce the standards we expect from our employees and suppliers. We will also provide further training for our employees to minimise the risks associated with working in an increasingly competitive environment.

We will report on the progress of these initiatives in 2009.

### Investor Relations – Our Governance and Ethics<sup>2</sup>

#### Code of Ethics

**Policy 2 – All employees and other personnel must observe the laws and regulations of each country in which they operate.**

The laws and regulations that apply to Wolseley's business are numerous and often quite complex. If there is any doubt guidance should be sought from management or the legal counsel of the relevant business. Employees and contractors should bring to the attention of management any request, which is considered illegal or in violation of Wolseley policy or may otherwise consult the Group Company Secretary of Wolseley plc on a confidential basis. Wolseley's policy prohibits retaliation against those providing information or raising questions in good faith about possible violations of the law or stated corporate policy.

Employees who are involved in the preparation of any information that will be included in any public communication to shareholders or investors or in any document or report that will be filed with the US Securities and Exchange Commission, the New York or London Stock Exchanges or the UK Listing Authority must ensure that such information is full, fair, timely and understandable.

**Policy 3 – Wolseley does not permit the bribery in any form of any person involved in the group's business.**

Wolseley companies are required to pursue policies which exclude corrupt practices related to the giving or receiving of gifts or benefits and to prohibit the use of the group's funds and assets for illegal or improper purposes. Any gifts regarded as essential for the conduct of the business must be of a modest or token amount.

Gifts should be recorded in the records of each company in accordance with local practice. Each company's standards should be such that neither the group's overall integrity nor its local reputation would be damaged if details of the business practice in question became a matter of public disclosure.

<sup>1</sup>Source: [http://www.wolseley.com/CorporateResponsibility/Documents/Wolseley\\_Corporate\\_Responsibility\\_2008.pdf](http://www.wolseley.com/CorporateResponsibility/Documents/Wolseley_Corporate_Responsibility_2008.pdf)

<sup>2</sup>Source: <http://www.wolseley.com/InvestorRelations/Ourgovernanceandethics/CodeofEthics/default.asp>

Company contributions to political parties or their affiliates and politicians (whether elected or candidates) are forbidden whether in cash or in kind. Contributions to trade associations and policy institutions or organisations that may seek to influence debate on issues affecting the group may be made if approved by local management. All such contributions must be properly recorded. The board or operating committee of the relevant operating company must approve a policy relating to such payments before they are made. The board minutes must identify the proposed recipient, the issue in connection with which the contribution is being authorised, any relevant legal provision which regulates the making of the payment, confirm that the contribution will be recorded in the company's accounting records and that the Group Company Secretary will be notified of the details.

Group companies should be aware that, in the UK, new legislation has come into effect that prohibits companies incurring political expenditure or making political donations to European Union parties and organisations without shareholder approval. The legislation is so widely drawn that it includes payments that would not normally be considered to be party political contributions in the ordinary sense. On a protective basis, Wolseley plc sought shareholders' approval to the group incurring EU political donations or expenditure of up to a maximum of £125,000 in the year commencing 13 December 2002\* to avoid the directors of Wolseley plc being held personally liable to repay any such expenditure that exceeds such limit. As part of this process the board of Wolseley plc publicly confirmed to shareholders that the group will not make any donation to a political party or organisation as such donations would be understood in the common sense.

In the USA, laws allow political action committees to be established which enable employees' own contributions to candidates, politicians in office and/or political parties to be made on a pooled basis. As such committees do not involve company contributions the group policy does not prevent their establishment.

**Policy 9 – Each group company should have a policy with regard to entertaining and gifts.**

Subject to the consent of the employee's manager and to any other restrictions imposed by the employing company's own policy, an employee or other personnel

may, at the company's expense, entertain people doing business or desiring to do business with the group. The frequency and amount of these items should be modest. Employees and other personnel may accept occasional lunch, dinner and other invitations from suppliers.

It is recognised that the giving and receiving of business gifts is an integral part of the way in which some businesses operate. The giving or receiving of business gifts should, therefore, remain appropriate to the business and should be modest. The receipt or giving of modest gifts may be expensed in the normal way if paid for by a group company. The giving or receipt of more lavish gifts must be approved by the person's manager. The manager should ensure that an appropriate record is maintained. In cultures where the refusal of an expensive gift would give offence, such gifts may be accepted on the basis that they will become the local company's property, unless the managing director of the local company otherwise determines.

**General**

It is accepted that many business decisions may involve ethical dilemmas. In these and any other cases where any person is uncertain as to the correct course of action the issue should be raised with the line manager in the first instance.

The Wolseley Group and all of its personnel will respect the law in all countries and communities in which it operates. Any conflict between Wolseley policy or procedure and the laws of any country in which any Wolseley company operates or any conflict between the laws of places in which any such company operates should be referred to the Group Company Secretary.

Any breach of this Group Code of Ethics or of any individual code in place from time to time will usually be considered to be a disciplinary matter.

## 243. KDDI

Annual Report 2008<sup>1</sup>

### Corporate Governance

#### Concept of Compliance

KDDI is improving and reinforcing its compliance structures, based on its belief that compliance with the law—including strict observance of the privacy of communications established in the Constitution of Japan—is fundamental to business operations. In conjunction with these efforts, the company is working to improve awareness of compliance to ensure that all employees maintain a high sense of ethics at all times and execute their duties appropriately. To this end, KDDI codified its business ethics in January 2003, establishing basic principles for executives and employees to follow in the course of day-to-day business.

#### Compliance Promotion System

KDDI has also put in place a KDDI Group Business Ethics Committee to deliberate and make decisions on compliance related items. The committee formulates policies for educational activities, and, in the event that a violation of compliance occurs, it deals with the situation, discloses information outside of the Company, and deliberates on measures to prevent recurrence. The status of the committee's activities is made available to all employees via the intranet.

#### Compliance Education and Training

In addition to the existing management training and companywide e-learning, since December 2007, KDDI has also been implementing quarterly compliance-related training at group training sessions for general employees.

(Key training accomplishments: Training for 300 general employees; e-learning for approximately 11,000 employees; management/line manager training for 900 employees)

### Business Ethics Help Line

KDDI established the Business Ethics Help Line to serve as a contact point for all employees with questions or concerns about business ethics and legal compliance. By establishing a contact point in collaboration with external experts, the Company is creating an environment where it is easy for employees to report concerns. The Company has also established internal regulations in response to the enforcement of Japanese legislation designed to protect public informants, and actively conducts educational activities on this topic.

### Compliance Structure of KDDI Group Companies

KDDI has also codified its business ethics for Group companies, and has established company-based Business Ethics Committees and Business Ethics Help Lines. The Business Ethics Committees convene semi-annually to ascertain the situation at each company and support the establishment and reinforcement of compliance structures.

<sup>1</sup>Source: [http://www.kddi.com/english/corporate/ir/library/annual\\_report/pdf/kddi\\_ar2008\\_e.pdf](http://www.kddi.com/english/corporate/ir/library/annual_report/pdf/kddi_ar2008_e.pdf)

## 244. GMAC

### GMAC Code of Conduct and Ethics<sup>1</sup>

#### Introduction

#### Raising an Integrity or Compliance Concern and Seeking Guidance

If you are unsure about the proper course of action or how the Code applies in a particular situation, seek direction. You may contact:

- Your immediate supervisor or local leadership
- Your next level of leadership
- Your Human Resources contact
- Your GMAC Legal Staff contact
- The Chief Compliance Officer
- The General Auditor
- The Chair of the GMAC Audit Committee

In most countries, you may also anonymously report an integrity or compliance concern by calling the GMAC Ethics Hotline. The GMAC Ethics Hotline is managed by an outside party. Its purpose is to facilitate reporting of possible illegal, unethical, or improper conduct. It is available 24 hours a day to everyone to whom this Code applies. The phone number for the U.S. and Canada is 800-971-6037. You may also file reports via a secure web page or by e-mail. Go to [www.tnvinc.com/webreport](http://www.tnvinc.com/webreport) or to GMAC Exchange under Human Resources, Global Security for more information. In addition, you may also report integrity issues to GMAC Global Security electronically. This electronic reporting is not anonymous.

GMAC requires employees to report compliance concerns and prohibits retaliation against anyone who honestly raises such a concern. GMAC will take appropriate action against anyone who engages in retaliatory conduct.

#### Accountability for Violations

Employees who violate this Code are subject to disciplinary action that, in the judgment of management, is appropriate to the nature of the violation, which may include termination of employment. Employees may also be subject to civil and criminal penalties if the law has been violated.

This Code of Conduct and Ethics is not a contract of employment for a definite term or a guarantee of continued employment.

#### Integrity in the Marketplace

##### Gifts – Receiving Gifts

GMAC must make business decisions based solely on business criteria, such as price, quality, and expected return. We must avoid doing anything that suggests our business decisions may be influenced by any irrelevant consideration, whether illegal (such as a kickback or bribe) or improper (such as personal friendship, gifts, or entertainment).

As a general rule, accept no gifts from anyone who may seek to influence GMAC's business decisions, such as customers, service providers, and other suppliers. This general rule is subject to several exceptions.

You may be a guest of an outside party at a meal, reception, or entertainment event if the value of the meal, reception, or entertainment does not exceed \$100, and the total value of meals, hospitality, and entertainment received from the same outside party does not exceed \$200 per year.

You may accept tangible gifts or mementos of nominal value, such as pens, cups, or caps that bear the giver's logo.

You may accept recognition awards and non-monetary gratuities, such as meals at recognition dinners, for community or charitable service from civic organizations and charities.

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/IROL/13/139684/corpgov/codeofethics.pdf](http://media.corporate-ir.net/media_files/IROL/13/139684/corpgov/codeofethics.pdf)

You may accept more expensive gifts on behalf of GMAC if refusing the gifts would be against GMAC's legitimate interests, as in countries outside the U.S. where gift-giving is an expected courtesy and is not expected to corrupt a business decision. The gift becomes GMAC property. You must turn it over to your leadership for use, display, or other disposition.

You may not accept gifts of golf outings, travel, or accommodations. If it is appropriate for you to participate in such activities, you may treat the cost as a business expense if it meets the criteria for a legitimate business expense. Otherwise, you should pay the cost.

You may not accept a gift from a government, except for official gifts you accept on behalf of GMAC.

Any local deviations from this gift policy must be approved in advance by the Chief Compliance Officer and the Group Vice President of Human Resources and Organizational Development.

#### **Bank Bribery Law**

Employees, officers, directors, agents, and attorneys of U.S. federally-insured depository institutions must comply with the federal Bank Bribery Law and refrain from seeking or accepting anything of value (other than bona fide salary, wages, and fees) in connection with any transaction or business of the institution. They must also refrain from soliciting for themselves or a third party (other than the institution) anything of value from anyone in return for any business, service, or confidential information of the institution.

#### **Giving to Customers, Service Providers, Suppliers, Media, and Financial Analysts**

If our customers discourage or forbid the receipt of gifts, entertainment, or other gratuities by their employees, GMAC's employees are expected to know and respect those policies. Some forms of GMAC-sponsored entertainment are clearly appropriate to promote enthusiasm and teamwork as, for example, with our dealer customers. Entertainment of GMAC customers may help GMAC compete on a "level playing field"

with other potential suppliers to those customers.

GMAC may sponsor media events, expositions, conferences, etc., and invite service providers, suppliers, the media, and financial analysts. Even in these limited situations, no gift, entertainment, or other gratuity should be offered unless all these five tests are met:

1. It is legal;
2. The recipient's policies permit acceptance;
3. It is in GMAC's legitimate business interest to do so;
4. It is appropriate given local business customs; and
5. It is done infrequently.

Exercise good judgment in selecting a gift on those few occasions when it may be appropriate to give one. Items that are inappropriate include cash, services, product or service discounts (other than as part of an approved GMAC program), loans, or co-signature arrangements.

In summary, giving a gift, providing entertainment, or offering a gratuity should be done sparingly and never to influence improperly the recipient's decision.

#### **Integrity in Society and Our Communities**

##### **Avoiding Improper Payments to Government Officials**

In the U.S., never provide gifts, entertainment, or other gratuities to any government official, political party, or political candidate without first consulting with the Legal Staff. To do so could expose GMAC and the employee to severe consequences. U.S. law and GMAC policy strictly prohibit giving anything of value to employees or representatives of foreign governments or governmental agencies, political parties, or political candidates to influence a foreign official in the performance of official duties, even if it may be seen as "customary" in some countries. GMAC's anti-bribery policy

applies to everyone employed by or representing GMAC and its controlled affiliates, including agents and consultants, whether in the U.S. or outside the U.S.

In addition, because GMAC is organized in the U.S., bribery payments by any GMAC employee or agent to foreign officials are illegal under the U.S. Foreign Corrupt Practices Act (FCPA). Under that law, GMAC is accountable for the actions of its employees (including non-U.S. citizens) and agents throughout the world. Virtually every country where GMAC does business also has some form of anti-bribery law. There are limited circumstances where nominal “facilitating payments” may be allowed, but those must be discussed with the Legal Staff before any action is taken. Any question about whether a gift or payment would be improper under our guidelines or national laws must be discussed with the Legal Staff.

#### **Anti-Money Laundering Compliance**

GMAC will comply fully with all applicable laws designed to prevent money laundering and terrorist financing. Follow your business unit’s anti-money laundering and terrorist financing prevention procedures. Report any suspicious situations in accordance with the policies.

## 245. Korea Electric Power

Sustainability Report 2007<sup>1</sup>

### Enhancing Managerial Transparency

#### Advancing Ethical Management

KEPCO continues to cultivate an advanced model of ethical management system in order to expand the sustainable ethical management of the electric power industry by promoting ethical corporate culture beneficial to both the company and the stakeholders.

In September 2006, we developed an ethics evaluation tool to objectively gauge the work ethics of each branch and individual, to suit the company's position as a market leader.

In addition, "Code of Conduct for KEPCO Employees" and "Reward System for Whistleblowing" were revised in July and October 2006, respectively, to strengthen the ethical standards, and Ethical Management Guidebook was published in November 2006 to improve employees' understanding. The Transparent Society Pact so far has 1,266 companies joined and 14,484 people have signed on the pact. All of the KEPCO employees completed the basic course of online ethical management training program in June 2006, and so did 2,858 employees of our partner companies.

In May 2006, we introduced a voluntary reporting system of personal assets to enhance the integrity of high-level managers, of which 71% participated voluntarily. In December 2006, we also introduced integrity pact for our executives to articulate the consequences of failing the duty to comply with integrity standards. As a result, KEPCO was certified as an "Ethical Institution" in the 2006 integrity evaluation of KICAC (Korea Independent Commission Against Corruption), for the first time since the evaluation began.

### Enhancing Transparency in Handling Contracts and Service Requests

To enhance transparency in contract-related work, KEPCO built an "Integrated e-Commerce Platform" (srmp.kepco.net) in 2004, and has since been applying its own

EDI rules for all contract related business. Also, integrated bidding schedules for construction, service and purchasing contracts are regularly announced over the e-commerce platform.

Furthermore, we signed the "Transparent Society Pact" in the electric power industry with our partners to fulfill our social responsibilities such as prevention of corruption, support for the socially disadvantaged and environmental protection. Starting from 2006, we have been running a portal system to promote integrity among our suppliers (kepco.co.kr/clean). With the portal system, we receive reports on illegal sub-contracting and provide various forms needed for construction projects. By doing so, we are enhancing transparency in our contract-related business, and, at the same time, minimizing inconveniences experienced by our business partners.

Meanwhile, all contracts for construction, service and purchasing that are worth 3 million KRW or more are subject to electronic bidding, which took up 90.7% of the total procurement in 2006, up 16.8% from 2005. Through the integrated complaints handling system designed to create policies to resolve complaints and meet customer needs, we have come up with 56 measures to address complaints and requests (24 for sales, 24 for distribution, 8 for transmission), making systematic improvement. We will continue to take actions to improve customer satisfaction, including the introduction of a complaints ombudsman system in 2007.

<sup>1</sup>Source: [http://cyber.kepco.co.kr/kepco\\_new/eng/common/pdf\\_view.jsp?sn=2500&gubun=6&folder=sustain&file\\_in=2007report\\_eng\(2\).pdf&file\\_out=2007report\\_eng\(2\).pdf](http://cyber.kepco.co.kr/kepco_new/eng/common/pdf_view.jsp?sn=2500&gubun=6&folder=sustain&file_in=2007report_eng(2).pdf&file_out=2007report_eng(2).pdf)

## 248. Comcast

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

#### BRIEF SUMMARY

Generally, a business courtesy (i.e., a gift or other item of value for which market value is not paid by the recipient) may be offered or accepted without prior approval only if its market value (together with the market value of any other business courtesies offered to the same customer or received from the same supplier in the same calendar year), does not exceed \$250. Business courtesies that exceed \$250 in value must be disclosed to and approved by a Senior Attorney, a Senior HR Professional, the Executive Vice President or the President of the employee's business unit (or his or her designee). Section X.B. contains a list of acceptable business courtesies and Section X.C. contains a list of presumptively unacceptable business courtesies. See Section X.A. for more details on the definition of a business courtesy.

#### COMPLIANCE AND ENFORCEMENT

All employees, officers and directors of the Company are required to comply with the provisions of this Code.

Violations of the Code can have serious consequences for both the employee, officer or director, and the Company. Compliance with this Code is a condition of continued employment with, or service to, the Company.

Violation of the Code constitutes grounds for disciplinary action, up to and including termination of employment or service, and legal action, as appropriate.

Disciplinary action may be taken against any of the following persons:

1. Any employee or officer who violates the Code or applicable laws, rules, regulations, policies or contracts, or who directs or assists others to do so.
2. Any employee or officer who deliberately withholds relevant information, or knowingly provides false information, concerning a potential violation of the Code or applicable laws, rules, regulations, policies or contracts.
3. A violator's supervisor, to the extent that the circumstances of a violation reflect the

supervisor's disregard for the Code or applicable laws, rules, regulations, policies or contracts.

4. Any employee or officer who retaliates, directly or indirectly, against another employee for disclosing a potential violation of the Code or applicable laws, rules, regulations, policies or contracts, or for assisting in an investigation of a potential violation.

Annually, as a condition of continued employment or service, each employee, officer and director will be required to provide a written acknowledgement that he or she has received and acted in compliance with the Code.

Comcast's General Counsel (the "General Counsel") will have primary authority and responsibility for enforcement of the Code, subject to the supervision of the Governance and Directors Nominating Committee (the "Governance and Directors Nominating Committee") of Comcast's Board of Directors (the "Board of Directors") or, in the case of accounting, internal control or auditing matters, the Audit Committee (the "Audit Committee") of the Board of Directors.

#### REPORTING OF VIOLATIONS OR POTENTIAL VIOLATIONS

Other than in the cases specified below, violations, as well as concerns or questions about potential violations, of the Code or applicable laws, rules, regulations, policies or contracts should be promptly reported to any of: (i) the senior-most Human Resources Department professional in the employee's business unit (the "Senior HR Professional"); (ii) a Vice President or higher-level attorney in the Law Department of the employee's business unit, or the General Counsel (each, a "Senior Attorney"); or (iii) the Chairman of the Audit Committee (by sending an email to: [audit\\_committee\\_chairman@comcast.com](mailto:audit_committee_chairman@comcast.com)). The employees referred to in (i) and (ii) in this paragraph above and in (i) in the paragraph immediately below are referred to in the Code as the "Authorized Approvers."

Violations, as well as any concerns or questions about potential violations, relating to accounting, internal control or auditing matters, should be promptly reported to any of :

<sup>1</sup>Source: <http://www.cmcsk.com/phoenix.zhtml?c=118591&p=irol-govConduct>

(i) a Director or higher-level member of Comcast's Internal Audit Department (a "Senior IAD Professional"); (ii) a Senior Attorney; or (iii) the Chairman of the Audit Committee. See Section XV for additional reporting obligations of Financial Professionals.

Employees with access to TeamComcast should click here for a current list of contact information for Authorized Approvers. Other employees should contact the Senior HR Professional in their business unit for this information.

Any violations, as well as concerns or questions about potential violations, by any of the following persons, should be reported promptly to the General Counsel or the Chairman of the Audit Committee: (i) Comcast's principal executive officer, principal financial officer or officers, or principal accounting officer; (ii) any other Comcast officer who is a reporting person under Section 16 of the Securities and Exchange Act of 1934; or (iii) any other Comcast officer who is a "named executive officer" in the current Comcast proxy statement. The officers referred to in (i) - (iii) above are referred to in the Code as the "Executive Officers." Click here for a list of Executive Officers, which is included in Item 4A of the Company's most recent Securities and Exchange Commission ("SEC") Annual Report on Form 10-K.

Any violations, as well as concerns or questions about potential violations, by the General Counsel, should be reported promptly to Comcast's Executive Vice President with supervisory responsibility for the General Counsel (the "Executive Vice President"), or Comcast's Chief Executive Officer (the "Chief Executive Officer").

Any violations, as well as concerns or questions about potential violations, by any director, should be reported promptly to the General Counsel or the Executive Vice President.

Employees may instead report violations or potential violations on an anonymous basis. Employees may make such reports by calling the Business Integrity Line, a 24-hour per day, 7-day per week, toll-free phone line at (877) 808-4934. Calls will be received by an experienced third-party vendor, categorized by type of incident and timely reported to appropriate Company personnel for evaluation and handling on an anonymous basis. Employees with access to TeamComcast should click here for more information on the Business Integrity Line. Other employees should contact the Senior HR Professional in their business unit for this information.

All communications from employees, officers or directors on matters pertaining to the Code will be maintained by the Company in the strictest confidence permitted by law. Any employee, officer or director reporting in good faith an actual or suspected violation of the Code will not be retaliated against by or receive discriminatory treatment from the Company on account of such report. No employee, officer or director can be discharged, demoted, suspended, threatened or harassed as a result of his or her making, or assisting in the handling or investigation of, a good faith complaint under the Code.

## **OFFER OR ACCEPTANCE OF BUSINESS COURTESIES**

### **GENERAL**

Business decisions made by Company employees, officers and directors should be made solely on the basis of quality, service, price and other competitive factors. The offer or acceptance of business courtesies can create the appearance that business decisions are being influenced by other factors. Employees, officers and directors in a position to deal with persons or companies with whom the Company maintains business relationships must be particularly sensitive to the potential conflict of interest in the offer or acceptance of business courtesies.

A business courtesy is a gift or other item of value (i) for which market value is not paid by the recipient or (ii) which otherwise provides a tangible or intangible benefit to the recipient (or by, or to, anyone designated to receive the business courtesy by the recipient). It may be tangible or intangible and includes, but is not limited to, cash, gift certificates or gift cards, meals, beverages, entertainment, participation in recreational activities or events, transportation, lodging, discounts, tickets, passes or other access to events, promotional items, contributions to a charity or other non-profit organization, and the recipient's use of the donor's time, equipment or facilities.

A business courtesy is substantial if: (i) it has a market value in excess of \$250; or (ii) its market value, together with the market value of any other business courtesies offered to the same customer or received from the same supplier, in the same calendar year, exceeds \$250. In applying this standard, an employee, officer or director should aggregate courtesies offered or received by him or her and by others

of which he or she has knowledge.

Employees, officers and directors are prohibited from offering or accepting a substantial business courtesy unless the offer or acceptance has been approved by: (i) a Senior HR Professional; (ii) a Senior Attorney; (iii) the Executive Vice President; or (iv) the President (or other business unit head) of the employee's business unit (for example, a Division President in Comcast's Cable Division) or his or her designee (any such person, an "Authorized Business Courtesy Approver").

Employees with access to TeamComcast should click [here](#) for a current list of contact information for Authorized Business Courtesy Approvers. Other employees should contact the Senior HR Professional in their business unit for this information.

In the case of offers or acceptances of substantial business courtesies by an Executive Officer or director, approval is required by the General Counsel, the Executive Vice President, the Governance and Directors Nominating Committee, the Audit Committee or the Board of Directors.

Subject to the restrictions in the following paragraph, a business courtesy may be offered or accepted without prior approval, if it is not substantial.

Business courtesies of any amount in cash or cash equivalent, or other monetary instrument, should never be offered or accepted. Business courtesies should also never be offered or accepted: (i) if there is no bona fide business purpose; (ii) where the donor's purpose is to motivate the recipient to take an action (or omit to take an action) that would be a violation of law, rule, regulation, policy or contract; or (iii) where public disclosure would be embarrassing to the donor or the recipient.

The solicitation of a business courtesy from a current or potential supplier is discouraged, but is not prohibited. Solicitations of substantial business courtesies must be approved by an Authorized Business Courtesy Approver.

For sales departments of business units that offer business courtesies as a part of their customary business practices, pre-approval of budgeted or advance planned business courtesies may be obtained.

It is a violation of the Code to do indirectly what is prohibited directly (e.g., to arrange

to have a gift made to a relative or friend).

#### **ACCEPTABLE BUSINESS COURTESIES**

Subject to the limitations provided in Section X.A, the following are acceptable activities:

1. Offering business courtesies with a market value that does not exceed \$250 in the aggregate in any one calendar year to any one current or potential customer or other person.
2. Accepting business courtesies with a market value that does not exceed \$250 in the aggregate in any one calendar year from any one current or potential supplier.
3. Accepting customary holiday gift baskets, advertising novelties, articles of apparel bearing the offeror's name and other similar items of small or nominal value.
4. Accepting invitations to supplier-sponsored entertainment and/or meals, to be attended by employees of other companies, unless the supplier is paying for any of the associated travel and/or lodging expenses.
5. Accepting invitations to events sponsored by civic, charitable and professional organizations, unless the sponsor is paying for any of the associated travel and/or lodging expenses.
6. Accepting free or discounted cable, high speed internet or phone service from another company with which the Company has a reciprocal arrangement.
7. Accepting a discount or other special offer from a supplier or potential supplier which is made available to employees generally.

#### **PRESUMPTIVELY UNACCEPTABLE BUSINESS COURTESIES**

The following are unacceptable activities in most circumstances:

1. Soliciting business courtesies from a current or potential supplier in situations where that supplier (or its competitors) might feel obligated to provide the courtesy

(or other business courtesy) to maintain or to enhance its chance of obtaining Company business.

2. Soliciting offers by current or potential suppliers to provide fully or partially paid trips or tickets, whether for business or personal use.

#### **BUSINESS COURTESIES OFFERED TO PUBLIC OFFICIALS AND GOVERNMENT EMPLOYEES**

It is in the public's and the Company's best interests to avoid any action which could give the appearance that a public official's or government employee's judgment or integrity may have been compromised. In addition, the Executive Branch of the federal government, the United States Senate and House of Representatives and various states and local jurisdictions have gift laws restricting gifts (e.g., meals, entertainment, transportation, lodging and gift items) that may be provided to its officials and employees. These range from prohibiting any gifts or entertainment regardless of value to permitting them within certain dollar limits. Therefore, it is against Company policy to purchase meals, entertainment or gifts for public officials or government employees (including most importantly those whose duties encompass the oversight or regulation of the Company), without the prior approval of the General Counsel, the Executive Vice President or Comcast's Vice President - External Affairs. Specific guidance on current legal requirements regarding courtesies to government officials and government employees is available by contacting a Division Vice President of the Comcast Cable Division's Government Affairs Department or Comcast's Vice President - External Affairs.

#### **COMPLIANCE WITH LAWS**

##### **FOREIGN CORRUPT PRACTICES ACT**

The Company will deal with the governments of all foreign jurisdictions in which it operates in accordance with foreign laws and in an ethical manner. Employees, officers and directors are not authorized to make any payment to a foreign

government or foreign official except in accordance with applicable United States (including the Foreign Corrupt Practices Act) and foreign laws, and the Code.

Employees, officers and directors are prohibited from making any gifts of money or anything else of value, to any foreign government, foreign official, foreign political party or candidate for foreign political office, for the purpose of influencing any official acts or decisions.

Payments in nominal amounts to obtain or expedite the performance of non-discretionary, routine governmental actions, such as obtaining licenses to qualify to do business in a foreign jurisdiction, mail delivery services, phone services, power and water supply and like services, are permitted.

Employees, officers and directors should consult with and obtain the approval of a Senior Attorney prior to making any payment to a foreign government, foreign official, foreign political party or candidate for foreign political office.

## 249. Alcoa

Alcoa Guide to Business Conduct<sup>1</sup>

### ALCOA'S ETHICS AND COMPLIANCE PROGRAM

#### Ethics and Compliance Line

In addition to normal channels of communication and resources available for help, the Ethics and Compliance Line is a simple way for any employee to report a concern about business or workplace activities that may not align with Alcoa's values, or to ask a question if clarification or advice is needed. The Ethics and Compliance Line works 24 hours a day. Calls to the Ethics and Compliance Line can be made without anyone knowing who made the call. When reporting a concern, be prepared to give the following information about the situation:

- Time and place
- Individuals involved
- Other information that might help with follow up

For specific phone numbers and dialing instructions for your country, refer to the Ethics and Compliance Line informational brochures and posters, or find them on the Ethics and Conduct page, in the Global Compliance community, on the Alcoa portal.

#### Reporting Concerns

Every Alcoa employee should raise questions or concerns about workplace behavior. If doubt exists — ask. Many unethical actions are caused by someone not having the proper information, not understanding the information they have or by a desire to “just get things done,” rather than by poor character or dishonest intentions.

An employee, who in good faith seeks advice, raises a concern or reports improper behavior is doing the right thing.

#### Resulting Actions

Alcoa will not accept actions against an individual, by anyone at any level in the company, for doing the right thing. Alcoa bans all personnel from taking any form of action against an employee who reports a concern in good faith.

Disciplinary action, up to and including ending of employment, may occur to any employee who does not follow Alcoa's ethical business practices, or who knowingly gives a false report. Employees are expected to cooperate with company investigations into allegations of ethics and business conduct violations and must always be truthful and forthcoming in the course of these investigations.

#### Conduct Involving Our Business Partners

##### Gifts and Entertainment

(Reference: Business Conduct Policies)

In many industries and countries, gifts and entertainment are common practices used to strengthen business relationships. Throughout the world, Alcoa's position is clear: No gift, favor or entertainment should be accepted or provided if it will obligate or appear to obligate the person who receives it. Receiving or giving gifts of cash or cash equivalents is never allowed.

Company employees may accept or give gifts, favors and entertainment only if they meet all of the following criteria:

- They are not against the law or the policy of the other parties' company.
- They are consistent with customary business practices in the country or industry.
- They are reasonably related to business relationships.
- They do not cost too much, and are consistent with any existing Business Unit guidelines.
- They cannot be viewed as a bribe, payoff or improper influence.

<sup>1</sup>Source: [http://www.alcoa.com/global/en/about\\_alcoa/corp\\_gov/pdfs/English\\_US\\_Guide06.pdf](http://www.alcoa.com/global/en/about_alcoa/corp_gov/pdfs/English_US_Guide06.pdf)

- Public disclosure of the facts would not embarrass the company or the employee.
- They do not violate our business values or ethics in any other manner.

If you are offered a gift that falls outside the list shown above, you should politely refuse. There may be rare cases, such as a public presentation, where refusal of a gift may not be possible, or, in some countries, cultural norms may prevent refusing a gift without being rude. In those situations you may accept the gift and promptly turn it over to Alcoa. It is never acceptable to request or ask for personal gifts, favors, entertainment or services.

To prevent conflicts around gift giving, it is often helpful at the start of a business relationship to discuss what is not allowed.

### **Money Laundering**

(Reference: Alcoa Anti-Corruption Compliance Policy)

Money laundering is the process by which individuals or entities try to conceal unlawful funds, or otherwise make these funds look legitimate. Alcoa will not condone, facilitate or support money laundering. Two areas that deserve special awareness are unusual ways in which payments may be requested, and customers who appear to lack integrity in their operations. Be alert for:

- Requests for cash payment, travellers checks or checks from an unknown third party.
- Complex payment patterns.
- Unusual transfers to or from countries not related to the transaction.
- Customers who seem eager to avoid recordkeeping requirements.
- Transactions involving locations previously associated with money laundering or tax evasion.

### **Conduct Involving Our Communities**

#### **Anti-Corruption**

(Reference: Alcoa Anti-Corruption Compliance Policy)

Alcoa and its management are committed to conduct operations ethically and in compliance with law. This commitment applies throughout Alcoa no matter where we are doing business. Anti-corruption laws exist in most countries and are generally designed to prohibit various forms of bribery. Alcoa policy prohibits bribery, or giving money or anything of value directly or through other parties, to any government official in order to influence their decision. Different types of government officials include:

- Officials and employees of national, regional, or local governments.
- Military personnel.
- Candidates for political office and political parties.
- Officials and employees of commercial businesses or other businesses that are owned or controlled by national, regional, or local governments.
- Employees and officials of public international organizations.

In many countries small payments, often called “grease payments” or “facilitating payments”, are expected in order to expedite governmental administrative action. While these types of payments may be considered a normal business practice, they usually violate local law.

Under Alcoa policy, any facilitating payments are only allowed when made for routine, non-discretionary government action, are less than the small amount stated in the policy, and must be accurately identified and recorded on Alcoa’s books.

Alcoa wants to eliminate facilitating payments completely and expects that they would only occur in extreme situations. Some Alcoa Business Units have completely prohibited these payments as a matter of individual Business Unit policy. If you

anticipate a situation where this type of payment may be necessary, consult with Alcoa legal counsel before the situation occurs.

## About Alcoa – Ethics and Compliance<sup>1</sup>

### Ethics and Compliance Program

Alcoa's Ethics and Compliance Program is intended to ensure that all Alcoa employees understand and fully comply with the letter and spirit of the laws and regulations that govern our businesses, as well as our Business Conduct Policies and guidelines.

The program is designed, implemented, and enforced so that it will be effective in preventing and detecting conduct not conducive to our Values. We have taken the following steps to implement this requirement:

- The program includes globally published workplace standards and behavior expectations, comprehensively explained in Alcoa's Guide to Business Conduct. The guide has been written at a comprehensible language level and translated into the native language of each significant Alcoa location (21 languages at the end of 2007). All employees are required to participate in a training session at their location that explains the business conduct standards and their applicability to the employee's job responsibilities. This training and the guide are part of the on-boarding process for all new employees and contractors. (View key points of the guide.)
- To keep our ethics and compliance efforts effective, we produced two condensed versions to address the needs of focused groups of stakeholders. The Guide to Business Conduct in a Manufacturing Environment, made available to all Alcoa businesses, contains a subset of items discussed in the corporate guide but with a focus on business conduct issues most likely to exist in a production or manufacturing environment. We also published a guide for key customers and

suppliers. As with the manufacturing guide, this document is a subset of our main guide but is intended for customers and suppliers who may benefit from knowing how Alcoa employees and agents are expected to conduct themselves in a business relationship.

- We have deployed mandatory, job-specific, web-based ethics and compliance training for corporate officers, business unit leaders, and employees who negotiate with customers and suppliers, can contractually commit the company, or have access to confidential information. We have also deployed mandatory, real-time, job-specific ethics and compliance training to all of our global locations for presentation to all shop floor and clerical office employees.
- We distribute quarterly ethics and compliance communication materials, which deal with business ethics and proper conduct, to all Alcoa locations to maintain and further develop overall employee awareness of current ethics and compliance topics.
- We conduct an annual Business Conduct and Conflict of Interest Survey. More than 11,600 employees received the survey in 2007, and we accounted for 100% of all surveys issued. Any issues or requests for clarification raised in these surveys are completely reviewed. Results are reviewed by the ethics and compliance officer and the general counsel where required or requested. In 2007, the survey process earned a 5 (excellent) in an internal audit.

The Compliance Advisory Council—made up of the chief executive officer, chief financial officer, general counsel, director of global compliance, and director of ethics and compliance—meets on a regular basis to review program effectiveness, assess strategic direction, and provide tactical support for this process.

### 2007 Updates

In an effort to continuously improve the effectiveness of our Ethics and Compliance Program, we implemented several new initiatives in 2007 that support and enhance our current processes.

<sup>1</sup>Source: [http://www.alcoa.com/global/en/about\\_alcoa/corp\\_gov/sustainability\\_metrics.asp#](http://www.alcoa.com/global/en/about_alcoa/corp_gov/sustainability_metrics.asp#)

The first initiative was to develop and publish a Leaders' Guide for all global employees who are in a position to supervise others in the organization. While approximately 156,000 copies of the guide were distributed in 19 languages to all global leaders, its real focus was directed toward mid-level managers, supervisors, superintendents, and employee team leaders. The intent was to reach both hourly and salary employees with this effort. While there is no question that "tone at the top" is essential to the effectiveness of ethics and compliance programs, it has been well established that many program failures happen in the middle with mid-level management. We believe attention must be paid to both.

Our belief is that Alcoa is only as strong as the business conduct of our employees. While it is understood that legal compliance is a must, we also believe that only doing what we must do under the law does not and cannot address the day-to-day questions of managers and employees. We recognize that it is impossible to have written rules covering every situation that might arise in our work environment. Managers and employees require the skills for ethical decision-making. Sound ethical management relies on commonly held values and principles and is a form of self-regulation.

Our Leaders' Guide was developed to provide meaningful guidance to our mid-level managers by assisting them when they are faced with ethics issues raised by their employees. We believe line management must "own" ethics and compliance for it to be effective. The Leaders' Guide provides insights on how to encourage issues and deal with bad news; emphasizes and reinforces our non-retaliation policy; and generally suggests ideas to build a culture that encourages employees to raise issues when they see conduct that does not support our policies and/or the law.

The second ethics and compliance initiative undertaken in 2007 was the development and implementation of an exit interview process that incorporates several ethics and compliance-related questions. The impetus behind this initiative is the belief that the ethical climate of Alcoa, as well as any specific code of conduct infractions, can be gauged to some degree through the exit interview process. We believe some employees have a hard time talking about compliance violations unless they are specifically asked. This exit interview process, conducted by an unbiased third-party vendor, provides exiting employees an opportunity to disclose potentially unethical or

non-compliant practices, giving us a significant opportunity to investigate these issues and, if validated, allowing us to take corrective action.

Another significant step in the maturation of our ethics and compliance process was the development of effectiveness metrics that help provide an objective assessment of the impact of our ethics and compliance program on our organization. Historically, we have maintained activity metrics. These metrics only measure the degree to which we have deployed our ethics and compliance tools and the extent to which they are utilized. What they do not measure, and what is even more important, is the change that is brought about within Alcoa as a result of the implementation of these processes.

The Ethics & Compliance Line program illustrates the difference between the two types of measures. While we measure activity (i.e., call volumes, types of calls, regional activity, accuracy of the service provided, etc.), these metrics alone do not indicate the value the line is providing to both Alcoa and our employees. To gauge effectiveness, calls into the line are analyzed on multiple effectiveness metrics, including the percentage of calls that are anonymous and the ratio of inquiries versus allegations of wrongdoing.

In our web-based ethics and compliance training, we monitor activity (i.e., number of courses deployed, course completion rates, etc.). To gauge the effectiveness of the training, we have also implemented a survey to determine employee perception of the value of this training, i.e., how effectively is the training creating an awareness of Alcoa's business conduct policies and what is the influence of these policies on employee behavior.

Each quarter, we issue a survey to 200 random participants from the 13,000 employees enrolled in the training and assure that no one is ever asked to participate in the survey a second time in a subsequent quarter. Since its implementation, we have experienced a more than 90% response rate every quarter, and the positive responses to the survey questions has averaged between 90-95% consistently, quarter to quarter.

Finally, to help reinforce the perception that Alcoa takes disciplinary action seriously,

we issue regular updates via quarterly ethics and compliance articles. These articles broadly outline the reports of misconduct or frequently asked questions we are experiencing and our responses to them, while maintaining confidentiality. These quarterly updates, which are published in the employee newsletter at each global operating location, eventually become not only a codification of ethics-related developments at the company, but they also become a manifestation of management's dedication to an ethical culture and its measurement.

#### **Ethics and Compliance Line**

Our global Ethics and Compliance Line provides employees and other concerned parties an anonymous channel for expressing concerns and raising issues about workplace activities and business practices. Employees are also encouraged to use the line to obtain an interpretation of laws or regulations, seek clarification of Alcoa policies or procedures, or simply ask for advice on proper actions.

The compliance line is available to Alcoa employees worldwide, with the local toll-free compliance lines answered in the caller's native language. We also offer an ethics and compliance e-mail address (anonymous, if desired) and a postal mail address for submission of written inquiries. Every concern or request for advice is addressed and responded to without reprisal, and we currently have a target response date of 18 calendar days contingent upon the seriousness and number of issues raised. Our goal is to resolve 90% of cases within 12 working days by 2009.

When an employee calls or sends written notice, the issue is reviewed immediately. Those that are felt to pose an immediate threat to the personal safety of employees, Alcoa property, or the community are sent to pre-determined emergency contacts, who begin an immediate investigation and institute corrective action when necessary. Non-emergency issues are sent to a regional liaison for review and forwarding to the appropriate location or business unit for investigation.

Once an issue is resolved, a written response on the investigation and any corrective actions is submitted to the Ethics and Compliance Line vendor. The caller, who previously was given an identification number, can then call back on the line in 18 days to obtain the relevant information from the investigative results.

#### **Corruption**

##### **Goal:**

Zero violations of Alcoa's anti-corruption policies.

##### **Challenge:**

Alcoa is entering or expanding operations in regions of the world known to be prone to a high degree of corruption, as validated by several international corruption rating agencies. The challenge is to ensure Alcoa employees understand and abide by our policy of zero tolerance for bribery and other corrupt activities. Breaking this policy could result in damage to Alcoa's reputation, legal sanctions, and significant costs.

##### **Geographical Differences:**

What is considered corrupt in one country may be an accepted form of doing business in another. For example, people in some cultures view bribery as an accepted means of taking care of family responsibilities. In reality, bribery often violates the laws of their country.

##### **Strategy/Key Actions:**

Employees of Alcoa must abide by the company's policies, one of which specifically states Alcoa will be in compliance with all laws and regulations. Actions to bring a higher degree of vigilance to ensure compliance include:

- Training on anti-corruption;
- Anti-corruption certificates for agents, distributors, and representatives that assert these individuals and companies understand Alcoa's policies and attest their willingness to abide by those policies;
- Increased audits and risk assessment;
- A compliance hotline that can be used to report any suspect business practices; and
- Appropriate disciplinary actions when infractions are discovered.

## 250. Lufthansa Group

Key data on sustainability at Lufthansa – Issue 2008<sup>1</sup>

### Corporate Governance

#### Compliance

Adhering to social guidelines and standards in everyday corporate life is a self-evident duty. No additional regulations are needed for this purpose, which is why Lufthansa has no Code of Conduct of its own. We give our particular attention to ensuring a corporate culture that guarantees adherence to regulations and to creating a framework of conditions that promotes this approach. Our Compliance Program, which was introduced in September 2004, also serves this purpose. Its goal is to give employees specific information, familiarize them with important legal regulations and anchor these in their daily work. The Lufthansa Compliance Program currently comprises the building blocks Competition, Capital Markets, Integrity and Corporate Compliance.

While Competition Compliance is geared above all to employees who deal with issues related to competition in their daily work, Capital Markets Compliance addresses issues concerning insider law and ad-hoc publicity. Since 2006, Lufthansa has guarded against corruption with its newly introduced program module Integrity Compliance, which among other things includes guidelines for dealing with invitations, gifts and other forms of attention. Moreover, as an additional preventative measure against economic crimes and to protect its reputation and assets, Lufthansa named an ombudsman on December 1, 2007. Finally, Corporate Compliance links all existing company regulations and creates a connection to other compliance-relevant areas.

Given the issue's importance, Lufthansa set up a Compliance Office in its central legal department on October 1, 2007. Furthermore, Compliance Officers were named at the Group companies, who ensure the Group-wide adherence to the Compliance Program and report undesirable developments to the Compliance Office. The Compliance Officer regularly reports to the Review Board of the Supervisory Board.

### Ethics at Lufthansa

All activities of the Group and its employees are in accordance with the basic principles of human community. Lufthansa also documents this aspiration through its memberships in numerous organizations, which oblige the Group to practice ethical business conduct and respect human rights.

In 2002, Lufthansa became the first airline worldwide to adhere to the universal principles of the UN Global Compact. The goal of this initiative, launched by former UN Secretary-General Kofi Annan, is to convince companies with international activities to adopt ethically responsible conduct with regard to human rights, labor, the environment and the fight against corruption and to promote the principles of the Global Compact in an active manner. In addition, Lufthansa is also a member of the International Chamber of Commerce (ICC Deutschland), Transparency International and Deutsches Netzwerk Wirtschaftsethik e. V., to name but a few.

Beyond this, the Group has not only implemented the suggestions of the ICC commission "Business in Society," but it also adheres to the 16 principles of environmental management spelled out in the ICC's "Charter for Sustainable Development." These include, for example, an environmentally-oriented management approach as a priority goal, training for employees with regard to environmental issues, and impact assessment and research studies to record and reduce the effects of products, procedures, emissions and wastes. Moreover, Lufthansa adheres to the ICC's "Conduct Guidelines to Combat Corruption in Business Dealings."

<sup>1</sup>Source: [http://konzern.lufthansa.com/en/downloads/presse/downloads/publikationen/lh\\_sustainability\\_2008.pdf](http://konzern.lufthansa.com/en/downloads/presse/downloads/publikationen/lh_sustainability_2008.pdf)

## 252. DuPont

DuPont Economic, Environmental and Social Performance Data – In the Global Reporting Initiative Format – June 2007 Update<sup>1</sup>

### **Policies around bribery and corruption:**

DuPont does not seek to gain any competitive advantage through the improper use of business courtesies and other inducements. Good judgment and moderation must be exercised to avoid misinterpretation and adverse effect on the reputation of the Company or its employees. Offering, giving, soliciting, or receiving any form of bribe is prohibited.

### **Auditing consistent with the Business Conduct Guide**

Completion of the annual Business Ethics and Compliance Survey is required for all full-time DuPont employees, including those who are in majority owned businesses or for which DuPont has operating responsibility. In addition to the questions we have always asked, this year's survey includes questions essential to managing compliance with the law and our policies, as well as identifying future training needs. For more information

see:

[http://www2.dupont.com/Social\\_Commitment/en\\_US/conductguide/index.html](http://www2.dupont.com/Social_Commitment/en_US/conductguide/index.html)

- Training on Business Conduct Guide and Ethic Policy

The LegalEagleSM system continues to be an available and valuable training tool for employees, the library has again been enhanced to include several new modules. Last year, nearly 55,000 LegalEagleSM global users completed over 140,000 modules.

Code of Conduct<sup>2</sup>

### **Gifts, Entertainment & Payments**

We are committed to strengthening all of our relationships with customers, suppliers, and other business associates. We do not provide gifts or entertainment to improperly influence other persons' business decisions, and we do not make illegal or unethical payments. In all situations, we must exercise good judgment and moderation to avoid the appearance of inappropriate conduct.

### **Gifts & Entertainment**

The company does not encourage giving or receiving gifts. When business entertainment is appropriate, or in the rare event that a gift is given or received, employees should assure that the gift or entertainment:

- Is consistent with customary regional business practices.
- Has a clear business purpose.
- Cannot be perceived as a bribe or improper payment.
- Is not offered to improperly influence a business relationship.
- Does not violate applicable laws or ethical standards.
- Would not embarrass the company or the employee if publicly disclosed.
- Has been approved by the Vice President or Corporate Officer in the line of responsibility if it has a value that may be considered excessive, or equal to or greater than the DuPont Gifts and Entertainment policy's "High Value Amount," as determined by each country.

More stringent guidelines may apply within local organizations or specific functions and with government procurements. Employees should check with their management for additional guidelines.

<sup>1</sup>Source: [http://www2.dupont.com/Sustainability/en\\_US/assets/downloads/gri.pdf](http://www2.dupont.com/Sustainability/en_US/assets/downloads/gri.pdf)

<sup>2</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/73/73320/corpgov/code\\_conduct.pdf](http://media.corporate-ir.net/media_files/irol/73/73320/corpgov/code_conduct.pdf)

To prevent conflicts around gift giving, it is often helpful at the start of a business relationship to discuss what is not allowed.

### **Bribes & Kickbacks**

Bribes and kickbacks are illegal in almost every country. Any offer of a payment or anything of value to influence an individual's business decision or government action could be considered a bribe or kickback. An employee must never offer, request, accept, or indicate willingness to accept such a payment. Use caution, as even some noncash gifts could be perceived as bribes.

### **Facilitating Payments**

A facilitating payment should occur only under very limited circumstances and with proper approval. Although the company discourages them, it permits facilitating payments that are legal under local law, are necessary to transact company business, and that follow an established, well-recognized practice in the region.

A "facilitating payment" is an unofficial fee paid to officials to speed up routine transactions that will eventually be completed outside the United States. The unofficial fee is given only to encourage performance of ministerial or clerical duties that the recipient is already obligated to perform. The fee must not be provided to encourage performance of discretionary actions, such as the conclusion of a tax audit or placement on a list of bidders. Legal must approve this payment before it is provided. The payment must also be accurately recorded in the company's records to show the amount, purpose, and person to whom the payment was provided.

### **Payments for Products & Services**

Sales-related commissions, rebates, discounts, credits, and allowances are customary business payments. Employees should avoid illegal or unethical payments, and must comply with applicable currency exchange controls and tax regulations.

Payments that the company makes or receives should be:

- Reasonable in value, relative to the goods or services provided and to industry norms.

- Competitively justified.
- Properly documented, such as in a negotiated agreement. The documentation should clearly define the nature and purpose of the transaction. (When an agreement is not practical, the approving business or function should prepare and file a memorandum that explains the payment. Legal should review this memorandum.)
- Made by check, bank transfer, or credit note to the business entity listed on the original sales agreement or sales invoice, per payment terms as defined in the agreement.
- Payable to the business entity, not its individual officers, employees, or agents, or payable to another business entity.
- Prepared and sent only to the business, or its designated entity's place of business or bank account, and the relevant country as listed on the original sales agreement or sales invoices.
- Free of any falsification, misrepresentation, or deliberate overbilling in any document (including invoices, consular documents, letters of credit, etc.). This includes suppression or omission of documents or of information in documents, and deliberate misdirection of documents.
- Charged to the business entity or product benefiting from the payment. The company should provide full visibility regarding any payments and should not charge the payment to a nonrelated account. Otherwise, this action could be perceived as trying to hide the expense from proper scrutiny.
- In accordance with standard, written trade terms, including paid commissions, rebates, credits, discounts, or allowances.

The person approving each transaction is responsible for understanding the full transaction to ensure it is appropriate to the situation and complies with company policy.

Generally, a payment does not require special review or a payer's written request if it is made in the same country in which the product or service is delivered. Exceptions to the above requirements should be rare.

Never make payments that may appear to violate tax, exchange control, or other laws. If unsure of a payment's legality, or to request an exception to this policy, seek approval from Legal and the Finance Controller.

### **Ensuring Sustainable Practices for Society**

#### **Overall Relations with Government Officials**

When conducting business with a country's government, employees must understand the rules by which it operates. Some governments heavily restrict gifts or meals that their officials can accept and heavily penalize companies that do not comply. Providing even small gifts or inexpensive meals to government officials may be improper or illegal and can easily be perceived as a bribe or kickback, even if not intended to influence a particular action. Legal exceptions may exist, but employees should always first review any anticipated payments to government officials with Legal.

#### **Government Contracting**

When either directly or indirectly supplying to a government, employees must understand the government's rules for interacting with potential or current suppliers, especially during the procurement process. Doing business with government agencies is not always the same as doing business with companies. Some practices that are acceptable with private companies may cause problems with a government agency.

A government's special rules may span many areas of business conduct, such as collecting and tracking costs for products and services, protecting proprietary information, offering and accepting gifts or entertainment, and hiring former government employees. Additionally, governments often require the contractor to certify compliance with various contract requirements.

Laws regarding government business are often complex, and serious civil and criminal

penalties for violations can be imposed on both the company and the employees responsible. If unsure how to work with government officials, employees should contact Government Affairs or Legal.

#### **Getting Assistance & Raising Concerns**

The company provides resources to assist all employees who encounter ethics and compliance issues that are difficult to resolve.

An employee's manager or supervisor is the first and best resource, since this person is familiar with the employee's duties.

If the manager or supervisor is not available, or if the employee is not comfortable discussing the matter with his or her manager, the following resources are also available:

- The employee's Business, Function, or Site Leadership.
- The employee's Corporate Compliance Officer.
- Legal or Finance.
- Human Resources, especially regarding workplace issues and policies, such as non-discrimination, non-harassment, and employee privacy.

Also, employees can report concerns about suspected misconduct to the DuPont Ethics Hotline. This hotline is a multilingual service and there is no charge for the call. Employees can also use the intranet to submit their concerns. See Resources on the DuPont intranet.

The company treats all reports of ethical concerns, including contacts to the Hotline or through the Internet, as confidential. Management shares information only with employees who need to address the question or concern. (In some cases, the company is required to share the information with legal authorities.)

Alternatively, employees can also request to remain anonymous, and the company will try to protect the employee's anonymity if possible and where legal.

## **Addressing Possible Misconduct**

### **Corrective Action & Investigations**

To ensure prompt, consistent enforcement of this Code of Conduct, the company will investigate reported instances of misconduct, such as violations of the law, regulations, or company policies and procedures. Where misconduct is identified, responsible individuals will be held accountable and disciplined, as applicable, up to and including employment termination and possible civil or criminal action. Making an intentionally false accusation of wrongdoing is considered misconduct.

### **Non-retaliation**

We must maintain an environment where concerns and potential problems are brought forward. DuPont will not tolerate retaliation against anyone who, in good faith, raises a concern, reports suspected misconduct, or provides information related to an inquiry of suspected misconduct. The company will investigate any instances of possible retaliation, and discipline employees who have retaliated against someone who has reported possible misconduct.

## 256. ABB

The ABB Group Annual Report 2007<sup>1</sup>

### Corporate responsibility – Key GRI indicators

#### SO2 Business units analyzed for corruption risks

ABB's internal auditors carry out an annual risk assessment encompassing all business units as the basis for their audit planning for the following year. Anti-fraud risk assessment is part of this. In addition, every significant project is included in a risk review process, which also covers corruption considerations.

#### SO3 Employees trained in anti-corruption procedures

In 2006, ABB launched an anti-corruption awareness and training program encompassing all employees. By the end of 2007, the new Code of Conduct had been fully rolled out and all employees had completed the training.

#### SO4 Actions taken in response to corruption

ABB applies a strict zero-tolerance policy to combat corruption. Every incident is sanctioned, and may include termination of employment. In 2007, ABB identified 15 new incidents of corruption. During the year, 14 employees were dismissed and seven disciplined for incidents of corruption. There were eight incidents where contracts with business partners were terminated or not renewed due to violations related to corruption. During 2007, ABB fought six legal cases against employees dismissed for corruption.

### Business ethics and compliance

#### Achievements in 2007

During 2007, ABB deepened the implementation of the Group compliance program and strengthened its execution.

Achievements during the year have been:

- Establishing a standing Compliance Committee, following the work of the task force created in 2006, comprising four members of ABB's Executive Committee chaired by the Group's General Counsel, tasked to design and implement the compliance framework and to manage compliance cases.
- Organizing the compliance officers into a regional structure, and increasing the number of people working in compliance to 206, which corresponds to 55 full-time equivalents (up from 40 in 2006).
- Continuing to build up the Special Investigations Organization with officers based in three main regions – the Americas, Asia-Pacific, and Europe/Middle East/Africa.
- Bringing the acknowledgement process for the Code of Conduct to a level where all employees confirm acceptance and commitment.
- Introducing a yearly recommitment to the Code of Conduct by the top 500 managers in the Group.
- Launching a new Group Directive for Political and Charitable Contributions as well as implementing amendments to existing compliance directives describing the structure and contents of corporate governance within ABB, including three Group directives addressing intermediaries and agents, bribery and corruption, and gifts, entertainment and expenses.
- Conducting focused global training workshops for all regional and country compliance officers.
- Introducing new e-learning initiatives for selective categories of employees focusing on Antitrust, and Agents and Intermediaries.
- Consolidating the 24-hour Business Ethics hotline, started in 2006 and operated by an external provider, where potential compliance violations can be reported in about 90 languages; if desired by the caller in an anonymous manner.

<sup>1</sup>Source: <http://search.abb.com/library/Download.aspx?DocumentID=ARSR07EN&LanguageCode=en&DocumentPartID=&Action=Launch&IncludeExternalPublicLimited=True>

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

### **Determination – How we help our customers to succeed**

#### **We refuse to make improper payments**

ABB's reputation for honesty and integrity must not be put at risk by the offer of improper payments. In dealing with public officials, political parties or their officials or any private sector worker, ABB employees must neither offer, promise or give any undue financial or other advantage, whether directly or through intermediaries, to obtain or retain business or any improper advantage in the conduct of business.

#### **We protect our credibility by shunning gifts and favors**

Accepting gifts and entertainment from business partners or offering such favors undermine our credibility. It makes ABB vulnerable to accusations that business decisions are influenced by factors others than merit.

Employees must therefore not offer, make, seek or accept gifts, payment, entertainment or services to actual or potential business partners which might reasonably be believed to influence business transactions, which are not within the bounds of customary business hospitality or which are prohibited by applicable law.

### **Responsibility – How we safeguard the company's assets**

#### **We comply with anti-money laundering rules**

ABB commitment to fairness, honesty and openness extends to complying fully with all money-laundering laws throughout the world. Money laundering generally occurs when funds from illegitimate sources are brought into legitimate financial channels to hide them or make them appear legitimate.

Employees must protect the integrity and reputation of ABB by helping to detect possible money laundering activities. They should learn to watch for warning signs, which may include customers who are reluctant to provide complete information or wish to make payments in cash.

### **Reporting non-compliance**

ABB is a decentralized group and ABB companies are expected to take their own independent decisions on various business issues.

However, the standards addressed in this Code of Conduct represent the core of ABB's group culture and commitment. Group-wide and uniform compliance is essential and every employee is responsible for upholding these principles.

All employees are required to report any suspected or observed violations of the law, of this Code of Conduct or of company policies – or if they are asked to do something that might be a violation. Reports may be made to your supervisor, a representative from Group Function – Legal Affairs & Compliance, your local or regional compliance officer, the chief compliance officer or the ABB Business Ethics hotline.

Employees may report possible violations anonymously by using the Business Ethics hotline or by sending an e-mail to the chief compliance officer at [ethics.contact@ch.abb.com](mailto:ethics.contact@ch.abb.com), using an outside e-mail account that does not reveal their name (there are many free services such as Yahoo, Gmail, Hotmail, etc.). Employees must be aware, however, that anonymous reports may be more difficult to investigate.

Confidentiality will be maintained to the fullest extent possible. Retaliation against any employee who in good faith reports a concern to the company about illegal or unethical conduct will not be tolerated and be subject to disciplinary action. The same applies to any intentional abuse of these reporting processes.

Employees who have questions about a specific situation should ask for help by using any of the aforementioned contacts. The key is to speak up and bring concerns into the open so that problems can be resolved quickly before serious harm can occur.

It is also a breach of this Code of Conduct to fail to report a violation or suspected violation that employees know about or to refuse to cooperate with the investigation of a suspected violation.

#### **Penalties for violation**

Each employee is responsible for ensuring that his or her conduct and the conduct of anyone reporting to the employee fully comply with the applicable laws, this Code of

<sup>1</sup>Source: <http://search.abb.com/library/Download.aspx?DocumentID=7ABA101167&LanguageCode=en&DocumentPartID=&Action=Launch&IncludeExternalPublicLimited=True>

Conduct and the company policies. Compliance, both personal and by subordinates, will be a factor in periodic performance appraisals.

ABB applies “zero tolerance” and will take disciplinary action, up to and including termination of employment, against employees who violate the law, this Code of Conduct or company policies.

### The ABB Group – Our Culture<sup>1</sup>

#### **Compliance program**

The compliance program is designed to implement preventative actions and to enforce ABB’s zero tolerance for unethical behavior.

The program is implemented by the ABB Group compliance office, which is in charge of compliance matters for all ABB companies worldwide. The global compliance team is headed by the Chief Compliance Officer, and consists of regional teams with region and country compliance officers supported by a central team at ABB’s headquarters.

The main responsibilities of the ABB Group compliance office is to manage ABB’s Code of Conduct process, including training, and to operate the Business Ethics Hotline. The compliance office is also responsible for:

Developing and ensuring implementation of ABB Group compliance directives

Making sure ABB conducts itself appropriately when working with intermediaries and third party agents

Ensuring compliance with records management and data privacy regulations.

#### **Compliance training<sup>2</sup>**

ABB employees worldwide receive training on various compliance topics through e-learning and/or through local training.

ABB also provides some of its business partners with specific training on the Code of Conduct (pdf, 0,09 MB) and other compliance matters.

<sup>1</sup>Source: <http://www.abb.com/cawp/abbzh252/6b688d1047a76576c1257405004bd871.aspx>

<sup>2</sup>Source: <http://www.abb.com/cawp/abbzh252/87d9dfe10b612385c1257405004ebebc.aspx>

## 258. Endesa

### Endesa 07 SUSTAINABILITY REPORT<sup>1</sup>

#### GOOD GOVERNANCE

##### Ethics channel

ENDESA has set up an Ethics Channel, which can be accessed via the corporate website, so that all members of the Company's interest groups can report, securely and anonymously, any unethical or illegal conduct that they consider to have occurred in the course of the Company's activities. The procedure established for the functioning of the channel ensures confidentiality, since the Channel is managed by an external company (Ethics-Point), through which any complaints or communications are processed.

The Ethics Channel classifies complaints in accordance with 13 corporate management fields, arranged in accordance with aspects of ENDESA's Code of Conduct, thereby optimising the monitoring of compliance with the principles of conduct in internal audits. In all, the channel received 56 complaints in 2007.

Since the Ethics Channel was launched, the main topics of reports by those who have used the Channel have been improper behaviour by suppliers, embezzlement of assets and conflicts of interest.

The Ethics Channel is available in all five languages used in the countries where ENDESA operates, and can be accessed by employees in Argentina, Brazil, Chile, Colombia, Spain, Portugal, France, Italy and Peru.

Investigations of 76 per cent of the cases reported via the Ethics Channel in 2007 were concluded by the year's end, and 25 per cent of the complaints made resulted in corrective measures being taken, either by ending relations with contractors or dismissing the employees involved in cases where such action was appropriate.

21 per cent of the complaints identified as possible fraud corresponded to requests for investigation made by the actual business divisions involved, after anomalies had been detected.

To ensure that the complaints received via the Ethics Channel are dealt with properly, ENDESA has a Corporate Audit Department, which reports to ENDESA's Board of Directors via its Audit and Compliance Committee, which centralises and channels all complaints. Reports made via channels other than the Ethics Channel are forwarded to the Corporate Audit Department, in accordance with ENDESA's internal procedures.

Also, since January 2007, the Corporate Audit Department has a Fraud Prevention unit exclusively available for the Ethics Channel, to manage any complaints received via any medium and develop mechanisms to prevent the risk of fraud.

The Corporate Audit Department acts independently of the opinions and actions of all the other departments in the organisation. It has access to all the Company documents necessary for the performance of its functions, monitors the implementation of the recommendations included in its audit reports and selects external auditors.

<sup>1</sup>Source: [http://www.endesa.es/Portal/es/inf\\_acc\\_inv/Informes\\_Anuales/Informe\\_de\\_Sostenibilidad/informe\\_2007\\_ing.htm](http://www.endesa.es/Portal/es/inf_acc_inv/Informes_Anuales/Informe_de_Sostenibilidad/informe_2007_ing.htm)

## 259. Baosteel Group

Sustainability Report 2006<sup>1</sup>

### Construction of Faithfulness

#### **By Examining Both Root Causes and Symptoms, to Construct a Preventive Mechanism and Cultivate Honest Culture**

In order to cultivate honest culture with faithfulness as its core, the Company has worked out “Executive comments on building up a system for preventing and punishing corruption by laying equal stresses on perfecting education, system and supervision”. The effect of this document covers all the subsidiaries and branches of Baosteel, and they are implemented through the annual “responsibility assignment” and demonstration of the managerial personnel.

Through thesis education, special training, professional training, and so on, the Company gave trainings to the managerial personnel at various levels and employees on relevant policies and businesses, and has achieved a training coverage ratio of over 90% for employees, and 96% for the managerial personnel at various levels, and efforts are being made to achieve a ratio of 100%.

The Company persisted in building up systems for preventing commercial bribery. The Company launched activities such as writing an “Honest and faithful commitment letter” and “signing honest commitment letters by both parties”, thus enhanced the employees’ self-consciousness about commercial faithfulness. Whenever there is an important case, people were taught they have to respect the regulations of “no pass under 3 conditions”. In major projects, a “Building high quality project, trying to be outstanding leading staffs” drive will be launched. Furthermore, the Company has set up “Reporting system for combating corruption and advocating honest”, enacted “Further regulations on being honest in business activities”, expressively specified 8 prohibitions. It has so far published 2 lists of names of units with which no transaction will be done by Baosteel and units prohibited to do business with Baosteel. It has canceled businesses with 56 units that had been listed as units prohibited to do business with Baosteel and investigated 4 discipline violation and illegal cases, with relevant persons being punished via judicial procedures.

<sup>1</sup>Source: <http://tv.baosteel.com/ir/other/s2006e.pdf>

## 261. Sharp

Environmental and Social Report 2008<sup>1</sup>

### Compliance and Risk Management

#### Preventing Unlawful Grants and Expenditures

The Group Charter of Corporate Behavior and the Code of Conduct contain provisions that strictly prohibit any form of corrupt behavior such as money extortion or bribery, and require that donations be handled in a proper manner.

Sharp Corporation prevents illegal payoffs and improper expenditures through a system of compulsory reviews by the Donation Examination Committee in Japan to assess the propriety of monetary disbursements such as donations and contributions.

#### Consultation Hotline for Compliance Issues

Sharp Corporation and its domestic affiliated companies have a hotline for reporting problems and providing counselling services related to compliance issues. The hotline is open to employees, temporary staff, and employees of business partners, in line with the spirit of Japan's Whistleblower Protection Act. In addition, in October 2007, Sharp in Japan set up a contact point outside the company at its legal advisor's office.

Sharp clearly stipulates that there will be no unfavourable treatment or penalties against individuals who report compliance violations or seek consultation.

Corporate Info – Charter of Corporate Behavior<sup>2</sup>

### Practice of Fair and Open Management

#### To Prevent Corruption such as Extortion and Bribery

- 1) At home or abroad, we will not entertain, nor give money or goods to public officials (and the like), which is prohibited by applicable laws and regulations in

each country and region.

- 2) We will keep the giving and receipt of other monetary rewards or gifts, as well as business-related entertaining, within reasonable bounds, by placing limits on the type and frequency, so as to avoid going beyond socially acceptable courtesies in each country and region.

#### To Handle Monetary Gift Contributions and Political Donations Fairly and Appropriately

- 1) Regarding contributions and gifts of money, we will proceed strictly in conformance with relevant laws and regulations, as well as relevant internal company rules, in order to ensure that they do not fall under the category of payoffs or illegal payments.
- 2) We will observe Company policy that political donations should be confined to the absolute minimum necessary given the level of engagement with the local community, as well as in compliance with applicable laws and regulations, and that when making such contributions, we will proceed in strict conformance with relevant internal company rules.

### Sound, Equitable Economic Activities

#### To Practice Fair, Appropriate Purchasing Activities:

- 1) In selecting a vendor or supplier, we will conduct a fair, transparent evaluation and assessment based on our position with respect to economic reasonableness, and in consideration of the legal compliance and business ethics of the target corporation. Recognizing Sharp's position as a multinational enterprise doing business around the world, we understand the need to conduct fair transactions and will carry out our business activities by opening doors widely without discriminating between domestic and foreign companies.

<sup>1</sup>Source: [http://sharp-world.com/corporate/eco/csr\\_report/2008pdf/sharp\\_eall.pdf](http://sharp-world.com/corporate/eco/csr_report/2008pdf/sharp_eall.pdf)

<sup>2</sup>Source: <http://sharp-world.com/corporate/info/charter/cc/index.html>

- 2) Based on compliance with laws and regulations related to purchasing transactions in each country or region, we will not engage in acts that are questionable from the standpoint of business ethics.
- 3) We will not accept gifts or business entertainment from existing or potential new suppliers/vendors that go beyond the bounds of the socially accepted business practices of the country or region in question.

### **Implementation of The Sharp Code of Conduct**

#### **Administrative System**

- 1) Under a resolution passed by the respective Boards of Directors of the Sharp Group companies, the The Sharp Code of Conduct will apply to each company.
- 2) To conform with the laws, regulations, and customs of a country or region in which a Sharp Group company is located, it may make changes to the The Sharp Code of Conduct to the extent that they do not violate the underlying purpose and intent thereof. It should also be noted that any changes made must be approved by a resolution of the Board of Directors of each company, and prior notification must be made to the under-mentioned Contact at Sharp Corporation.
- 3) The Sharp Code of Conduct will be reviewed and revised as necessary, and in such case, the Sharp Group companies will keep all employees notified of any revisions at all times.
- 4) The Sharp Group companies will prepare and distribute a The Sharp Code of Conduct Handbook, to promote employees' acquaintance with the code.
- 5) The Sharp Group companies will take measures including training programs, etc. from time to time to familiarize employees with the The Sharp Code of Conduct.
- 6) Each Sharp Group company will establish its own system to enable employees to report violations related to the The Sharp Code of Conduct, such as business activities or business conduct in violation of laws and regulations, or to allow

employees to ask questions or request a confidential consultation to enable the employee to judge what action should be taken. In Japan, a "Crystal Hot Line" set up on the Sharp corporate intranet is always available to accept questions and reports. (These may be accepted in writing from persons without access to a personal computer.)

- An appropriate response to reports received and to requested consultations will be made, and in the event it is clear that a violation has occurred, remedial measures will be taken.
- Persons making a report or engaging in consultation must never be subjected to unfavorable treatment as a consequence of having made a report or requested a consultation.

- 7) Officers and employees who violate The Sharp Code of Conduct will be subject to strict application of measures including disciplinary actions based on the respective laws and regulations and the relevant provisions in the terms and conditions of employment, the work rules and the relevant internal rules of each Sharp Group company.

#### **Contact**

- 1) Questions and comments related to The Sharp Code of Conduct may be raised and referred to the Planning Department of the CSR Promotion Group, or to the General Affairs Department of the Human Resources Group of Sharp Corporation.

## 262. Idemitsu Kosan

IDEMITSU Group CSR Report 2008<sup>1</sup>

### **Responding to Social Systems and Contributing to Regional Communities**

#### **Establishment of the Compliance Consultation Desk**

In May 2004, the Compliance Consultation Desk was established as a window for consultation and internal communications. This service, which facilitates counseling by inhouse email, dedicated phone lines and mail, guarantees strict protection of information and freedom from unfavorable treatment as a result of enquires.

Since FY2007, we have also established an in-house Sexual Harassment Consultation Desk and an External Compliance Consultation Desk.

#### **Activities to Raise Employee Awareness**

In a drive to promote groupwide education and training, the Company created the Compliance Handbook in FY2004, distributing it to all Group employees. Idemitsu also started “traveling compliance training” at all business sites.

In June FY2007, we revised the Compliance Handbook to reflect legal amendments and to enhance understandability, such as by adding graphics. In October of that fiscal year, we also formulated and issued a compilation of compliance case studies drawn from Idemitsu and other companies. This is used by each business site to instigate compliance workshops, providing opportunities for participants to identify problems and consider the practicality of their solutions.

#### **Eliminating Corruption**

Idemitsu forbids the illegal donation or offer of monetary or other economic benefits to public employees or persons in equivalent positions, either in Japan or overseas. We also prohibit the donation and solicitation of gifts, hospitality, gratuities and other economic benefits in excess of socially accepted norms, with regard to customers, clients and other business associates.

This stance is clearly stated in the Compliance Handbook, which is distributed to all employees.

<sup>1</sup>Source: [http://www.idemitsu.co.jp/e/environment/pdf/2008/all\\_e.pdf](http://www.idemitsu.co.jp/e/environment/pdf/2008/all_e.pdf)

## 263. Rio Tinto Group

The way we work<sup>1</sup>

### Openness and accountability

#### Business integrity

We undertake Rio Tinto's business with integrity, honesty and fairness at all times, building from a foundation of compliance with relevant local laws and regulations and international standards.

We support free and fair competition. We promote the rule of law and the Group's high standards wherever we are in the world. We have introduced a compliance programme that all Group businesses are required to put in place. This is based on a continuously developing system of training, monitoring and procedural checks and balances.

Bribery, in all its forms, is prohibited. We neither promise, offer nor accept bribes or anything which could be taken for one, either directly or indirectly.

We only make payments for legitimate business services and at a rate that reflects their market value. We work with business partners, representative agents and intermediaries after making them aware of Rio Tinto's policy and being satisfied that they will not make unauthorised payments indirectly on the Group's behalf.

We disclose any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest but strive to avoid them. Gifts and entertainment are only offered or accepted for conventional social and business purposes and then only at a level appropriate to local circumstances.

#### Transparency

Our commitment, both in principle and practice, is to maximum transparency consistent with good governance and commercial confidentiality.

Rio Tinto disseminates understandable information in a timely way on the Group's operational performance and financial condition. We verify its accuracy, internally and,

as appropriate, independently. We avoid selective disclosure.

We give required information to relevant agencies in the jurisdictions where Group businesses operate and widely disseminate it where Rio Tinto shares are traded, through the media as well as directly, including on our own websites. We voluntarily give detailed social and environmental performance data in separate annual reviews. These cover the Group and each Group business, extending further the quality and quantity of publicly available data.

Published material can be accessed through Rio Tinto's external website, [www.riotinto.com](http://www.riotinto.com). Both this and the Group's intranet are linked to other websites maintained by Group businesses, offering easy access to a wealth of additional, detailed information on local operations. Significant events, including financial results presentations and seminars on strategy and corporate social responsibility, are also available on Rio Tinto's internet website, as they happen and as an archive.

Rio Tinto seeks and welcomes constructive criticism. We use face to face and written communication and formal grievance procedures within our workplaces. We also have an additional independent and confidential means of communication and feedback for ideas or concerns about any aspect of Rio Tinto or about the behaviour of individuals, without fear of recrimination, through the Group's Speak-OUT system.

### Business integrity guidance<sup>2</sup>

#### Guidance:

#### Gifts and entertainment

In certain circumstances, the giving and receiving of small gifts and entertainment is perfectly acceptable, and is quite distinct from bribery. A business meal, for example, can provide a relaxed forum for exchanging information.

<sup>1</sup>Source: [http://www.riotinto.com/documents/ReportsPublications/the\\_way\\_we\\_work.pdf](http://www.riotinto.com/documents/ReportsPublications/the_way_we_work.pdf)

<sup>2</sup>Source: [http://www.riotinto.com/documents/CorpPub\\_Business\\_integrity\\_guidance.pdf](http://www.riotinto.com/documents/CorpPub_Business_integrity_guidance.pdf)

Nonetheless, exchanges of gifts and entertainment must be subject to strict limits. Depending on their size, frequency, and the circumstances in which they were given, they may constitute bribes or political payments. The key test we must apply is whether they could be intended, or even be reasonably interpreted, as a reward or encouragement for a favour or for preferential treatment. If the answer is yes, they are prohibited under Rio Tinto policy.

This applies both to the giving of gifts and entertainment by Group employees and to their receiving of them. It applies also to indirect gifts, such as, for example, unusually high lecture fees.

Managing directors are recommended to set explicit limits for gifts and entertainment for their particular businesses. These should cover the maximum monetary value of gifts that may be given and received, as well as the frequency with which they may be exchanged.

The general rule on conflicts of interest associated with gifts and entertainment is that they should be avoided. If they appear unavoidable, the member of staff concerned must advise the managing director of the business of all the circumstances beforehand, so that the situation can be properly reviewed and recorded before any problematic decisions are made.

### **Bribery**

Under the OECD Convention, signatory governments must make it a crime: “to offer, promise or give any undue pecuniary or other advantage, whether directly or through intermediaries, to a foreign public official, for that official or for a third party, in order that the official act or refrain from acting in relation to the performance of official duties, in order to obtain or retain business or other improper advantage in the conduct of international business”. Complicity, including incitement, aiding and abetting, or authorisation of an act of bribery, are also to be made criminal offences, as will be attempts or conspiracy to bribe. The UK implementing legislation also covers bribery of agents, as well as bribery of public officials.

Rio Tinto’s policy in The way we work already covers all this ground. It prohibits giving of all bribes, whether or not to public officials, and also the acceptance of bribes or

backhand payments relating to the award of supply or other contracts.

Even though we will never initiate the offer of a bribe, in some countries we are sometimes pressured to pay bribes. In such cases, we must refuse to pay, however widespread or condoned the practice may be locally.

When it occurs, bribery is rarely as explicit as the exchange of cash for a contract. Rio Tinto’s policy prohibits bribery in all its forms. Thus it applies to:

- attempts to secure improper advantage in any area including, for example, environmental permits, customs, and judicial proceedings;
- the offer of any form of undue reward, not just money covering, for example, offers of employment or lavish hospitality; and
- all mechanisms for channelling undue payments or other benefits or for masking their purpose.

This includes the use of ‘kickbacks’, subcontracts, purchase orders, consultancy agreements, and the improper use of agents. It also includes any other sort of deal arranged on concessional terms with politically influential individuals or companies or organisations linked with them.

Consultancy payments should only be made for legitimate services, and at a rate which reflects their fair market value. Contracts should document precisely the services to be provided.

Similarly, any arrangements we enter into with politically influential individuals or organisations must be for legitimate business purposes only, which are set out in full in our contracts or agreements with them. Wherever possible, we must award contracts on the basis of competitive tendering. Where this is inappropriate or not possible, we must ensure, and be able to demonstrate, that we are paying no more than a fair market value for the goods or services received.

One difficult issue is that, in some countries where we operate, we may be obliged by local law to pay for the services of public officials, such as customs clearances, local

police protection or the visits of environmental regulators. But we do not expect from these officials any unduly favourable treatment as a result. In these cases, therefore, we must make clear in our discussions with such officials, and set out in our written communications with them, that we expect them to do no more or less than to fulfil their legal and regulatory duties. We should request an official receipt for any such payments.

#### **Corruption in the broader environment**

This last section covers the most difficult situations we confront: that is, when corruption is occurring and has some indirect link to our business, but we have limited power to prevent it. Such situations include:

- the misuse by state agencies or politicians of the tax and other legal revenues raised from our operations; or,
- corrupt behaviour by a major business partner which owns a significant share in a mine we operate.

There are no simple solutions in these situations. We cannot just dictate how governments behave, and our influence over business partners may be limited.

Nonetheless, we sometimes may decide not to become involved in a project because we have suspicions about the practices of our potential partners or state agencies. For this reason, we should review corruption issues for each project as part of the due diligence process.

Similarly, if we are already involved in a project where corruption allegations arise, we need to ensure that we clearly state Rio Tinto's policies and exert pressure wherever it is legitimate for us to do so. A number of tactics may be useful and diplomatic suggestions may achieve the best results. Where appropriate, we should:

- make our own representations to governments or business partners, referring to the policies in *The way we work*, and the possible effect of their actions;
- team up with other companies, possibly through a local chamber of commerce, to

lobby for improved standards. Such a combined approach may be the most effective way to persuade state agencies to bring an end to demands for facilitation payments;

- work with other organisations, such as embassies or international development agencies, who may have other avenues to voice opinions to governments. Development agencies are now devoting significant resources to issues of governance and corruption; and
- seek to support governance and capacity building projects as part of our community contributions.

Rio Tinto External Affairs can provide further advice and assistance in this difficult area.

#### **Facilitation payments**

The OECD Convention does not extend to small facilitation payments, which are also sometimes known as expediting or servicing arrangements, on the grounds that bringing them within the scope of the criminal law did not appear to be a practical measure. This exemption has been followed through in the implementing legislation of a number of countries, including the US and Australia.

The main distinction thereby implied between facilitation payments and other forms of bribery is that in the case of the former:

- the sum involved is minor and paid to a low level state official; and
- the payment is made to secure an action or service to which an individual or company is routinely and legally entitled. (Such a service might include mail collection, water supply, or a routine processing of government papers such as a visa. It does not include any decision to obtain or retain business, or about the terms of a business.)

In some countries, such payments are regularly demanded and are a common feature of economic life. The new UK legislation makes no exemption for such facilitation payments. As Rio Tinto is incorporated in the UK, it is possible that it could face liability if any part of the Group, and not just employees who happen to be UK nationals, were to contravene this legislation.

The following is an excerpt from guidance on the UK legislation provided by British Trade International, a trade promotion arm of the UK Government:

“Blanket exemptions are always liable to misuse, and we do not think it appropriate to make an exemption for ‘facilitation payments’. However, we do not envisage any circumstances in which the making of a small facilitation payment, extorted by a foreign official in countries where this is normal practice, would of itself give rise to a prosecution in the UK. The making of such payments may well, however, be illegal under the law of the country concerned.”

Over and above any immediate action, operations should set out a long term strategy for reducing exposure to demands for such payments, inform senior officials of relevant government agencies about any unofficial requests for cash, and seek to build alliances with other firms facing similar problems. Group businesses should inform External Affairs if they face persistent demands for facilitation payments.

### **Compliance and implementation**

This section covers compliance with the particular issues raised in this guidance. In addition, the Group Compliance officer is reviewing the compliance system for all Rio Tinto’s policies and legal obligations.

As a basic principle, managing directors are responsible for ensuring that the policies in The way we work are implemented in their particular businesses. They should issue instructions as appropriate to staff based on this guidance, strengthening management systems, such as induction of new employees and training of existing employees, where necessary. They also should make any necessary changes to their codes of conduct. In addition they are responsible for drawing our policies to the attention of business partners.

In terms of Group wide management systems, managing directors will be required to report through the annual Internal Control Questionnaire on how they have implemented this guidance. As on other issues, the Internal Audit department may make further inquiries as appropriate.

Employees must be made aware that they will be supported in their efforts to comply with the Group’s policies in this area, whatever the inconvenience or extra costs involved. The chairman of Rio Tinto has committed that no employee will suffer in any way if we lose business as a result of his or her refusal to pay bribes. Equally, infractions of our policies in this area are likely to result in disciplinary action, up to and including termination of employment.

The rest of the guidance sets out some clear prohibitions, but also raises a number of dilemmas where the correct course of action will depend on the precise nature of the local situation. In such cases, there are two general principles to bear in mind:

- There should be only one set of books, and no transactions should be entered into that cannot be transparently included in them. Nothing must be done or omitted which might affect the integrity of our internal or external audits.
- We should not do anything that would put in doubt the Rio Tinto Group’s commitment to business integrity if it were accurately reported in a local or international newspaper, or made public in some other way.

If there are any cases of doubt or questions as a result of this guidance that cannot be resolved locally, External Affairs should be contacted. Depending on the nature of the inquiry, External Affairs will draw in expertise from other Group functions, including the Legal department, Internal Audit, the company secretary, and the Group Compliance officer, as appropriate.

This is in addition to Rio Tinto’s systems of financial control that are in place to provide assurance regarding:

- the safeguarding of assets against unauthorised use or disposition: and

- the maintenance of proper accounting records and the reliability of financial information used within the business or for publication.

Rio Tinto has developed the following programmes which underpin its business integrity:

#### **Internal Control Questionnaire**

The Internal Control Questionnaire is a risk management system designed for each Group business to respond to questions relating to legal risk, financial control risks, business integrity risks and political involvement risks linked to the implementation of and the adherence to The way we work. It is supervised by the head of Internal Audit.

#### **Group compliance programmes**

These programmes are designed to prevent and detect non compliance with local laws and regulations, as well as non compliance with Rio Tinto's policies, procedures and practises set out in The way we work and in the codes of conduct adopted by the individual Group businesses in conformity with The way we work. The programmes are being developed to promote the sensitisation, education and training of employees in the key substantive areas of legal policy and procedure requirements which apply Group wide. These programmes will help foster a common corporate approach across Rio Tinto's global operations.

#### **Speak-OUT**

The Group's Speak-OUT programme is a 'whistleblowing' system which allows employees, confidentially and without fear of reprisal, to alert senior management about their concerns over possible acts which are contrary to Rio Tinto's business policies and practices; those which may be against the law; and those which may otherwise give senior managers cause for concern.

## 264. Vivendi

### Compliance Program<sup>1</sup>

#### Prevention of conflicts of interest

##### Remuneration, gifts, invitations and benefits offered by third parties

All employees must ensure that they guard against situations which could place them directly or indirectly in a situation of obligation with third parties anxious to form or maintain a business relationship with the Group.

In this context:

employees cannot accept or solicit any financial reward or benefit of any kind on a personal basis;

- employees cannot accept or solicit any financial reward or benefit of any kind on a personal basis;
- gifts and invitations are only acceptable if they do not cast doubt on the honesty of the giver or the independence of the recipient (such as ordinary gifts with token value, or promotional gifts).

In the event of any doubt as to how to proceed, the Compliance Officer should be consulted, in accordance with the principle of transparency.

#### Commercial ethics

##### Compliance with legislation prohibiting corruption

The receipt from or grant to any third party of an improper advantage of any kind for the purpose of obtaining preferential treatment is seriously damaging to the reputation of the company authorizing such practices or which is not capable of preventing them.

In accordance with the rules relating to the prevention of conflict of interest:

- any employee solicited by a third party anxious to form or maintain a business relationship with a Group company must avoid doing anything which would place him or her personally in a situation of obligation vis-à-vis the third party or which could cast doubt on an employee's integrity;
- similarly, an employee must take care not to expose a third party to a situation in which he or she attempts to convince or lead that third party to conclude a business transaction with a Group company.

The effective prevention of such situations can be assured by the observation of certain rules which are intended to avoid any initiative taken by an employee giving rise to criticism or suspicion.

##### Prohibited payments and expenses

The resources and assets of a Group company cannot, under any circumstances, be used to pay bribes to a third party, or to provide such a person with products or services free of charge, or at preferential prices, for the purpose of influencing the outcome of negotiations in which a Group company is involved.

Every employee must refrain from responding favorably to such requests, and especially from proposing them. In the event that a request of this nature is received, the employees must refer to their superiors, who must take all necessary measures to put an end to such behavior on the part of the person concerned. If necessary, they will suspend the business relationship with the (public or private) entity represented by that person.

##### Precautionary rules relating to gifts and invitations

Any initiative which could be interpreted as going beyond the customary conduct of a business relationship should be avoided. In accordance with rules parallel to those imposed in their dealings with suppliers, employees must rigorously avoid paying or offering financial rewards or advantages of any kind to persons representing the interests of third parties having business relationships with the Group.

They must also exercise moderation when offering gifts or extending invitations:

<sup>1</sup>Source: [http://www.vivendi.com/vivendi/IMG/pdf/20061012\\_compliance\\_program-2b-en.pdf](http://www.vivendi.com/vivendi/IMG/pdf/20061012_compliance_program-2b-en.pdf)

- Such gifts can only be offered on behalf of a Group company when they only have token value and are infrequently given, which do not cast doubt on the honesty of the donor or the impartiality of the recipient at the time they are offered;
- Invitations must be justified by a professional purpose (which cannot be regarded as a pretext for travel or holidays) or must take place in the context of a promotional campaign or public relations program organized by the Company.

It is also essential to be aware of the status of those who are sent gifts or invitations: in order to protect their independence, their status may sometimes require them to refuse to accept such gifts or invitations, even if they satisfy the principle of moderation referred to above.

Particularly close attention must be paid to this aspect in the context of the relationship of Group companies with States or local authorities, to avoid placing their representatives in breach of their status as public servants and in breach of the duties associated with their status.

### **Monitoring structures and procedures**

#### **Transparency**

The implementation of the Compliance Program requires every employee to have a sense of responsibility.

It is not always easy to identify the best solution to a problem relating to application of the Code of Conduct. Compliance Officers must make themselves freely accessible and available, and be attentive to any approach made by an employee seeking advice and to indicate breaches of the Code.

No employee shall be subject to criticism for having provided such information in good faith. The Compliance Officer shall ensure in such circumstances that the employment conditions of the employee concerned are not adversely affected. Insofar as possible,

the Compliance Officer shall maintain confidentiality regarding the employee's approach, if the employee so wishes.

It shall be the duty of every manager and head of department to promote compliance with the rules contained in the Compliance Program by giving employees under their authority any necessary explanations in a concrete way adapted to their particular functions. They shall consult the Compliance Officer whenever necessary. It shall be their duty to ensure that the Code of Conduct is respected.

They shall inform their company's Compliance Officer of any breaches of the Code of Conduct which call for corrective or disciplinary measures, particularly when such breaches are capable of damaging the reputation of the Group or any of its companies.

Any serious breach of the Code of Conduct and any difficulty which cannot be resolved must be brought to the attention of the Compliance Officer responsible for the Compliance Program at Group level.

Audit departments must pay particular attention to breaches of the Compliance Program and to the risk of lack of control caused by inadequate procedures within an audited company. Any breaches or risks of breaches that come to their attention must be reported to the Compliance Officer.

## 265. AstraZeneca

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

#### Preventing Bribery and Corruption

AstraZeneca directors, officers and employees, and others who act on AstraZeneca's behalf, must not offer, pay or accept bribes.

We must not offer or give money or anything else of value either as an inducement to make, or as a reward for making, any decision favourable to the interests of AstraZeneca.

This includes providing such benefits to government officials (including those from national and local governments and those serving in public international organisations) and other healthcare professionals and organisations, patients, suppliers, charities and patient groups, whether companies or individuals.

AstraZeneca also does not permit agents, contractors, advisors or other third parties working on our behalf to engage in this type of conduct.

As well as not offering bribes, we must also not accept them. See "Avoiding Conflicts of Interest" on page 14 for more information.

Offering or making payments to government officials to obtain favourable treatment, to secure business, or to obtain an improper advantage is a crime in every country in which we do business, whether such payments are in cash or in kind. It is also a crime in many countries to make these types of payments to government officials of another country, and also a crime in most jurisdictions to pay commercial bribes to persons who are not government officials.

quick reference:

- Never make or authorise payments or gifts in order to obtain or retain business or to secure an improper advantage. Never ask or permit third parties to do so on your behalf.
- It is acceptable to engage the services of healthcare professionals and organisations, and provide modest and customary meals and gifts, as long as

they comply with any local laws and applicable codes and our supporting policies (including page 7 of this Code).

- Make sure all gifts, activities and conduct are of a nature that would not be open to misinterpretation if publicly disclosed.
- Pay particular attention to relationships with third parties; visits to our facilities; sponsoring people to attend events or meetings; consulting arrangements; post-marketing studies; gifts and hospitality, and facilitating payments.
- Report any suspicion of potentially corrupt behaviour.

#### PUBLIC POLICY AND POLITICAL ACTIVITIES

Any public policy or political activity undertaken on behalf of AstraZeneca must be lawful, ethical and approved under established Company procedures.

#### PUBLIC POLICY ACTIVITIES

Employees and others who, on AstraZeneca's behalf, engage in dialogue with governments and other public bodies to inform or influence public policy must ensure that all communications are based on facts and evidence and are not misleading or open to misinterpretation. People engaged in these activities must always make it clear that they represent AstraZeneca.

All interactions with government officials and other third parties must also be in accordance with page 8 of this Code (Preventing Bribery and Corruption).

#### Interactions with healthcare professionals and organisations

In all our interactions with healthcare professionals and organisations, we must observe high standards of integrity and honesty.

All our interactions with healthcare professionals and organisations must be intended to ensure the effective use of our medicines and to enhance patient care. This can include advancing medical research, enhancing medical knowledge or practice management, or gathering necessary feedback about our medicines.

<sup>1</sup>Source: [http://www.astrazeneca.com/\\_mshost3690701/content/resources/media/az\\_coc\\_english.pdf](http://www.astrazeneca.com/_mshost3690701/content/resources/media/az_coc_english.pdf)

We must only engage the services of healthcare professionals and organisations when they are legitimately needed, and we must not pay more than an appropriate market rate for the services rendered.

We must not enter into business relationships or offer or provide gifts, hospitality or anything else of value, to induce or reward favourable decisions about our products and services.

We must always provide information about our products to healthcare professionals and organisations in accordance with the relevant provisions of this Code and supporting policies.

Interactions with healthcare professionals and organisations include all meetings, communications, research and service arrangements, including product promotion, speaking engagements, advisory board meetings, consulting agreements, conferences, congresses and symposia.

quick reference:

- Comply with the IFPMA Code of Pharmaceutical Marketing Practices, local laws, regulations and applicable codes of marketing practice and our own, often more strict, local codes.
- Only make payments to healthcare professionals and organisations when there is a written contract in place.
- Do not offer payments, gifts, hospitality, entertainment or anything else of value if it could constitute a bribe to a healthcare professional or organisation.

### **AVOIDING CONFLICT OF INTEREST**

We must not allow personal or family interests to influence our professional judgement.

We must never accept anything of value, if it would constitute either an inducement to make, or a reward for making, any decision favourable to the interests of a third party.

We must not accept gifts or hospitality that may compromise our independence or judgement regarding a third party. This includes hospitality or entertainment with a value that exceeds locally established limits, that is not customary or that is otherwise likely to be seen as inappropriate.

Whilst we are free to make personal financial investments and to maintain social relationships with people we meet through business activities, our business relationships must not create any interests that may conflict, or have the potential to conflict, with those of AstraZeneca.

quick reference:

- Avoid situations where your loyalty may become divided.
- Do not enter into situations in which your personal or family interests may conflict with those of AstraZeneca.
- Declare any potential conflicts of interest and seek advice from your line manager.
- Report any business dealings between AstraZeneca and companies or organisations in which you have, or a family member or an individual you treat as a family member has, a management role or financial interest (excluding interests of 1% or less in publicly listed companies).
- Do not use your position at AstraZeneca for personal benefit or to benefit a family member, friend or associate.
- Do not pay a third party more than a contractually agreed, market-based price or fee for goods or services provided.
- Do not accept gifts, hospitality or other entertainment of a nature that would be open to misinterpretation if publicly disclosed.

### **Who is the Code for and what does it mean in practice?**

This Code applies to all full- and part-time AstraZeneca Group directors, officers,

employees, and other temporary staff worldwide.

Our business activities touch many people's lives, including patients, physicians, shareholders, employees, regulators, partners, those who pay for healthcare and the communities around us. Maintaining the trust and confidence of these groups means ensuring that our high level values are translated into consistent and appropriate behaviour worldwide.

Everyone is required to be aware of, and conduct their activities in accordance with this Code, all supporting policies and applicable codes, and the laws and regulations of the countries in which we work and do business. We must operate to the highest of the standards required by these various authorities, and always have due regard to national legislative requirements, as a minimum, and to circumstances where the laws of more than one country may apply.

Managers are responsible for providing appropriate support to enable their teams to understand the requirements of this Code and the relevant supporting policies and how they should be applied in practice. Managers are also responsible for providing assurance on these matters to the Board of Directors of AstraZeneca.

The following sections of this Code outline AstraZeneca's core commitments – what they mean and how they should be actively implemented at all levels within the Company.

You must also be prepared to exercise good judgement and common sense in deciding the right actions to take, because this Code and our supporting policies cannot cover every situation that may arise. You should ask questions if you are unclear about any aspect of this Code, or if you are not sure how to respond to an issue that the Code does not address.

You must also promptly report any known, suspected or observed violations of laws, regulations, this Code or supporting policies of which you become aware.

Any failure to comply with this Code or its supporting policies will be fully investigated and appropriate action taken. This may include re-training, discipline, or other corrective action, up to and including termination of employment, depending on the circumstances.

## HOW TO ASK A QUESTION OR RAISE A CONCERN

Anyone who raises a concern about a possible compliance breach in good faith will be supported by management, and will not be subject to retaliation. Any act or threat of retaliation will in itself be considered a serious violation of this Code.

You may at some time come across a situation that appears to violate an AstraZeneca policy. Everyone has a duty to report any suspected violation promptly.

In general, you should first seek to address your concerns with your manager. If you believe this is not appropriate, you may also contact your Human Resources, Legal Department or Compliance representative. If you prefer to contact someone outside your area, you may use any of the following contacts:

- AZethics line See page 20 for the telephone number to call in your country (MedImmune and Aptium Oncology employees should also refer to page 20 for information on reporting within their organisations)
- Website AZethics.com
- Email GlobalCompliance@astrazeneca.com
- Postal address Global Compliance Officer, AstraZeneca PLC, 15 Stanhope Gate, London W1K 1LN, United Kingdom

If the concern relates to accounting, internal accounting controls or auditing matters, you may contact the AZethics line, the Global Compliance Officer or the VP, Group Internal Audit.

You can provide information anonymously if you prefer, and if your local laws so permit. In all instances, every effort will be made to ensure that information relating to a reported violation is kept confidential and communicated on a need-to-know basis only.

Group Internal Audit, which reports to the Board of Directors, works closely with the

Global Compliance Officer to ensure that confidentiality and impartiality are maintained in the overall process.

The above procedures can also be followed if you have a question, or are seeking clarification about any aspect of this Code and its supporting policies.

The AZethics line and AZethics.com are managed by a third party on AstraZeneca's behalf. When you ask a question or raise a concern, you will be asked to provide details and whether you wish to disclose your contact information. AstraZeneca UK Limited may record this information in a database (hosted on its behalf by EthicsPoint in the US) and may contact you for further information. You have a right of subject access to the personal information AstraZeneca processes about you.

## 266. Anglo American

### REPORT TO SOCIETY 2007<sup>1</sup>

#### **Governance and transparency**

##### **Governance and compliance**

All employees and regular or significant suppliers must comply with our Good Citizenship Business Principles. Each year business unit leaders provide the chief executive with letters of assurance on performance, risks and opportunities in sustainable development and adherence to the business principles.

In addition, we provide an independently run, global, “speak up” whistleblowing facility to support compliance. In 2007 we undertook a Group-wide internal audit of the enforcement mechanisms and awareness of the business principles. This reached positive conclusions about the links between the principles and policies. A wide range of internal and external stakeholders is currently reviewing the principles.

##### **Blowing the whistle**

During 2007 we received 230 alerts (167 in 2006) via the independently run ‘speak up’ whistle-blowing facility, which is available in appropriate languages in every country where we operate. The system was inadvertently disconnected for a period in Chile in 2007, but has been restored. The legal concerns in 2006 about operating an anonymous facility in France and Germany have been resolved and we now, once again, have global coverage.

Many of the 2007 alerts are attributable to a misunderstanding about the rules for a profit share allocation at our Copebras Brazilian phosphate company. More than 180 alerts have been closed following investigation. Of these, 110 were either not proven or proved to be false and 28 resulted in management action. Examples of the issues raised include a human resources manager engaging in irregularities in respect of appointments, which resulted in his dismissal, theft, fraud, misuse of company accommodation, assault, and concern about reckless driving.

In 2007, 567 employees, of which 37 were managers, were dismissed for breaches of

the business principles (compared with 540 in 2006). A further 1,341 were the subject of disciplinary action, of which 48 were managers.

We terminated the contracts of 99 suppliers or contracting companies for breaches of the principles (compared with 175 in 2006 and 15 in 2005). We are encouraged that the system appears to be working and will be reinforced by other supply chain initiatives currently underway.

##### **Corruption and transparency**

Anglo American continued to play an active role in the Extractive Industries Transparency Initiative (EITI). It is one of two mining sector representatives on the Board. Our chairman and our chief executive have both been involved through advocacy.

Company employees were subjected to substantive pressure to pay bribes to public officials in one country in Latin America and two in Africa.

<sup>1</sup>Source: [http://www.investis.com/aa/docs/gr\\_2008\\_04\\_15.pdf](http://www.investis.com/aa/docs/gr_2008_04_15.pdf)

## 268. New York Life Insurance

Integrity Manual<sup>1</sup>

### Avoiding Conflicts of Interest

#### Business Gifts and Entertainment

Gifts are a normal part of business life. Buying a meal for a customer or receiving flowers from a vendor are acceptable business practices that foster goodwill and create lasting relationships. But we must be careful. The exchange of gifts and entertainment in connection with a business transaction should never imply an intention to seek or receive favorable treatment. Even if there is no deliberate intention to influence the outcome, the perception of bad intention could still be damaging for you personally and for the Company. The guidelines for giving and accepting gifts and entertainment help make sure that all business transactions are impartial and objective, without outside influence.

#### Acceptable Gifts

You may accept or receive a gift, meal, or entertainment, if all of the following are met:

- it is consistent with acceptable business practice;
- the gift could not be perceived as a bribe, does not make the recipient feel obligated, and does not make it difficult for the recipient to make a fair decision; and,
- public disclosure of the gift or entertainment would not embarrass the Company.

The following gifts are considered unacceptable:

- Cash or its equivalent. For example, a gift certificate is not acceptable.
- Gifts that are solicited or encouraged by the employee.
- Transportation expenses paid by anyone other than the Company, including current or proposed vendors or service providers, (e.g. even if an employee is

invited to be on a vendor "advisory board").

- Gifts and entertainment that are so extensive or frequent as to raise questions of propriety. Laws regarding gifts and entertainment of federal, state or local public officials are complex and vary widely from state to state and locality to locality. Before giving a gift to, or entertaining a federal, state or local government official, please call Brian Loutrel at Ext. 7384.

#### Recording Gifts and Entertainment

All gifts and entertainment valued at \$10 or more are reportable. When practical, entertainment given or received and gifts given that are expected to exceed \$100 require pre-approval from your Department Head or an executive officer designated by the Department Head. Third party invitations for entertainment hosted at locations outside of the local business location in which the outside party is paying some or all the cost of the trip (e.g. hotels, meals, entertainment, tickets to sporting events, etc.) require the written pre-approval of your EMC member. Transportation expenses should always be paid by the Company.

Employees do not have to report gifts and entertainment under the following situations:

- Entertainment given to New York Life agents and their guests - unless the employee's area is required to report the information for regulatory purposes.
- Business related gifts and entertainment provided by fellow employees or by the Company or department.
- Commemorative items such as an inscribed paperweight, plaque or crystal bowl received to commemorate a special event or a product/Company promotion.
- Gifts between employees which are purchased with personal funds.
- Entertainment including meals received at industry meetings if the department already paid an admission or attendance charge for the meeting.

<sup>1</sup>Source: <http://www.newyorklife.com/cda/0,3254,15639,00.html>

You should also check with your manager to learn about any other standards specific to your department's operations.

### **Contract Negotiations**

Vendors sometimes offer gifts or entertainment as an inducement during contract negotiations. It is inappropriate for employees to accept any gifts or entertainment during contract negotiations.

### **Entertaining Public Officials**

Laws regarding gifts and the entertainment of federal, state, or local public officials are complex and vary widely from state to state and locality to locality.

These various "gift" and entertainment laws generally prohibit or significantly restrict a person from giving things of value to public officials or employees. Items of value include entertainment (tickets to sporting events, golf green fees, etc.), travel, lodging, transportation, meals, and other tokens of appreciation.

For purposes of this policy, a government official or employee means any person at the international, federal, state or local level who is (1) an elected government official; (2) appointed by another government official; (3) an officer or employee of a government agency, authority, commission or board or any other entity that is created by statute or regulation; (4) compensated in any way through appropriated funds; or (5) an officer or employee of a corporation of which the government is at least a partial owner. It does not include outside consultants or independent contractors of a governmental entity.

To determine whether an employee is permitted to entertain a public official, New York Life requires that all gifts be pre-cleared for approval. To obtain pre-clearance, please call Brian Loutrel at (212) 576-7384. You should provide the specific names and titles of the officials, as well as complete details of the proposed entertainment and anticipated expenses. For example, if an employee wishes to take a New York City official to dinner, the employee must receive pre-clearance of the meal.

If you are working directly with the Office of Governmental Affairs in dealing with public officials, the Office of Governmental Affairs' representative will obtain the necessary

pre-clearance from the senior officer responsible for governmental affairs.

Whether or not a gift is granted pre-clearance will depend on several factors, including the applicable gift law, the nature and value of the gift, the prior relationship with the public official, if any, and other circumstances surrounding the gift.

The Company will be asking employees to verify their compliance with these procedures annually, through the Conflict of Interest Questionnaire.

### **Complying with Laws**

#### **Improperly Influencing Government Officials**

The Foreign Corrupt Practices Act also prohibits making or offering a payment to a representative of a foreign government for the purpose of influencing that government's action or obtaining favorable treatment. The payment may be direct or indirect, and can be in many forms, including cash, stocks, property, or services.

In certain countries, it is usual and customary to make nominal payments or tips to government employees to expedite performance of legitimate duties. Although every effort should be made to eliminate or minimize such payments, they may be made provided the department head is assured in writing that:

- the government action or assistance sought by the Company is legal and proper,
- the payments are customary in the country in which they are to be made, and
- there is no reasonable alternative to making such payments.

Such payments must be recorded on the books and records of the appropriate department.

## Getting Help

### Your Internal Support Network

Situations where integrity is questioned are usually emotional and personal, and it can be difficult to be objective. In addition, laws and regulations concerning ethical issues are often complex and subject to interpretation. This is why we maintain an internal staff with the expertise to monitor, intervene, and interpret these difficult issues.

### Reporting Concerns about Accounting and Auditing Matters

Any Company employee may report good faith concerns regarding accounting, internal accounting controls or auditing matters at New York Life or its subsidiaries ("Accounting Concerns") to the management of the Company without fear of dismissal or retaliation.

The Company's Integrity Manual requires all employees to immediately report situations that appear to be unlawful or unethical to their supervisor or department head. If an employee is not comfortable raising an Accounting Concern with an immediate supervisor or department head, they should contact other internal staff, including the Corporate Ombudsperson, Corporate Compliance and Corporate Audit Departments.

To facilitate the reporting of Accounting Concerns in situations where all these avenues of communications have been exhausted, the Company's Audit Committee has established procedures for (1) the receipt, retention and treatment of Accounting Concerns and (2) the confidential, anonymous submission by employees of Accounting Concerns.

The Company's employees may submit Accounting Concerns on a confidential and/or anonymous basis to the Audit Committee through the Office of the Secretary via telephone, facsimile or regular mail. Confidentiality will be maintained.

### Corporate Office of Business Conduct

The Corporate Office of Business Conduct makes sure that our policies and standards

are ethical, and that all our employees and agents are aware of those standards. It conducts training, audits, surveys, and other programs, and works with the Human Resources and Agency Departments to develop formal training in ethical sales practices.

Brian Loutrel (212) 576-7384

### Corporate Ombudsperson

The Corporate Ombudsperson provides a channel for employees to raise and discuss known or suspected illegal or unethical business conduct, without fear of reprisal. The office also provides and suggests alternatives for employees and agents to resolve problems informally.

Interpersonal conflicts, work disputes, harassment, or any issue that cannot be resolved through normal channels may be brought to the Ombudsperson, who will strive to discuss issues and provide assistance confidentially. The Ombudsperson is objective and neutral, and considers the rights and interests of all parties with the goal of achieving a fair, win-win outcome.

### Corporate Compliance Department

Corporate Compliance ensures that our business standards incorporate the best practices of the financial services industry. Its duties include overseeing the proper screening of prospective agents; contracting and licensing of agents; monitoring sales data to be sure we are operating within the letter and spirit of the law; reviewing advertising and sales materials; monitoring customer complaints to be sure they are promptly followed up and resolved; maintaining and overseeing the Company's anti-money laundering and privacy programs to ensure that business units comply with appropriate regulations; and routinely reviewing operations for compliance with applicable regulations.

### Corporate Audit Department

The Corporate Audit Department provides reports to the Audit Committee of the Board of Directors on the results of its audits, examinations, and investigations of the financial operations of the Company and its subsidiaries. The Department supports

management by performing independent appraisals of the adequacy and effectiveness of the system of internal controls which safeguard assets and ensure the accuracy of financial reporting.

#### **Complaint Review**

Complaints are a vital source of information for us about the quality of our products and services and the way they are delivered. In handling a complaint from a customer, we first seek to resolve the complaint fairly and quickly. We also try to identify and resolve any general or systemic problems which could lead to further complaints.

The Complaint Review Division is part of the Corporate Compliance Department. They resolve complaints according to a procedure that ensures prompt resolution and compliance with laws and regulations.

#### **Office of the General Counsel**

The Office of the General Counsel (OGC) provides legal advice to the Company and its business units and profit centers, and oversees subsidiary legal operations. OGC is staffed with practitioners with expertise in insurance, litigation, securities, antitrust, bankruptcy, employment, intellectual property, human resources, and corporate governance.

OGC's primary goals are to: support the Company's business objectives in a complex, legal and regulatory environment; and limit legal risk in an efficient and cost-effective manner consistent with overall corporate strategy.

#### **Special Investigation Unit**

The Special Investigation Unit (SIU) of the Corporate Audit Department is an independent investigative unit responsible for ensuring that all allegations and suspicions of fraud are investigated promptly and discreetly. The SIU will conduct any type of authorized and legal inquiry. Employees should report suspicions of fraud either to management, or on a confidential and anonymous basis to the Corporate Ombudsperson or to the Special Investigation Unit.

#### **Duty to Report Misconduct**

Employees have an absolute duty to report misconduct. Employees must report allegations of misconduct, or any ethical concerns, to their supervisor. Alternatively, employees may contact the Corporate Office of Business Conduct directly on extension 7384. The Corporate Ombudsperson provides a channel for employees to raise and discuss known or suspected illegal or unethical business conduct without fear of reprisal.

The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices.

Any Company employee may report good faith concerns regarding accounting, internal accounting controls or auditing matters at New York Life or its subsidiaries ("Accounting Concerns") to the management of the Company without fear of dismissal or retaliation.

To facilitate the reporting of Accounting Concerns in situations where all these avenues of communications have been exhausted, the Company's Audit Committee has established the following procedures for the confidential, anonymous submission by employees of Accounting Concerns. See Your Internal Support Network for more details.

Employees are obligated to follow the procedures given in Integrity, and to cooperate with any investigations or audits of the company's policies or procedures.

We fully expect employees to follow this code of conduct. If employees fail to follow the Company's policies and procedures, they will be subject to disciplinary action, up to and including termination of employment. The Company has the right to terminate an employee for an act of misconduct without a warning.

New York Life's 160-plus year history of integrity is the foundation of our ethical reputation. But what keeps us standing tall are the decisions that you make each and every day. The ethical reputation of the Company remains solid only when the personal ethical standards of each individual are just as strong. Integrity is up to all of us.

## 270. ACS

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

#### BASIC PRINCIPLES OF CONDUCT

##### Integrity

The ACS Group shall promote among its employees the recognition of behaviour in accordance with the ethical principles of loyalty and good faith, which are declared in the following requirements:

- **Loyalty to the company:** When carrying out their professional responsibilities, employees and managers must act with loyalty and in the Group's interests. Additionally, they must avoid situations which could give rise to conflict between personal interests and the interests of the company.
- **Compliance with the law:** All Group employees and managers must comply with the laws in force in the countries where they carry out their activities, in accordance with the spirit and purpose of such laws, and observe ethical behaviour in all of their actions.
- **Probity in management:** The Group prohibits bribes to authorities and civil servants and forbids its employees from giving or receiving from third parties undue payments of any type, as well as gifts, donations or favours that fall outside of ordinary market use or that, due to their value, characteristics or circumstances, may reasonably alter the development of commercial, administrative or professional relationships in which their companies are involved.
- **Confidentiality:** All employees and managers must maintain strict and permanent confidentiality with respect to any information which, if disclosed or publicised, could affect the Group's interests.

#### INTERPRETATION AND MONITORING

This Code establishes the principles and commitments of corporate ethics that the ACS Group and its employees must respect and comply with when carrying out their activities.

Any employee with knowledge or a well-founded suspicion of non-compliance with the Code may alert his superior according to the corporate hierarchy or communicate the non-compliance through the mechanisms which the company establishes for the communication of suggestions and complaints. The ACS Group shall take the necessary measures in order to avoid adverse consequences as a result of the communications that employees make in good faith according to the provisions herein.

Any infringement of or non-compliance with the Code which constitutes a labour offence shall be penalised in accordance with the legislation in force, without prejudice to other liabilities in which the offender may have incurred.

A Monitoring Committee is created to ensure fulfilment of the present Code, resolve incidents or questions on its interpretation and adopt the appropriate means for the most complete fulfilment possible. The composition of the committee shall be established by the Chairman of the Board of Directors of the head company in the Group.

<sup>1</sup>Source: [http://www.grupoacs.com/ficheros\\_editor/File/05\\_responsabilidad\\_corporativa/08%20Etica%20y%20Profesionalidad%20codigo\\_de\\_conducta\\_del\\_grupo\\_acs\\_15\\_03\\_2007\\_en.pdf](http://www.grupoacs.com/ficheros_editor/File/05_responsabilidad_corporativa/08%20Etica%20y%20Profesionalidad%20codigo_de_conducta_del_grupo_acs_15_03_2007_en.pdf)

## 272. Xstrata

Sustainability Report 2007<sup>1</sup>

### Governance and Ethics

#### Ethics

Xstrata's Statement of Business Principles covers topics such as our commitment to uphold human rights, support free enterprise and operate with the maximum transparency commercially possible, as well as our prohibition of political donations and any form of fraud, bribery or corruption. Non-managed operations in which Xstrata has a stake are required to have policies and practices that align with our Business Principles. Suppliers, contractors and business partners are provided with a copy of Xstrata's Business Principles before commencing work with the Group. The document is published in the 15 languages spoken by Xstrata employees and contractors and forms an integral part of induction processes. The Business Principles are supported by the specific commitments, expectations and guidelines set out in our policies, Sustainable Development Standards and procedures. A copy of the revised Statement of Business Principles is provided in the pocket on the inside back cover of this report.

#### Bribery and corruption

Bribery and corruption risks are assessed at all managed operations, including an assessment of the identified level of country or regional risks, the policies and practices of other companies operating in the region and the probity and transparency of government, suppliers, contractors and other business partners. Each managed operation is required to maintain appropriate controls to manage these risks. Xstrata's internal audit function tests the adequacy of management controls and reviews the risk identification process on a quarterly basis as part of the Group's risk management processes. Procurement of goods and services and interaction with regulators and government are two higher risk areas for potential bribery and corruption practices. Eight bribery and corruption incidents were reported through the Xstrata Ethics Line in 2007 (see page 27).

#### Ethics Line

The Xstrata Ethics Line is a confidential 'whistleblowing' facility operated independently of the Group by KPMG. The line exists for employees, contractors, suppliers, customers or business partners to report any breaches of Xstrata's Business Principles, policies or prevailing legislation in confidence. A free phone number is provided for every country in which the Group has managed operations and calls are reported on an anonymous basis to the Global Head Internal Audit and Risk, who reports directly to the Audit Committee. Ethics line details are published on the back page of our Statement of Business Principles and are communicated throughout the Group.

In 2007, 17 incidents were reported through the Ethics Line. All reported incidents were investigated. Investigations into bribery and corruption charges against two Xstrata Alloys employees in South Africa confirmed these allegations and led to the termination of the employees' contracts. Criminal proceedings have also been initiated. Investigations into two further alleged incidents of bribery and corruption remain ongoing.

The 17 incidents reported and investigated related to:

- Bribery and corruption (8);
- Unfair and discriminatory labour practices (7);
- Fraudulent practices (1);
- Unauthorised divulging of confidential information (1).

<sup>1</sup>Source: [http://www.xstrata.com/assets/pdf/x\\_sustainability\\_2007.pdf](http://www.xstrata.com/assets/pdf/x_sustainability_2007.pdf)

### **Free enterprise**

Xstrata's Business Principles set out our commitment to support free enterprise and compete fairly for business, with scrupulous regard for those regulations which promote competition and protect consumers. All relevant employees are required to complete Xstrata's bespoke competition and fair trade web-based training programme annually and achieve a score in excess of 70%. The programme covers all major anti-trust and competition issues and uses simulated situations and questions to test employees' understanding of competition law and appropriate behaviour when dealing with customers, competitors, trade associations, suppliers and distributors. No breaches of Xstrata's policies or competition law occurred in 2007 and no fines were incurred.

## 274. Adecco

Sustainability Report 2004–2007<sup>1</sup>

### Governance

#### Mechanisms for shareholders and employees to provide recommendations to the Board of Directors

The shareholders' rights are published in the Annual Report 2007, pages 160–161.

Adecco S.A.'s Investor Relations Department publishes its contact details and relevant publications, such as quarterly, half-year and full-year results. There is also an opportunity to request information and make contact on the "Investor Relations" section of our website ([www.adecco.com](http://www.adecco.com)). These facilities allow all shareholders to approach Adecco S.A. and express their wishes and views.

The Group Communications Department stands as contact point for all other stakeholders (see also 4.16, pages 54–55).

Whistle-blower hotline: Employees, investors or other interested parties can report any allegations of fraud or violations of the law, Company policy, procedure or ethical standards of conduct by the Adecco Group or any of its employees or agents directly to the Board of Directors, either by calling one

of the telephone numbers or writing to the address provided in the "About Adecco" > "Code of Conduct" section of our website ([www.adecco.com](http://www.adecco.com)). Calls and written correspondence made to the Company or to its Board of Directors via the respective telephone numbers or address will be received 24 hours a day, seven days a week, by a third-party service provider on Adecco's behalf.

In accordance with instructions issued by the Corporate Governance Committee and the Audit Committee of Adecco's Board of Directors, all call reports or correspondence will be forwarded to the intended Board member(s), unless they are of a trivial nature or otherwise not related to accounting, internal controls, auditing matters, corporate governance, safety, health or environmental issues, or any other significant legal or ethical issues relating to Adecco.

#### Internally developed charters and principles relevant to sustainable performance

Adecco's core values are:

- **Respect:** Demonstrate respect for the rights and dignity of all people and organisations by being fair, just and compassionate.
- **Responsibility:** Take responsibility for our actions and hold ourselves and each other accountable for what we say and do.
- **Honesty:** Communicate in an honest way with our colleagues, associates, investors, customers, suppliers, governments and the communities in which we work.
- **Integrity:** Act with integrity by demonstrating the courage and strength of character to do what is right even when this is difficult or unpopular.

Based on these values, the Company's Code of Business Conduct was revised in 2004 to include a more comprehensive set of guidelines. The code reflects the increasingly multicultural business environment and the evolution of legal, financial and regulatory requirements. This document outlines the "way we work" and Adecco's core values. The code is issued under the authority of the Board of Directors and applies to all people involved in the Company's operations. The code is available under the "About Adecco" section of our website ([www.adecco.com](http://www.adecco.com))

The Company's Code of Business Conduct includes the following guidelines and policies:

- **Workplace conduct:** mutual respect, training and career development, health, safety and the environment, use of company resources, conflicts of interest, insider information and securities trading.
- **Financial controls and reporting:** internal controls, accurate reporting.
- **Commercial practices:** anti-trust and fair competition, contracting,

<sup>1</sup>Source: [http://www.adecco.com/AboutAdecco/Documents/Publications/1.10\\_adecco\\_sr\\_2004\\_2007\\_ang.pdf](http://www.adecco.com/AboutAdecco/Documents/Publications/1.10_adecco_sr_2004_2007_ang.pdf)

confidential information and privacy rights, gifts and entertainment, intellectual property, anti-corruption, records management.

- Political activities and government relations: political activities and contributions, government relations.
- Reporting issues and concerns: What to do in the case of a reasonable belief of the existence of a known, suspected or potential violation of the law, this code or any Company policy.

An environmental policy was adopted by the Board of Directors on September 6, 2004 (see also page 33).

## **Society**

### **SO2 Business units analysed for risks related to corruption**

Our internal auditors seek to proactively identify risks and evaluate controls, encompassing all business units. Fraud is always a consideration when conducting the annual risk assessments or when reviewing control procedures each year. The risk area related to corruption is included as part of any fraud analysis.

### **SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures**

To date, 78% of our employees have completed and passed a related online training course, which familiarises them with our Code of Business Conduct – including anti-corruption policies and procedures – and tests whether they have understood them properly.

### **SO4 Actions taken in response to incidents of corruption**

We are committed to complying with all anti-corruption laws to ensure that our global business operations are carried out lawfully and honestly, and are free of the influence of corruption. Our colleagues are advised that a report must be made if they know of,

suspect, or think there is the potential for, a violation of the law, including incidents of corruption. To date, we are not aware of any incidents of corruption.

## **Code of business conduct<sup>1</sup>**

### **Commercial Practices**

#### **Anti-Corruption Laws**

Laws have been enacted in many countries around the world to substantially reduce the cost to business imposed by corrupt governments and government officials. Over 30 nations are now party to the "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions." This convention obliges all party nations to adopt laws to prohibit bribery of foreign officials and punish those who offer or accept such bribes. In addition, over 129 countries are participating in the development and implementation of a United Nations Convention Against Corruption.

We are committed to complying with all anticorruption laws to ensure that our global business operations are conducted lawfully and honestly and are free of the influence of corruption. You should contact a member of the Legal Department if you have any questions about anticorruption laws and how they affect your business activities.

#### **Gifts and Entertainment**

Strong personal and institutional relationships with our customers and suppliers are essential to our business success. At times it is appropriate to foster such relationships by exchanging modest gifts or hosting meals or entertainment for a business contact. However, we must never offer or receive gifts or entertainment that might compromise, or even appear to compromise, ethical and legal obligations or sound business judgment.

<sup>1</sup>Source: [http://www.adecco.com/AboutAdecco/CodeOfConduct/Documents/Code\\_of\\_conduct.pdf](http://www.adecco.com/AboutAdecco/CodeOfConduct/Documents/Code_of_conduct.pdf)

Sometimes it may be difficult to know whether a particular gift or offer of entertainment is appropriate under the circumstances. All Colleagues who give or receive gifts or entertainment in the course of performing their jobs should carefully read and understand the Company's Gift & Entertainment Policy. Generally, any doubt about the appropriateness of a gift or entertainment can be resolved by consulting the Company Policy and discussing the situation with your manager.

If after considering these issues and discussing them with your manager, you still are uncertain about the appropriateness of a particular gift or entertainment, contact a member of the Legal Department or the Compliance & Ethics Office for advice.

#### **Reporting Issues and Concerns**

Like the person standing watch on a ship, when we see one of our Colleagues intentionally or inadvertently acting inconsistently with the Code, Company policy or our Core Values, we owe a duty to that person, ourselves and everyone at Adecco Group to prevent, correct or report such actions. Failure to do so may result in significant harm to all of us, and the Company.

If you ever have a reasonable belief of the existence of a known, suspected or potential violation of the law, this Code or any Company policy, then you must act by taking one of the following steps:

- Do Your Best To Prevent the Problem.

If possible, talk directly with the colleague or associate involved to stop them from taking any actions that might violate the law or company policies.

- Contact your Manager.

Review the matter with your manager immediately. Most issues can and should be handled at this level. However, if for any reason, you do not feel comfortable raising the issue with your manager, then report the situation to one of the other contacts listed below. You can find the telephone number and email address of the contact for your country on Adecco Group Net by clicking on "Reporting Issues and Concerns" to access the global contact lists.

- Contact the Functionally Responsible Department.

Review the matter with the manager of the department that is responsible for the area of concern. Each such department is staffed with experts in various fields that may be able to assist you in quickly resolving your issue.

- Contact the Legal Department.

The Legal Department is staffed with professionals trained in the law. There is no legal question that cannot be answered either directly by our Legal Department or through the use of outside experts that the Legal Department works with.

- Contact the Human Resources Department.

A significant part of the Human Resources Department's mission is to assist Colleagues and Associates with issues relating to their working conditions. They are there to ensure you have a place to seek help if you or others are not being treated fairly.

- Contact the Adecco Compliance & Ethics Department works with. ("ACE") Line.

If you feel uncomfortable contacting any of the resources listed above, do not hesitate to call the ACE Line. If you choose to call the ACE Line, a trained person, from a company independent of Adecco Group, will take your call at any time — 24 hours a day, 7 days a week. When you call, you may give your name or may remain anonymous. If you choose not to give your name when you call, no attempt will be made to discover your identity except in cases where threats are made against the Company or individuals.

- Contact the Compliance and Ethics Office.

The Compliance and Ethics Office is staffed with a group of trained professionals who are independent of any department or business in the company. Their primary mission is to foster and promote an ethical corporate culture and to investigate and respond to misconduct. All issues reported to the Compliance and Ethics Office will be handled in a confidential manner and all allegations will be taken seriously, whether you choose to identify yourself or remain anonymous.

- Access the Adecco Compliance & Ethics (“ACE”) Conduct website.

ACE Conduct is a secure website managed by a company independent of Adecco Group. The website is available for you to enter and submit your allegation 24 hours a day, 7 days a week. You do have the option to remain anonymous when you submit an allegation on the website.

ACE Line staff can take calls in any language. Once you speak with an ACE Line representative, that individual will forward your concern via email directly to Adecco Group’s Office of Compliance and Business Ethics.

Reports of serious violations of law or those involving Company directors or officers will be reported directly to Adecco Group’s Board of Directors.

If you are calling from outside the United States or Canada and do not know your Country AT&T Access Number, you can obtain that number by logging on to: [www.usa.att.com/traveler/index.jsp](http://www.usa.att.com/traveler/index.jsp). Once you have logged onto this site, select your country and it will provide you your Country AT&T Access Number.

To call the ACE Line, dial the Country AT&T Access Number and then, when prompted, dial 800-279-6315. An ACE Line representative will then receive your call and be prepared to speak with you in any language you choose.

Regardless of whom you call for help, you can be sure that your concerns will be taken seriously and addressed in a thorough and professional manner.

No adverse action will be taken against any employee for honestly reporting a legal or ethical concern. Any Company personnel engaging in retaliatory practices against employees who make good faith reports of potential wrongdoing will be subject to disciplinary action, including dismissal, and may also be subject to criminal prosecution.

## 275. Coca-Cola

### 2007/2008 Sustainability Review<sup>1</sup>

#### Detailed Performance Review

##### Ethics and Compliance

- More than 20,000 associates completed more than 30,000 in-person and web-based Ethics and Compliance training sessions from August 2007 through June 2008. All associates will receive in-person Code of Business Conduct training in 2008.
- Introduced a new Code of Business Conduct for Suppliers in 2008, which is being incorporated into all new contracts and purchase orders, to clarify ethical expectations for these business partners.
- More than 150 associates from across the Company helped revise the Company's Code of Business Conduct. The new edition, which establishes Local Officers in each business unit, is available in 29 languages and was distributed to all associates in March 2008.
- As part of our comprehensive anti-corruption compliance program, we conducted anti-bribery audits in locations spanning Company operations across nearly 100 countries in 2007.

##### Ethics and Compliance

##### Code of Business Conduct

Our Company's Code of Business Conduct (the "Code") guides our business practices, requiring honesty and integrity in all of our business matters. All of our associates are required to read and understand the Code and follow its principles in the workplace and larger community. The Code is available in 29 languages to our associates and partners on our internal and external websites. Non-employee Directors of the Company and our subsidiaries are bound by a Code of Business Conduct for Non-Employee Directors that reflects the same framework and values as

our associate Code but focuses on matters most relevant to that group.

The Code is administered and monitored by our Ethics and Compliance Committee, a cross-functional senior management team that oversees all our Company ethics and compliance programs and determines Code violations and discipline. The Ethics and Compliance Office (ECO) has operational responsibility for education, consultation, monitoring and assessment related to the Code and compliance issues. Associates worldwide receive a variety of ethics and compliance training courses administered by the ECO. Regular monitoring and audits of our business operations ensure compliance with the Code and the law. We also maintain a consistent set of high standards around the world that governs how we investigate and handle Code issues.

In 2008, we revised the Code to enhance its effectiveness, clarity and ease of use. Local Ethics Officers have been appointed in each of our business units to act as a resource to associates; provide certain approvals required under the Code; and steward the Company's ethics and compliance programs locally.

##### ETHICSLINE

EthicsLine, administered by a third party, is our information and reporting service through which associates, customers, suppliers and consumers of Company products can ask questions or raise concerns about the Code, the Workplace Rights Policy or other ethics and compliance matters. EthicsLine is available on the Internet at [www.KOethics.com](http://www.KOethics.com) or by phone toll-free via access codes listed on the website. Translators are available, and all matters are handled with the utmost confidentiality.

##### Ethics & Compliance Training

In addition to our Company's program of regular in-person training on the Code, anti-bribery, ethical leadership, and other topics, every associate with a computer receives web-based ethics and compliance training courses on a three-year cycle, selected from more than a dozen courses based on risk factors such as geography, job function and job grade. Web-based courses include anti-bribery; competition law; information protection and privacy; intellectual property and competitive intelligence; and environmental stewardship. In 2008, all associates worldwide will receive in-person training on the revised Code.

<sup>1</sup>Source: [http://www.thecoca-colacompany.com/citizenship/pdf/2007-2008\\_sustainability\\_review.pdf](http://www.thecoca-colacompany.com/citizenship/pdf/2007-2008_sustainability_review.pdf)

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

### Integrity in Dealing with Others

#### Dealing with Governments

The global nature of our business often requires that we interact with officials of various governments around the world. Transactions with governments are covered by special legal rules, and are not the same as conducting business with private parties. Consult Company legal counsel to be certain that you are aware of, understand and abide by these rules.

In general, do not offer anything to a government official—directly or indirectly—in return for favourable treatment. You must obtain prior approval from Company legal counsel before providing anything of value to a government official. Ensure that any such payments are properly recorded in the appropriate Company account.

#### Anti-Bribery

Many countries, including the United States, have passed legislation criminalizing bribery of government officials. The sanctions for violating these laws can be severe, including significant individual and corporate fines, and even imprisonment.

#### Bribes Are Prohibited

A bribe is giving or offering to give anything of value to a government official to influence a discretionary decision. Examples of bribes include payment to a government official to encourage a decision to award or continue business relations, to influence the outcome of a government audit or inspection, or to influence tax or other legislation. Other payments to government officials also may constitute bribes in some jurisdictions. Consult Company legal counsel regarding local anti-bribery laws.

#### “Anything of Value”

This phrase literally means anything that might have value to a government official,

including cash, gifts, meals, entertainment, business opportunities, Company product, offers of employment and more. There is no monetary threshold; any amount could be construed as a bribe.

#### The U.S. Foreign Corrupt Practices Act

Because The Coca-Cola Company is incorporated in the United States, the U.S. Foreign Corrupt Practices Act, which prohibits bribes to officials of non-U.S. governments, applies to all employees around the world. Consult Company legal counsel about additional local laws that may be applicable.

#### Certain Payments May Be Acceptable

A payment to a government official may be allowable under certain narrow exceptions. Obtain approval from Company legal counsel before making any such payment. In some circumstances, legal counsel may be able to provide blanket approvals for certain well-defined interactions with government officials. In addition, employees should consult Public Affairs & Communication personnel responsible for government relations to ensure that they are acting in accordance with Company policy and guidelines regarding government relations.

#### Improper Payments by Third Parties

The Company may be held liable for bribes paid by a third party agent or consultant acting on the Company’s behalf. Take particular care when evaluating a prospective third party who might interact with the government on behalf of the Company. You must not engage a third-party agent or consultant if there is reason to believe that the agent or consultant may attempt to bribe a government official. Also, ensure that all agents and consultants agree to abide by the Code of Business Conduct for Suppliers to The Coca-Cola Company, which contains anti-bribery provisions.

Refer to the Anti-Bribery Policy for more specific guidance about payments to government officials and engaging third parties.

#### Who Are Government Officials?

- Employees of any government or government-controlled entity anywhere in the world

<sup>1</sup>Source: [http://www.thecoca-colacompany.com/ourcompany/pdf/COBC\\_English.pdf](http://www.thecoca-colacompany.com/ourcompany/pdf/COBC_English.pdf)

- Political parties and party officials
- Candidates for political office
- Employees of public international organizations, such as the United Nations

It is your responsibility to understand whether someone you deal with is a government official. When in doubt, consult Company legal counsel.

#### **Facilitating Payments**

The U.S. Foreign Corrupt Practices Act allows companies to make facilitating payments, which are small sums paid to non-U.S. government officials to expedite or facilitate non-discretionary actions or services, such as obtaining an ordinary license or phone service. At times, such payments may be necessary to obtain these services. Nonetheless, the Company discourages facilitating payments. Moreover, such payments may be illegal under local law. Always consult Company legal counsel regarding the acceptability of any facilitating payment under local law, and ensure that any facilitating payment is recorded properly in the Company accounts.

#### **Gifts, Meals and Entertainment**

Do not accept gifts, meals or entertainment, or any other favor, from customers or suppliers if doing so might compromise, or appear to compromise, your ability to make objective business decisions in the best interest of The Coca-Cola Company.

Acceptance of gifts, meals or entertainment that exceeds the following limitations must be approved in writing by your Local Ethics Officer.

#### **Conflicts of Interest**

#### **Gifts, Meals and Entertainment**

Do not accept gifts, meals or entertainment, or any other favor, from customers or suppliers if doing so might compromise, or appear to compromise, your ability to make objective business decisions in the best interest of The Coca-Cola Company.

Acceptance of gifts, meals or entertainment that exceeds the following limitations must be approved in writing by your Local Ethics Officer.

#### **Gifts**

- Do not accept gifts in exchange for doing, or promising to do, anything for a customer or supplier.
- Do not ask for gifts from a customer or supplier.
- Do not accept gifts of cash or cash equivalents, such as gift cards.
- Do not accept gifts of more than modest value. Examples of acceptable gifts include a logo pen or t-shirt, or a small gift basket at holiday time.
- Gifts of symbolic value, such as trophies and statues that are inscribed in recognition of a business relationship, may be accepted.
- Gifts or discounts offered to a large group of employees as part of an agreement between the Company and a customer or supplier may be accepted and used as intended by the customer or supplier.

#### **Meals and Entertainment**

- Do not accept meals or entertainment in exchange for doing, or promising to do, anything for a customer or supplier.
- Do not ask for meals or entertainment from a customer or supplier.
- You may accept occasional meals and entertainment from customers and suppliers if the event is attended by the customer or supplier, and the costs involved are in line with local custom for business-related meals and entertainment. For example, ordinary business meals and attendance at local sporting events generally are acceptable.

### **Travel and Premium Events**

If you are invited by a customer or supplier to an event involving out-of-town travel or overnight stay, or to a premium event such as the Olympics, World Cup, Super Bowl or Academy Awards, consult your manager to determine if there is adequate business rationale for your attendance. If there is, The Coca-Cola Company should pay for your travel and attendance at the event.

### **Refusing Gifts, Meals and Entertainment**

If you are offered a gift, meal or entertainment that exceeds the limits noted above, politely decline and explain the Company's rules. If returning a gift would offend the giver, or the circumstances under which it was given preclude its return, you may accept the gift, but should notify your Local Ethics Officer. The Local Ethics Officer will work with you either to donate the item to charity, or to distribute or raffle the item among a large group of employees.

### **Gifts, Meals and Entertainment for Customers and Suppliers**

Gifts, meals and entertainment for customers and suppliers must support the legitimate business interests of the Company and should be reasonable and appropriate under the circumstances. Always be sensitive to our customers' and suppliers' own rules on receiving gifts, meals and entertainment.

Do not give Company stock as a gift on behalf of the Company under any circumstances.

### **Acting with Integrity Around the Globe**

#### **Raising Concerns**

We all have an obligation to uphold the ethical standards of The Coca-Cola Company. If you observe behavior that concerns you, or that may represent a violation of our Code, raise the issue promptly. Doing so will allow the Company an opportunity to deal with the issue and correct it, ideally before it becomes a violation of law or a risk to health, security or the Company's reputation.

### **Resources**

You have several options for raising issues and concerns. You can contact any of the following:

- Your management
- Company legal counsel or senior finance personnel supporting your business
- In the case of potential criminal conduct, Strategic Security in Atlanta
- Your Local Ethics Officer
- The Ethics & Compliance Office

You also can use EthicsLine at [www.KOethics.com](http://www.KOethics.com) or make a toll-free call using the access code for your country available on the website.

- EthicsLine reports can be made anonymously.
- EthicsLine is available 24 hours a day, seven days a week.
- Translators are available.
- EthicsLine reports are forwarded to the Ethics & Compliance Office.

### **Anonymity and Confidentiality**

When you make a report to the Ethics & Compliance Office or through EthicsLine, you may choose to remain anonymous, although you are encouraged to identify yourself to facilitate communication. If you make your identity known, the Ethics & Compliance Office and investigators will take every reasonable precaution to keep your identity confidential, consistent with conducting a thorough and fair investigation. To help maintain confidentiality, avoid discussing these issues, or any investigation, with other employees. Because we strive to maintain strict confidentiality in all investigations, we may not be able to inform you of the outcome of an investigation.

### **Investigations**

The Company takes all reports of possible misconduct seriously. We will investigate the matter confidentially, make a determination whether the Code or the law has been violated, and take appropriate corrective action. If you become involved in a Code investigation, cooperate fully and answer all questions completely and honestly.

### **No Retaliation**

The Company values the help of employees who identify potential problems that the Company needs to address. Any retaliation against an employee who raises an issue honestly is a violation of the Code. That an employee has raised a concern honestly, or participated in an investigation, cannot be the basis for any adverse employment action, including separation, demotion, suspension, loss of benefits, threats, harassment or discrimination.

If you work with someone who has raised a concern or provided information in an investigation, you should continue to treat the person with courtesy and respect. If you believe someone has retaliated against you, report the matter to the Ethics & Compliance Office or use EthicsLine.

### **Addenda**

#### **Disciplinary Actions**

The Company strives to impose discipline that fits the nature and circumstances of each Code violation. The Company uses a system of progressive discipline, issuing letters of reprimand for less significant, first-time offenses. Violations of a more serious nature may result in suspension without pay; loss or reduction of merit increase, bonus or stock option award; or termination of employment.

When an employee is found to have violated the Code, notation of the final decision, and a copy of any letter of reprimand, will be placed in the employee's personnel file as part of the employee's permanent record.

## 277. CRH

CSR Report 2007<sup>1</sup>

### Corporate Governance

#### Code of Business Conduct

The CRH Code of Business Conduct is applicable to all relevant Group employees and is supplemented by local codes throughout the Group's operations. Since 2003, this has been disseminated to all Group subsidiaries. During 2007, it was available in 12 languages to facilitate its full implementation, with the English version available on the Group's website.

Compliance was monitored by Group Internal Audit, and no serious breaches were reported on the hotline facility (see below). Consequently there were no serious matters relating to implementation of the Code to be reported to the Audit Committee in 2007.

In recognition of increasingly stringent legislation and stakeholder expectations, and in view of CRH's growth into developing economies, the Board approved an updated Code of Business Conduct (2008), now available on our website in 16 languages.

The Code addresses the following areas systematically:

- Protecting our integrity, defining its applicability and compliance reporting requirements.
- Doing our business in a responsible way, covering conflicts of interest, competition (anti-trust) law, prevention of bribery, corruption and fraud.
- Dealing with our customers, suppliers and the community, including requirements on ethical purchasing, giving and receipt of gifts or political or charitable donations.
- Treating our people with honesty and respect, also covering human rights, employment policies, etc.
- Managing health, safety and the environment, including policies on drugs and alcohol.

This new Code is being rolled out across Group subsidiaries during 2008.

#### Employee Hotline

The Sarbanes-Oxley Act, paralleled by a provision in the UK Combined Code, requires the Group to put in place procedures which facilitate employee complaints, or confidential submission of information or concerns, regarding governance, personnel, accounting or auditing matters anywhere in Group companies. Provision of this hotline facility is embedded in both the previous and the new Code of Business Conduct.

The Group has been rolling out these confidential hotlines since 2004; implementation was delayed through legal concerns in some European countries, which have now been resolved. Implementation is also rolled out into new countries as acquisitions are completed. Calls can be made in the local language. There are procedures to ensure that all calls are systematically dealt with and appropriate actions taken.

In 2007, there was a total of 215 hotline calls, mostly from North America. This is up 35% from 2006 and probably related to the growth of the Group. The breakdown by type is shown in the graph. All of the issues raised in the calls have either been resolved or are being dealt with. None were of sufficient gravity to report to the Audit Committee.

The Group website now lists contact details of persons to which any complaints can be made verbally or by e-mail.

#### Social

##### Dealing with our Suppliers

Individual operating companies source raw materials and supplies both externally and internally from other CRH companies. Internal sourcing arises from vertical integration and includes cement and aggregates supplied, for example, to readymixed concrete or concrete products producers within the Group. Competition in the downstream markets ensures that internal sourcing remains competitive compared to alternatives.

<sup>1</sup>Source: <http://www.investis.com/crhcorp/csrapres/CSR2007.pdf>

The majority of external purchases contracts are negotiated by individual operating companies. These are supplemented by centrally negotiated supplier agreements at national, regional or product group level for products such as cement, bitumen and float glass, energy-related inputs such as natural gas, electricity and pet-coke, and significant consumables such as grinding media, paper sacks and safety equipment.

External purchasing contracts are awarded following a rigorous competitive tendering process. Decision criteria include price, quality and supplier reputation and CSR performance. We are committed to responsible and cost-effective procurement from our diverse supplier base. None of our major suppliers provide more than 5% of total Group purchases and most are below 1%.

The CRH Code of Business Conduct contains several provisions aimed at ensuring that the Group conducts its business activities with its supply chain in a responsible manner. These relate to legal compliance, use of confidential or inside information, conflicts of interest, provision or acceptance of gifts and prohibition of any form of bribe or similar inducement. These provisions have been strengthened in the new Code of Business Conduct.

Due to the local nature of our business, most of these suppliers are based in Europe or North America. Currently only a very small percentage of our purchases are sourced from developing economies such as China, India or Latin America. Our procurement standards are applied on a global basis. The new Code of Business Conduct strengthens the requirement that our principal suppliers meet high standards concerning human rights, environment and health & safety.

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

### **Doing our business in a responsible way**

#### **PREVENTION OF BRIBERY AND CORRUPTION**

Management must ensure that transactions with third parties are carried out in accordance with all relevant legislation.

No payment, in cash or otherwise, which could be interpreted as a bribe should ever be paid to, or accepted from, an individual or organisation with the express or implied condition of gaining commercial advantage or favour accruing to the Company. Third parties include employees or agents (official or unofficial) of suppliers or customers.

It is also absolutely forbidden for employees of CRH to seek or accept payments or favours for the granting of contracts, offers of employment etc.

In many countries, the Group is both a direct and indirect supplier to governments. Special care should be taken in dealing with governments and their related local, regional and national agencies. No payments, or inducements of any kind, should be made, directly or indirectly, to government employees, politicians, political parties, or party members for commercial or any other favour.

### **Dealing with our customers, suppliers & the community**

#### **THE GIVING AND RECEIPT OF ENTERTAINMENT AND GIFTS**

It is sometimes necessary, proper and desirable to give to or receive gifts and entertainment from customers/suppliers. While it is not possible to set specific rules covering every situation, generally gifts, favours and entertainment may be provided if they:

- Are consistent with customary business practices;
- Are not excessive in value and cannot be construed as a bribe or a pay-off;

<sup>1</sup>Source: [http://www.crh.com/crhcorp/about/employeescode/english\\_code.pdf](http://www.crh.com/crhcorp/about/employeescode/english_code.pdf)

- Will not embarrass the Company or the employee if publicly disclosed;
- Are not in contravention of applicable law or ethical standards;
- do not violate our customers' rules pertaining to such matters;
- Are not in the form of cash, shares or similar instruments.

Any doubt of the appropriateness of a gift or entertainment should be discussed with the Company Managing Director/President. All expenditure on gifts should be recorded as such in the Company's records.

### **Treating our people with honesty & respect**

#### **RAISING A CONCERN**

Employees should, without fear of recrimination, voice their genuine concerns about matters which they believe violate this Code.

There are a number of ways available to ensure that your concern is dealt with by an appropriate person who can investigate the matter. These include the use of local procedures or by contacting one of the following:

- Your immediate supervisor
- The Company Managing Director/President/ The HR Manager/The Finance Manager
- The Region/Product Group Directors & Presidents
- The Chief Financial Officer for the Division
- The Head of Internal Audit based at CRH plc.

The persons holding the last three positions have been specifically named as people nominated to receive such complaints. Their names and contact details are published

in the Employee Section on the CRH website ([www.crh.com](http://www.crh.com)).

#### **Confidential telephone line**

CRH also operates a confidential line ("hot line") for people who wish to use this route as a means of raising a concern. This is an independent multi-lingual service which will pass your concern to the appropriate senior person for investigation. The telephone number for this service will be available in your Company but can also be found on the Employee Section on the CRH website.

Concerns relating to the Code may be made anonymously. However we would encourage you to disclose your name if possible as it will allow us to consult and report back to you. If you give your name it will not be disclosed by CRH unless required to do so by law. The use of the confidential line in some countries may be subject to restrictions imposed by local labour and data protection laws.

The Head of Internal Audit, at least annually, will prepare a report, on all concerns raised via the confidential line to the Audit Committee of CRH. Exceptional reporting may be necessary from time to time for more serious concerns.

Company Managing Directors/Presidents shall ensure that all employees are made aware of the existence of the confidential line and the relevant telephone number.

It should be stressed that this confidential line is only available for complaints which are genuine breaches of the Code. Routine personnel matters such as rates of pay, conditions of employment etc. must be dealt with at local company level.

#### **Raising a concern – no reprisal**

The above procedures are operated in a confidential and trusting manner. There will be no action or reprisal taken against any person reporting a genuine suspicion. CRH will not tolerate retaliation or retribution for reporting such concerns.

**Protecting our integrity**

**VIOLATIONS OF THE CODE**

The guidelines set out in this Code apply to every individual employee taking into account their duties and responsibilities in their employing Company. Any employee who violates the Code may be subject to appropriate disciplinary action by the employing Company subject to local law and agreed procedures. Where an action is also in breach of the law the employee may be subject to prosecution under civil or criminal law.

## 280. News Corp.

### Standards of Business Conduct<sup>1</sup>

#### Introduction

The Company may regard any employee's acts in violation of these Standards to be outside the course and scope of that employee's employment. Any employee who shall be found to have violated these Standards may be subject to immediate disciplinary action, including reassignment, demotion or, when appropriate, dismissal. Legal proceedings may also be commenced against such individual to recover the amount of any improper expenditures, any other losses that the Company may have incurred or other appropriate relief. Violators may also be prosecuted by public officials under applicable criminal statutes.

#### Conflicts Of Interest

#### Dealing With Government Officials

Employees who have dealings with government officials shall conform to the following standards:

1. All employees who contact public officials must be familiar with the applicable lobbying laws and public disclosure requirements, particularly those laws or regulations pertaining to registrations or filings that must be made by the Company.
2. No payment shall be made to, or for the benefit of, any public official in order to induce or entice such official to: enact, defeat or violate any law or regulation for the Company's benefit; influence any official act; or obtain any favorable action by a governmental agency or official on behalf of the Company.
3. Social amenities, entertainment and other courtesies may be extended to government officials or employees only to the extent appropriate and reasonable under applicable laws and customs. Gifts of greater than nominal value to, or lavish entertainment of, public officials are prohibited. No gifts in the form of cash, stock or other similar consideration shall be given, regardless of amount. Any gift about which an employee is uncertain should not be made without the prior written approval of the

Company's General Counsel. Any expenses incurred by a Company employee in connection with the matters discussed herein shall be accurately recorded on the Company's books and records.

#### Business Hospitality

Business entertainment (including meals and transportation), gratuities and gifts, whether offered by Company employees or their families to third-parties or extended to Company employees or their families by third-parties, are permitted, provided the entertainment, meal or transportation provided is not lavish or excessive and the gift or gratuity given is of nominal value and does not consist of cash or cash equivalents (e.g., gift certificates). Neither should exceed the bounds of good taste or customary business standards in the community. Care should be exercised to ensure that any business entertainment or gift cannot reasonably be construed by the recipient as a bribe or improper inducement. The nature of the transactions should be such that their public disclosure would not be embarrassing to the Company or the recipient. All funds expended for business entertainment and gifts must be documented accurately and reflected in the books and records of the Company.

#### Prohibited Payments – Bribery And Kickbacks

No employee of the Company shall directly or indirectly offer, give, solicit or accept any money, privilege, special benefit, gift, or other item of value for the purpose of obtaining, retaining or directing business, or bestowing or receiving any kind of special or favored treatment for the Company. The Company does not permit or condone the use or receipt of bribes, kickbacks, or any other illegal or improper payments or transfers in the transaction of its business. The use of any outside consultant, attorney, accountant, or agent in any manner or for any purpose that would be contrary to this prohibition will not be permitted.

#### Business Dealings Outside The United States

The Foreign Corrupt Practices Act (the "Act") prohibits a U.S. citizen from engaging in certain types of activities while conducting business outside the United States. In

<sup>1</sup>Source: [http://www.newscorp.com/corp\\_gov/StdBusinessConduct.pdf](http://www.newscorp.com/corp_gov/StdBusinessConduct.pdf)

accordance with the provisions of the Act, no director, officer, employee, or agent of the Company shall give or offer to give, directly or indirectly, anything of value to any foreign official (including an official of any political party or candidate for any political office) for the purpose of:

- Influencing any act or decision of the recipient in his or her official capacity;
- Inducing the recipient to use his or her influence to affect any act or decision of any foreign government; or
- Inducing the recipient to do or omit to do any act in violation of the lawful duty of such person.

The Act provides that an individual may be fined up to \$100,000 and imprisoned for up to five years for violations of the Act. In addition, the Company is subject to substantial monetary penalties for violations of the Act by its employees or agents and is prohibited from directly or indirectly paying the monetary fines imposed on individual violators of the law. Modest gratuities and tips may be paid solely for the purpose of expediting or securing the performance of a routine action required to be taken by foreign governmental officials, representatives of customers or suppliers or other persons whose duties are essentially ministerial or clerical in nature. However, such payments may not be made if in violation of local law or to influence a foreign official or other person to make a decision that the individual is not required to make, such as any decision whether, or on what terms, to award new business to or to continue business with a particular party. Any expenses incurred by a Company employee in connection with the matters discussed herein shall be accurately recorded on the Company's books and records.

#### **Procedure For Receipt And Investigation Of Complaints**

The Company is committed to honest and ethical conduct in all our business activities. Our Standards of Business Conduct, including a long-established complaint process, embodies the Company's values and is the backbone of the Company's ethics program. To ensure compliance with the Sarbanes-Oxley Act of 2002, which requires

a process for accepting and handling all complaints concerning accounting, internal accounting controls and auditing matters, we have recently changed our process. This section describes the program approved by the Board of Directors of the Company and its Audit Committee and broadly defines certain critical duties and responsibilities. It is intended as a tool to prevent or mitigate the effect of improper or ill-advised behavior, enhance the Company's reputation and boost public trust in our business. This policy shall be disseminated as required by law.

The Company has established News Corporation's Alertline and Alertline Website to formalize a procedure for the reporting of complaints regarding:

- The Company's accounting, internal accounting controls and auditing matters; or
- Notification to the Company of any suspected unethical or illegal conduct or violation of any laws or the Company's Standards of Business Conduct.

News Corporation's General Counsel ("the Group General Counsel") is the executive responsible for overseeing the investigation and reporting of complaints on matters covered by the Sarbanes-Oxley Act to the Company's Audit Committee regarding accounting, internal accounting controls and auditing issues and violations of certain federal and state laws.

The Company has designated a Chief Compliance and Ethics Officer who is responsible for overseeing the ethics program and business conduct matters brought to the Company's attention from external and internal sources, principally through the Alertline and the Alertline Website. The Ethics Officer will report to the Group General Counsel.

Alertline and the Alertline Website are available to assist all employees as well as vendors, suppliers, customers and others, when reporting any perceived violation of Company policy and foreign, federal, state and local laws or regulations. Calls to the Alertline and reports on the Alertline Website can be made on an anonymous basis and employees who report alleged wrongdoing based on a reasonable belief or who

participate in an investigation will be protected from retaliation. Complaints regarding accounting, internal accounting controls and auditing issues that involve senior executives of the Company will, in addition to being submitted to the Group General Counsel, be submitted directly to the Chairman of the Company's Audit Committee. Complaints by employees regarding workplace discrimination or harassment must also be reported to a manager in the Human Resources Department or an attorney in the Legal Department and will be handled in accordance with the Company's policies prohibiting discrimination and harassment set forth in Section IV herein.

A dedicated domestic/international toll-free Alertline telephone number has been established for this purpose. The Alertline telephone number is:

- 866-480-6129

The Alertline may be called any time, day or night, as it is available 24 hours a day, 365 days a year. Translation services are available through Alertline on request.

The Alertline Website is accessible at:

- <https://www.compliance-helpline.com/welcomepagenewscorp.jsp>

Reports on the Alertline Website are also accepted anonymously. However, anonymity may limit the investigator's ability to fully investigate a given concern. The Company, therefore, encourages employees to identify themselves and provide a detailed complaint in order to facilitate an effective investigation.

All employees of News Corporation companies are encouraged to use the News Corporation Alertline or Alertline Website to report complaints to the Company so that they can be reviewed, investigated and resolved expeditiously.

## 281. BAE Systems

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

### An external view

#### Governance

The existence and remit of the CR Committee is commendable. BAE Systems' numerous other audit bodies and processes show its commitment to developing and upholding global standards. It is less clear how each of these elements relates to one another. Clarity is needed to provide reassurance that they are integrated and fit for purpose.

It is not clear how senior responsibilities cascade to staff. For example, why is it that only executive remuneration is linked to performance on CR priority areas and not all staff? We recommend that staff be engaged more effectively in performance improvement.

It is commendable that governance procedures seek to ensure employee compliance with anti-bribery policies. But the big challenge for BAE Systems is providing greater understanding of the Company's processes for preventing bribery and corruption. Delivering this in its governance and reporting would show true leadership in the industry.

BAE Systems uses benchmarking and engagement with external parties to help set priorities. With the exception of the Woolf Committee its engagement has been limited to shareholders, employees, customers and suppliers. To be a leader on a par with other sectors, BAE Systems should undertake a full stakeholder engagement process to gain a wider understanding of society's expectations. Longer term the Company should work towards setting up a broad-based Stakeholder Panel to give perspective and challenge to policies and performance.

### How Our Business Works – External Governance

#### Laws, Regulations and Sanctions

All aspects of our operations are subject to applicable laws, regulations and sanctions. These include laws governing the export of controlled goods such as the UK Export Control Act, the US International Traffic in Arms Regulations and laws implementing the OECD Anti-Bribery Convention and the US Foreign Corrupt Practices Act.

#### Ethics

##### Our approach to ethics

Key elements of our approach include:

- Our Operational Framework, ethical principles and anti-corruption policies apply to all employees
- Ethics training for all employees and regular refresher courses for employees involved in business development and government affairs
- Our ethics booklet and intranet site which provide up-to-date information and guidance for employees
- An independent Ethics Helpline for employees to report suspected cases of unethical conduct. Calls to the helpline are reviewed by senior management and reported twice a year to the CR Committee
- Extensive compliance and assurance processes.

#### Business Development

Our main regions for business development (including marketing activity) are the UK, US, Asia-Pacific, Europe and the Americas and Middle East, Africa and India.

All staff involved with business development are required to undertake a training

<sup>1</sup>Source: [http://www.baesystems.com/BAEProd/groups/public/documents/bae\\_publication/bae\\_pdf\\_cr\\_crreport2007vii.pdf](http://www.baesystems.com/BAEProd/groups/public/documents/bae_publication/bae_pdf_cr_crreport2007vii.pdf)

course on the prevention of corruption, with refresher training every two years. Over 5,500 employees have undertaken this training since 2001. Training is tracked to help ensure compliance.

The use of advisers is part of normal business practice for most industries. We work with advisers and specialist consultants who provide knowledge of the local defence procurement process and regulatory, financial and cultural support.

Our Advisers Policy governs the selection, assessment, appointment, renewal and ongoing management of relationships with advisers. We are aware that some external stakeholders perceive working with third parties as a potential route to corrupt practice. We rigorously apply our policies to prevent this and protect both our own reputation and that of those we work with.

Payment terms are reviewed by our compliance teams on a regular basis to confirm that remuneration to advisers is proportionate to the services carried out. We also confirm that advisers are operating in line with our standards and that there continues to be a genuine business need for retaining their services.

#### **Ethics training**

We continued to roll out ethical awareness training to employees worldwide through brochures, online training, DVDs and classroom sessions. At the end of 2007 training had been completed in the UK, US, South Africa and Australia. Our ethics DVD and online training have been translated into Arabic and roll out is underway in Saudi Arabia. A Swedish translation has been developed and will be introduced in 2008.

#### **Ethics helpline**

In 2007, we received 327 calls to our ethics helplines and email addresses.

#### **Disciplinary action**

260 employees were dismissed for reasons relating to unethical behaviour. Reasons for dismissal included misuse of Company IT, fraud, inaccurate labour charging and threatening behaviour. More detail is available in our data file on page 24.

#### **Transparency**

We place a high value on our reputation and the trust our stakeholders have in our Company. We want them to continue to be confident that BAE Systems is a well managed company with rigorous standards of ethical business conduct.

In countries such as the US, the general public perception of the defence industry is positive. In other countries, such as the UK, views are more mixed – trust in the industry is lower and media coverage is more negative in tone.

Because our business directly relates to matters of national security, transparency can be difficult for our sector. In addition, legal reasons prevent us from commenting on official investigations. But openness about our business practices is the best way to maintain stakeholder confidence and counter perceptions that our sector is prone to corruption. We recognise that we need to provide facts and information on how the industry actually operates and evidence on how our ethical standards are applied in practice.

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

### Our workplace responsibilities

#### Bribery, gifts and entertainment

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##### Our standard

**We will not offer, give or receive bribes or inducements for any purpose whether directly or through a third party.**

##### What it means to me

Even the suggestion of corruption may damage the reputation of the company and affect its ability to do business. It may also bring the personal integrity of individuals into question. Employees, advisers, consultants, distributors, joint venture partners, or anyone else who may be acting on the company's behalf must not offer, make or receive bribes or corrupt payments. A bribe includes any payment, benefit or gift offered or given with the purpose of influencing a decision or outcome. The payment may not necessarily be of large value. It could be as simple as a lunch or an invitation to a sporting event.

We will not offer, give or receive any payment, benefit or gift which is intended or may be construed as a bribe. We are each responsible for knowing what our business guidance allows and what the law permits in our own country of operation regarding gifts and benefits given to or received from government officials, customers, suppliers or other third parties.

Always seek guidance and approval before accepting or giving any gift or entertainment. Such gifts must be formally recorded in a gift register. This ensures that we are transparent and that neither you, nor the company, can be accused of misconduct.

**ALWAYS SEEK GUIDANCE IF OFFERING, GIVING OR RECEIVING GIFTS AND ENTERTAINMENT.**

### Our responsibilities under this Code of Conduct

#### Compliance with the Code of Conduct

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All BAE Systems employees are required to comply with the standards set out within this Code. These standards are clearly laid out at the beginning of each section, starting at section 2.1. These standards are also included in the relevant BAE Systems policies (embedded within the Operational Framework). As with other policies and processes, failure to comply may result in disciplinary action.

#### Who can I talk to if I have a query or concern?

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The Code cannot cover every situation that you may face within your everyday role. You may find yourself faced with a dilemma that you are not sure how to resolve. If in doubt ask yourself these questions:

- is it consistent with BAE Systems ethical principles?
- does it comply with the BAE Systems Code of Conduct?
- am I setting a good example?
- would I be happy explaining what I did to my colleagues, family and friends without shame or embarrassment?
- would I or BAE Systems be comfortable if the action was written about in a newspaper?
- have I consulted others who have knowledge of the topic and sought advice to help me make an informed decision?

<sup>1</sup>Source: [http://www.baesystems.com/BAEProd/groups/public/documents/bae\\_publication/bae\\_pdf\\_759of003\\_001.pdf](http://www.baesystems.com/BAEProd/groups/public/documents/bae_publication/bae_pdf_759of003_001.pdf)

There are a number of ways that you can seek advice and support. It may be as simple as talking to the person concerned or having an informal chat with someone in your department. You can also contact any of the following:

- your immediate manager
- someone else in your management structure
- your local Ethics Point of Contact (see Ethics intranet site)
- your local Human Resources contact
- your local Legal contact
- the Ethics Helpline.

Do not let any concerns go unresolved. If you report apparent misconduct honestly, and in good faith, you will be supported by the company.

**Q. What will happen when I ring the Ethics Helpline?**

**A.** You will be helped and advised wherever you are. We have asked Expolink, a company which specialises in operating confidential telephone reporting systems, to provide an independent service. A member of Expolink's trained staff will answer your call and listen to your query or concern. They will take written details then make a confidential report to the company, but they will not record your call. If you call the Ethics Helpline in the US, your call will be answered by a member of the ethics team, who will take details of your query.

**Q. Do I have to give my name?**

**A.** We would rather you identified yourself, as this helps us to assess the concerns you are raising, to take quick action to deal with them or to provide you with advice. If you wish to make an anonymous call you may do so. However, it may make it difficult to investigate your concern if we need to talk to you again. We encourage you to arrange a way in which we may contact you to provide feedback or to get additional details.

<sup>1</sup>Source: [http://www.baesystems.com/BAEProd/groups/public/documents/bae\\_publication/bae\\_pdf\\_759of003\\_001.pdf](http://www.baesystems.com/BAEProd/groups/public/documents/bae_publication/bae_pdf_759of003_001.pdf)

## 285. Mitsubishi Heavy Industries

Corporate Social Responsibility Report 2008<sup>1</sup>

### Compliance

#### Compliance Awareness Survey

The Compliance Committee has conducted surveys on compliance awareness every year since fiscal 2004 to determine the extent to which various initiatives have changed the awareness of compliance among the company's employees and influenced their everyday behavior.

In fiscal 2007, a questionnaire was sent to 9,831 employees (a random sample consisting of approximately 30% of all employees) of whom 7,497 (76.3%) responded. About 95% of respondents answered that they were aware of compliance, enabling us to confirm that the awareness of compliance was at high level.

Furthermore, indicators for "level of compliance awareness," "violation potential," "recognition of the MHI Compliance Guidelines," and "workplace environment regarding compliance" have either improved over the previous year or remained constant. We believe this indicates steady progress in our compliance promotion efforts.

#### Operation of the contact point for reporting and consultation

In June 2001 MHI established a Hot Line as a special contact point in the Compliance Committee for reporting and consultation, enabling the company to detect and correct at an early stage any unlawful or inappropriate activity.

The number of submissions has increased since the service became available. We believe this is the result of expanding its use to group companies as well as the elevated awareness of compliance among employees. The Compliance Committee quickly investigates each report and effectively addresses these issues. The company fully protects those who submit letters to ensure they are not treated unfavorably as a result of having provided this information.

#### Formulating the company's own guidelines for preventing bribery involving foreign civil servants

In accordance with the Unfair Competition Prevention Law and applicable laws and regulations in other countries, MHI has operated under the basic policy of never attempting to bribe a civil servant of a foreign country to obtain an improper advantage. The MHI Compliance Guidelines also prohibit improper business dealings that run counter to the spirit of compliance. In conjunction with these aims, the company established a Guideline for the Prevention of Bribery Involving Foreign Civil Servants in April 2005. This guideline explains the content of the Unfair Competition Prevention Law and the company's basic stance.

In addition, an English version of this guideline, as well as the Guidelines to Prevent Bribery of Foreign Public Officials released by the Ministry of Economy, Trade and Industry, and other documents have been posted on the Intranet so that all those involved in the company will be able to act properly in the course of conducting business overseas.

#### One representative from each company, works and department appointed to be in charge of promotion

The company set up a Compliance Committee in May 2001 to promote fair and sincere business activities in compliance with laws and social norms. The committee is chaired by the Director in charge of compliance and its members are general managers of the related departments, business managers of headquarters and divisions, and deputy managers of divisions in charge of managerial matters, branch managers, and deputy general managers in charge of managerial matters of works. Meeting twice a year, the committee's activities include deliberating company-wide compliance promotion plans, reviewing the status of submissions to the Special Contact Point and compliance training.

In April 2006, Departmental Compliance Committees were established in all departments of the company. Members of the Compliance Committee chair the respective committees that implement compliance measures in the respective departments.

<sup>1</sup>Source: [http://www.mhi.co.jp/en/csr/csrreport/contents/library/pdf/csrreport\\_2008.pdf](http://www.mhi.co.jp/en/csr/csrreport/contents/library/pdf/csrreport_2008.pdf)

Compliance Liaison Conferences and Departmental Compliance Committees were set up in April 2006. Compliance Committees were also established in each Group company to conduct voluntary compliance promotion activities, and the Compliance Liaison Conferences regularly convenes, understanding the importance of maintaining an ongoing exchange of information among Group companies.

## 289. L.M. Ericsson

### ERICSSON CORPORATE RESPONSIBILITY REPORT 2007<sup>1</sup>

#### Governance

Transparent and accountable governance and management of the company are cornerstones of corporate responsibility. Ericsson is committed to running a responsible and ethical business.

The Ericsson Group Management System includes policies and directives, organization and delegation of authority, standardized processes, employee performance reviews and a commitment to operational excellence, which all work together to ensure transparency and accountability. The Corporate Governance Report is appended to the Ericsson Annual Report 2007 and provides details of how Ericsson operates in accordance with applicable legislation and listing requirements.

Ericsson's Code of Conduct and Code of Business Ethics guide and shape our day-to-day behavior and give clear guidelines in working with suppliers, colleagues and partners within and outside Ericsson. Ericsson's Code of Conduct is our commitment to our employees and our supply chain, and it is based on the United Nations Global Compact principles that are designed to safeguard human rights, promote fair and safe labor conditions, environmental management and high ethical standards.

Ericsson's Code of Business Ethics covers fundamental corporate principles such as treating employees with respect, safeguarding human rights and the environment, dealing with conflicts of interest, proper use of company assets, and our obligations as responsible corporate citizens. It includes a whistleblower procedure for employees to raise their concerns about questionable accounting or auditing matters, anonymously if necessary.

Incidents are reported to the Audit Committee of the Board of Directors. There were no material incidents reported for 2007. All Ericsson employees are periodically required to acknowledge they have read and understood the Code of Business Ethics.

#### Anti-corruption

As an extension of the Code of Business Ethics and Code of Conduct, Ericsson has focused on employee awareness and understanding of their responsibilities to uphold our anti-corruption commitments. Ericsson operates in a large number of countries with different rules and regulations. Globally we strive to raise employee awareness of the importance of not engaging in corruptive behavior, and to have clear global guidelines. The key messages we express to our employees are:

- "Accepted business practice" or "everybody is doing it" are never excuses.
- Corruption is never of benefit to Ericsson.
- Practically anything of value can potentially constitute a bribe depending on the circumstances.
- Benefits should be addressed to the company and not to an individual employee.
- No deal is big enough when brand value is at stake.
- Whenever in doubt, always seek advice.

We have run workshops, training sessions and an e-learning program with our businesses around the world to raise understanding and develop the tools and resources needed to roll out the anti-corruption message to employees. The objectives of the course are for employees to:

- understand the importance of not engaging in corruptive behavior.
- identify potentially questionable situations.
- determine acceptable behavior and so take responsibility for their actions.
- escalate issues internally when necessary.

<sup>1</sup>Source: [http://www.ericsson.com/ericsson/corporate\\_responsibility/doc/cr07/Ericsson\\_CRR\\_2007.pdf](http://www.ericsson.com/ericsson/corporate_responsibility/doc/cr07/Ericsson_CRR_2007.pdf)

### **37,000**

In 2007, 37,000 employees took part in anti-corruption training, which is ongoing. The target for 2008 is that all employees will complete the training.

All of the Market Units have completed the course with a participation rate close to 100 percent.

## **CODE OF BUSINESS ETHICS<sup>1</sup>**

### **Dealing with conflicts of interest**

#### **Gifts, benefits, reimbursements and entertainment**

An Ericsson employee may not offer or accept gifts, benefits, reimbursements or entertainment to or from a third party that would constitute a violation of laws or that could affect, or appear to affect, the professional judgment in the performance of the respective work or duties for Ericsson or a third party.

#### **Bribes, kickbacks, etc.**

No one may, directly or indirectly, demand or accept, offer or give any kind of bribe, kickback or any other unlawful or unethical benefit to employees or other representatives or associates of Ericsson or any third party. Any such offer or proposed arrangement must be reported immediately to Group management.

#### **Reporting violations**

You are encouraged to report any conduct that you believe, in good faith, to be a violation of laws or the Code of Business Ethics to your manager or in accordance with locally established procedure. If your manager is involved in the situation that you wish to report or cannot or has not adequately addressed your concerns, you are requested to report to a manager of higher rank or in accordance with locally

established procedure. Managers are expected to seriously address the issue and work to ensure a satisfactory resolution in alignment with our Group ethics and values and with any local statutory or regulatory obligations.

Concerns regarding questionable accounting or auditing matters, including alleged violations in relation to accounting, internal accounting controls and auditing matters conducted by those who are in relevant positions of accounting or auditing management oversight, may also be reported in accordance with the whistleblower procedure found at Reporting Violations on Inside.

Ericsson will not accept any discrimination of or retaliation against employees for having in good faith reported alleged violations.

### **Our responsibility for compliance**

Each of us is required to review and follow this Code, as well as to comply with all applicable laws and Ericsson's Group policies and directives. Failure to do so may result in civil and criminal liability and may result in disciplinary actions including termination of employment.

We place additional responsibilities on our managers. They must, through their actions, demonstrate the importance of compliance. Leading by example is critical, as is being available for employees who have ethical questions or wish to report possible violations.

Managers must ensure that this Code is enforced through appropriate disciplinary measures. Managers may not turn a blind eye toward unethical conduct.

Waivers of this Code of Business Ethics may be granted on a case-by-case basis but only in extraordinary circumstances. Waivers of this Code for employees may be made only by a member of the Group Management Team. Any waiver of this Code for our directors, CEO or other senior officers with financial reporting responsibilities may be made only by our Board of Directors or the appropriate committee of our Board of Directors.

<sup>1</sup>Source: [http://www.ericsson.com/ericsson/corporate\\_responsibility/doc/code\\_business\\_ethics.pdf](http://www.ericsson.com/ericsson/corporate_responsibility/doc/code_business_ethics.pdf)

## 290. Hindustan Petroleum

Commitment to Global Compact: Communication on Progress at Hindustan Petroleum Corporation Ltd.<sup>1</sup>

**The organisation should work against corruption in all its forms, including extortion and bribery**

- The organisation has adopted Conduct, Discipline and Appeal rules for Management employees and certified Standing Orders for Non-management employees that bar acceptance of bribes and describe it as a misconduct.
- Checks and measures are in-built in the organisational system that help in preventing corruption.
- Numerous training programmes and workshops are held for disseminating knowledge about organisational system, as also for checking corruption.
- Having a full-fledged set up of Vigilance Department in the organization to help in preventing corruption.

An employee violating the code of conduct and ethics is subjected to investigation and appropriate action is initiated against him based on result of investigation.

<sup>1</sup>Source: [http://www.unglobalcompact.org/data/ungc\\_cops\\_resources/7EB4BE44-6751-426E-85D9-B7B7C17973F1/COP.doc](http://www.unglobalcompact.org/data/ungc_cops_resources/7EB4BE44-6751-426E-85D9-B7B7C17973F1/COP.doc)

## 291. Aetna

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

#### Introduction

All employees, officers and directors of Aetna must perform their Aetna responsibilities in compliance with this Code of Conduct, applicable laws and company policies. If you become aware of a compliance violation related to any of these, or a business conduct or integrity problem, you must report it right away. If you are ever in doubt about the right thing to do in conducting Aetna business, ask for help.

For over 150 years, Aetna has had a reputation for integrity and reliability. Central to this reputation is the way in which we conduct business. Aetna employees, officers and directors are expected to perform their Aetna duties in line with the standards of ethics and business practices embodied within this Code of Conduct. The Code of Conduct guides our day-to-day actions and provides us with a set of unifying principles that help us maintain our high standards of business conduct and integrity.

#### Required Business Conduct and Integrity training and acknowledgment

To help you understand our Code of Conduct and our expected standards of business conduct and integrity, every new employee, officer and director must take Business Conduct and Integrity training. Also, you must read this Code. When you are done, you must complete an acknowledgment form (available on our intranet site or from Aetna Compliance) to:

- Confirm that you have read and do understand the Code, that you are complying with the Code and other key Aetna policies, and that you will continue to comply
- Disclose possible conflicts of interest and raise concerns you may have about possible conflicts or Code violations

Every year you are affiliated with Aetna, you must complete:

- Business Conduct and Integrity training, and
- Your acknowledgment form, including updating your disclosure of possible

conflicts of interest or other issues as needed

We know that things change. If you have a new situation that may cause a real or apparent conflict of interest, discuss it with your manager or compliance officer right away. If you are a director, discuss it with the Corporate Secretary or General Counsel. Also, you may need to update your disclosure on your acknowledgment form.

#### Raising concerns and seeking advice

If you are aware of any compliance violation or business conduct and integrity problem, or if you suspect one, you must report it right away. Ask for help if you don't know what to do. We have resources, including our Ethical Decision-Making Framework, that can help you and Aetna:

- Do the right thing
- Work in a way that preserves our reputation

If you are a director, you can raise issues and get guidance from Aetna's Corporate Secretary or General Counsel. If you are an employee or officer, turn to your manager. His or her business experience may help you make the right choice. For workplace and employment issues, someone in human resources may be the right person to answer your questions. It is always wise to see your compliance officer or internal legal counsel to raise concerns or get help with issues related to business conduct, integrity or compliance.

You can also ask for help or report a violation or problem by calling the Aetna AlertLine® toll free at 1-888-891-8910 in the U.S. It is open around the clock, every day of the year and you can call anonymously. Or, you can write to Corporate Compliance at P.O. Box 370205, West Hartford, CT 06137-0205 USA. Our contracted providers and suppliers can use these same avenues to report possible violations or business conduct and integrity concerns.

<sup>1</sup>Source: <http://www.aetna.com/governance/assets/code.pdf>

The Audit Committee of our Board of Directors or the Chairman of the Audit Committee, in consultation with the Chief Compliance Officer, Corporate Secretary or General Counsel, will review any complaints or concerns about our accounting, internal accounting controls or auditing matters.

Outside of the U.S., dial the AT&T Direct access code for the country you are calling from followed by 888-891-8910. AT&T Direct access codes can be found at <http://www.usa.att.com/traveler/index.jsp> or by contacting your local operator.

#### **Confidentiality and non-retaliation policy**

We will do our best to guard your privacy to the extent possible if you report a violation, raise a concern or are involved in a complaint or investigation.

Aetna prohibits retaliating against someone because he or she in good faith:

- Makes a complaint or reports a violation
- Cooperates or helps with an investigation
- Gives information about a breach of federal or state law or Aetna policy

This is true whether the person raises the concern to, or cooperates with, Aetna or any law enforcement or other government agency. If a violation is found, appropriate corrective actions will be taken, including disciplining those involved, as warranted. For more information on discipline, see the Disciplinary action section of this Introduction.

If you report concerns about fraud, waste or abuse related to potential false or fraudulent claims for payment from the government, you may also have the right to employment protections under the federal False Claims Act and similar state or other applicable local laws. See your compliance officer or internal legal counsel for more information on:

- These laws and protections
- Aetna policies and procedures for detecting and preventing fraud, waste and abuse in government health care programs

#### **Disciplinary action**

If you are an employee or officer, you may be disciplined, including loss of your Aetna job, if you:

- Do not follow this Code or other Aetna policies
- Break any laws or regulations that apply to Aetna
- Tell an employee to break the Code, an Aetna policy, a law or a regulation
- Do not share information or provide false information about a violation of the Code, a law or a regulation
- Retaliate against another employee who reports a suspected violation of the Code, a law or a regulation, or who cooperates or helps with an investigation of a possible violation

If you manage a person who commits a violation and the investigation shows that you ignored the Code or a law or regulation, you also may be disciplined, including loss of your Aetna job. See the Workplace Policies section in AccessHR for more information.

#### **Conflicts of interest**

##### **Giving or accepting gifts**

It is important that gifts or promotional items exchanged in the normal course of business be appropriate. You should generally neither give nor receive expensive gifts or other benefits. Never accept or give gifts of cash or cash equivalents (such as gift certificates). You may accept or give occasional, inexpensive gifts or promotional items (such as t-shirts, mugs, and other logo items) if doing so is

legal and the gift is neither intended nor likely to be perceived by others as an attempt to influence business decisions. Any gifts given must be accurately disclosed in the appropriate expense report. It could be unlawful to offer any gift, travel expense, entertainment or meal, regardless of the cost, to a person who works for a federal, state or local government entity. See Statement 6 of this Code for more detail.

If you are offered or receive an expensive or inappropriate gift, politely refuse by explaining Aetna's policy on accepting gifts. Ask your compliance officer for help if you are unsure about a gift offered to you.

#### **Travel, entertainment and honorarium**

Aetna pays for your business travel costs as permitted by Aetna's Travel and Entertainment Reimbursement Policy. These costs generally should not be paid for by others. You may accept meals or entertainment included for all attendees during conferences and similar meetings. You may also occasionally accept meals or entertainment offered in conjunction with meetings to discuss Aetna business. Do not accept such offers if they are lavish or expensive or if they are likely to be perceived by others as an attempt to influence your business decisions. Consult with your compliance officer if you have questions.

Aetna will pay for business related entertainment provided to others if permitted by law and Aetna's Travel and Expense Reimbursement Policy. It could be unlawful to offer any travel expense, entertainment or meal, regardless of the cost, to a person who works for a federal, state or local government entity. See Statement 6 of this Code for more detail.

You may not be paid (often referred to as an "honorarium") by others for participating in activities, professional forums or surveys that are related to Aetna or our business interests. If you are on a professional committee or make a platform speech, you generally may accept the event sponsor's offer to pay reasonable travel costs as long as other committee members or speakers who are not Aetna employees are treated equally.

#### **Discounts and preferential treatment**

You must not accept a discount or preferential treatment that you know is offered to you because of your position at Aetna, except for discounts that are offered to all Aetna employees. If you use an Aetna supplier or contractor for personal purposes, you must pay full market value for the services and materials.

#### **Record keeping and use of Aetna property and resources**

##### **Bribes and other illegal payments**

You must not make or approve:

- Bribes
- Payment for illegal activity
- Use of Aetna property or resources in a way that creates a conflict of interest or is against the law. See Statement 1 for guidance on giving gifts

##### **Foreign payments**

You must comply with the U.S. Foreign Corrupt Practices Act. It makes it illegal for U.S. companies to win, retain or direct business by offering, paying or approving payments to foreign government workers, political parties and their officials, and political candidates. In many cases, the Act also applies to foreign subsidiaries of U.S. companies.

##### **Business and trade practices**

You are expected to obey all laws and regulations that apply to Aetna's business and to follow all company policies. You must be honest and act with integrity in all of your Aetna business dealings.

Our businesses must comply with many federal, state and local laws, regulations and rules. How well we comply is often tested through state market conduct exams and other regulatory requests for information.

Also, our products and services are primarily contractual promises. As we strive to outperform our competition, we will do so honestly, fairly and with integrity. We will deal fairly with our customers, providers, suppliers and others with whom we do business.

Here are some key guidelines that you must follow in conducting Aetna business:

- You must not break any law or regulation, including unfair trade or insurance practices laws
  - You should consult with internal legal counsel on any matter relating to actual or potential noncompliance with any law or regulation or any of Aetna's contractual commitments
  - You must not be part of any conduct or sales practice that is intended to mislead, manipulate, or take unfair advantage of anyone, or misrepresent Aetna products, services, contract terms or policies to a customer, member, provider, supplier or regulator. If you do so by mistake, talk to your manager, internal legal counsel or compliance officer. Then, correct it as soon as you can.
  - You must neither make, approve nor accept bribes, kickbacks or illegal payments
  - Do not agree with representatives of a competing company, or with others, to be part of these or any other practices that may illegally restrain competition:
    - fixing prices
    - allocating or dividing markets or customers
    - boycotting or refusing to deal with competitors, customers or suppliers
  - You must know and follow our Records Retention and Management Policy. Never destroy, change or falsify a document that could be relevant to an anticipated or pending lawsuit or investigation. Meet with and follow the direction of internal legal counsel on these issues.
  - Do not get confidential information from others in a way that is not proper
  - You must not accept, keep or use trade secret information that was improperly obtained by another person
- Do not ask or permit a past or present employee of another company to improperly disclose confidential information about that company
  - Do not discuss or share sensitive competitive information (for example, relating to pricing or market share) with representatives of other companies or industry and trade associations. You may do so only if your manager, in consultation with internal legal counsel or your compliance officer, has given you approval to do so.
  - Do not take part in industry or trade associations unless your manager, after talking with internal legal counsel or your compliance officer, approves it

### **Government contracts**

#### **Federal government contracts**

Aetna must follow special rules when we contract with the U.S. federal government, including:

- Employees and officers, and our subcontractors and providers as appropriate, must follow the laws, rules, regulations and requirements of contractor conduct in the Federal Employees Health Benefits Program (FEHBP), Medicaid and Medicare and other government programs. This includes our Medicare Advantage and Medicare Part D programs. If you are an employee or officer and you do not follow these rules, you may be disciplined, including possible loss of your Aetna job. If you are a subcontractor or a provider and you do not follow these rules, you may lose your contract with Aetna.
- You must follow the rules on recruiting and hiring current or former federal workers. Your internal legal counsel must give approval before you talk to such individuals about working at Aetna.
- You must let internal legal counsel or a compliance officer know

right away if you have been debarred, excluded or suspended from working with any government sponsored program. This includes Medicare and Medicaid. If you are a director, you must let the Corporate Secretary or General Counsel know. You must also tell them if you know of any other reason why you might not be permitted to perform work related directly or indirectly to a government sponsored program, or if you know of anyone who works or is affiliated with us who is in this situation.

- You must not give or accept “kickbacks” or “rebates” (that is, anything of value) in connection with a government contract.
- You must not use money paid to Aetna from a federal government contract (referred to as “appropriated funds”) for lobbying activity that is focused on influencing federal officials and personnel in connection with the awarding of any federal contract, loan or other business. This same ban on appropriated funds is often adopted by state and local governments with respect to state or local government business.
- You must follow all laws and regulations that apply in the countries where Aetna does business. Do not make any payment that is in violation of the U.S. Foreign Corrupt Practices Act. Statement 2 has more information on our duties under this Act.
- If your job includes working with federal contracts, you must follow the federal privacy laws and regulations that apply to the federal agency that maintains the contract.
- Be accurate and complete when you represent, certify, negotiate or work with a federal government contract. You must give the federal government cost, pricing and other required data that is current, complete and accurate. You and Aetna may be liable for false, incomplete or misleading:
  - proposals, quotes and rates,
  - reconciliations,
  - certifications, or
  - other documents and statements

## 292. Flextronics International

### Corporate Code of Business Conduct and Ethics<sup>1</sup>

#### ANTICORRUPTION LAWS

**Introduction.** Many countries have laws prohibiting corruption and bribery. One example is the U.S. Foreign Corrupt Practices Act (“FCPA”). There are similar laws in every country in which Flextronics does business. Violations of these laws subject both you and the company to civil and criminal liabilities.

#### Payments to Government Officials

To ensure compliance with the laws prohibiting corruption and bribery, you are prohibited from offering or giving anything of value to a government official for the purpose of obtaining or retaining business, to win a business advantage or to influence a decision regarding Flextronics.

#### GIFTS, ENTERTAINMENT AND KICKBACKS

You may not *give or receive* kickbacks in any form under any circumstances. “Kickbacks” are defined as any payment, services or gift that is or might be intended (or perceived as intended), directly or indirectly, to be in exchange for business or to influence any business decision or action. A kickback would include not just a payment of cash, but any offer, payment, promise to pay, or authorization to pay any money, gift, products or services – anything of value sufficient to influence a decision. In addition, neither you nor any of your immediate family members may accept any discount from the Company’s suppliers or customers unless the same discount is available to all Company employees in your region.

This policy does not apply to gifts, meals and entertainment consistent with customary local business practices, that do not have substantial value relative to the income of the recipient, and that do not violate any policies of the recipient’s company or applicable law. A gift of cash or its equivalent is always considered improper, regardless of the value.

If you receive any gift that you believe may violate this policy, please consult with your supervisor or the Chief Compliance Officer.

#### CONDUCTING FLEXTRONIC’S BUSINESS IN COMPLIANCE WITH LAWS

The Company’s business ethics and standards include compliance with the laws of the countries in which we operate. Due to the nature and scope of the Company’s business, it would be impractical to cover all of the requirements that may apply to your respective function or location. However, you are expected to have a basic working knowledge of the applicable laws and prohibited activities related to your work for the Company. You are also required to participate in training when the Company offers it on these subjects.

Certain of the legal requirements are outlined in this Code of Business Conduct and Ethics and in the Local Rules. If you do not have a copy of the Local Rules, it is your responsibility to obtain a copy from your local HR contact.

#### PROMPT REPORTING; NON-RETALIATION

If you are aware of any conduct that you believe is a violation of this Code of Business Conduct and Ethics, or of any law, you are obligated to report it promptly to the Chief Compliance Officer. You may also make reports to:

- your immediate supervisor;
- the Vice President of Internal Audit; and
- the Chief Financial Officer.

You may also anonymously report suspected violations, either by telephone or over the internet, using the *Flextronics Ethics Hotline*. If you have access to the Flextronics Intranet, you may file a report on [www.flexethicshotline.com](http://www.flexethicshotline.com). You can also access the same anonymous reporting tool directly on <http://www.ethicspoint.com>. Click on “File a new report” and type in Flextronics. If you prefer to report by telephone, just dial the *Flextronics Ethics Hotline* toll-free number for your country. A list of the toll-free numbers is at the end of this document.

Any reports made to the *Flextronics Ethics Hotline* will be brought to the attention of the Company’s Board of Directors. The Company will handle all reports discreetly and will make every effort to maintain, within the limits allowed by the law, the confidentiality of anyone requesting guidance or reporting a possible violation. If you report a suspected violation of this Code of Business Conduct and Ethics, or you report any concerns regarding accounting, internal accounting controls or audit matters, you will be protected from retaliation by the Company as a result of your reports. You may not make a knowingly false report of a possible violation for the purpose of harming the Company or another individual.

<sup>1</sup>Source: <http://www.flextronics.com/en/portals/0/Code%20of%20Business%20Conduct%20and%20Ethics.pdf>

## CORRECTIVE ACTIONS

The matters covered in this Code of Business Conduct and Ethics are of the utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. We expect all of our employees, officers and Board members to adhere to these rules in carrying out their duties for the Company. The Company will take appropriate action against any person whose actions are found to violate these policies or any other applicable policies of the Company. Corrective actions with respect to any of the matters covered in this Code of Business Conduct and Ethics may include termination of employment at the Company's sole discretion. In addition, where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will cooperate fully with the appropriate authorities. You should review the Company's local policies, procedures, employee handbooks and guidelines for more detailed information regarding the Company's other applicable policies.

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

### ETHICS

To meet social responsibilities and to achieve success in the marketplace, Participants and their agents are to uphold the highest standards of ethics including:

1) Business Integrity

The highest standards of integrity are to be expected in all business interactions. Any and all forms of corruption, extortion and embezzlement are strictly prohibited resulting in immediate termination and legal actions.

2) No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted.

3) Disclosure of Information

Information regarding business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

4) Intellectual Property

Intellectual property rights are to be respected; transfer of technology and knowhow is to be done in a manner that protects intellectual property rights.

5) Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Means to safeguard customer information should be available.

6) Protection of Identity

Programs that ensure the protection of supplier and employee whistleblower confidentiality are to be maintained.

<sup>1</sup>Source: <http://www.flextronics.com/en/portals/0/industry%20code%20of%20conduct.pdf>

7) Community Engagement

Community engagement is encouraged to help foster social and economic development.

## 293. Coles Group

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

#### BUSINESS RELATIONS

##### Bribery

Employees and agents of Wesfarmers must not offer or accept cash or any other incentive, inducement or reward in any form (subject to a limited exception for minor facilitation payments in connection with routine government actions – see section 5.2 below). In particular, payments to win business or to influence a business decision in the Company's favour such as bribes, 'kick-backs', secret commissions and similar payments are strictly prohibited.

All business dealings should be accurately documented to reflect the true nature of the transaction.

Employees should take all practical steps to ensure that agents, contractors, intermediaries or business partners do not engage in conduct on our behalf that would contravene this Code.

Bribes and other corrupt payments or benefits are not only a contravention of this Code; offering or giving them is a criminal offence under the Australian Criminal Code, the criminal laws of Australian States and the laws of most foreign countries. Liability may extend not only to the individuals directly involved in making the payment or giving the benefit, but also to the company and to company directors or officers who expressly or impliedly authorised or permitted the payment to be made or the benefit to be given.

##### Gifts and Gratuities

Gifts or gratuities may be accepted (or offered) only if they are of an incidental nature and should not exceed A\$150. Gifts in excess of this figure must be brought to the attention of the Managing Director of the business concerned and unless approved by him or her must be returned without delay with an explanation of the Group's policy on these matters.

Entertainment of customers and suppliers provided (or received) should not extend beyond a level reasonably required to maintain an arms length business relationship.

Travel and accommodation offered by a supplier may not be accepted unless it is unconditional or of benefit to the Group and has been approved by the Managing Director of the business unit concerned.

#### COMPLIANCE

##### Code

All employees have a responsibility to adhere to this Code and ensure that no breaches occur. An employee who breaches the Code may face disciplinary action up to and including dismissal. If the situation involves a breach of law or regulation, the matter may also be referred to an appropriate law enforcement authority for consideration.

If, after enquiry, the Company is satisfied that a breach of the Code has occurred, the nature of the disciplinary action will be determined by the relevant management in consultation with other appropriate sources of advice, including the Group Human Resources Department. The nature of the disciplinary action will depend on the seriousness of the breach and other relevant circumstances.

If an employee suspects that a breach of the Code has or will occur, he or she must immediately report that breach see section 9.3 below, headed "Reporting of breaches".

If employees are in any doubt about the Code or its application, they should immediately seek advice from their manager or the Group Human Resources Department.

##### Reporting of breaches

All reports will be acted upon and kept confidential. No employee will be disadvantaged or prejudiced if he or she reports in good faith a suspected breach of a law, regulation or the Code.

<sup>1</sup>Source: <http://www.wesfarmers.com.au/getfile.aspx?Type=document&ID=33772&ObjectType=3&ObjectID=3139>

The Group has appointed Protected Disclosure Officers who are responsible for investigating reported breaches. The Protected Disclosure Officers are the people holding the following positions:

- Finance Director;
- Chief Legal Counsel; and
- Company Secretary.

In the interests of confidentiality and efficiency, reports should where possible be made directly to a Protected Disclosure Officer. However, employees may also make reports to the appropriate business, division or company manager. Subject to the special confidentiality restrictions applying to reports involving potential Corporations Act breaches (see section 10 below), reports will be referred under conditions of confidentiality to a Protected Disclosure Officer for investigation.

#### **BREACHES OR SUSPECTED BREACHES OF CORPORATIONS LEGISLATION - WHISTLEBLOWER PROTECTION**

The Corporations Act gives special protection to disclosures about Corporations Act breaches, as long as certain conditions are met. These conditions are:

- The person making the report is an officer or employee of a Group company, a contractor or an employee of a contractor.
- The report is made to:
  - Protected Disclosure Officer;
  - a director, officer or senior manager of the Group company concerned;
  - the external auditor or an audit team member; or
  - the Australian Securities & Investments Commission (ASIC).
- The person making the disclosure gives their name before making the report (i.e. the report is not anonymous).

- The report is made in good faith, and the maker has reasonable grounds to suspect that there has been a breach of the Corporations Act by the company or any of its officers or employees.

Briefly, the protections given by the Corporations Act when these conditions are met are:

- The reporting person cannot be subject to legal liability for making the report.
- Anyone who victimises or threatens the person making the report is guilty of an offence and may be liable for damages.
- The person receiving the report commits an offence if they disclose the substance of the report or the maker's identity, without the maker's consent, to anyone except ASIC, the Australian Federal Police or the Australian Prudential Regulatory Authority.

The Group is committed to full compliance with these protective provisions. Consequently, when a report involving a possible Corporations Act breach is made to anyone other than a Protected Disclosure Officer, the person making the report will be asked to give consent for disclosure of the report to a Protected Disclosure Officer who can carry out an investigation – if necessary, with external legal assistance on a confidential basis. Even where reports involving possible Corporations Act breaches are made directly to Protected Disclosure Officers, consent may be sought to permit confidential disclosure to external legal advisers for the purposes of investigation and advice.

## 295. OMV Group

Corporate Social Responsibility Performance Report 2005/06<sup>1</sup>

### Business Ethics

Anybody who works for OMV or on its behalf must carry out his business with honesty and integrity. Each of us is obliged to deal fairly with our employees, colleagues, customers, suppliers, contractors, business associates, competing companies, authorities and other stakeholders. We have therefore introduced precise rules detailing ethical behaviour with regard to accepting gifts or invitations or granting them to third parties. There are also clear rules governing the approach to be adopted in cases where there is a conflict of interests. We have recently made these rules more stringent, paying particular attention to combating corruption and combined them under "Business Ethics". The more stringent approach is reflected, in particular, in a careful evaluation of contracts to ensure that we act honestly even in a critical environment. This is also part of our commitment resulting from membership of the UN Global Compact. Standards, help-lines and training sessions, in other words, the entire new programme, will be rolled out throughout the Group in 2007/08.

In this process we are guided by the principles developed by the Partnering Against Corruption Initiative (PACI). This multi-industry, international initiative aims to counter bribery and corruption throughout the world. We were advised by the internationally recognised Basel Institute on Governance in this internal process.

There have been no analyses focusing specifically on the risk of corruption. However, whenever Internal Audit carries out an audit of the Group's companies or departments, it is part of their remit to observe whether staff are acting with integrity and complying with all the associated rules of business ethics. Individual investigations are also carried out if there are grounds for doing so. At OMV, three members of staff were dismissed for breaching internal provisions of this kind in 2005 and another staff member was dismissed for the same reason in 2006.

The programmes to integrate Petrom also include communicating the values and behaviour patterns laid down in the Code of Conduct. Loyalty and integrity featured as part of the "Developing Petrom" training sessions.

### Employees

#### CSR workshops and training sessions

During the reporting period, 854 managers and employees in the OMV Group including Petrom took part in CSR training sessions and workshops covering corporate culture, the importance of the UN Global Compact, human rights and stakeholder dialogue etc. Across the Group, 312,800 hours of HSE training was given. The plan for 2007 is to fully integrate CSR into the management training. As part of the Group-wide human rights and anti-corruption programme, which was initiated in 2006, compulsory inhouse training sessions are also planned for 2007/08.

#### Code of Conduct – Our Values<sup>2</sup>

#### Partners, suppliers and contractors

We work in close cooperation with our partners, contractors and suppliers and recognise the mutual benefits to be derived from durable relationships and reasonable terms and conditions. Even in the light of all the advantages obtainable from long-term connections with suppliers, we avoid any agreements which might be construed as restricting fair competition.

While we believe in using all appropriate and legitimate means to further the best interests of our businesses and to achieve our high levels of product and service quality, we are committed to irreproachable integrity in all our business relations.

We take account of the sociocultural norms and business practices of our host countries, provided they are not at variance with our fundamental ethical principles. We do not promise, offer, pay or accept bribes in order to obtain unethical advantages. The remuneration our employees and agents receive is appropriate and internationally competitive and is paid exclusively for legitimate services. Gifts,

<sup>1</sup>Source: [http://www.omv.com/SecurityServlet/secure?cid=1193118904015&lang=en&swa\\_id=1134782031287.5163&swa\\_site=wps.vp.com](http://www.omv.com/SecurityServlet/secure?cid=1193118904015&lang=en&swa_id=1134782031287.5163&swa_site=wps.vp.com)

<sup>2</sup>Source: [http://www.omv.com/SecurityServlet/secure?cid=1184681579151&lang=en&swa\\_id=1134782031287.5163&swa\\_site=wps.vp.com](http://www.omv.com/SecurityServlet/secure?cid=1184681579151&lang=en&swa_id=1134782031287.5163&swa_site=wps.vp.com)

hospitality and similar payments are only permissible within the limits of generally accepted business practice. When in doubt, our employees are required to consult their superiors on ethically sensitive issues.

We undertake to demonstrably relate commissions and payments to third parties to legitimate business expenses, linked to the services rendered and to account for them openly. We only enter into partnerships with suppliers and contractors who subscribe to our values. We use our collaboration with partners, suppliers and contractors to embed key human rights in their business practices and to increase their awareness of ethical and ecological standards.

#### **Business ethics**

We believe that a company's business ethics play a major part in shaping its culture. Managing cultures means managing results. Representatives of our company must act fairly, with integrity and in accordance with the highest ethical standards – no matter where they are.

All conflicts of interest or situations where conflicts of interest could be suspected must be disclosed. We attach particular importance to the proper handling of confidential information and take precautions to prevent insider trading. We are aware of the importance of good relations with our stakeholders, and we maintain these contacts with care. This care includes awareness of the fact that gifts, donations and invitations, whether given or received, can be misunderstood. For this reason, we handle all such situations in a transparent and accountable manner.

We respect international and local laws and abide by them. We do not tolerate bribery or corrupt business practices in any form. When we conclude agreements with our contractors, suppliers and consultants, we take reasonable measures to ensure that compliance with our ethical Code of Conduct is not endangered.

Providing our employees with the means to express their concerns and to obtain advice and assistance anonymously when ethical principles are violated is an important instrument for ensuring that we live up to our high standards.

#### **Corporate Governance & Organization<sup>1</sup>**

##### **Compliance Management**

Generally every division is responsible for compliance with laws, regulations, directives, standards, contractual obligations and voluntary commitments. The Corporate Compliance Officer and the organisation led by him assist the divisions in especially sensitive matters.

The Corporate Compliance Officer directly reports to the Executive Board and the Supervisory Board. He is responsible for the monitoring and implementation of compliance with insider rules, capital market law, anti trust law, competition law and the OMV Business Ethics directive against corruption. Compliance with labour law is dealt with by Human Resources Management within the Human Resources organisation.

A risk management implemented throughout the group is part of the compliance management of OMV. Its efficiency is monitored by the auditors in a special report.

OMV takes measures to raise awareness and train its employees by publishing directives and instructions, as well as providing personal and web-based trainings. OMV set up a business ethics hotline and a web-based form, to enable employees to ask for advice. Additionally, the every compliance officer can be addressed by mail, telephone or personally.

<sup>1</sup>Source: [http://www.omv.com/portal/01/com/kcxml/04\\_Sj9SPYkssy0xPLMnMz0vM0Y\\_Qj4o3i\\_c1sPRw8ww1CnU08TRwCjKN93Y1AikFShn4m1oEejk6G7kauHt6-HrEG5vqR-LXEmDp5B1q6Bji4mQS6hnhqYRZv6GyAW4-vR35uqn5Qap6-t36AfkFuaES5o6MiAKDi1EEI/delta/base64xml/L3dJdyEvd0ZNQUFzQUmVnEIVRS9fNI9NMDIIRkiVMiVBNEkwQII1X0tFMg!!](http://www.omv.com/portal/01/com/kcxml/04_Sj9SPYkssy0xPLMnMz0vM0Y_Qj4o3i_c1sPRw8ww1CnU08TRwCjKN93Y1AikFShn4m1oEejk6G7kauHt6-HrEG5vqR-LXEmDp5B1q6Bji4mQS6hnhqYRZv6GyAW4-vR35uqn5Qap6-t36AfkFuaES5o6MiAKDi1EEI/delta/base64xml/L3dJdyEvd0ZNQUFzQUmVnEIVRS9fNI9NMDIIRkiVMiVBNEkwQII1X0tFMg!!)

## 296. General Dynamics

### Standards of Business Ethics and Conduct<sup>1</sup>

#### CONDUCTING OUR BUSINESS

##### Gratuities, Gifts, and Entertainment

###### Commercial Customers: Gifts

We compete solely on the merits of our products and services. When people exchange gifts in a business context, it can look as if favors were granted in order to influence business judgment. We may provide gifts, meals, refreshments, and entertainment of reasonable value in the course of doing business with commercial customers or non-government personnel, provided that this practice does not conflict with our standards or the standards of the recipient's organization. You should not give or offer any gift if, under the circumstances, such a gift might appear to be improper.

###### Receipt of Gifts

Generally, you should not accept meals from those with whom we do business unless this activity serves a legitimate business purpose. You may accept small gifts that are of modest value only. Regarding the giving or receiving of gifts, you have the following responsibilities:

- Do not offer or provide gifts when prohibited by the recipient's rules, standards, or policies;
- Avoid accepting or giving gifts above modest value when dealing with commercial customers;
- Ensure that meals and entertainment have valid business purposes.

###### International Business

We follow United States law and the laws of the countries where we do business. We

abide by restrictions regarding the import and export of our products, information, and technical data.

Overseas, we can encounter unfamiliar rules, regulations, business customs, manners, and cultures. Become familiar with other countries' commercial practices, so that we don't embarrass our company, our business partners, or ourselves.

When conducting international business, it may be customary to accept gifts of substantial value. These gifts are company property. They can be purchased from the company based on a fair assessment of value, or given to your business unit's ethics director for safekeeping on behalf of General Dynamics.

The U.S. Foreign Corrupt Practices Act ("Act") prohibits giving anything of value to a foreign official for the purpose of improperly influencing an official decision. It also prohibits unlawful political contributions to obtain or retain business overseas. Finally, this Act prohibits the use of false records or accounts in the conduct of foreign business. Before offering anything of value to foreign public officials, including payments to facilitate routine government action, get advance approval from the Legal Department.

United States export control laws and regulations, including the International Traffic in Arms Regulations ("ITAR"), prohibit companies from exporting defense-related and certain commercial dual-use products and technology to foreign countries or releasing controlled technology to foreign persons, whether inside or outside of the U.S., without a license or other legal authorization. In addition, United States law prohibits (absent licenses) dealings with certain "sanctioned" or "embargoed" foreign countries, governments, companies and individuals.

When doing business overseas, you have the following responsibilities:

- Keep current with the applicable United States and foreign laws governing your work;
- Know and follow the laws regarding export and import of our products, technical data and services, including those restricting releases of technical data to foreign persons in the United States;

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/85/85778/cg/bluebook.pdf](http://media.corporate-ir.net/media_files/irol/85/85778/cg/bluebook.pdf)

- Be careful when using international consulting services to represent our interests outside the United States. International consultants, sales representatives, distributors, and contractors must comply with General Dynamics' standards of doing business.

### **Working With the Government**

We are a leader in the defense industry. One of our major customers is the government of the United States. The laws and regulations relating to doing business with the government are complex. Follow these laws carefully to protect our company's reputation.

### **Bribes and Kickbacks**

We adhere to all aspects of the U.S. Anti-Kickback Act. Employees must never offer, give, ask for, or take any form of bribe or kickback. A bribe or kickback is the giving or accepting of money, fees, commissions, credits, gifts, favors, or anything of value that is either directly or indirectly provided in return for favorable treatment. Favorable treatment often can appear innocent, such as paying an invoice earlier than we normally would. However, favorable treatment is illegal when offered in exchange for a gift.

### **Gratuities, Gifts, and Entertainment; Government Customers**

We compete solely on the merits of our products and services. We do not try to influence a customer's decision to purchase from General Dynamics by offering gifts, meals, or entertainment. Government agencies have regulations prohibiting their employees' acceptance of items of value from contractors or suppliers. We carefully follow these regulations and policies when dealing with agency representatives. These regulations are complex, so make sure you understand them. Consult with your business unit's ethics director or Legal Department.

### **Foreign Government Personnel and Public Officials**

The giving of gifts, meals, or anything of value to foreign officials may be prohibited.

Employees must get advance approval from their business unit's ethics director or Legal Department before offering or giving any items to foreign public officials.

### **Taking Action**

We are all responsible for acting ethically. We must accept and fulfill our duties to each other.

### **Our Company**

General Dynamics updates and distributes the Blue Book to all employees. Through training and communication, we convey to employees our Standards of Business Ethics and Conduct. We enforce compliance with these standards.

We make the following available:

- Policies and procedures;
- Training and education;
- Confidential resources where you can get advice and make reports; • Hotlines;
- Ethics and compliance offices in the business units and at corporate headquarters.

All conversations, calls, and reports made in good faith will be taken seriously. We will investigate all reported concerns—promptly and in confidence—and resolve those concerns appropriately. If we find that our standards have been violated, we will take action, including imposing disciplinary action, implementing system-wide changes, or notifying the right governmental agency. Not only will we deal with a specific situation, but we will also make changes so that similar problems do not recur.

### **Confidential Conversations**

Conversations with your business unit's ethics director are treated confidentially, consistent with our legal obligations and policies. You will be told if your identity is needed to address your question or concern satisfactorily.

Calls to our employee Hotline are confidential and will not be traced. You may remain anonymous when you call. We will attempt to protect the identity of anyone who makes a good faith report or inquiry consistent with our legal obligations. Be advised that anonymous communications sometimes make it very difficult to report back to you and may limit the thoroughness of our investigation.

#### **How the Hotline Works**

You can always call our Hotline to express a concern, or report a possible violation of laws, regulations, or policies. When reporting a concern, you may be asked to provide the time, location, names of the people involved, and other details so that we can investigate your concerns. Every call to the Hotline is handled promptly, discreetly, and professionally. We will investigate reports of illegal or unethical conduct received through the Hotline, and take appropriate action to resolve each reported matter.

#### **Investigating Suspected Violations of Our Standards**

If you believe that someone associated with General Dynamics has violated our standards, you are expected to bring the matter in good faith to the attention of your supervisor or manager, your business unit's ethics director, Legal Department, or the corporate Ethics Officer so that we can conduct a prompt and thorough investigation. You can make reports by telephone, through e-mail, by making an appointment, or by contacting our Hotline.

You have a personal responsibility to report activity that appears to violate laws, regulations, policies, or this Blue Book.

#### **Prohibition Against Retaliation**

General Dynamics will not retaliate against any person who brings to our attention in good faith an ethics or compliance issue. Individuals who raise concerns or who help us resolve reported matters are protected against retaliation. Anyone who uses the ethics and compliance program to spread falsehoods, threaten others, or damage another person's reputation will be subject to disciplinary action.

Discouraging other employees from making a report or getting the help they need is prohibited and could result in disciplinary action.

#### **Disciplinary Action**

Violations of laws, regulations, principles, this Blue Book, or our policies can have severe consequences for you and for General Dynamics. Some violations may be criminal in nature and punishable by fine or imprisonment. Violations can jeopardize our relationships with our customers and suppliers, and could result in loss of the privilege to do business in the United States or in other countries. Employees who violate the laws, regulations, these standards, or our policies are subject to disciplinary action up to and including dismissal.

## 297. Bayerische Landesbank

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

#### Integrity

##### Fighting money laundering, economic crime and terrorist financing

Integrity and gravity are key pillars of BayernLB's social responsibility, particularly its responsibility towards staff and customers. The fight against money laundering, economic crime and terrorist financing is therefore a top priority. BayernLB is bound by various national and international regulations. The Group-wide credit risk strategy, the concept for the prevention of money laundering, terrorist financing and economic crime – also applicable across the whole Group – and numerous operating instructions also lay down the strategic framework for combating money laundering and criminal economic activity.

In order to afford customers and employees the best-possible protection against falling victim to criminals acting alone, in groups or even in organised syndicates, and against abuse in the form of economic crime, BayernLB has implemented the PRIEM concept (German acronym for prevention, research, information, investigation, measures), which is unique within Germany and puts preventative measures at its heart. This concept also entails the scrutiny of all business units for potential corruption risks.

Various studies by audit firms have shown that around 80 % of all economic crimes carried out within companies are perpetrated by or with the assistance of employees. BayernLB therefore sets great store by checking applicants before they join the Bank. In addition, the trustworthiness of decision-makers, staff with direct customer contact and staff who can independently order and execute payments is regularly checked. These measures are there to protect the Bank, customers and employees, and are performed jointly with staff representatives. On top of these staff checks, however, effective prevention also requires customer checks. BayernLB has automated checks on new customers and ongoing checks of the existing customer base. The specialist department in question can use both an internal data processing system and external information sources for its searches. If any internal investigations are required, the

focus is on assessing BayernLB's internal warning data. Based on the search results, the information acquired and the investigation findings, the specialist department then take the necessary measures.

The fight against money laundering, economic crime and terrorist financing can only succeed with the support of all employees. For this reason, BayernLB trains all new members of staff within their first few months and other staff every two or three years, depending on the perceived level of danger in individual cases. One of the major areas of focus is preventing corruption. These sessions are compulsory for all employees and are adapted to their specific tasks and areas.

##### Compliance/data protection

In order to protect its customers, BayernLB endeavours to identify any potential conflicts of interest between the Bank and its customers, and also between customers. The necessary organisational precautions and suitable measures have been taken to avoid conflicts of interest and the consequent disadvantages for customers.

Setting clearly defined confidentiality zones hinders the unauthorised passing on of inside information. The Compliance team monitors and manages this information with the help of watch lists and restricted lists. A code of conduct – the guidelines for staff transactions – has also been implemented, containing the rules applicable to employees' own account transactions. For example, they clearly state that such transactions must not run counter to the interests of customers or of the Bank. The guidelines also expressly state that no employee may, in performing their duties, demand or accept any financial or non-financial recompense or other benefit for themselves or for third parties. Any breaches may be dealt with under employment law provisions. Any profits from transactions that breach the employee guidelines must be donated to charity.

<sup>1</sup>Source: [http://www.bayernlb.de/ar/Internet/en/Downloads/0100\\_CorporateCenter/1122Konzernentwicklung/Sustainability\\_report\\_2007.pdf](http://www.bayernlb.de/ar/Internet/en/Downloads/0100_CorporateCenter/1122Konzernentwicklung/Sustainability_report_2007.pdf)

In addition to the correct treatment of market-sensitive customer data, the protection of privacy is also central to the relationship between BayernLB and its customers, a relationship which is founded on trust. It is the role of the data protection officer to ensure compliance with the provisions of the German Federal Data Protection Act and other data protection requirements. The emphasis is on protecting customers and staff.

To ensure that the compliance and data protection measures can be properly applied, staff receive regular information and training; new employees are trained within six months of joining BayernLB. In this way, employees are kept sufficiently aware and well-informed to fulfil their obligations.

## 298. Tyson Foods

2007 Sustainability Report<sup>1</sup>

### Ethics and Governance

#### OUR CODE OF CONDUCT

The Code of Conduct sets forth ethical standards that apply to the Board of Directors, all Team Members, business divisions, and subsidiaries of Tyson Foods. Team Members from across the company assisted in the 2007 revision of the Code of Conduct. The Compliance Coordination Committee, the Executive Compliance Committee, and the Board of Directors approved these revisions.

In conjunction with the release of the revised Code of Conduct, a computer-based training course for management and management support was implemented. The course ensures Team Member's awareness of the company's Code of Conduct requirements with respect to integrity and honor in key business areas, such as:

- Food safety
- Animal well-being
- Environmental management
- Conflicts of interest
- Safety and health
- International business practices

Team Members must successfully complete a test to obtain credit for the course. Newly hired or promoted management and management support Team Members are required to complete the Code of Conduct course to ensure their awareness of the company's ethical standards set forth in the Code.

#### ETHICS TRAINING

All Tyson Foods Team Members, including the Board of Directors, annually attend approximately one hour of Ethics and Code of Conduct training. This training provides information on various 'real life' ethical scenarios. Team Members are taught to make good decisions within the framework of "Doing What's Right." They are instructed to ask themselves the following questions when they are uncertain about the proper course of action in a difficult situation:

- Does it comply with Tyson Foods' Core Values?
- Is it the right thing to do?
- Were others treated the way I want to be treated?
- Would Tyson Foods or I be embarrassed if this action were reported in the newspaper?
- Is it legal?

#### MANAGING ETHICAL CONCERNS

It's understood that the written Code of Conduct cannot provide guidance on every situation Team Members may face during their business activities. When the Code of Conduct is not enough, the Tyson Help Line is available.

In 2007, Tyson Foods implemented a new Help Line tracking system. This system allows Help Line personnel to more accurately analyze calls for the purpose of investigation and follow-up. In addition, the nature of each call to the Help Line is evaluated. Results, trends, and statistics are reported quarterly to the appropriate Board of Directors committee.

The Help Line may be used anonymously to report any suspected violation of the law, applicable regulations, company policies, or provisions of the Code of Conduct. The Help Line is accessible to callers from the United States, Canada, Mexico, and China 24-hours a day, and offers assistance in more than 150 languages.

<sup>1</sup>Source: <http://www.tyson.com/Corporate/PressRoom/docs/SR2007.pdf>

## COMPLIANCE

In 2006, the company created the Office of Compliance and performed a Compliance Risk Assessment. The assessment, which will be updated periodically, was developed to:

- Create an inventory of Tyson Foods' compliance risks
- Measure the likelihood and significance of a compliance violation specific to that risk
- Gauge the effectiveness of management's efforts to manage the risk
- Offer suggestions for improvement

A Compliance Coordination Committee was also established during 2006. The committee is a cross-functional management team representing key compliance business processes. Its mission is to enhance our ability to collaborate on compliance best practices. The committee will help foster effective and efficient communication across compliance risk areas.

The Compliance Coordination Committee provides information on compliance risks and key business drivers to the Executive Compliance Committee, a committee of senior leaders at the company. The Executive Compliance Committee sets the tone and direction of the company's compliance program.

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

## INTRODUCTION

### Reporting and Retaliation

All Team Members are required to report any suspected violation of the law, applicable regulations, company policies, or the provisions of this Code of Conduct. Tyson provides several options for Team Members to report allegations. Information should be posted in the local office explaining those options. It is always an option to contact the Compliance Department or the Legal Department both of which are located at our World Headquarters in Springdale, Arkansas.

When deciding whether or not an action is ethical, Team Members are encouraged to consider the following questions:

1. Does it comply with Tyson Foods' Core Values?
2. Is it the right thing to do?
3. Were others treated the way I want to be treated?
4. Would Tyson Foods or I be embarrassed if this action was reported to the public?
5. Is it legal?

Retaliation or discipline against those who in good faith report a suspected violation or wrongdoing is strictly prohibited.

<sup>1</sup>Source: [http://media.corporate-ir.net/media\\_files/irol/65/65476/govDocs/TSN\\_International\\_Code\\_of\\_Conduct\\_English.pdf](http://media.corporate-ir.net/media_files/irol/65/65476/govDocs/TSN_International_Code_of_Conduct_English.pdf)

### **Consequences**

Appropriate corrective action, up to and including termination, may be taken against any Team Member whose conduct violates the provisions of this Code of Conduct. Corrective action may extend to individuals responsible for the failure to prevent, detect, or report a known violation. However, in cases where a reporting Team Member is involved in a violation, the Team Member may be disciplined when appropriate.

### **HOW WE DO IT**

#### **Gifts, Gratuities, and Entertainment**

Each country has a different standard as to the acceptability and appropriateness of giving and receiving of gifts, gratuities, and entertainment. In many countries, it is a customary practice to entertain or give/accept gifts or gratuities to/from customers and clients. Sometimes, however, the entertainment, gift, or gratuity may be construed as a conflict of interest.

Gifts and gratuities of more than \$50 USD must be communicated to and approved by the senior or group vice president of International before it is presented or accepted. Only those gifts of nominal value (less than \$50 USD), or a gift of promotional value (for example, a gift of advertising or promotional nature with a company logo), may be accepted or given.

Entertainment that could appear excessive or could appear to influence a business decision should be approved in advance by the senior or group vice president of International. All entertainment expenses should be consistent with the company's Core Values and this Code of Conduct.

Team Members and their immediate families may not accept gifts of money (cash, checks, gift certificates, or gift cards) from any Tyson Foods supplier, vendor, or customer under any circumstances, no matter the value. Consult with the Compliance Department or the Legal Department both located at our World Headquarters in Springdale, Arkansas, to obtain specific guidance in your particular country regarding gifts and gratuities.

### **International Business Practices**

There are many anticorruption, antitrust, and anticompetition laws and regulations governing our actions and interactions intended to curb dishonesty in international dealings. Compliance with local and international law is each Team Member's duty and responsibility.

Because we are a publicly traded company based in the United States, the Foreign Corrupt Practices Act (FCPA) is an important U.S. law specifically governing our actions and interactions regardless of geographical location. Team Members must fully comply with the anti-bribery provisions found within this law and make good faith efforts to maintain accurate records and internal controls to avoid potential violations. Additional guidance can be found in the FCPA Handbook, a specific FCPA resource available to Team Members. Consult with the Legal Department at our World Headquarters in Springdale, Arkansas, to get a copy of this resource or obtain specific guidance in your particular country regarding local anticorruption, antitrust, and anticompetition laws and regulations.

#### **Bribes, Kickbacks, or Payoffs**

The FCPA and other local laws prohibit the payment of any money or giving of anything of value to a foreign official, foreign political party (or official), or any candidate for foreign political office for purposes of obtaining, retaining, or directing of business. Always consult with the Legal Department to obtain specific guidance in your particular country regarding local antibribery laws and regulations.

## 299. HCA

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

#### Physicians

##### Interactions with Physicians

Federal and state laws and regulations govern the relationship between hospitals and physicians who may refer patients to the facilities. The applicable Federal laws include the Anti-Kickback Law and the Stark Law. It is important that those colleagues who interact with physicians, particularly regarding making payments to physicians for services rendered, providing space or services to physicians, recruiting physicians to the community, and arranging for physicians to serve in leadership positions in facilities, are aware of the requirements of the laws, regulations, and policies that address relationships between facilities and physicians.

If relationships with physicians are properly structured, but not diligently administered, failure to administer the arrangements as agreed may result in violations of the law. Any arrangement with a physician must be structured to ensure compliance with legal requirements, our policies and procedures, and with any operational guidance that has been issued. Most arrangements must be in writing and approved by the Legal Department. Failure to meet all requirements of these laws and regulations can result in serious consequences for a facility.

Keeping in mind that it is essential to be familiar with the laws, regulations, and policies that govern our interactions with physicians, two overarching principles govern our interactions with physicians:

- We do not pay for referrals. We accept patient referrals and admissions based solely on the patient's medical needs and our ability to render the needed services. We do not pay or offer to pay anyone — colleagues, physicians, or other persons or entities — for referral of patients.
- We do not accept payments for referrals we make. No HCA colleague or any other person acting on behalf of the organization is permitted to solicit or receive anything of value, directly or indirectly, in exchange for the referral of patients.

Similarly, when making patient referrals to another healthcare provider, we do not take into account the volume or value of referrals that the provider has made (or may make) to us.

##### Extending Business Courtesies and Tokens of Appreciation to Potential Referral Sources

Any entertainment, gift or token of appreciation involving physicians or other persons who are in a position to refer patients to our healthcare facilities must be undertaken in accordance with corporate policies, which have been developed consistent with Federal laws, regulations, and rules regarding these practices. HCA colleagues must consult Company policies prior to extending any business courtesy or token of appreciation to a potential referral source.

##### Workplace Conduct and Employment Practices

##### Relationships Among HCA Colleagues

In the normal day-to-day functions of an organization like HCA, there are issues that arise which relate to how people in the organization deal with one another. It is impossible to foresee all of these, and many do not require explicit treatment in a document like this. A few routinely arise, however. One involves gift giving among colleagues for certain occasions. While we wish to avoid any strict rules, no one should ever feel compelled to give a gift to anyone, and any gifts offered or received should be appropriate to the circumstances. A lavish gift to anyone in a supervisory role would clearly violate organization policy. Another situation, which routinely arises, is a fund-raising or similar effort undertaken by individual colleagues, in which no one should ever be compelled to participate. Similarly, when the Company or a facility determines to support charitable organizations such as the United Way, no colleague should be compelled to contribute to the charitable organization, nor should there be any workplace consequences of such non-participation.

<sup>1</sup>Source: [http://ec.hcahealthcare.com/CPM/HCA\\_Code\\_English\\_printable%20FINAL%20\(2\).pdf](http://ec.hcahealthcare.com/CPM/HCA_Code_English_printable%20FINAL%20(2).pdf)

## **Competitive Activities and Marketing Practices**

### **Foreign Corrupt Practices Act**

The United States Foreign Corrupt Practices Act (FCPA) requires us to exercise care in our dealings with foreign government officials, employees, or representatives; and members of their families. The FCPA prohibits providing anything of value to any of these individuals for the purpose of obtaining or retaining business.

Under the FCPA, HCA is responsible for the actions of its agents and representatives. Before offering anything of value to foreign government officials, employees or representatives or a member of their family, an HCA colleague must obtain advice from the Corporate Ethics and Compliance Department or the Legal Department.

### **Business Courtesies**

#### **General**

This part of the Code of Conduct should not be considered in any way as an encouragement to make, solicit, or receive any type of entertainment or gift. For clarity purposes, please note that these limitations govern activities with those outside of HCA. This section does not pertain to actions between HCA and its colleagues or actions among HCA colleagues themselves. (See “Relationships Among HCA Colleagues” on page 25.)

#### **Receiving Business Courtesies**

We recognize there will be times when a current or potential business associate, including a potential referral source, may extend an invitation to attend a social event in order to further develop a business relationship. An HCA colleague may accept such invitations, provided: (1) the cost associated with such an event is reasonable and appropriate, which, as a general rule, means the cost will not exceed \$150 per person; (2) no expense is incurred for any travel costs (other than in a vehicle owned privately or by the host entity) or overnight lodging; and (3) such events are infrequent. The limitations of this section do not apply to business meetings at which food

(including meals) may be provided. Prior to accepting invitations to training and educational opportunities that include travel and overnight accommodations at reduced or no cost to a colleague or HCA, consult our policies and seek appropriate approvals.

HCA colleagues may accept gifts with a total value of \$75 or less in any one year from any individual or organization who has a business relationship with HCA. For purposes of this paragraph, physicians practicing in HCA facilities are considered to have such a relationship. Perishable or consumable gifts given to a department or group are not subject to any specific limitation. HCA colleagues may accept gift certificates, but may never accept cash or financial instruments (e.g., checks, stocks). Finally, under no circumstances may an HCA colleague solicit a gift.

This section does not limit HCA facilities from accepting gifts, provided they are used and accounted for appropriately.

#### **Extending Business Courtesies to Non-referral Sources**

No portion of this section, “Extending Business Courtesies to Non-referral Sources,” applies to any individual who makes, or is in a position to make, referrals to an HCA facility. Such business courtesies are addressed in the Extending Business Courtesies to Potential Referral Sources section of this Code and Company policies.

#### **Meals and Entertainment**

There may be times when a colleague wishes to extend to a current or potential business associate (other than someone who may be in a position to make a patient referral) an invitation to attend a social event (e.g., reception, meal, sporting event, or theatrical event) to further or develop a business relationship. The purpose of the entertainment must never be to induce any favorable business action. During these events, topics of a business nature must be discussed and the host must be present. These events must not include expenses paid for any travel costs (other than in a vehicle owned privately or by the host entity) or overnight lodging. The cost associated with such an event must be reasonable and appropriate. As a general rule, this means

the cost will not exceed \$150 per person. Moreover, such business entertainment with respect to any particular individual must be infrequent, which, as a general rule, means not more than three times per year. Consult Company policy for events that are expected to exceed \$150 or were not expected to but inadvertently do exceed \$150. That policy requires establishing the business necessity and appropriateness of the proposed entertainment. The organization will under no circumstances sanction any business entertainment that might be considered lavish or in questionable taste. Departures from the \$150 guideline are highly discouraged.

#### **Sponsoring Business Events**

Also, HCA facilities may routinely sponsor events with a legitimate business purpose (e.g., hospital board meetings or retreats). Provided that such events are for business purposes, reasonable and appropriate meals and entertainment may be offered. In addition, transportation and lodging can be paid for. However, all elements of such events, including these courtesy elements, must be consistent with the corporate policy on such events.

#### **Gifts**

It is critical to avoid the appearance of impropriety when giving gifts to individuals who do business or are seeking to do business with HCA. We will never use gifts or other incentives to improperly influence relationships or business outcomes. In order to avoid embarrassment, an effort should be made to ensure that any gift we extend meets the business conduct standards of the recipient's organization. Gifts to business associates who are not government employees must not exceed \$75.00 per year per recipient. Any gifts to Medicare or Medicaid beneficiaries must not exceed \$10.00 per item nor total more than \$50.00 per year per recipient. An HCA colleague or facility may give gift certificates, but may never give cash or financial instruments (e.g., checks, stocks). The corporate policy on business courtesies permits occasional exceptions to the \$75 limit to recognize the efforts of those who have spent meaningful amounts of volunteer time on behalf of HCA.

U.S. Federal and state governments have strict rules and laws regarding gifts, meals, and other business courtesies for their employees. HCA does not provide any gifts,

entertainment, meals, or anything else of value to any employee of the Executive Branch of the Federal government or its fiscal intermediaries, except for minor refreshments in connection with business discussions or promotional items with the HCA or facility logo valued at no more than \$10.00. With regard to gifts, meals, and other business courtesies involving any other category of government official or employee, colleagues must determine the particular rules applying to any such person and carefully follow them.

#### **The Company's Ethics and Compliance Program**

##### **Training and Communication**

Comprehensive training and education has been developed to ensure that colleagues throughout the organization are aware of the standards that apply to them. Code of Conduct training is conducted at the time an individual joins the organization and annually for all colleagues. Compliance training in areas of compliance risk (e.g., billing, coding, cost reports) is required of certain individuals. Company policies outline the training requirements.

All ethics and compliance training is required to be recorded in the Company's learning management system, the HealthStream Learning Center (HLC). Through the HLC, system administrators and ECOs track colleagues' compliance with their training requirements and report such information as necessary.

Many resources regarding our program are available to all HCA colleagues on our Intranet and to the general public on the Internet. We encourage all colleagues to frequently visit both sites.

##### **Resources for Guidance and Reporting Concerns**

To obtain guidance on an ethics or compliance issue or to report a concern, individuals may choose from several options. We encourage the resolution of issues, including human resources-related issues (e.g., payroll, fair treatment and disciplinary issues), at a local level. Colleagues should use the human resources-related problem solving procedure at their facility to resolve such issues. It is an expected good practice, when one is comfortable with it and think it appropriate under the

circumstances, to raise concerns first with one's supervisor. If this is uncomfortable or inappropriate, the individual may discuss the situation with the Facility Human Resources Manager, the Facility ECO, or another member of management at the facility or in the organization. Individuals are always free to contact the Ethics Line at 1-800-455-1996.

HCA makes every effort to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports concerns or possible misconduct. There is no retribution or discipline for anyone who reports a concern in good faith. Any colleague who deliberately makes a false accusation with the purpose of harming or retaliating against another colleague is subject to discipline.

#### **Personal Obligation to Report**

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations and to correcting wrongdoing wherever it may occur in the organization. Each colleague has an individual responsibility for reporting any activity by any colleague, physician, subcontractor, or vendor that appears to violate applicable laws, rules, regulations, accreditation standards, standards of medical practice, Federal healthcare conditions of participation, or this Code. If a matter that poses serious compliance risk to the organization or that involves a serious issue of medical necessity, clinical outcomes or patient safety is reported locally, and if the reporting individual doubts that the issue has been given sufficient or appropriate attention, the individual should report the matter to higher levels of management or the Ethics Line until satisfied that the full importance of the matter has been recognized. If a matter that poses concern regarding the safety or quality of care provided to a patient in the hospital is identified and was reported locally but thought to be unresolved, an additional avenue for reporting is available through notification to The Joint Commission. There will be no retaliatory disciplinary action taken against an employee who reports concerns to The Joint Commission.

#### **Internal Investigations of Reports**

We are committed to investigating all reported concerns promptly and confidentially to the extent possible. The Chief Ethics and Compliance Officer coordinates any findings

from corporate-led investigations and immediately recommends corrective action or changes that need to be made. We expect all colleagues to cooperate with investigation efforts.

#### **Corrective Action**

Where an internal investigation substantiates a reported violation, it is the policy of the organization to initiate corrective action, including, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing systemic changes to prevent a similar violation from recurring in the future.

#### **Discipline**

All violators of the Code will be subject to disciplinary action. The precise discipline utilized will depend on the nature, severity, and frequency of the violation and may result in any or all of the following disciplinary actions:

- Oral warning;
- Written warning;
- Written reprimand;
- Suspension;
- Termination; and/or
- Restitution.

#### **Acknowledgment Process**

HCA requires all colleagues to sign an acknowledgment confirming they have reviewed the Code, understand it represents mandatory policies of HCA and agree to abide by it. New colleagues are required to sign this acknowledgment as a condition of employment. Each HCA colleague is also required to participate in annual Code of Conduct training, and records of such training must be retained by each facility.

Adherence to and support of HCA's Code of Conduct and participation in related activities and training is considered in decisions regarding hiring, promotion, and compensation for all candidates and colleagues. New colleagues must receive Code of Conduct training within 30 days of employment.

ethics & compliance<sup>1</sup>

#### **Ethics Line**

Even the most effective compliance training program will not prevent a small number of employees from engaging in activity that does not comply with the organizations policies and procedures or with the law. Every ethics and compliance program needs a method for identifying and resolving this type of conduct. The need for this type of exception-reporting mechanism is reinforced by the OIG Compliance Program Guidance for Hospitals, which states: "The OIG encourages the use of hotlines (including anonymous hotlines), e-mails, written memoranda, newsletters, and other forms of information exchange to maintain those open lines of communication."

HCA maintains an Ethics Line for reporting possible misconduct or obtaining guidance on an ethics or compliance issue. The Ethics Line number is 1-800-455-1996, and is included in our Code of Conduct and on posters throughout our facilities.

<sup>1</sup>Source: <http://ec.hcahealthcare.com/CustomPage.asp?PageName=EthicsLine>

# Section 4

## Appendix

# Section 4.1

## Summary