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# ANTI-BRIBERY POLICY & COMPLIANCE HANDBOOK

MARCH 2018



**Coca-Cola**  
**Hellenic Bottling Company**



Dear Team Member,

At Coca-Cola Hellenic, everything starts with our values. There is no greater priority than being open, fair and honest. No matter where we operate in our territories, in our interactions with suppliers, customers, governments and other stakeholders, we must live our values of respect for people, honesty, transparency and integrity.

Our commitment to integrity and ethical conduct is particularly important in the area of corruption prevention and detection. Our attitude to corruption is clear: we apply a policy of zero tolerance. I know that we operate in difficult environments and in cultures where corruption can be widespread. This can never be an excuse. It is critical that we ensure that our people and those who work on our behalf understand their responsibilities and behave in accordance with our values.

The Anti-Bribery Policy and Compliance Handbook provides a broad understanding of the anti-bribery and anti-corruption program at Coca-Cola Hellenic. It is designed to educate and equip you with knowledge and tools to detect and prevent bribery and corruption. It also provides guidance as to where you can find more information.

By all of us living our values and acting with honesty, fairness and integrity, we will continue making Coca-Cola Hellenic a company which we can be proud of. Thank you for joining me in this effort.

Sincerely,



Zoran Bogdanovic  
Chief Executive Officer





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## I. Why is this policy important for you and our business?

This Anti-Bribery Policy and Compliance Handbook (“Policy”) sets forth the Company’s policy requirements and procedures to ensure compliance with applicable anti-bribery and anti-corruption laws. It is essential that you carefully review and adhere to the principles set forth in this Policy for the following reasons:

- To act in accordance with the Company’s values;
- To protect the Company’s reputation;
- To demonstrate the Company’s commitment to the communities in which it operates;
- To ensure compliance with all national, regional, and local laws applicable to the Company; and
- To strengthen the international enforcement and awareness of anti-bribery laws.

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## II. How to comply with the Policy and use this Handbook?

In order to ensure proper compliance with this Policy, you should remember the following rules:

### Attend all mandatory training programs

The Company holds mandatory training programs annually to ensure that employees understand all applicable anti-bribery and anti-corruption laws and act in compliance with those laws. These training programs have been developed by the Company’s Legal Department to target specific risks faced by our operations. It is imperative that you attend these training programs.

All Company employees exposed to material bribery risks are listed in a risk-zone register and are required to take a specific training upon hire and every other year.

### Obtain approval

Under the Policy, certain actions – particularly providing anything of value or any advantage to Government Officials or to customers – require **prior written approval** from a lawyer in the relevant legal department of the Company (“Relevant Legal Officer”):

- Country Employees: your Relevant Legal Officer is your Country Legal Director;
- Country Function Heads and Regional Managers: your Relevant Legal Officer is your Regional Legal Director;
- General Managers and Group Function Employees: your Relevant Legal Officer is the Chief Compliance Officer;
- Operating Committee Members: your Relevant Legal Officer is the General Counsel.

The requests for the prior approval by your Relevant Legal Officer should be filed through the Code of Business Conduct and Anti-Bribery Portal (COBC Portal).



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### When in doubt, seek guidance

If you are ever unsure of how to react to a situation or whether certain conduct may be improper or contrary to the Policy, you should always seek guidance from your Relevant Legal Officer before you take action.

### Raise Concerns

If you observe behaviour that concerns you, or that may represent a violation of our Policy, raise the issue promptly with your Relevant Legal Officer or through our SpeakUp! line. 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 the Company's reputation.

Suspected Policy violations of a serious nature, such as those involving high levels of management, significant amounts, or alleged criminal activities should be reported to the General Counsel immediately.

**Practical Example:** A finance officer was asked by her manager to process a wire transfer of funds to a Government Official's personal bank account. When the finance officer asked her manager what the payment was for and if he received approval from his Relevant Legal Officer to make the payment, her manager told her that it was "none of her business." When she expressed her concerns, her manager told her that he does not care what the Policy says and that he would take full responsibility if there was any problem with the payment. The finance officer is afraid that her manager will retaliate against her if she reports the matter.

**How to React:** The finance officer should report the situation to her Relevant Legal Officer right away. If she follows her manager's instructions and violates the Policy, they will both be in violation of the Policy, and possibly the law. The Company will protect the finance officer from any retaliation for her good faith report.

### You will never be penalized for refusing to pay bribes

No employee will ever be penalized, either through performance reviews, compensation or any other method, for refusing to pay bribes. Similarly, business performance will not be judged adversely for delays or financial losses as a result of your refusal to pay a bribe. However, planning in advance is part of an employee's legitimate performance assessment; therefore, you should always plan in advance so that you are not faced with a situation where a bribe is requested to expedite a request.

### Enforcement

The Company applies a "zero tolerance" approach to violations of this Policy. All employees have an obligation to uphold the ethical standards of the Policy, and must take responsible steps to prevent any Policy violations.

Breaches may also be reported to law enforcement agencies and may result in criminal proceedings being issued against you. Bribery is a crime punishable by severe prison sentences.



## Who does this Policy apply to?

The Policy applies to everyone working for the Company worldwide regardless of location, role or level of seniority. This includes all employees, Managers, Operating Committee Members, and Directors of the Company.

We require that temporary and contract employees, consultants, agents and any other third party which acts in the Company's name, comply with the principles of the Policy.

Every non-wholly-owned subsidiary and joint venture which the Company controls, and all joint venture partners, must adopt a similar anti-bribery policy. Where we participate in but do not control a joint venture relationship, we will encourage our partners to meet the requirements of the Policy in both the joint venture and their own operations.

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## III. What is a Bribe?

A "bribe" or "bribery" is giving or offering anything of value or any advantage, whether directly or indirectly, to any person, in order to induce that person or any other person to perform a function or activity *improperly*.

Bribery is also requesting or receiving anything of value or any advantage, whether directly or indirectly, from any person, intending that, as a consequence, a relevant function or activity should be performed *improperly*, whether by you or another person.

You should never engage in bribery.

### A. Payments and Activities Used in Bribery

A bribe can be financial or otherwise, and can include giving or receiving money, loans, contributions or donations, travel, offers of employment, refunds, rebates, goods, services or anything else that could be considered to have value. Gifts or entertainment may be construed as forms of bribery in certain circumstances. A bribe can also take the form of a "reward" and be paid after the *improper* performance of the relevant duty or obligation has taken place.

### B. Bribery in Relation to Government Officials

Although you must never offer bribes to anyone or accept bribes from anyone, you need to be particularly vigilant not to engage in any bribery or improper dealings with Government Officials. Do not offer, promise, give or authorize anything of value, any financial or other advantage to anyone (including a family member, relative or person associated with a Government Official) if the circumstances may give the appearance of seeking to influence the Government Official to obtain or retain business or an advantage in the conduct of business.



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1. *Who is a “Government Official”?* Government Officials include the following persons:

- Employees or representatives of any government, government-owned, or government-controlled entity anywhere in the world, including both high and low ranking employees. Government-owned or controlled entities include, but are not limited to, central banks, sovereign wealth funds, state-run hospitals, and any other business venture that is owned or controlled by a government entity;
- Any individual exercising a legislative, administrative or judicial function, whether appointed or elected;
- Any candidate for or holder of public office;
- Any official of a political party
- Any official, employee, representative, or agent of a public international organization, such as the United Nations or World Bank;
- Any member of a royal family; and
- Any child, spouse, parent or sibling or other familial relation of the above.

It is your responsibility to understand whether someone you deal with is a Government Official. When in doubt, you should consult your Relevant Legal Officer.

2. *Influencing a Government Official's Decision to Gain an Advantage*

It is also bribery to give or offer anything of value or any advantage to a Government Official to influence a discretionary decision of the official, such as the outcome of a government audit or inspection, a decision to award or continue business relations, or the development or passage of tax or other legislation. Similar offers to a person other than a Government Official are also prohibited if you have reason to believe it is for the benefit of a Government Official. This includes the Government Official's relatives and close friends.

**Practical Example:** A customs officer routinely stops the Company's shipments from entering into his country and subjects the shipments to lengthy and burdensome inspections. The customs officer suggests that if the Company were to make small payments to him, or were to provide him with free products, then he would treat the Company's shipments the same way as he treats certain other shipments and refrain from inspecting them.

**How to React:** Do not give the Government Official money, products or anything of value. It would be improper and illegal to confer anything of value or any advantage on the Government Official, even though he is unfairly targeting the Company's shipments for inspection and treats the Company different than other companies.



## IV. Dealing with Government Officials

### A. Offering Hospitality to Government Officials

You should not offer gifts or hospitality to a Government Official in return for any advantage, favourable treatment, or to influence a governmental decision. However, hospitality aimed at establishing cordial relations with a Government Official that is reasonable, proportionate, and made in good faith is permissible, provided that you (1) obtain **prior written approval** from your Relevant Legal Officer for the expenditure, filing the request with the COBC Portal, and (2) keep all relevant records relating to all such expenditures.

It is important to remember that the more lavish the hospitality or expenditure, beyond what is reasonable under the particular circumstances, the greater the inference that it is intended to encourage or reward improper performance or influence of the official. Therefore, any gifts, meals or other hospitality extended to Government Officials should be reasonable.

For more details on the expenses for Government Officials requiring a prior approval by the Relevant Legal Officer, please refer to your Company's local Blanket Approval Policy. The Blanket Approval Policy identifies guidelines for the sole purpose of facilitating the release of appropriate gifts, meals, entertainment expenses, free products, sponsorships and donations to Government Officials and customer employees in compliance with our Code of Business Conduct and Anti-Bribery Policy.

All costs and expenses related to Government Officials should be recorded in the appropriate Company's Anti-Bribery General Ledger Accounts.

#### 1. Gifts

Under some rare circumstances, modest gifts may be extended to Government Officials, but only to the extent reasonable and appropriate and only for legitimate business purposes. You should not provide gifts to a Government Official who has the ability to influence a pending or ongoing matter involving the Company. Never give cash gifts to anyone, whether directly or indirectly, even if such gifts are permitted under local laws or acceptable pursuant to local practice.

Always obtain **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal, before providing a gift to a Government Official, and keep all relevant records relating to such expenditures.

**Practical Example:** The head of the local tax authority where the Company is registered as a tax payer requests free Company beverages for his son's birthday party.

**How to React:** Politely explain that you are not permitted to provide company products to him pursuant to Company Policy, and promptly report the request to your Relevant Legal Officer.

#### 2. Meals

You may take a Government Official to a meal, but only if it is reasonable and appropriate. You may not take a Government Official to a lavish or extravagant meal. Always obtain **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal, before providing any hospitality to a Government Official, and keep all relevant records relating to such expenditures.



**Practical Example:** A Government Official is scheduled to attend the opening of the Company's new waste water treatment plant. After the opening, the Plant Manager would like to take the Government Official and his associates to the nicest restaurant in the city, and give each of them a branded expensive watch. It is not unusual for other companies to treat a Government Official in this manner.

**How to React:** It would be improper to host an expensive dinner for, and provide watches to, the official and his associates. The Policy allows the Company to provide modest gifts (e.g., calendars or umbrellas), particularly if they include the company's brand or logo, or meals as a social amenity. The Plant Manager must receive **prior written approval** from his Relevant Legal Officer, and keep all relevant records relating to the expenditures.

### *3. Demonstration of Products and Tours of Company Facilities*

From time to time, employees may invite Government Officials to Company facilities for tours or demonstration of our products. This Policy does not prohibit payment of or reimbursement for reasonable and bona fide expenditures, such as travel and lodging expenses, incurred by or on behalf of a Government Official for such a visit, provided that (1) such expenses are directly related to legitimate business purposes such as promotion, demonstration or explanation of products by the Company, or tours of its facilities, and (2) payment by businesses for such expenses is widely accepted, customarily practiced and permissible under local law. The Company should not select the particular Government Officials who will be visiting on behalf of the relevant agency or government. In addition, the Company should not have any non-routine business (e.g. licensing or approvals) pending before the relevant government agency at the time of the visit.

You must receive **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal, before making these types of payments, and all payments must comply with the restrictions outlined in Section 4 below. You must also keep all relevant records relating to such expenditures.

### *4. Travel and Accommodation*

The Company shall not pay or reimburse for the travel expenses, such as airfare, hotel accommodation, or meals of Government Officials unless the expenses relate to a permissible purpose, as described above. You must obtain **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal, before agreeing to pay such expenses on behalf of a Government Official, and keep all relevant records relating to such expenditures. In addition, such expenses should be disclosed to the Government Official's employer before the expenses are incurred. The Company and its employees should never agree to a request to keep such payments or reimbursements confidential. Travel and accommodation costs should be modest and compliant with the government body's own travel restrictions.

Travel and accommodation costs should be paid directly to the third-party provider. In certain circumstances, when payment directly to the third-party provider is not possible, payment may be made directly to the Government Official's employer. You should never provide funds for travel and accommodation directly to the Government Official, other than in exceptional circumstances and only after receiving **prior written approval** from your Relevant Legal Officer. No "per diem" payments should be made to a Government Official.



**Practical Example:** A Government Official is travelling from out of town to the Company plant to attend two days of meetings to learn about the plant's safety and the high standard of its operating systems. In conjunction with that visit, the Government Official requests that the Company pay for his hotel stay.

**How to React:** The Company can only pay for the Government Official's hotel bill if the expense is reasonable, payment for the expense has been approved by the Government Official's agency to ensure that it is transparent, it is in no way intended to improperly influence the Official, and payment for the expense conforms with local law and practice. In addition, you must first obtain **written approval** from your Relevant Legal Officer, and keep all relevant documents relating to the expenditure. Note that you should have the Company pay the hotel directly.

## 5. Entertainment

The Company should not entertain Government Officials, or pay for costs related to a Government Official's leisure activities, except where such costs are reasonable and appropriate under the circumstances, not extravagant, permissible under the regulations of the Government Official's employer or the regulations of the applicable jurisdiction, and are incidental to a business purpose. You must receive **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal, before making any such expenditures, and keep records of such expenditures.

## 6. Premium Events

It is permissible to invite a Government Official to a premium event, such as to a sporting event, in order to promote good relations with that official, if the event is not lavish, the expenditure is reasonable under the circumstances, and you are not intending that the invitation induce the official to act impartially or improperly to the Company. You must receive **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal, before providing a Government Official with tickets to a premium event. You must also keep records of such expenditures. Travel and accommodation expenses of the Government Official participating to premium events must be borne by the Government Official's employer.

## B. Political Contributions

You must obtain **written approval** from the Company's Board of Directors before authorizing or making a political contribution in the Company's name.

## C. Lobbying

You must obtain **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal, before entering into a lobbying arrangement. All lobbying arrangements should be fully and carefully documented, and include clear and detailed retention agreements, invoices from the lobbyist, and written work product documenting the arrangement. Do not engage lobbyists until due diligence on the lobbyist has been completed in accordance with Section V of this Policy. In addition, periodic and detailed audits should be conducted on all lobbying arrangements.

A serving Government Official should never be hired to carry out lobbying or political advocacy activities on behalf of the Company.



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If you engage a lobbyist, your Relevant Legal Officer must ensure that the requirements of any lobbying-related laws, regulations, guidance rules or codes are met, including any local registration and reporting requirements.

#### D. Charitable Contributions and Sponsorship

As part of our commitment to good corporate citizenship, General Managers and Operating Committee Members are authorized to make charitable contributions. These contributions may take the form of goods or services, technical assistance or training, financial support, or sponsorship of events. However, particular care must be taken to assure that the recipient charity is a bona fide charity, regulated and supervised as such in the jurisdiction, and that we have no reason to believe that the charity itself may be operated directly or indirectly for the private benefit of any Government Official. If any Government Official is a director or officer of the charity, is otherwise closely associated with the charity, or requests that the Company donate to the charity, you should inform in written your Relevant Legal Officer who will advise the responsible executive what inquiries or other procedures are required in order to obtain a high level of assurance that the contribution will not be used to make a prohibited payment. You must also keep all relevant records relating to such expenditures.

**Practical Example:** A high-level Government Official that you deal with on a regular basis asks if the Company will make a donation to a charity for blind children.

**How to React:** You should consult with your Relevant Legal Officer who will advise you on what due diligence and investigation should be performed so as to ensure that the charity is a bona fide organization and that the contribution will not be used for any other purposes.

#### E. Official Approvals, Permits and Licenses

You should not make payments, or give any other advantage, to Government Officials, beyond what is required by law or local regulations, to obtain a permit, license, or other necessary approval. The issue sometimes arises when the Company seeks to build or expand a facility or obtain operating permits (for example, for water extraction).

*Watch for:* Offers by inspectors to provide undocumented, on the spot inspection, for a fee.

*Planning in Advance:* In order to avoid these types of situations, you should do the following:

- Be aware of permit requirements and the Company's progress towards fulfilling those requirements;
- Solve problems proactively by allowing sufficient time to obtain the permit while not under pressure of an investigation;
- Establish good relationships with the authorities;
- Make clear that the Company cannot and does not pay bribes as a way of doing business;
- Work with others in the industry who are facing similar issues and applying similar ethical standards;



- Make sure you have a good understanding of the structure of the relevant regulatory body so that you are ready to appeal to a more senior Government Official to solve the problem; and
- Be ready to justify why the Company should receive the requested permit or license by, among other things, articulating the benefit of the project and the Company's presence in the region to local communities.

**Practical Example:** The Company is constructing a new plant. The construction site is visited by the local Government Official whose agency is responsible for technical supervision of the construction and approval of commissioning. The official hints that to facilitate the approval of the plant commissioning, you should promise to employ his son when the plant opens.

**How to React:** You should tell the official that his son will not receive any special treatment. You should report the incident to your Relevant Legal Officer before having any further communications with the Government Official.

## F. Dealing with Customs Authorities

You should not make payments, or provide any other advantage, to customs officials, beyond what is required by law or local regulation, in order to ensure that goods are cleared through the customs process or to ensure that goods are cleared in a timely manner. You may deal with customs agents when importing any raw materials, packaging, equipment or other goods or when exporting our products.

*Watch for:* Be cautious if a customs official asks if you would like a “fast track” process, as this could be another way of asking for a bribe. Also, be wary of working with service providers who state that they can solve customs issues using their relationship with the authorities. Bribes may not be paid directly to Government Officials, or indirectly through third parties.

*Planning in Advance:* To avoid putting yourself in this type of situation, you should do the following:

- Allow sufficient time for shipments to be cleared through customs;
- Find out and prepare in advance all the documentation required for smooth customs clearance;
- Make sure that, during every step of the process, the Company submits any necessary paperwork as soon as it is able and that you follow up with the local authority regarding the status of the shipment. You should ensure that complacency or slowness does not delay the process in any way;
- Try to avoid scheduling deliveries during busy periods when there are inevitable delays due to backlogs;
- Identify alternate points of entry into the country where customs clearance moves more quickly and/or bribes are not requested;
- Have an adequate supply of parts and consumables which need to be imported so that a delayed delivery does not have a detrimental impact on the business; and
- Work with the local chamber of commerce to discuss solutions to this issue.



**Practical Example:** Even though you are convinced that everything is in order, a customs officer claims that some key information is missing to complete customs clearance for a shipment of perishable strawberry juice. He claims that he can make an exemption for an extra USD 150 and promptly release the shipment. Otherwise, the juice will spoil.

**How to React:** You should politely refuse to pay to expedite the customs clearance and note that it is against Company policy to make such payments. Consult your Relevant Legal Officer on next steps.

## G. Work Permits, Visas and Registration

You should not make payments to, or provide any other advantage to, Government Officials in order to obtain a work permit, visa, or registration for yourself or another Company employee. Similarly, if a third party is obtaining a work permit, visa, or registration on your behalf and you suspect that the third party may intend to pay a bribe in order to obtain your required document, you should make clear to that third party that bribes must not be paid and/or end your relationship with the service provider.

*Watch for:* Requests for a “surcharge” to issue visas for the family of the Company employee.

*Planning in Advance:* To avoid putting yourself in this type of situation, you should do the following:

- Know the local rules and regulations;
- Be familiar with the employees in the relevant governmental agency;
- Ensure that each work permit or visa application is completed correctly the first time and that time is not wasted because the Company employee did not do his job properly;
- Contact the local embassy of the employee who is trying to obtain the visa. Sometimes an embassy can provide assistance; and
- If the Company is submitting several work permits or visa applications during a certain period, consider applying for all the permits/visas in one package (if that is permissible). It may be more difficult for a governmental agency to reject a package of applications for inappropriate reasons, than it would be for the agency to reject an individual application for inappropriate reasons.

**Practical Example:** A newly appointed expatriate General Manager is unable to transfer his family to his new host country without a work permit. The local immigration authorities refuse to issue such permit unless an unofficial employment “surcharge” is paid. A delay in the employee being able to properly transfer and begin working in the country causes significant difficulties, especially as the timing coincides with the preparation of the next year business plan.

**How to React:** You should politely explain that Company policy does not permit the payment of such surcharges. You should immediately report the incident to and discuss next steps with your Relevant Legal Officer.



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## H. Inspections and Fines

You should not make payments or give any other advantage to Government Officials in order to avoid an inspection, influence the findings of an inspection, or avoid a fine.

### *How to Behave*

During an inspection, you should treat the Government Official with courtesy, but should not offer the official anything of value or any advantage before, during or after the inspection. Such an offer, even if it is very small, could be interpreted as an effort to influence the official's conclusions with respect to the inspection.

### *How to Avoid*

To avoid putting yourself in this type of situation, you should do the following:

- Prepare for the inspection in advance so that the Government Official has no basis for complaint about the Company's facility or products;
- Know the local rules and regulations;
- Be familiar with the employees in the relevant governmental agency; and
- If you suspect that an inspector may request a bribe from you, you should ask others to accompany you during the inspection because the presence of others may discourage him / her from requesting a bribe.

**Practical Example:** A public health inspector has arrived at a Company manufacturing plant. You would like to give him a case of product as a sign of good will.

**How to React:** You should never give anything of value or any advantage to a Government Official without **prior written approval** from your Relevant Legal Officer.

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## V. Diligence Required When Hiring Employees or Third Parties

The Company may be held liable for bribes paid by third parties acting on the Company's behalf or bribes paid by employees or other persons performing services for the Company. Therefore, you should never authorize or request any employees or third parties to pay bribes to anyone (including Government Officials) or receive bribes from anyone. Nor can you overlook any activities by third parties acting on the Company's behalf that you suspect might conflict with this Policy. You should raise the matter promptly with your Relevant Legal Officer.

You should take particular care when evaluating a prospective employee or third party who may act on behalf of the Company, especially if that person will be interacting with Government Officials on behalf of the Company. You must obtain **prior written approval** from your Relevant Legal Officer, filing the request with the COBC Portal maintaining all relevant documentation, before hiring a third party who may interact with Government Officials on behalf of the Company. You must not hire an employee,



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third-party agent or consultant if you have reasonable grounds to believe that the person may attempt to bribe anyone.

New employees and third parties engaged by the Company should receive a copy of this Policy and be informed that they are obliged to comply with it.

#### A. Examples of Third Parties and Other Intermediaries

The following types of persons could be considered third parties who perform services for or on behalf of the Company, and whose actions could be attributed to the Company:

- Agents, representatives, consultants, or other intermediaries
- Persons who introduce business to the Company
- Contractors and service providers
- Lobbyists
- Law firms or advisors
- Public relations or marketing advisors or consultants
- Real estate contractors
- Sales and marketing firms
- Subsidiaries, including those in which the Company owns less than a 50% shareholding
- Suppliers who are performing services for the Company, rather than simply acting as a seller of goods

#### B. Due Diligence is Required When Hiring Employees or Third Parties

In order to help ensure that bribery does not occur, care and due diligence are required before hiring employees or selecting third-parties who will act on behalf of the Company. You should only deal with qualified and reputable individuals or firms. In order to ensure this, you should identify the candidate's qualifications and the legitimate business reasons for choosing the candidate, interview and meet the candidate, and investigate the reputation of the candidate in the industry. If the individual or firm is from a high risk country where bribery is known to occur, your investigation of that individual or firm should be particularly thorough. You should check to make sure that the candidate does not have a family or other relationship with Government Officials who are responsible for areas relating to candidate's potential duties; hiring such a person/firm could appear as if the Company were trying to gain an improper advantage. Every stage of the due diligence investigation should be documented, maintaining evidence of the results of the reviews performed during the due diligence process. You should also ensure that compensation is reasonable in light of the services.

*Watch for:* During the due diligence process, you should watch out for the following signs which may indicate that the prospective employee or third party should not be retained:



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- Requesting or demanding an unreasonable or unusually high salary or fee;
  - Requesting an inappropriate method of payment, for example, requests for indirect payments made payable in a country other than from where the entity operates, payments in cash, or payments to a numbered or secret account or the account of a third party;
  - Demonstrating an unwillingness to sign a contract;
  - Promising unusually fast results;
  - Apparent lack of qualification or experience for the position or role;
  - Past accusations or instances of improper business practices;
  - Demonstrating reluctance to provide any requested information; or
  - Requesting a payment or gift for himself or another.

If your due diligence uncovers anything suspicious, you should seek the assistance of your Relevant Legal Officer and management in resolving your concerns before hiring the employee or third party.

With respect to third-parties, who act on behalf of the company, your obligation of due diligence does not end when the third-party is selected and hired. You must continually monitor the Company's relationships with third-parties and conduct periodic due diligence on any third-parties who are retained.

With respect to third parties who act on behalf of the company and may interact with Government Officials, you must renew a due diligence on annual basis and submit it for approval to the Relevant Legal Officer through the COBC Portal.

### C. Contractual Clauses

All employees must sign a statement indicating that they have read and understand the Policy, and that they agree to comply with it. The employee statement is included at Appendix A.

Similarly, you should never enter into a relationship with any third parties unless they sign a contract with provisions stating that they do not and will not engage in bribery. An example of the necessary contractual language is included at Appendix B.

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## VI. Offering Hospitality To or Receiving Hospitality From Customers, Suppliers, and Other Business Partners

### A. Gifts, Meals and Entertainment

It often is customary to exchange gifts, meals, and entertainment with customers, suppliers, and other business partners. The key to such exchanges is to maintain an arm's-length relationship. Avoid excessive or lavish gifts, meals or entertainment that may give the appearance of undue influence. Always consider whether the gift, meal or entertainment you plan to give or receive could be regarded as excessive or inappropriate, or lead to or imply any obligation.

Please refer to your Company's local Blanket Approval Policy for more details on the expenses related to customers requiring a prior approval by the Relevant Legal Officer.

All costs and expenses related to customers requiring a prior approval by the Relevant Legal Officer, should be recorded in the appropriate Company's Anti-Bribery General Ledger Accounts.



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### *Receiving Gifts, Meals or Entertainment*

- Do not accept gifts, meals or entertainment in exchange for doing, or promising to do, anything for a customer, supplier, or other business partner.
- Do not ask for gifts, meals, or entertainment from a customer, supplier, or other business partner.
- You must not accept gifts of cash or cash equivalents, such as gift cards, under any circumstances.
- Do not accept any lavish gifts, meals or entertainment. This is an area in which your judgment is critical. For instance, a modest gift during the holiday season from a supplier in accordance with local custom, and for purposes of enhancing the goodwill of a legitimate business relationship, is usually fine. But an expensive weekend trip would not be permissible. It is sometimes difficult to define excessive, and what is customary and appropriate differs from country to country. In certain occasions, individual modest gifts could be deemed excessive because of their aggregate value and relevant circumstances. If you have any doubts, always seek **prior written approval** from your Relevant Legal Officer.
- Gifts of symbolic value, such as trophies and statues that are inscribed in recognition of a business relationship, may be accepted.
- If you are offered a gift, meal or entertainment that exceeds the guidelines 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 prevent its return, you should notify your Relevant Legal Officer, who will work with you either to donate the item to charity, or to distribute or raffle the item among a larger group of employees.

### *Giving Gifts, Meals or Entertainment*

- Gifts and entertainment for customers, potential 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 and entertainment. If you have any doubts, always seek **prior written approval** from your Relevant Legal Officer.
- Cash or cash equivalents should never be given as a gift.
- You should keep records of all such expenditures.

### *Premium Events*

Taking a customer, supplier or other business partner to a premium event is permissible as long as it is not intended to induce that person to act impartially or do their job improperly. For example, inviting a client to attend a premium event as part of a public relations exercise designed to establish good relations or enhance knowledge about the Company is permissible.



**Practical Example:** A supplier with whom you are seeking to improve your relationship invites you and your spouse to Malaysia for a golf tournament. Travel and hotel, expensive by Malaysian standards, are to be paid by the host. A top pro will be available to help you improve your swing.

**How to React:** Because a business agenda seems to be absent in this event, and the event appears extravagant, you should politely decline the invitation. However, if the event does have substantial business content that is valuable to the Company, you may accept the invitation provided that you receive **advance written approval** from your Relevant Legal Officer and the Company pays for your travel and expenses. Travel and expenses for your spouse will have to be paid by you.

## B. Demonstration of Products and Tours of Company Facilities

From time to time, employees may invite customers, suppliers or other business partners to Company facilities for tours or demonstration of our products. This Policy does not prohibit payment of or reimbursement for reasonable and bona fide expenditures, such as travel and lodging expenses, incurred by or on behalf of a customer, supplier or other business partner for such a visit, provided that (1) such expenses are directly related to legitimate business purposes such as promotion, demonstration or explanation of products by the Company, or tours of its facilities, and (2) payment for such expenses is widely accepted, customarily practiced and permissible under local law. All payments must comply with the restrictions outlined in Section C below.

## C. Travel and Accommodation

The Company shall not pay or reimburse for the travel expenses, such as airfare, hotel accommodation, meals or other incidentals of customers, suppliers, or other business partners unless the expenses relate to a permissible purpose, as described above. Such expenses should be disclosed to the individual's employer before the expenses are incurred. The Company and its employees must never agree to a request to keep such payments or reimbursements confidential. Travel and accommodation costs should be modest and reasonable.

Travel and accommodation costs should be paid directly to the third-party provider. In certain circumstances, when payment directly to the third-party provider is not possible, payment may be made directly to the individual's employer. You should never provide funds for travel and accommodation directly to the individual, except in exceptional circumstances and only after receiving **prior written approval** from your Relevant Legal Officer. No "per diem" payments for expenses should be made to the individual. You should keep records of all such expenditures.

**Practical Example:** An important customer would like to visit a Company plant to inspect where the products that he is purchasing are made. He has requested that the Company pay for the visit.

**How to React:** If the expense is reasonable, it is customary for companies to pay for these types of customer visits, it is disclosed to the customer's employer, and it is in no way intended to improperly influence the customer's business decisions, then the Company may pay for the customer's reasonable hotel and travel expenses. The Company should pay the customer's travel and hotel expenses directly to the hotel and airline/train company.



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## VII. Business and Financial Records

All payments and expenses related to providing or receiving anything of value, when they require approval under the Policy, must be fully and accurately recorded in the designated Anti-Bribery GL accounts, in accordance with applicable accounting rules and the Company's Code of Business Conduct. These include, without limitation:

- Gifts
- Travel and entertainment expenses
- Charitable contributions
- Expenses relating to sponsorships
- Political contributions
- Payments to third parties, suppliers and service providers

Records must be maintained of all due diligence and relevant approvals required under this Policy.

Please refer to the Company's Code of Business Conduct for more details on the Company's policy on Business and Financial Records.

**Practical Example:** You would like to purchase a modest Christmas gift for a loyal customer. You believe that it would be difficult and time consuming to organize the purchase through the Company, and would like to purchase it yourself and claim it back from the Company.

**How to React:** Any gifts or entertainment given or received must be properly accounted for within the appropriate Company Anti-Bribery GL accounts. Even if you choose to purchase the gift at your own expense and not claim it back, you are still offering the gift in your capacity as a representative of the Company. You must therefore ensure that the expense is properly recorded.



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## Appendix A

### Employee's acknowledgement of Coca-Cola HBC A.G.'s Anti-Bribery Policy

(Please Print)

Name

.....  
Job Title

.....  
Operation/Division

.....  
*If you cannot make each of the statements in this certificate in good faith, unconditionally and without exception, you must consult with your Relevant Legal Officer.*

I have read and understand the Company's Anti-Bribery Policy and Compliance Handbook ("Policy"), I am fully familiar with its contents, and I agree to observe and follow the provisions of the Policy as a condition of my employment.

All employees of Coca-Cola HBC A.G. and its subsidiaries reporting to me have been informed of, and provided with, this Policy.

I know of no gifts, payments, offers, promises, agreements or authorizations prohibited by the Policy, nor do I know of any violation of the accounting, record keeping, or financial control requirements of the Policy or the Code of Business Conduct.

There are no facts known to me that constitute reasonable grounds for suspicion that a violation of the Policy Statement by any person subject to it has occurred.

Date:

.....  
Signature of Employee:

.....



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## Appendix B

### Provision for agreements with third parties / contractors

[Third Party] acknowledges receipt of the Anti-Bribery Policy and Compliance Handbook (“Policy”) of Coca-Cola HBC A.G. and its subsidiaries and agrees that it, and all of its directors, officers, employees, representatives, subcontractors and agents shall, in the performance of its obligations under the Contract, comply with that Policy as it applies to third parties.





**Coca-Cola**

**Hellenic Bottling Company**

