

Verallia Group suppliers' relation Charter

This document is a supplement to the Verallia Code and represents an application of these principles to the Purchasing function in the Group.

It applies to all purchasing managers working in Verallia Group companies, and all employees (buyers, technical staff, managers and others) who in the course of their work engage in dealings with one or more external Group companies suppliers; below named: employees".

This document aims to provide in accordance with Group rules the guidelines to be applied on a daily basis, without seeking to cover all possible situations.

These guidelines can be completed by policy notes detailing, in the field of Purchasing, the social and environmental requirements stemming from the Group's Responsible Development initiative.

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Group Purchasing Compliance

- Employees must comply with Verallia Group master agreements, or ask for special dispensation, giving precise reasons to back-up their request. Dispensation will only be granted under special circumstances (e.g. joint-venture situations, significant business opportunity); the grounds for the dispensation must be stated and all exemptions are subject to the approval of the lead purchaser of the category concerned.
- Purchasers are encouraged to systematically consult approved Group suppliers.

Integrity

Employees must comply with the Group Gifts and Invitation Policy. In particular:

- Employees shall refrain from communicating their personal contact details to current or potential suppliers.
- Purchasing goods or services on behalf of any Group entity must not entail discounts or refunds to the purchaser (or a family member).
- Invitations to special events organized by suppliers can only be justified if there is an additional interest for Verallia beyond the current relationship with the supplier and may only be accepted under certain conditions defined in the Gifts and Invitation Policy. Prior management approval is required.
- Presents from suppliers may only be accepted under certain conditions defined in the Gifts and Invitation Policy.

Employees will comply with the Group policy on Conflicts of Interest. In particular they must have no direct or indirect personal interest, whether financial or otherwise in any supplier companies.

Service-focus

- Beyond the negotiation process itself, the purchaser should always take into account the longer term: he or she should come up with new ideas and be ready to challenge established working practices while making sure that what is being negotiated is feasible and then effectively implemented.
- Communication is part of the purchaser's job: this means explaining inside the company any choices made after a negotiation, especially to those at the origin of the requirement.
- By keeping in touch on an on-going basis with the supplier, the purchaser ensures service quality and sees that improvements are made.
- Generally speaking, purchasers should understand that they have a major role to play in risk management system concerning purchasing.

Professionalism

- To avoid relationships becoming too personal between purchasers and suppliers, purchasing departments should regularly change Verallia contacts with suppliers.
- To avoid *status quo* setting in, the purchasing function shall regularly review contracts reaching the end of their term, and avoid as much as possible renewals by tacit agreement.
- Discussions with suppliers on important details shall be formally recorded to facilitate the passing on of this information to the appropriate level within Verallia Group.
- A special monitoring of strategic suppliers is to be carried out.
- Purchasers are to avoid any relationship of dependence with any supplier, and therefore should always be working on developing credible alternatives.

Confidentiality

- Employees shall not disclose any strategic information, whether commercial or technical.
- Whenever confidential information has to be exchanged with a supplier, a confidentiality agreement must be signed. The term "confidential information" includes all information and all non-public data, including without limitation any written or printed documents, any sample or model, disclosed by the purchaser in writing, orally or by any other means of disclosure.
- Plant tours by suppliers (current or potential) are subject to strict surveillance: subcontractor employees may not organise such visits, and any visit is subject to the prior approval of the site manager (of the plant, R&D center, etc.).

Environment, Health Safety (EHS)

- Environment, Health and Safety issues are systematically taken into account when preparing purchasing specifications.
- Suppliers proposing their services must satisfactorily address EHS requirements in their proposals starting with relevant legal requirements. This should not give rise to any price supplement, unless some very specific requirements have been included in the purchase specifications.
- Purchasing managers regularly implement an EHS control especially of hazardous materials and sub-contractor on-site interventions.
- Purchasers take into account EHS group requirements.

Competition

- Employees acknowledge that they have read and apply the provisions of the Verallia practical guide Compliance with Competition Law compliance, and have passed the Comply e-learning module.
- Employees must not exchange internal trade or technical information with competitors of Group companies.
- Employees must not resort to unfair practices in order to obtain business secrets from a supplier or a sub-contractor.
- Employees shall ensure that they do not transfer information between competitors which supply Verallia.

Embargoes and Financial Sanctions

- Legal compliance, which is part of the Group Code, It implies that the Verallia entities respect all the rules that can concern them, especially regarding economic sanctions and embargoes, implemented by the UN, the USA, the European Union, and other countries against selected countries and some specific peoples and entities (involved in terrorism affairs, drug trafficking, proliferation of weapons of mass destruction,...).
- Purchasers shall ensure the respect of all the Group policies and implement the related controls with the available tools and according to applicable procedures.

*Purchasing Direction
Verallia Packaging S.A.S.
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