



Fraud Control Policy 10/01/2016

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1. BACKGROUND

The Pactiv Fraud Control Policy (this “**Policy**”) is established to:

- Facilitate the development of controls within Pactiv LLC and its subsidiaries (collectively “**Pactiv**” or the “**Company**”) that will aid in the detection and prevention of fraud, bribery, conflicts of interest and other irregular activity.
- Set forth the requirements and responsibilities of employees within the Company for reporting, evaluating, investigating and responding to identified and suspected irregular activity.

2. SCOPE

This Policy applies to identified and suspected irregular activity involving employees, consultants, vendors, contractors, customers and other parties with a business relationship with Pactiv.

3. GLOSSARY

- a. “**Bribery**” - A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. The advantage sought or the inducement offered does not have to be financial or remunerative in nature, and may take the form of improper performance of an activity or function.
- b. “**Conflict of Interest**” - A situation in which a person has a private or personal interest sufficient to appear to influence the objective exercise of his or her official duties as an employee, a public official, or a professional.
- c. “**FCPA**” – The U.S. Foreign Corrupt Practices Act prohibiting the bribery of foreign officials.
- d. “**Fraud**” - Fraud is a deliberate, intentional and premeditated dishonest act or omission acted out from a position of trust or authority for the purpose of deceiving to gain advantage for themselves or others, or to cause loss to Pactiv. It includes but is not limited to acts such as theft, making false statements or representations, evasion, manipulation of information, criminal deception and abuse of property or time.
- e. “**Irregular Activity**” - Irregular activity is defined as: (1) fraud; (2) bribery; (3) a conflict of interest; and (4) other acts and omissions in violation of applicable law or established policies and procedures of the Company which prejudice the Company or prevent the Company from achieving its organizational objectives, or which create a risk of either occurring, to a degree determined to be unacceptable by Company management.
- f. “**RGHL**” - Reynolds Group Holdings Limited
- g. “**Risk Assessment**” - A process that analyzes the risks of fraud and other types of irregular activity which may prejudice the Company or prevent the Company from achieving its organizational objectives and determines which of the analyzed risks to prevent, mitigate, transfer or accept.

4. POLICY

Management is responsible for the detection and prevention of irregular activity. Each member of management must be familiar with the types of irregular activity that might occur within their respective areas of responsibility and must be alert for any indications of irregular activity. Any irregular activity

that is detected or suspected by management must be reported immediately to the Compliance Committee. The Compliance Committee will evaluate the allegations of suspected irregular activity and decide whether an investigation of such allegations is warranted under the circumstances. Suspected irregular activity will be evaluated, and any investigation will be decided on and conducted, without regard to the suspected wrongdoer's length of service, position/title, or relationship to Pactiv. This Policy should be read in conjunction with other Pactiv policies and procedures, including, without limitation, the policies in the Pactiv Code of Conduct and the Risk Assessment Procedure.

5. COMPLIANCE COMMITTEE

Pactiv has a Compliance Committee with the following responsibilities:

- a. Reviewing reports on the assessment of the risks of fraud and other irregular activity within the Company and measures being taken to prevent, mitigate and transfer such risks.
- b. Evaluating and deciding whether to investigate allegations of suspected irregular activity.
- c. Making arrangements for the investigation of suspected irregular activity and ensuring that such investigations are commenced promptly, conducted in a diligent and professional manner and completed within a reasonable time period.
- d. Selecting the employees and external experts, outside counsel and other personnel who will conduct, participate in or advise on an investigation of suspected irregular activity and any identified irregular activity.
- e. Recommending corrective, disciplinary and/or legal action to Company management in response to identified irregular activity.
- f. Directing the Human Resource Department on training employees on this Policy and risks of irregular activity and methods for preventing, mitigating and transferring such risks.

The Compliance Committee membership will include, at a minimum, an officer or director representative from the Finance, Legal, Internal Audit and Human Resources Departments of Pactiv LLC.

6. RGHL FRAUD CONTROL OFFICER

The RGHL Fraud Control Officer has the following responsibilities:

- a. Setting the overall tone to reinforce the message that fraud, bribery, conflicts of interest and other types of irregular activity will not be tolerated in Pactiv.
- b. Developing an organizational profile of the fraud and other risks of irregular activity of the Company.
- c. Reviewing this Policy and the fraud response plan of the Company, annually or more frequently if needed, and providing feedback and recommending changes.
- d. Providing strong support for the Internal Audit Department.
- e. Establishing mechanisms for reporting identified and suspected irregular activity and preventing, mitigating and transferring the risk of irregular activities.
- f. Serving as an advisor to the Compliance Committee.

The RGHL Fraud Control Officer may elect to perform the responsibilities set out in 5b, 5c and 5d of the prior Section on identified and suspected irregular activity that the RGHL Fraud Control Officer deems significant to RGHL.

7. INTERNAL AUDIT DEPARTMENT

The Internal Audit Department has the following responsibilities:

- a. Promoting the deterrence and prevention of fraud and other types of irregular activity by ensuring the scope of audits includes emphasis on these risks and by evaluating the effectiveness of internal controls and functions to prevent, mitigate and transfer these risks.
- b. Receiving reports of identified and suspected irregular activity and consulting with and obtaining guidance from the RGHL Fraud Control Officer on their actual and potential scope and impact.
- c. Conducting internal investigations as directed by the Compliance Committee, including gathering evidence, conducting interviews and preparing investigation reports.
- d. Maintaining the records of the Compliance Committee on reported allegations of suspected irregular activity, evaluations of such reported allegations, investigation undertaken in response to such reported allegations and the conclusions of such investigations.
- e. Reviewing and approving any proposed changes to the system of internal controls intended to prevent, mitigate and transfer the risk of irregular activity.
- f. Conducting an annual Risk Assessment of the Company using the Risk Assessment Procedure.
- g. Assigning an officer or director of the department to serve as a member of the Compliance Committee.

8. FINANCE DEPARTMENT

The Finance Department has the following responsibilities:

- a. Promoting the deterrence and prevention of fraud and other irregular activity by ensuring that adequately designed controls, including segregation of duties, are in place and operating effectively to address such risks.
- b. Providing prompt remediation of identified weaknesses in controls and corrective actions required by audit findings.
- c. Assigning an officer or director of the department to serve as a member of the Compliance Committee.

9. LEGAL DEPARTMENT

The Legal Department has the following responsibilities:

- a. Conducting, or retaining outside counsel and other experts to conduct, internal investigations as directed by the Compliance Committee, including gathering evidence, conducting interviews, and preparing investigation reports.

- b. Providing legal advice to the RGHL Fraud Control Officer, the Compliance Committee, and Company management on the courses of action to be taken in response to identified and suspected irregular activity, including, without limitation, whether to inform external parties or legal authorities of identified and suspected irregular activity.
- c. Providing legal advice to the RGHL Fraud Control Officer, the Compliance Committee, and Company management regarding potential legal avenues or consequences once irregular activity has been established through an investigation and the legal means available for the Company to recover assets and to restore damage to Pactiv's reputation and goodwill resulting from the identified irregular activity .
- d. Communicating with and managing outside counsel and experts retained to investigate and advise in connection with identified and suspected irregular activity.
- e. Assigning an officer or director of the department to serve as a member of the Compliance Committee.

10. HUMAN RESOURCES DEPARTMENT

The Human Resources Department has the following responsibilities:

- a. Advising the RGHL Fraud Control Officer, the Compliance Committee and Company management on the corrective and/or disciplinary action to be taken against employees who commit irregular activity and any supervisors, employees and other persons whose acts or omissions have contributed to the commission of the irregular activity.
- b. Advising the RGHL Fraud Control Officer, the Compliance Committee and Company management on the corrective and/or disciplinary action to be taken against employees who have made frivolous or bad faith allegations of suspected irregular activity.
- c. Ensuring that detailed reference checks are carried out consistent with applicable law in the recruitment processes for staff positions that may be more vulnerable to irregular activity (e.g., positions handling funds or inventory or involved in the sale or procurement of goods and services).
- d. Ensuring that new employees receive this Policy and the Pactiv Code of Conduct and that these employees are trained on and sign an acknowledgement of receipt of both documents during orientation.
- e. Training and communicating with Pactiv employees on this Policy and the prevention, mitigation and transfer of the risk of fraud and other types of irregular activity as directed by the Compliance Committee.
- f. Ensuring that information provided to external parties and governmental authorities on current and former employees are accurate and do not place Pactiv in a position of unacceptable risk.
- g. Assigning an officer or director of the department to serve as a member of the Compliance Committee.

11. MANAGERS

Managers have the following responsibilities:

- a. Assessing the risks of irregular activity, including but not limited to fraud, bribery and conflicts of interests, involved in their respective areas of responsibility and ensuring that an adequate system of internal control exists and functions to address these risks.
- b. Regularly reviewing the control systems in their respective areas of responsibility and ensuring that they are followed and remain effective at preventing, mitigating or transferring the risk of irregular activity as intended.
- c. Reporting, and instructing employees to report, any suspected irregular activity, treating all allegations made by employees seriously, and promptly reporting such allegations to the Compliance Committee.

12. EMPLOYEES

Employees have the following responsibilities:

- a. Conducting themselves lawfully and properly in the course of their employment, including the use of the funds, property, confidential business information and other resources of the Company.
- b. Remaining alert to irregular activity and reporting suspicious behavior to management.
- c. Reporting suspected irregular activity to the Compliance Committee.
- d. Attending training courses on this Policy and on the prevention, mitigation and transfer of risks of fraud and other types of irregular activity.
- e. Accepting this Policy and the Pactiv Code of Conduct as an integral part of their employment.

13. ACTIONS CONSTITUTING FRAUD

Actions constituting ***Fraud*** include, but are not limited to:

- a. Any dishonest or fraudulent act.
- b. Misappropriation of funds, securities, supplies, or other assets.
- c. Impropriety in the handling or reporting of money or financial transactions.
- d. Profiteering as a result of insider knowledge of company activities.
- e. Disclosing confidential business information to outside parties, including, without limitation, activities being engaged in or contemplated by the Company with respect to any stock, bond or other security.
- f. Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment.
- g. Any similar or related irregular activity of a fraudulent nature.

14. ACTIONS CONSTITUTING BRIBERY

Actions constituting **Bribery** include, but are not limited to:

- a. Payments or offers of payments of anything of value to foreign officials, foreign political parties, candidates for foreign political office or any other person in order to obtain, keep, or direct business.
- b. Indirect payments of this nature made through an intermediary, such as a distributor or sales representative.
- c. Requesting, agreeing to receive or accepting anything of value from another person in order to obtain, keep, or direct business.

15. FCPA CONSIDERATIONS

The FCPA requires Pactiv to maintain a system of internal accounting controls and to keep accurate records of transactions and assets. The following activities are prohibited:

- a. Maintaining secret or unrecorded funds or assets.
- b. Falsifying records.
- c. Providing misleading or incomplete financial information to an auditor.

16. TELEPHONE LINE AND E-MAIL ACCOUNTS OF COMPLIANCE COMMITTEE

The Compliance Committee maintains one or more telephone lines and e-mail accounts to facilitate reporting of suspected violations of this Fraud Control Policy, including on an anonymous basis. Pactiv Human Resources will provide the telephone numbers and e-mail accounts to every newly hired employee and will post this same information on the employee bulletin board in Pactiv facilities.

17. COMPLIANCE COMMITTEE RECORDS

The Compliance Committee will maintain records of all reported allegations of suspected irregular activity regardless of nature or source, its evaluations of these reported allegations, and its investigation of these reported allegations and the conclusion of such investigations.

18. REPORTING SUSPECTED IRREGULAR ACTIVITIES

Pactiv employees should report suspected irregular activity to the Compliance Committee. The Compliance Committee will not permit any retaliation against any employee who, in good faith, reports suspected irregular activity to the committee.

A Pactiv employee has four ways to report suspected irregular activity to the Compliance Committee:

1. Contact a committee member directly. Contact information is listed at <https://pfsnet.rankgrp.com/AboutPactiv/Pages/BusinessPrinciples>.
2. Email the committee at Compliance@pactiv.com.
3. Call the Pactiv compliance hotline at 1-844-535-4765. The hotline is administered by an outside service. Call managers are available who speak languages besides English. Employees do not have to disclose their identity.

4. File a report at <http://www.pactiv.com/ethics>. Employees do not have to disclose their identity.

An employee may also report suspected irregular activity to (i) their supervisor, (ii) a member of the Human Resources Department; or (iii) a Pactiv officer under the company "open door" policy, but these individuals will promptly refer the matter to the Compliance Committee for evaluation. The reporting individual should not contact the individual suspected of engaging in irregular activity in an effort to determine facts or demand restitution. After reporting suspected irregular activity, the reporting individual should not discuss the case, facts, suspicions, or allegations with anyone other than the Compliance Committee and individuals appointed by the committee to investigate the allegations of suspected irregular activity.

19. CONFIDENTIALITY OF INVESTIGATIONS

The results of Compliance Committee investigations will not be disclosed or discussed with anyone other than those who have a legitimate need to know and in accordance with applicable law.

20. INVESTIGATION RESPONSIBILITIES

The Compliance Committee has the responsibility for evaluating and investigating suspected irregular activity as described in this Policy. If the investigation substantiates that irregular activity has occurred, the Compliance Committee will issue a report to the appropriate members of Pactiv management and the RGHL Fraud Control Officer.

Pactiv senior management, in consultation with legal counsel, will decide whether to initiate litigation or other legal proceedings in response to identified irregular activity or refer the investigation results to the appropriate law enforcement and/or regulatory agencies for independent investigation.

All inquiries concerning the suspected irregular activity under investigation from the suspected individual, his or her attorney or another representative, or any other person without or outside of the Company should be directed to the Compliance Committee. No information concerning the status of an investigation will be given out. The proper response to any inquiries is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

21. AUTHORIZATION FOR INVESTIGATING SUSPECTED IRREGULAR ACTIVITY

The Compliance Committee and their designated investigators on an investigation will have:

- a. Free and unrestricted access to all records of the Company relevant to the investigation.
- b. Free and unrestricted access to all premises of Pactiv, whether owned or rented, relevant to the investigation.
- c. The authority to interview and obtain statements and documents from employees and other persons with information relevant to the investigation.
- d. The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation to the fullest extent allowed by applicable law.

22. INVESTIGATIVE PROCESS

Great care must be taken in the investigation of suspected irregular activities to avoid mistaken accusations or alerting suspected individuals that an investigation is underway. Investigators must communicate significant changes in the status of an issue immediately to the Compliance Committee as well as provide weekly status reports until the investigation is concluded. It is imperative that all investigations be resolved as timely as possible. **THE COMPLIANCE COMMITTEE MUST APPROVE ALL INVESTIGATION FORMS BEFORE THE PLAN OF ACTION AND PROPOSED RESPONSE ARE ACTED UPON.**

23. TERMINATION OF EMPLOYMENT

The Compliance Committee may recommend terminating the employment of an employee who commits, or has contributed to the occurrence of, irregular activity, but the Compliance Committee does not have the authority to terminate the employment of an employee for irregular activity. Company management will make such a decision after consulting with advisers in the Human Resources and Legal Department.

24. ADMINISTRATION

The Compliance Committee is responsible for the administration, revision, interpretation, and application of this Policy. The Policy will be reviewed annually and more frequently if needed.