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# **Olam International Limited**

## **Anti-Bribery and Corruption Policy**

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## Version Control

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## 1. POLICY STATEMENT

### a) Background:

Olam International Limited and its subsidiaries ("**Olam**" or the "**Company**") uphold all applicable laws globally relevant to countering bribery and corruption. It is the Company's policy to conduct all its business in an honest and ethical manner.

Olam takes a zero-tolerance approach to bribery and corruption and requires that all Company Employees (defined below) and Associated Persons (defined below) act professionally, fairly and with integrity in all their business dealings and relationships wherever they operate.

Olam upholds all applicable laws globally, including the (Singapore) Prevention of Corruption Act (the "**SPCA**"), as well as the local anti-bribery and corruption laws in the countries where Olam conducts business. Consistent with that commitment, the Company has introduced this globally applicable Anti-Bribery and Corruption Policy (the "**Policy**").

This Policy is intended to reflect Olam's commitment to uphold all applicable laws globally and conduct all its business in an honest and ethical manner. It incorporates all the requirements of the SPCA, and all the obligations set out therein will apply to all of Olam's activities globally. The giving or receiving of bribes in any form and for any corrupt purpose is an offence under the SPCA, Chapter 241 (Singapore), whether or not the benefit or effect of the bribe is enjoyed by the person giving or receiving the bribe or by some other person. The bribery offence may be established notwithstanding that the person was not able to complete the corrupt act requested or to put the corrupt intention into action.

The UK Bribery Act 2010 ("**UK BA**") and U.S. Foreign Corrupt Practices Act 1977 ("**FCPA**") will also apply to activities, entities and persons with a UK or U.S.-nexus as set out in Appendix II. If your activities, your entity or you are covered by either or both of these regimes, it is essential that you further comply with all additional obligations (i.e. of UK BA and FCPA), which are also set out in Appendix II.

### b) Application:

This Policy applies to all employees, officers and directors of the Company (whether permanent or temporary) and of the Company's subsidiaries, affiliates and related corporations, whether permanent or temporary ("**Company Employees**").

In addition to Company Employees, employees, officers and directors of the Company's representatives, vendors, contractors, shippers, agents, customers, suppliers, consultants, business contacts, advisers, brokers, including authorized travel agents and general sales agents, and any other entity that performs services for or on behalf of the Company or any of its subsidiaries or their employees, wherever located (collectively, "**Associated Persons**") are expected to have and comply with their own ethical business policies or comply with this Policy.

Where Olam enters into a joint-venture ("**JV**") of any kind, an equivalent policy with similar underlying principles of ethical business to this one should be implemented by any such JV entities.



This Policy makes it mandatory that Company Employees and Associated Persons must not engage in any bribery or corrupt practices. This Policy is intended to assist you in conducting your business legally, ethically and with integrity. It is not meant to stop legitimate business activities, so long as those activities comply with applicable law and with the Company's internal policies on conducting ethical business.

c) The Policy:

- i. sets out an employee's responsibilities in the detection and prevention of bribery in all its forms, and in observing and upholding Olam's position against any bribery and corruption; and
- ii. provides information and guidance on how to recognise and deal with bribery and corruption issues and what behaviour is not acceptable to the Company in general terms.

If, however, you are in any doubt about whether or not any specific conduct could amount to bribery or corruption, you should contact the Legal function immediately and discuss this with your supervisor.

d) Breach of the Policy:

Any breach of this Policy could result in disciplinary action including, but not limited to, dismissal of the employee or termination of the relationship with Associated Persons. The Company may amend this Policy at any time at its own discretion.

## **2. WHAT IS BRIBERY?**

Bribery includes gaining any unfair advantage by directly or indirectly:

- promising;
- offering;
- agreeing to pay;
- authorising payments of;
- paying;
- giving;
- accepting; or
- soliciting,

anything of value (financial or otherwise) to or from a third party (including but not limited to a public official) in order to secure or reward an improper benefit or improper service and/or performance of a function or activity.

Bribery does not have to involve cash or an actual payment exchanging hands and can take many forms such as an expensive gift, lavish treatment during a business trip or tickets to a hospitality event. This applies whether you are being asked for anything of value or whether such an offer is instigated by you to the potential recipient, directly or indirectly through a third party.



Prohibited payments or offers are impermissible at all times, whether or not they are given to a government official or an employee of a non-governmental business or entity.

Things of value that could be deemed a prohibited payment include bribes, kickbacks, a financial advantage, or any other benefit, whether in cash or in kind, tangible or intangible. Examples can include money, gifts, meals, entertainment, airline tickets or discounts, travel vouchers, offers of employment or charitable contributions. Prohibited payments also include so-called "facilitation payments", which are routine payments typically made to low-level government officials to expedite or secure a service or routine action. Examples of facilitation payments are set out in **Appendix II**.

This Policy shall apply even in circumstances and in countries where the giving and receiving of bribes or such corrupt payments may be common local practice or custom. It is not a valid defence against a charge of corruption to show that the bribe in question is customary in any profession, trade, vocation or calling, industry, jurisdiction or country.

### **3. KEY RESPONSIBILITIES**

**1. All Company Employees** are required to comply with this Policy and are responsible for the prevention, detection and reporting of bribery and other forms of corruption that may impact Olam. All **Associated Persons** are expected to have and comply with their own ethical business policies or comply with this Policy.

Consequently, all Company Employees and Associated Persons must comply with the following requirements.

- a) Read, understand and comply with this Policy and be vigilant with regards to its purpose,
- b) Make all Associated Persons aware of this Policy,
- c) Complete all mandatory anti-bribery and corruption training as provided, or requested, by Olam from time to time,
- d) Report any known or suspected bribery or corruption. You must notify (by any means available to you)
  - i. the Legal function, or
  - ii. your supervisor, or
  - iii. the anonymous Olam Fraud Line (<http://tinyurl.com/OlamInfo>)if you believe or suspect that a conflict with this Policy has occurred, or may occur in the future,
- e) Whenever you wish to commence business with a company you have not dealt with before you must complete the attached [Olam Counterparty Information Screening Form](#) and send to your BU screening "Requestor" or OGBS Sanctions Screening Desk ('SSD') (a list of these can be found on the Legal Function Webpage).

Requestors/SSD are staff who normally set up a new counterparties in a payment or trade system i.e. SAP, JDE, OPS etc. The Requestor/SSD will

then carry out the appropriate counterparty due diligence on third parties before entering into a contract, transaction or relationship.

In certain cases, heightened due diligence may be required. Circumstances when this requirement may arise are when business activities may include the following aspects.

- Transacting with a new client based in a higher risk jurisdiction
  - Undertaking an activity that may be high-risk in nature.
  - Entering into a joint venture.
  - Considering using a third party agent.
- f) Ensure Olam’s standard anti-bribery and corruption legal clauses are incorporated into any contract in which you enter with a counterparty. All contracts, particularly those involving agents or consultants acting on behalf of the Company, should include anti-bribery and corruption protections. You should contact the Legal function for guidance on these legal clauses. No anti-bribery or corruption clauses from a counterparty should be agreed without consultation with the Legal function.
- g) Be alert for any suppliers with poor reputation or practices. It is strongly recommended that you do not work with a counterparty who does not have its own policy on ethical business practices.
- h) Be alert to close relationships between parties in the supply chain (e.g. agent / distributor) or with government officials.
- i) Seek a detailed breakdown of all fees/costs upfront, especially where success fees and services are concerned, and question anything which appears unusual.

**2. Olam’s Board of Directors, Executives and its senior management** have ultimate responsibility for ensuring that this Policy complies with Olam’s legal and ethical obligations, and that Company Employees are aware of and comply with it through regularly scheduled mandatory training and appropriate systems and controls.

**3. Business Unit and Function Heads** within Olam:

- a) Must ensure those employees reporting to them
  - i. are made aware of, understand and adhere to this Policy
  - ii. complete their allocated training.
- b) Must monitor the work of their teams and address issues that fall under the remit of the Policy as and when they arise
- c) Are responsible, in coordination with the Legal function and Internal Audit, the results of periodic assessments of compliance with this policy, ensuring they are addressing both external and internal key risk factors in respect of bribery and corruption in relation to their business unit/function.
- d) Must ensure that accurate records of all documentation linked to the giving or receiving of gifts and hospitality, must be accurately maintained in the



Gifts and Entertainments ('G&E') register and periodically reviewed by Internal Audit function.

- 4. Human Resources Function** has responsibility for notifying new employees about this Policy at their induction and contacting the Legal function to ensure appropriate training is given.
- 5. Legal function** has primary and day-to-day responsibility for implementing this Policy, and dealing with any queries on its interpretation. Please refer all enquires on this Policy to the relevant ABC Champion for your country the Legal function [ABC-Champions](#).
- 6. Internal Audit** is responsible for monitoring the compliance of the business with this Policy during their routine business audits.

#### **4. GIFTS AND ENTERTAINMENT**

1. "Gifts" and/or "Entertainment" means anything that has commercial or personal value including, for example, transfer of value such as discounts, loans, sponsorship, favourable terms on any product or service, transportation, use of Company or other's assets, subsidizing of expenses, tickets to a sporting or theatrical event, client entertainment, dinner or drinks.
2. The giving of Gifts or Entertainment is a routine part of doing business and can help to promote Olam's brand. However, extreme caution must be exercised to ensure that the giving of any gifts or provision of hospitality does not create a conflict of interest. Accepting or giving a Gift or Hospitality in return for a business advantage or a competitive insight, whether directly or indirectly, knowingly or unknowingly, is forbidden.
3. Consistent with Olam's [Code of Conduct](#), the giving of appropriate Gifts and Hospitality that do not create a conflict of interest for any of the participants are allowed.
4. Subject to sub-clauses 5 and 8. below, any Gifts and/or Hospitality should be
  - a. less than a market value of two **hundred and fifty US dollars ('US \$250')** **per person/per event** and,
  - b. must not fall into the "Prohibited" category also set out below.

Examples of what is allowed include customary token gifts and hospitality during festive seasons, such as 'thank you' gifts for event speakers giving their time free of charge; or promotional items of low value such as pens, calendars, etc.

#### **5. Gifts and Entertainments Register and Form**

The maintenance of a detailed record on all high value Gifts (given or received) and Entertainment (provided) is essential and is one of the most efficient ways to detect and prevent instances of bribery and corruption.



To this end, all Company Employees must promptly record details of any customer, agent, consultant or third party advisor to which

- i) a Gift or Entertainment has been given or
- ii) a Gift has been received

in excess of US \$250 in the Gifts and Entertainments Register setting out the reason for why such high value item for deemed appropriated to be given/received. This process does not replace the normal process for claiming expenses.

**NOTE:** if you are proposing to provide a gift or entertainment/hospitality to a Government Official (as defined in the Olam's Policy for dealing with [Policy for Dealing with Governments and Government Officials](#) ) you must always get approval PRIOR to providing such gift or entertainment/hospitality.

This can be done in 3 different ways:

- i. Complete the online Gift and Entertainments Register which can be found on the [EBP - Anti-Bribery and Corruption Webpage](#), or
- ii. If you have claimed for Gifts and Entertainments to be paid via SAP, you will receive an email requesting that you complete the Gifts and Entertainments register and providing you with the appropriate link to do so, or
- iii. If you are unable to do either of the above, you should manually complete the Gifts and Entertainments Form (in excel file format) on the EBP – Anti-Bribery and Corruption Webpage and send a copy to your supervisor and the local financial controller for your origin country.

Managers must ensure that their staff have completed the G&E Form when they approve their expenses for high value G&E.

6. Notwithstanding sub-clause 4 above, Olam is a member of the Chicago Board of Trade ("CBOT"). CBOT Rule 508 provides that a member and its employees may not give to any employee of another member, member firm or broker association any gratuities or gifts with an aggregate market value in excess of **US \$100 within any twelve-month period**. Therefore, any employee dealing with CBOT members, must stay within this financial limit.
7. To ensure that intentions cannot be misconstrued either by the recipient or by other third parties for example, you should not give a gift or provide entertainment when a transaction, contract or tender is in process or even on completion of such a matter.
8. This Policy does not prohibit the provision or receipt of normal and appropriate gifts and/or entertainment to or from third parties on condition that **all** of the following requirements are met:
  - a) it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
  - b) it complies with applicable law, including any local requirements;
  - c) it is given in Olam's name, not in your name;
  - d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);



- e) it is appropriate in the circumstances. e.g., in Europe and the U.S., it is customary for small gifts to be given at Christmas time;
- f) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- g) it is given/received openly, not secretly;
- h) it does not jeopardize the reputation or interests of the Company, the Company Employees or customers.

9. If an employee receives any Gift or Entertainment or other benefit that may be deemed to be prohibited, such gift must be immediately returned and the hospitality not accepted. If returning the Gift is impractical or undesirable, then it should be handed over to the Country/Product Management for donation or disposal as appropriate, with a record kept should proof be needed in the future. Written communication accompanying returned Gifts or rejected Hospitality should be sent to the donor explaining the Company's policy with respect to Gifts and Hospitality requesting that no such Gifts or Hospitality be made in the future.

The intention behind the Gift or Entertainment/Hospitality provided should always be considered and should not be deemed in any way to be improper. When in doubt, the Legal function can provide advice in respect of the giving and / or receiving Gifts or Entertainments/Hospitality.

## **5. DONATIONS**

Olam only makes charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the Legal function and any contribution made to Governments, Government Officials must be in line with Olam's [Policy for Dealing with Governments and Government Officials](#). Company Employees and Associated Persons should be alert to the fact that giving or offering charitable donations or charitable sponsorship with the intention of inducing or rewarding improper conduct in relation to Olam's business is likely to constitute a bribe and is strictly prohibited by Olam.

## **6. RECORD-KEEPING**

We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making all payments to third parties.

You must ensure all expenses claims relating to gifts, hospitality, entertainment or expenses incurred to or by third parties are submitted in accordance with the Company's expenses policy and specifically record the reason for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.



## **7. REPORTING SUSPECTED/ACTUAL BRIBERY CONCERNS**

If you suspect any suspicious internal or third party bribery or corruption activity or are unsure whether a particular act constitutes bribery or corruption you must raise your concerns. This can be done either directly with the Legal function, your supervisor/manager or via the Olam Whistleblowing Reporting Line.

All allegations relating to a breach or suspected breach of an applicable law or the Olam ABC Policy will be investigated by Olam.

The Olam Whistleblowing Policy sets out the process that will then be followed and the protections that a Whistle-blower can expect should they raise such a concern or complaint in relation reporting to any actual or suspected breach of the Olam ABC Policy.

### **No Recriminations**

Olam will not dismiss, harass or otherwise discriminate against employees who raise concerns in good faith, even if you are mistaken (unless spurious or malicious).

Anyone who reports suspected or actual bribery or corruption instances shall be given complete anonymity and Olam shall support Olam employees against any form of action against them in relation to the making of any such report.

If you believe that you have suffered any such treatment, you should inform the Legal Function immediately.

Internal Audit may then review or seek more information if required, and decide what action to take with respect to the complaint. If appropriate, the complaint will be passed on to Olam's senior management.

## **8. TRAINING AND COMMUNICATION**

Olam ensures that all of its existing and new employees are made aware of this Policy. Training on this Policy forms part of the induction process for all new Olam employees. All existing employees will receive, and are required to attend and complete, all relevant training on how to implement and adhere to this Policy.

In order to apply the necessary controls required to manage any potential risk that Olam may be exposed to, Olam shall also ensure that any relevant Olam employees are given specific training and guidance tailored to address such risks in their particular field.

The Company's zero-tolerance approach to bribery and corruption is communicated to all suppliers, agents, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

## **9. CONSEQUENCES OF BREACH**

The consequences for an individual or company being involved in bribery, whether directly or indirectly, are potentially extremely serious. Under the laws of Singapore, persons convicted of acts of bribery and corruption may be liable to a fine of up to \$100,000 and/or to imprisonment for a term not exceeding 5 years. Increased penalties may be imposed where the offence



committed involves transactions, whether contracts, proposals for contracts or tenders, involving government departments or public bodies.

Apart from potential criminal and civil liabilities involving imprisonment and/or a hefty fine, Employees who are found to be in violation of Olam's ABC Policy shall be subject to appropriate disciplinary action, which may extend to immediate termination of employment or appointment. Disciplinary action will also be taken against Employees who have knowledge of such violations but conceal such information from Olam, or who take detrimental action against others who report such violations.

It is NOT a valid excuse or defence that:

- (a) you did not intend to personally benefit from the corrupt act or practice, but did so for the benefit of some other person, including the Company and/or any of the Group companies;
- (b) you were acting on the instructions of your supervisor(s);
- (c) you personally believe such acts or practices are necessary or justified in order for the Company to remain competitive or profitable in a particular jurisdiction or industry, or in order to retaliate against the corrupt practices of others (e.g. our competitors); or
- (d) you personally believe that such acts or practices are common or normal business acts in a particular jurisdiction or industry.

## **10. MONITORING AND REVIEW**

The Legal function will regularly monitor and review the effectiveness and implementation of this Policy, always considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures may be subject to regular audits to provide further assurance that they are effective in countering bribery and corruption.



## **APPENDIX I**

### **UNACCEPTABLE CONDUCT**

The giving, receiving or facilitating of a bribe or involvement in any connected activity, in any circumstances, is totally unacceptable to the Company. Examples of prohibited activities are set out below.

It is not acceptable for you (or someone on your behalf) to:

- × give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;□
- × give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;□
- × accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;□ × accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;□
- × threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this Policy;□
- × appoint any third party to act on behalf of Olam who you know or have good reason to believe to have engaged in any corrupt or unlawful conduct;
- × pay any third party (excluding bona fide consultants) for the purposes of making business connections for Olam; or□
- × engage in any activity that might lead to a breach of this Policy;□
- × accept a ‘kickback’ – a kickback is typically any payment made in return for a business favour or advantage. All Company Employees and Associated Persons must avoid any activity that might lead to, or suggest, that a kickback (or facilitation payment) will be made or accepted by the Company.□

You must also consider and be alert to the fact that a benefit offered or given indirectly, for example through an agent, or through a third party acting on Olam’s behalf, may also constitute a bribe.

**APPENDIX II**

**Additional Regulations in the UK and US**

UK BA and/or the FCPA apply as follows:

UK BA	FCPA
<ul style="list-style-type: none"> <li><input type="checkbox"/> UK nationals;</li> <li><input type="checkbox"/> Individuals usually resident in the UK; Non-UK citizens engaged in prohibited activities in the UK;</li> <li><input type="checkbox"/> Companies established and / or conducting business in the UK, including their employees.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> any person with formal ties* to the U.S.; any person with domestic concerns in the U.S.;</li> <li><input type="checkbox"/> U.S. companies and persons, including citizens, nationals or residents and resident allies**;</li> <li><input type="checkbox"/> foreign companies listed on a U.S. stock exchange;</li> <li><input type="checkbox"/> any person committing any act of bribery or corruption whilst in the U.S.; and</li> <li><input type="checkbox"/> person taking action on behalf of the above categories (i.e. directors, officers, employees, agents, etc.)</li> </ul>

*\* U.S. Courts may assert jurisdiction so long as the use of interstate commerce – through telephone call, e-mail, wire transfer. Even knowledge and inaction would trigger liability.*

*\*\*A person is classed as a "resident ally", if they are a U.S. permanent resident from a country allied with the United States in a defence effort or are eligible for Federal employment.*

**1. UK Bribery Act**

The UK BA sets out the four different bribery offences:

1. Offering or giving a bribe to another person;



2. Receiving or accepting a bribe;
3. Bribing a foreign public official; and
4. Failure (on the part of a commercial organisation) to prevent bribery (the "**Corporate Offence**").

Under the UK BA, a person is guilty of an offence where they offer, promise or give a 'financial advantage' to another person, where such person either:

- (a) intends the advantage to bring about an *improper performance* of a *relevant function or an activity* by another person or to reward such improper performance; or
- (b) knows or believes that the acceptance of the advantage offered, promised or given, in itself constitutes the *improper performance* of a *relevant function or activity*.

The Guidance states that *improper performance* of a function is performance which amounts to a breach of an expectation that a person will act in good faith, impartially, or in accordance with a position of trust.

Under the UK BA, *relevant function or activity* includes: all functions of a public nature; all activities connected with a business; any activity performed in the course of a person's employment; and any activity performed by or on behalf of a body of persons (whether corporate or unincorporated). It should be noted that a function or activity is a relevant activity even it has no connection with the UK or is performed in a country or territory outside the UK.

## **2. U.S. Foreign Corrupt Practices Act**

Under the FCPA, a violation consists of key 'elements'. That is, a person or organization (such as those set out in Appendix II) is guilty of violation if the authorities can prove the existence of:

- a payment, offer, authorization or promise to pay money or *anything of value*, which is:
- to a foreign government official (including a party official or manager of a state-owned concern), or to any other person, knowing that the payment or promise will be passed on to a foreign official (indirectly or otherwise), and,
- with a corrupt motive, and
- for the purpose of (a) influencing any act or decision of that person, (b) inducing such person to do or omit any action in violation of his lawful duty, (c) securing an improper advantage, or (d) inducing such person to use his influence to affect an official act or decision, and
- in order to assist in obtaining or retaining business for or with, or directing any business to, any person.

Companies and individuals may also be found liable for failing to prevent bribery, for example, due to willful blindness (knowing and not acting). In addition, the FCPA requires

issuers of securities to keep accurate books, records and accounts, as well as devise and maintain sufficient internal accounting controls to ensure such accuracy.

### 3. Additional Offences

#### **3.1 Facilitation Payments (under FCPA)**

Facilitation payments are typically small, unofficial payments made to secure, expedite or encourage a routine government action by a government official. They are permitted under the FCPA and are also common in some of the jurisdictions in which Olam may operate. However, the Company has a zero tolerance approach to facilitation payments and they should not be made in any circumstances.

If you are asked to make a payment on the Company's behalf, you should always be mindful of what the payment is for, and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, especially whether it could be deemed to be a facilitation payment which is not permitted, you should raise these with the Legal function.

#### **3.2 Receiving a bribe (UK BA)**

*EXAMPLE: A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.*

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

#### **3.3 Bribing a "Foreign Official" (UK BA and FCPA)**

*EXAMPLE: You arrange for the business to pay an additional payment to a foreign official to speed up an administrative process, such as clearing our goods through customs.*

The offence of bribing a Foreign Official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for us.

A Foreign Official is a person who:

- Holds any legislative, administrative or judicial position;
- Exercises a public function for a country, or a public agency or public enterprise of that outside country; or
- Is an official or agent of a public international organisation (e.g. United Nations or the World Bank).

Examples of Foreign Officials include:

- Civil servants;
- Professional judges and lay judges;
- Public prosecutors;



- Employees of an public authority (tax office, building authority, Ministry of Energy), as well as inspecting and certification authorities;
- Employees of municipal utilities; and
- Ministers, Parliamentary State Secretaries, Data Protection Supervisors or notary publics.

A Foreign Official need not necessarily work for a government. Liability arises if a foreign public official is bribed with the intent:

- to influence the foreign public official in his / her official capacity; and
- to obtain or retain business or an advantage in the conduct of business.

The offence includes bribes given to another person at the request or with the acquiescence or assent of the foreign public official.

However, if the giving of a payment / Gift / Hospitality is explicitly permitted by written local law, then the individual giving the payment / gift / will not be deemed to have breached the UK BA or the FCPA. The availability of this defence is extremely rare – acceptance of bribery of foreign public officials being the local custom or mode of business is not a defence: the defence must be set out in writing. Company Employees and Associated Persons should not seek to rely on this defence without first seeking advice from the Legal function.

### **3.4 Failure (on the part of a commercial organisation) to prevent bribery (UK BA, only)**

In relation to the prescribed “Corporate Offence”, which is a new strict liability offence, Olam would be liable where the bribe is made by any “associated person” performing services for, or on behalf of, Olam (this includes employees, subsidiaries, branches or other third parties in other jurisdictions).

An “associated person” is a person who provides services for or on behalf of the organisation, in any capacity, including but not limited to, employees, agents, and subsidiaries, etc. The liability will arise if the associated person:

- offers a financial or other advantage; and
- intends to obtain or retain business or an advantage in the conduct of business for the organisation.

The corporate offence applies to Olam on the basis that it carries out part of its business in the UK. It applies regardless of where the bribery by the associated person occurred in the world. Consequently, that person’s actions need not occur in the UK, and need not have a connection with the UK.

## **APPENDIX III**

### **“RED FLAGS”**

The following is a list of possible red flags that may arise during the course of your employment with Olam, and which may raise concerns under various anti-bribery and corruption laws.

The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while employed by the Company, you must report them promptly to the Legal function:

- you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a “special relationship” with foreign government officials;
- a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for Olam;
- a third party requests payment in cash and / or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- a third party requests an unexpected additional fee or commission to “facilitate” a service;
- a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- a third party requests that a payment is made to “overlook” potential legal violations;
- a third party requests that you provide employment or some other advantage to a friend or relative;
- you receive an invoice from a third party that appears to be non-standard or customised;
- a third party insists on the use of side letters or refuses to put terms agreed in writing;
- you notice that Olam has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;

- a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to Olam;
- the third party requests a split of purchases to avoid procurement thresholds;
- the third party is vague or elusive about source of funds for the transaction or activity;
- the third party requests that the Company not report or disclose a particular activity or transaction;
- the third party threatens to withhold services absent payments to individuals in addition to contractually agreed payments, or payments in cash or cash equivalents;
- a government official insists on a specific person or company to serve as third party;
- the third party refuses to agree to the contractual provisions relating to anti-bribery and anti-corruption;
- during negotiations, the third party seems indifferent to the price for the Company products or services, or otherwise fails to act in a profit seeking manner;
- the third party insists that its identity remain confidential or refuses to divulge the identity of its owners or principals;
- the third party does not have offices or a staff, or frequently moves locations; or
- you are offered an unusually generous gift or offered lavish hospitality by a third party