



CH OFFSHORE LTD & SUBSIDIARIES

(collectively “CH Offshore Group” or “Group”)

CORPORATE OPERATING PROCEDURES

Anti-Bribery & Corruption Policy

Revision	Date	Remarks	Document and Revision number	Prepared	Approved
3	6 Feb 2020	Approved for Use	CHO-SOP-CORP-005	LC	Board

This is a Controlled Document

All queries, suggestions, interpretation, clarification or change request shall be addressed at the first instance to the Corporate Manager or if unavailable his delegate.

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Table of Contents

1.0	PURPOSE	3
2.0	SCOPE	3
3.0	DEFINITIONS	3
4.0	POLICY	4
5.0	COMPANY REPRESENTATIVES	4
6.0	GIFTS, ENTERTAINMENT AND PROVISION OF ANYTHING OF VALUE (“G&E”)	5
7.0	CHARITABLE OR POLITICAL DONATION AND SPONSORSHIP	6
8.0	EMPLOYMENT OFFERS	7
9.0	DECLARATION OF GROUP PERSONNEL.....	7
10.0	REPORTING	7



1.0 PURPOSE

- 1.1 CH Offshore Ltd, together with its subsidiaries, (collectively the “Group”) is committed to conducting our businesses and operations in an ethical, honest and professional manner.
- 1.2 We adopt a zero-tolerance policy towards any form of bribery and corruption and are committed to acting transparently, fairly and with integrity in all our business activities and relationships. We implement and enforce and will continuously improve on our processes and procedures to prevent corrupt behaviour in order to safeguard and uphold our values.
- 1.3 This Anti-Bribery and Corruption Policy (the “Policy”) sets out the Group’s policies and guiding principles on how to conduct our businesses with honesty, fairness and to a high ethical standard. The Policy sets out the minimum standard that must be followed. Where local laws, regulations or rules impose a higher standard, that higher standard must be applied.

2.0 SCOPE

- 2.1 This Policy is to be abided by the following personnel (individually, “Group Person” and collectively, “Group Personnel”) of the Group:
 - a) Directors and Officers
 - b) Employees (full and part-time);
 - c) Contract workers (including crew)
 - d) Consultants, representatives, agents and intermediaries engaged by the Group for the purpose of representing the Group in certain areas of works (collectively, the “Company Representatives”)
- 2.2 Each subsidiary or Company Representatives may, at their discretion, establish more stringent limits, but not less. Group Personnel who are directors on boards of joint ventures where the Group does not have a controlling interest should encourage the joint venture to adopt this Policy or use a similar policy.

3.0 DEFINITIONS

- 3.1 “Anything of Value” means financial advantage, services, favours or any other direct or indirect benefits or gratifications, whether in cash or in kind, tangible or intangible which include but are not limited to gifts, facilitation payments, meals, entertainment, discounts that are out of the ordinary or routine businesses, charitable donations, employment offers, loans, sexual favours, etc.
- 3.2 “Government Official” includes any elected or appointed official of a national or local government entity of any country; representatives or employees of a government agency at any level, including customs, immigration and transportation workers, military personnel, representatives of political parties, candidates for political office, representatives of public international organization (IMO), employees of state-owned or controlled entities in any part of the world (eg. state-owned oil companies) and any entity hired or appointed by government authorities for any purpose (eg classification society).
- 3.3 “Donation” is a voluntary contribution in the form of monetary or non-monetary gifts to a fund or cause for which no return service or payment is expected or made. Contributions to industry



associations or fees for memberships in organisations that serve business interests are not necessarily considered Donations.

- 3.4 "Sponsorship" is a transaction where a company makes a payment, in cash or in kind, to associate its name with a rights holder and receives in consideration for the sponsorship fee, rights and benefits for example advertising credits in media, use of the rights holder's name, publications etc to promote its name, products and services.

4.0 POLICY

- 4.1 The cardinal principle of this Policy is that Group Personnel may not, directly or indirectly, offer, promise, agree to pay, authorise payment of, pay, give, accept or solicit Anything of Value to or from any third party in order to secure/induce or reward an improper benefit or performance of a function, activity or to procure or provide an unfair business advantage or preferential treatment.
- 4.2 Such prohibited acts are not permitted at all times, whether or not they are given to or received from a Government Official or any person in a private business or entity and regardless of whether such acts are carried out directly or indirectly by another person or entity on behalf of the Group.
- 4.3 Group Personnel should avoid any conduct that creates even the appearance of improper activity or conduct.
- 4.4 Group Personnel must at all times comply with this policy and all laws relevant to counter bribery and corruption in all jurisdictions which the Group operates or conduct business in. Such laws include but are not limited to the Prevention of Corruption Act of Singapore, the Penal Code, the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act.
- 4.5 No exceptions to the guidelines set out in this Policy may be made except with the prior written consent of the CEO.
- 4.6 Violations of this Policy and of applicable laws can have severe consequences for the Group and individual involved and can attract both criminal and civil penalties. The reputation of the Group could also be negatively impacted. Failure to abide by the Policy could result in disciplinary action, including termination of employment and/or referral to appropriate law enforcement / regulatory authorities.
- 4.7 Under all circumstances and at all times, Group Personnel and Company Representative are required to fully comply with CHO Code of Conduct Policy and Procedures – Conflict of Interest (COI) (Refer to CHO-SOP-CORP-007-Code of Conduct Policy - Clause 3.5) when dealing with the provision and/or supply of goods and services, both in Singapore or overseas. Due and strict compliance is necessary to avoid compromising the integrity and fairness of our business decisions. A COI Register is maintained to keep record of any instances of Conflict of Interest within the organisation.

5.0 COMPANY REPRESENTATIVES

- 5.1 Given that improper acts of Company Representatives may create liability for the Group as well as damage the Group's reputation, it is important for the Group to ensure that all Company Representatives that are engaged for the provision and/or supply of goods and services, whether in Singapore or elsewhere and uphold the principles stated in this Policy.



- 5.2 The Group may terminate any relationship with any Company Representatives that deviates from this Policy.
- 5.3 Group Personnel who engage with Company Representatives are responsible for taking reasonable steps to ensure that the Company Representatives conduct their business in a transparent, fair and ethical manner, are aware of the Group's zero tolerance stance on bribery and corruption and comply with relevant laws and regulations.
- 5.4 All contractual arrangements with Company Representative should include clear terms with appropriate representations and/or warranties by the Company Representatives to comply with applicable laws and provisions for terminating such agreement in the event of a breach of such representations and/or warranties.

6.0 GIFTS, ENTERTAINMENT AND PROVISION OF ANYTHING OF VALUE ("G&E")

- 6.1 The Group recognises that the exchange of modest gifts, entertainment or Anything of Value (including meals, invitations to promotional events or parties), especially during festive periods, among business associates is customary and considered an acceptable way to build goodwill and strengthen working relationships. Such business courtesies are permissible if they are not extravagant in the light of accepted business practices of the sector and countries that the Group operates in and that such business courtesies do not improperly affect or influence, or give the appearance of affecting or influencing, the business judgement of the Group Personnel or recipient.
- 6.2 If such G&E are frequent or of substantial value, they may create the perception of, or an actual, conflict of interest or illicit payment. As such, guidelines have been provided in relation to the value of such G&E and defines situations in which it would be acceptable or otherwise to accept/offer G&E.
- 6.3 The Group permits the giving (including offering or authorisation to give or offer) and receiving (including requesting, accepting or authorising to receive, request or accept) of G&E to and from customers, suppliers or other business associates for legitimate business purposes if such G&E:
- a) is reasonable and appropriate in the context of the business occasion and not extravagant, lavish or deemed excessive by any objective third party;
 - b) is in good taste and, where relevant, occurs at a business appropriate venue;
 - c) is given or received without any expected or implied obligation or reciprocation, favour, action or business advantage in return;
 - d) is not motivated by a desire to exert improper influence;
 - e) is not a bribe, incentive, kick back, payoff or is not of a nature which might suggest that such G&E is a bribe, incentive, kick back or payoff;
 - f) is not in cash or cash equivalent (such as gift cards or gift certificates) or in the form of services or other non-cash benefits (eg the promise of entertainment or sexual favours);
 - g) is not prohibited by local laws;
 - h) is not "adult" entertainment or any sort of event involving nudity or lewd behaviour;
 - i) will not cause embarrassment to the Group or the giver / receiver if disclosed publicly; and
 - j) would not influence or appear to influence the Group Person's ability to act in the best interest of the Group
- 6.4 In addition, such G&E should satisfy the guidelines as per the Group's Gift and Hospitality Policy.



- 6.5 Group Personnel should be especially aware that offering G&E to Government Officials could potentially be viewed as inappropriately influencing business decisions. Given that the laws in most nations prohibit offering to Government Officials in order to obtain or retain business or to secure some other improper advantage, it is important to be sure that offering G&E to these individuals cannot be construed as bribes. Further, Government Officials often are prohibited by law from accepting G&E, so offering G&E may put the official in an awkward position.
- 6.6 However, giving a gift (such as a ceremonial gift) to or entertaining (for example providing a meal after a site visit or accompanying a Government Official to an occasional sporting or cultural event) a Government Official may be appropriate to build goodwill and strengthen working relationships. In such cases, if local laws allow the Government Official to accept G&E, then giving G&E to a Government Official should satisfy the guidelines indicated in the Group Gift and Hospitality Policy.
- 6.7 No G&E:
- a) should be given or accepted from a supplier or subcontractor during a tender/pitch/contract renewal or dispute (ongoing or potential) regardless of its value. If any Group person is offered G&E during this period, please consult with the MD, CFO or CEO; or
 - b) should be given to customers and third parties to whom we are pitching during a tender/pitch/contract renewal or dispute (ongoing or potential) regardless of value without first obtaining approval from the MD, CFO or CEO.
- 6.8 Record Keeping
- a) Ensure all records are accurate, complete and accessible for review, including records relating to commissions, travel and entertainment. All approvals (where required) should be obtained in written format (for example by email).
 - b) When giving G&E above the value thresholds indicated, employees should submit the written approval together with staff claims. Employees must indicate name of clients and purpose of business claims in their staff claims to facilitate record keeping. The records must be kept for five (5) years.
 - c) When receiving G&E above the value thresholds indicated, employees should submit the written approval to the Compliance Manager for recording in the gift record book.

7.0 CHARITABLE OR POLITICAL DONATION AND SPONSORSHIP

- 7.1 All Donations and Sponsorships made by the Group should be compatible with the Group's business activities and be in accordance with the Group's business ethical standards and in compliance with relevant laws and regulations. Such Donations and Sponsorships should also be in line with the Group's pattern of previous Donations and Sponsorships.
- 7.2 Donations and Sponsorships should not be:
- a) Used to conceal any bribes or improper payments of any sort;
 - b) Extended to organisations that the Group is in legal or financial conflict with;
 - c) Deployed to provide support for or contribute in any way to any political organisation, party or candidate;
 - d) Made or offered in conjunction with, as part of or in relation to any bid, tender or contract renewal; or
 - e) Unreasonably or disproportionately sized.
- 7.3 Prior approval of the CEO and MD or ED for all Donations and Sponsorships must be obtained. Use of the Group logos must also be referred for approval.



7.4 All Donations and Sponsorships should be transparent, accountable and must be recorded and maintained for audit purposes.

7.4.1 The following information should be recorded:

- a) The name and position of the initiator
- b) The name of the organisation or the recipient and its contact details
- c) The type of charity, event or recipient and the purpose of the donation or sponsorship (e.g. corporate governance, helping the needy)
- d) The authorisation provided

7.4.2 Once the Donation or Sponsorship has been made, the initiator must obtain an accurate receipt and/or letter of acknowledgement from the recipient.

8.0 EMPLOYMENT OFFERS

8.1 Group Personnel should remain independent when hiring new employees and should not compromise the Group's interest by being influenced by a current or prospective client, customer, supplier or Government Official when making a hiring decision.

8.2 Although hiring new employees recommended by others is permissible, such hiring decisions should not influence or be influenced by any decision related to the Group's commercial transactions. Offers of employment should not be made in exchange for or reward any benefit received by the Group or any Group Personnel. Group Personnel should not offer employment, procure and/or create a job opening within the Group in exchange for a personal benefit or to seek preferential treatment in any business negotiation. Non-permissible acts include receiving benefits from foreign workers or crew members in return for recommending them for employment or offering them employment.

8.3 Prior to initiating any stage of the recruitment process involving close family members of Government Officials, the CEO and MD should be informed and intimately involved in the recruitment process to ensure that any subsequent successful hiring is not an inducement for future business.

9.0 DECLARATION OF GROUP PERSONNEL

9.1 As part of the Group's commitment to its zero-tolerance stance on any form of bribery and corruption, all Group Personnel should be given a copy of this Policy and are required to declare that they have read, understood and are in compliance with the Policy. Such declaration should be made by each Group Person upon joining the Group, when the Policy is revised and also on an annual basis.

9.2 If any Group Person who makes a false declaration may be subject to disciplinary action, including termination of employment and/or referral to appropriate law enforcement / regulatory authorities.

10.0 REPORTING

10.1 Group Personnel are encouraged to raise concerns about any suspected breaches of the Policy at the earliest possible stage through their Department Head or report such suspected breaches to the whistleblower email or Chairperson of the Audit Committee, without risk of reprisal:



Email: whistleblowing@choffshore.com.sg

Or

Chairperson of Audit Committee

Mr Thia Peng Heok, George

Mobile: +65 9819 2298

Email: george.thia@choffshore.com.sg

10.2 Follow-up action will be taken in accordance with the Group Whistleblowing Policy.

10.3 Any report will be treated with confidentiality.

10.4 Group Personnel acting in good faith will not suffer negative consequences to their employment or retaliation for reporting or for refusing to engage in prohibited conduct, even if such refusal results in loss of business opportunities to the Group.



Revision History

Rev No.	Issue Date	Description of Changes	Clause #	Approved
0	1 Aug 2019	Initial release	N.A.	Evelyn Wong
1	21 Oct 2019	"facilitation payments" added	3.1	Jeanette Chang
1	21 Oct 2019	A new clause 4.7 added	4.7	Jeanette Chang
1	21 Oct 2019	Changes to clause 5.7.2. (b), (c) and addition of (d)	5.7.2	Jeanette Chang
2	15 Jan 2020	General reformatting	All	Jeanette Chang
2	15 Jan 2020	Addition of clause 3.3 & 3.4	3.3 & 3.4	Jeanette Chang
2	15 Jan 2020	Revision of clause 6	6	Jeanette Chang
2	15 Jan 2020	Enhancement of clause 7	7	Jeanette Chang
2	15 Jan 2020	Minor revision of clause 10	10	Jeanette Chang
3	6 Feb 2020	Update email address of AC Chairperson	10.1	Jeanette Chang