



A member of the **KWE** Group

# POLICY & OPERATING MANUAL

APLL-LEG-10010  
Anti-Bribery Policy



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## SECTION A: POLICIES & OPERATING PROCEDURES

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### I. OUR PRINCIPLES

At APL Logistics, integrity is a crucial component of our business. APL Logistics Ltd, along with its subsidiaries and affiliates (collectively the “**APLL Group**”), is committed to ethical business practices and to obeying both the spirit and the letter of the law in every country in which it does business. **The APLL Group strictly prohibits bribery or any other improper payments in all business dealings.**

Under a variety of applicable anti-bribery laws<sup>1</sup>, bribery is a criminal offence punishable by imprisonment and/or fines for both the APLL Group and, separately, any person involved in the bribery. Involvement in bribery can also cause substantial damage to the APLL Group’s reputation and its relationships with its customers and other third parties.

The APLL Group takes its legal responsibilities to prevent bribery very seriously and expects you to do the same. **The fact that bribery may be a customary business practice is not a justification for violation of this policy.**

The directors and executive management of the APLL Group fully support this Anti-Bribery Policy and expect full compliance with its terms from every single officer, director and employee worldwide, whether permanent, fixed-term, or temporary (collectively, “**Employees**”). The same expectation applies to employees of the APLL Group’s agents and third parties acting on the APLL Group’s behalf.

If Employees or Third Parties have questions about this Anti-Bribery Policy or how the anti-corruption laws apply to a specific situation, they should contact the Legal Department for advice and guidance.

This Anti-Bribery Policy remains subject to applicable law. In the event that local law imposes stricter requirements than set out in this Anti-Bribery Policy, then such local law will prevail.

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<sup>1</sup> Including the Japan Unfair Competition Prevention Act, the Singapore Prevention of Corruption Act, the US Foreign Corrupt Practices Act, the UK Bribery Act and other related laws.

## II. DEFINITIONS

Bribery (or Bribe): Corruptly giving, offering, promising, requesting, or authorizing the giving of Anything of Value, directly or indirectly, to any person or entity to induce a person to act, or refrain from acting, in order to obtain or retain any improper advantage or benefit.

Anything of Value: Includes, but is not limited to: cash, cash equivalents (such as gift cards, kickbacks or discounts), benefits or favours, entertainment, Gifts, Hospitality, meals, Travel, charitable contributions, political contributions or employment opportunities. There is no minimum value for something to be considered 'of value'.

Facilitating Payments: Facilitating payments are bribes made to Public Officials to encourage them to expedite a routine or common governmental task that the official is otherwise required to undertake even if the payment were not made, such as issuing permits or licenses that the official has no discretion to deny.

Gift: Includes any tangible object of any kind, regardless of value.

Public Official: Public Officials include, but are not limited to the following: a government official, whether elected or appointed; an officer or employee of a government agency or state-owned or state-controlled entity; a person performing a public service on behalf of a government or government agency; a political party or party official; a candidate for political office; an officer or employee of a public international organization; any person who engages in the affairs under the authority of a foreign government, local government, or international organization and which are delegated by such organization; any family member or other representative of any of the foregoing; or any person acting in an official capacity on behalf of any of the foregoing. This includes officers and employees of local customs, immigration, licensing, regulatory and manpower authorities.

Hospitality: Meals, lodging, or any event or form of entertainment (including sporting events, parties, plays and receptions).

Travel: All forms of transportation, including ground transit and air travel.

Third Party: Any person or entity who acts on behalf of or represents the APLL Group, including but not limited to sales agents or representatives, distributors, consultants, lobbyists, transportation or logistics providers, customs clearing agents, or any person or entity retained to represent the APLL Group in a matter before a Public Official, government agency, or in tax or legal matters.

### III. STATEMENT OF POLICY

Bribery and Facilitating Payments: the APLL Group, its employees, and its third parties are prohibited from **offering or giving** a Bribe, **whether directly or indirectly**, to any person or entity. The APLL Group, its employees, and its third parties are also prohibited from **requesting or receiving** a Bribe, **whether directly or indirectly**, from any person or entity.

**All demands for Bribes must be expressly rejected.**

Employees and third parties must follow this Anti-Bribery Policy irrespective of whether they use personal resources or APLL Group resources to pay for an expense.

The APLL Group, its employees, and its third parties are prohibited from offering or making Facilitating Payments to Public Officials.

An Employee will be considered to have knowledge of a Bribe if they (i) are aware that a Bribe is being made, (ii) are aware that a Bribe is likely to occur, or (iii) have reason to know that a Bribe is likely to occur. Refusal to know, deliberate ignorance, conscious disregard, and wilful blindness (deliberately avoiding knowledge of facts) are treated as "knowledge" for purposes of this Anti-Bribery Policy.

Employees are expected to familiarise themselves with the [Recommendations on How to Deal with and Resist a Demand for Bribery or Facilitation Payment](#).

**Employees and third parties who refuse to pay a Bribe will not suffer any penalty, demotion or other adverse consequence as a result, even if the APLL Group loses business.**

**If you receive a request for a bribe or are aware of a request for a bribe, you must report it to the APLL Group Legal Department as soon as possible.**

If any Employee or third party believes there is a serious threat to a person's health or safety if a payment demand is not met, such payment would not be considered a prohibited bribe. In that situation, the Employee or Third Party should report the incident to the APLL Group Legal Department as soon as possible and the payment must be properly recorded in the APLL Group's books and records.

Charitable Contributions: No charitable donations may be given, offered, promised or authorized without express authorization from the Legal Department. If a donation is authorized, it must fully comply with all applicable laws and be properly and accurately reflected in the APLL Group's books and records.

Political Contributions: The APLL Group may communicate its position on important issues to elected representatives and other government officials but must comply with all applicable laws covering political contributions. Donations to political campaigns or causes can violate anti-corruption laws, especially if contributions are made to a campaign at the request or suggestion of a Public Official. To mitigate this risk, no APLL Group funds, facilities, or services of any kind may be paid or furnished to

any Public Official, including any candidate or prospective candidate for public office, to any political party, or to any political initiative, referendum, or other form of political campaign, unless permitted by applicable laws. Any contribution made on behalf of APLL Group or using APLL Group funds must be pre-approved by the Legal Department.

Gifts, Hospitality and Travel: The APLL Group, its employees, and its third parties shall not offer or receive Gifts, Hospitality or Travel whenever these could affect the outcome of business transactions or other matters in which the APLL Group is involved, or where doing so would be in violation of the laws of the recipient's country.

All Gifts, Hospitality and Travel must be made consistent with the [Gifts, Hospitality and Entertainment Policy](#) and prevailing travel policies, be preapproved in accordance with the applicable policy, and be properly and accurately recorded in the APLL Group's books, records and accounts. The APLL Group, its employees, and its third parties shall not offer or receive Gifts, Hospitality or Travel that are not reasonable and legitimate business expenditures. Any expenses that do not meet these criteria are prohibited and will not be reimbursed or otherwise paid for by the Company. Cash or cash equivalents (like gift cards) and expensive or lavish items are not permitted.

In order to be permitted under this Anti-Bribery Policy and to qualify for reimbursement, proposed expenses must be explicitly detailed in the request, i.e., broken down by names and positions of recipients, dates and places of travel, and the amount and type of specific expenses. The company reserves the right to deny, in whole or in part, any expenses related to any travel for any reason, whether for Public Officials or private sector individuals.

Employees who authorize the reimbursement or payment of expenses covered by this section without following the above procedures will be subject to disciplinary action, which may include termination of employment.

Conflicts of Interest: The APLL Group, its employees, and its third parties shall avoid any relationship or activity that might impair, or reasonably appear to impair, their ability to render objective and appropriate business decisions in the performance of their jobs. Employees and third parties must adhere to APLL Group's conflicts of interest policy as described in the [APLL Corporate Code of Conduct](#)<sup>2</sup>.

Training and certifications: Employees must participate in anti-bribery training on a periodic basis as mandated by the Legal Department. Employees and Third Parties will be required to periodically certify that they have read this Anti-Bribery Policy and that they are acting and will continue to act in compliance with this policy.

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<sup>2</sup> External parties may access the Corporate Code of Conduct at <https://www.apllogistics.com/codeofconduct>

#### IV. THIRD PARTY AGENTS AND VENDORS

Employees must be diligent in appointing and monitoring all Third Parties. **Improper payments may not be made through Third Parties.**

APLL will violate anti-corruption laws if one of its Employees knows that a Third Party representative makes an improper payment on APLL's behalf. In addition, APLL can be liable if it disregards or ignores "red flags." Examples of red flags include:

- Rumors or reputation for bribery
- Requests for unusual payments or financial arrangements, such as:
  - Payments to a numbered bank account (i.e., an account not linked to an individual or entity)
  - Payments to accounts in countries other than where Third Party is located or business is to be performed, or to accounts held in the name of a different party
  - Success fees
  - Cash payments
  - Inflated or vague invoices or expense claims
  - Unusually high commissions
  - Pass-through fees or disbursements which are not supported by an official tariff, invoice or receipt
  - Requests for additional fees which are not described in the contract
- Lack of transparency in accounting records
- A close relationship with a Public Official
- A recommendation from a Public Official to engage the Third Party or enter into a business partner relationship.

Inform the Legal Department immediately if any Third Party exhibits any red flags.

All Third Parties that will interact with government officials or entities on behalf of the APLL Group must complete an appropriate due diligence process before beginning work. Such due diligence is required at the start of a new engagement or business relationship and at any time such engagement or relationship is being renewed or extended. This process will be overseen by APLL Group's Legal Department. Any red flags identified during this process must be addressed and remedial measures documented to the satisfaction of the APLL Group General Counsel prior to entering into the relationship.

All agreements with Third Parties must be recorded in writing with appropriate anti-bribery and anti-corruption language, including a commitment to comply with this Anti-Bribery Policy and the [APLL Vendor Code of Conduct](#)<sup>3</sup>.

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<sup>3</sup> External parties may access the Vendor Code of Conduct at <https://www.apllogistics.com/codeofconduct>



After a Third Party has been retained, the Third Party's activities and expenses must be monitored by the Contract Owner (that individual as defined in the [APLL Contract Review Process](#)) to ensure continued compliance with anti-corruption laws and APLL Group policies.

## **V. CORPORATE TRANSACTIONAL ACTIVITY**

The corruption risks posed by merger, acquisition, joint venture, and other corporate transactional activity will vary depending on a variety of factors, including the nature of the transaction and the contemplated relationship. The Legal Department must be involved at the earliest stage possible of any contemplated activities to help devise an appropriate approach to anti-corruption due diligence and post-transaction integration and monitoring activities to assure that the APLL Group complies with anti-corruption laws.

## **VI. HIRING**

Hiring decisions could pose corruption risks, particularly if the APLL Group interviews or selects a candidate at the request of a Public Official or business partner. As a result, the APLL Group must conduct due diligence on potential new hires. As part of the APLL Group's employee onboarding process, all potential new hires must be vetted and approved through an anti-corruption due diligence process as prescribed by the Human Resources and Legal Departments.

## **VII. BOOKS AND RECORDS**

The APLL Group is committed to maintaining detailed, accurate, and truthful books, records and accounts. All Employees (not just those in the Finance function) must ensure that all transactions, including payments, reimbursement requests, expenditures, expense reports, invoices, vouchers, gifts, and business entertainment are properly and accurately entered into the APLL Group's books, records and accounts in a timely manner, in detail, and with supporting documentation, and must never enter any false information. This commitment extends to taking good-faith efforts to ensure that joint ventures in which the APLL Group holds a minority interest similarly maintain such complete and accurate books, records and accounts.

All APLL Group funds must be properly accounted for, and off-the-books or 'slush' funds are expressly prohibited.

Under certain circumstances, the APLL Group could be liable under anti-corruption laws if Employees know of misconduct by Third Parties. For example, if Employees know or believe that a Third Party,

such as a distributor or re-seller, has over-billed clients to create off-the-books or 'slush' funds, then the APLL Group could be liable.

Employees must notify the Legal Department if they become aware of any sort of off-the-books or 'slush' funds maintained by the APLL Group or any Third Party.

## **VIII. REPORTING RESPONSIBILITY**

Employees and third parties are required to report any suspected violations of this Anti-Bribery Policy by one of the following channels:

- Filing a report via the [APLL Ethics & Compliance Hotline website](#) <sup>4</sup>
- Filing a report by calling the local (toll free) numbers available on the [APLL Ethics & Compliance Hotline website](#) or on the posters available in local APLL Group offices
- Filing a report with any of the [Management, Ethics and Social Responsibility Committee members](#) or the Legal Department. Third parties may also contact the Legal Department by writing to the General Counsel, APL Logistics Ltd, 3 Harbourfront Place, #06-01 Harbourfront Tower Two, Singapore 099254.

Reports may be made to the APLL Group Ethics & Compliance Hotline anonymously or confidentially.

The APLL Group will endeavour to keep reports confidential and shared on a need-to-know basis only, and will exercise discretion to avoid disclosing the sources of information it receives.

The APLL Group will not tolerate retaliation against anyone for raising concerns in good faith regarding suspected violations of this Anti-Bribery Policy. Good faith means raising a question or concern that you honestly believe to be true.

The APLL Group also strictly prohibits any intimidation or retaliation against anyone who assists with any inquiry or investigation of any such violation.

## **IX. PENALTIES**

Violations of anti-corruption laws can result in severe criminal and civil penalties for both the APLL Group and the individuals involved, including imprisonment and significant fines. In addition, bribery is always a violation of the APLL Group's policies and may result in disciplinary action, up to and including termination of employment or of a Third-Party Representative's relationship with the APLL Group.

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<sup>4</sup> <http://apllemployeehotline.ethicspoint.com/>

## **X. PERIODIC REVIEW**

This Anti-Bribery Policy will be implemented and overseen by the Legal Department. The Legal Department will also oversee periodic reviews to assess the APLL Group's anti-corruption risk and the adequacy and effective implementation of this Anti-Bribery Policy. If any material irregularities are noted during these reviews, the Legal Department shall promptly take any necessary actions.

## SECTION B: ANNEXURES

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### **Acknowledgment and Certification of Compliance**

I have received a copy of APLL's Anti-Bribery Policy (the "Policy") and certify that I have read and understood it and am in compliance with it.

I understand that it is my responsibility to comply with the Policy, related guidelines and policies, and legal and regulatory requirements, and that my compliance is a term and condition of my continued employment or relationship with APLL.

I have no knowledge of any questionable payment paid or received, any undisclosed funds, or any other conduct prohibited by the Policy.

To the best of my knowledge, the employees who report to me, if any, are familiar with the Policy and have complied with it.

If I know of or suspect a violation of the Policy, I will report that violation as the procedures in the Policy require.

To the best of my knowledge, the operating unit or subsidiary of APLL where I work maintains reasonable internal accounting controls over APLL's transactions and access to its assets.

I understand that a false, misleading, or incomplete statement in this Certification or a violation of the Policy is grounds for immediate dismissal or termination of my relationship with APLL.

Signed: \_\_\_\_\_

Printed name: \_\_\_\_\_

Date: \_\_\_\_\_



## SECTION C: MANUAL ADMINISTRATION

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### B1 RELATED SUPPLEMENTS

Manual Ref	Name of Manual
D01	<a href="#">Recommendations on How to Deal with and Resist a Demand for Bribery or Facilitation Payment</a>