

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

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Responsibility for this document:

The functional responsibility for the development, review and maintenance of this document rests with the Chief Ethics and Compliance Officer.

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1 Purpose and Scope

The aims of this policy are to:

- set out Wood's policy in relation to bribery and corruption, (including in relation to facilitation payments, gifts and hospitality, political and charitable donations);
- provide information on key risk areas for bribery and corruption; and
- provide detail on where to obtain further guidance and/ or to raise concerns.

This policy applies to all "**Wood Personnel**", meaning all directors and officers, employees, consultants working within Wood and workers working at any Wood business anywhere in the World.

We also expect "**Wood Business Partners**", including all intermediaries, contractors, consultants and other business partners to comply with the principles set out in this policy.

This policy sets out the Wood's policy that must be followed. Where local laws, regulations or rules impose a higher standard than the standard set out in this policy, the higher standard must be followed. If you are in any doubt about which rules apply, contact Compliance for guidance.

2 Roles and Responsibilities

The functional responsibility for the development, review and maintenance of this policy rests with the Chief Ethics and Compliance Officer. All Wood business units must ensure that their management systems contain arrangements to address the requirements of this policy.

3 Policy Requirements

Wood is committed to conducting business with honesty and integrity. High standards of ethical behaviour and compliance with laws and regulations are essential to protecting Wood's reputation and ensuring the long-term success of the business. As set out in the Wood Code of Conduct "**Code**", Wood takes a zero-tolerance approach to bribery and corruption.

Wood's zero tolerance approach to bribery and corruption means that no Wood Personnel may engage in bribery or corruption in any circumstance.

Wood recognises that bribery and corruption may occur in some of the countries in which Wood operates, or that may be the public perception. In some cases, you may be told that Wood will not win business or be able to complete contracts without engaging in bribery or corruption. Wood will not engage in bribery or corruption under any circumstances and will support all Wood Personnel and Business Partners in taking a strong stance against bribery and corruption and in upholding Wood's policy, even if doing so results in a loss of business for Wood.

If you are asked to engage in any bribery or corruption and/ or witness any bribery or corruption in connection with any Wood business, you must report your concerns using Wood's Speak Up resources.

3.1 What is bribery or corruption?

Corruption is the misuse of office or power to gain a reward or advantage of some kind.

Bribery is one of the most common forms of corruption. It means the requesting, offering, giving, receiving or agreeing to receive, directly, or indirectly (including through a third party) anything of value (most commonly money, gifts, entertainment or favours) as an incentive or inducement, to do something which is dishonest or illegal in the course of business or employment.

Bribery is designed to influence a person to act improperly to secure an advantage to the person giving the inducement. The person requesting or receiving the bribe is usually in a position to influence the award or progress of business.

It is illegal to give bribes to private companies or individuals as well as to public officials. **"Public officials"** include officers and employees of government agencies or departments, persons holding legislative, judicial or military positions, holders or candidates for public office and officers and employees working at companies which are wholly or partly owned by the state including but not limited to Saudi Aramco, Petrobras, Pertamina, CNOOC, EDF, Sellafield Limited and Equinor.

Bribery can occur directly or indirectly through a third party. It is illegal to engage in indirect bribery and to use a third party to make or receive bribes.

There are usually stricter rules applying to public officials.

3.2 Key Risk Areas for Bribery and Corruption

3.2.1 Facilitation payments

These are also known as **"grease"** payments. Usually they are small amounts paid to public officials to provide goods or services which are already part of that official's job or function e.g. speeding up the grant of a licence or permit. Facilitation payments are common in many countries, particularly those where public officials are poorly paid. However, even if they are seen as normal business practice, such payments are illegal and forbidden by this policy.

The only exception to this is where there is a real and imminent threat to the health, safety, personal security or welfare of any Wood Personnel. An example of this would be a border guard demanding money in order to cross a border and making physical threats if their request is not met. If a facilitation payment is made under these exceptional circumstances it must immediately be reported to Compliance or to your team leader, who must report this to Compliance. It is important that the payment is accurately recorded in Wood's books and records (and in expense report if personal funds used) as a facilitation payment.

If you are faced with a request, or a demand, for such a payment, contact Compliance or use Wood Speak Up resources immediately. Explanatory guidance on Facilitation Payments can be found in [Attachment 1](#).

3.2.2 Gifts and hospitality

While exchanging modest gifts and entertainment are a normal part of business life that can help to build business relationships, it is important that they do not create any kind of obligation on the recipient or be given if they are intended to influence the recipient in some

way. It is important that gifts and hospitality are given and received in a transparent manner and are properly approved and recorded. The Wood Gifts and Hospitality Policy provides further guidance and sets out the approval procedure that must be followed.

3.2.3 Third parties

Commercial Intermediaries

Wood uses commercial intermediaries to help it achieve its business objectives. Such commercial intermediaries play an important role in helping Wood conduct business in certain countries. Wood expects its commercial intermediaries to uphold Wood's high ethical standards, and to represent Wood in an ethical and legal manner. It is important that commercial intermediaries go through a careful due diligence process to ensure that they can represent Wood's interests appropriately and agree in writing to comply with Wood's policies before carrying out any work for Wood. Wood's Commercial Intermediary Policy provides further details on Wood's policies and procedures in relation to the appointment and management of commercial intermediaries that must be followed.

Joint Ventures

Wood has a number of joint venture and consortium interests around the world. These may be corporate entities or more informal unincorporated joint ventures, or partnerships formed for a particular project or for a longer-term purpose. In all cases, it is very important that these entities represent Wood's interests properly and comply with Wood's zero tolerance approach to bribery and corruption. The Wood Joint Venture Policy contains guidance on the due diligence and other procedures that must be followed prior to Wood entering into any joint venture, consortium or other partner arrangement as well as setting out contractual language for use in joint venture, consortium and partner agreements.

Suppliers and Subcontractors

Wood expects its suppliers and subcontractors to comply with Wood's policies by agreeing to comply with Wood's Supplier Code of Conduct. To back these obligations up, contracts with Wood's suppliers and subcontractors must contain appropriate language requiring Wood's suppliers and subcontractors to behave ethically and granting Wood audit rights in certain circumstances. If your business unit does not already have standard language you should contact Commercial for guidance.

Political contributions

Political donations can sometimes be seen as bribes in disguise. Wood therefore does not make political donations at any level of government or allow anyone to make political donations on its behalf. You may, of course, make political donations in a personal capacity (provided you do not do this using Wood's resources or make use of Wood's name or infer that Wood is in some way connected with the donation) but be sensitive to how such donations could be perceived, especially by those who are aware of your connection with Wood. "Political donations" include anything of value provided for the purpose of promoting, supporting or influencing political process, organisation or election at any level.

In some situations, it may be permissible to pay membership fees to organisations that have links to political action committees or to pay admission fees to events hosted by political entities. However, prior to making any such payments you must obtain approval from Legal or Compliance.

Charitable donations

Wood is keen to support charities but not if it creates an expectation of any reward or influence in return. Bribes can sometimes be disguised as charitable donations and it is therefore very important that where a charitable donation is made by or on behalf of Wood, the donation is made freely to a legitimate charitable cause. All charitable donations require prior approval in accordance with Wood Delegation of Authority Limits and require additional sign off from Compliance where a current or potential customer, business partner or public official suggests that Wood makes the charitable donation. Remember that the definition of a “**Charitable donation**” is quite wide and includes gifts of cash, equipment, assets or services to non-profit organisations which may include social enterprises and private foundations as well as charities.

3.3 Risks of not complying with Wood’s Anti Bribery and Anti-Corruption Policy

Involvement in bribery or corruption is a criminal offence in almost all countries around the world and carries many risks. This includes the risks of imprisonment of, and fines for, any person found to have engaged in bribery or corruption, and / or large fines for Wood. In addition to the potential criminal consequences, an allegation or conviction of bribery or corruption against Wood could result in debarment from government sector contracts and severe reputational consequences which could harm Wood’s relationship with its investors, customers, bankers and business partners and increase the costs of doing business.

For these reasons, in the event that any Wood Personnel are found to have engaged in any bribery or corruption, they will be subject to disciplinary action which could result in dismissal. Wood may also report any suspicions of instances of wrongdoing to appropriate regulatory authorities.

3.4 Contacts

Any queries in relation to this policy should be directed to the Chief Ethics and Compliance Officer or to a member of Compliance.

To raise a concern or to report a potential violation, use Wood Speak Up resources.

4 References

Document title	Document no.
Wood Code of Conduct	
Wood Gifts and Hospitality Policy	COP-PLD-100004
Wood Commercial Intermediaries Policy	CSV-POL-100002
Wood Joint Venture Policy	
Wood Supplier Code of Conduct	SCM-POL-100001

5 Revision History

Rev no.	Rev date	Summary of changes
0	27-July-2018	Issued for Use, replaces LGL-PRO-100005

6 Attachments

6.1 Explanatory Guidance on Facilitation Payments

What are facilitation payments?

Facilitation payments (also known as “**grease**” payments) are usually payments of small sums of money to generally junior or low-level public or government officials as a way of ensuring that they perform or speed up actions they are already duty-bound to perform and to which the payer is legally entitled. For example, obtaining an entry or exit visa when entering or leaving a country or avoiding delay in the clearance of goods through customs, where all relevant formalities have been fulfilled.

Facilitation payments are to all intents and purposes the same as a bribe, whether or not they are considered to be normal practice in the country or business sector or project type. They are illegal in most countries in the world and are prohibited by Wood’s Code of Conduct and Anti-Bribery and Anti-Corruption policy.

What is Wood’s policy on facilitation payments?

Facilitation payments are not acceptable and are not to be made. Wood adopts a zero-tolerance approach to such payments. The only exception to this would be in the situation where you feel that there is a real and imminent threat to your health, personal safety, security or welfare or that of your colleagues. In this situation, it is recognised that such payments may be unavoidable. In such circumstances you must exercise your own judgment and must make safety and security your main priority. In the event that a facilitation payment is made in these circumstances it must be accurately recorded as such and reported as soon as possible to Compliance or to your team leader, who must immediately notify Compliance.

Can I (or Wood) ever pay for a faster service?

Not all payments for a faster service are facilitation payments. There are some legitimate circumstances where a fee may be paid for a speedier service provided by a government. For example, where there is a published higher rate to obtain a visa or passport on an expedited basis, the government provides an official receipt, and the visa or passport is legitimate. Payment of such fees is acceptable, provided that there is a business need, the expedited process is a legitimate documented process, the payment is transparent and open, a receipt is obtained, and the expense is properly recorded in your expenses as an expedited fee on these terms. If all of these criteria are not met, then it is a facilitation payment and must not be made.

Can I (or Wood) pay for someone to assist me?

It may be appropriate to pay a third party to obtain a visa or passport on your behalf provided that person is providing a legitimate service for you, for example standing in for you in a queue, and any payments that are made on your behalf are at the published rates, a receipt is obtained and properly accounted for. Similarly, companies may, and often do, provide a meet and greet service (after customs) for people flying into a country. Such services are legitimate provided that they deal with immigration and customs formalities appropriately. Should you have any concerns in respect of a meet and greet service (whether provided by Wood or a client) you must report it to Compliance or to your team leader immediately who must then report it to Compliance.

Third party contractors may also be appointed to obtain operating licenses or permits or to clear materials and equipment through customs on behalf of Wood. In these circumstances,

the written contract with the third party should include appropriate anti-bribery clauses that preclude the contractor from paying such facilitation payments as Wood can be held liable for the actions of third parties. If you have any concerns in respect of any third-party contractor or agent providing services on behalf of Wood, you must report this to Compliance or your team leader or using Wood Speak Up resources as soon possible.

How should I deal with a request for a Facilitation Payment?

If you are requested to make a facilitation payment, provided it does not put your safety or freedom at risk, you should refuse to make it and challenge the request by raising points such as the following:

- question the legitimacy of the demand being made;
- ask for identification details of the official making the demand;
- ask to speak to the superiors of those demanding payment;
- inform those demanding payments that compliance with the demand may mean that you, they (and possibly Wood) will commit a criminal offence;
- inform those demanding payments that you need to call your team leader to escalate the request; and
- inform those demanding payments that it will be necessary for Wood to inform the local authorities in country as well as the local embassy of the demand.