



# **Anti-Corruption Policy (912 Policy)**

## **1. INTRODUCTION**

### **1.1 Purpose**

**As a citizen of the world, YOU are an integral part of society. Your most basic contribution to the collective well-being is to act and behave in a manner consistent with the best intentions and expectations of your family, community and place of work.** The purpose of this Anti-Corruption Policy (“912 Policy”) is to make and keep **YOU** aware of the risks associated with corruption and promote actions that will drive and ensure a culture of compliance by YOU, other employees agents, suppliers and representatives of REXAMERICA (hereinafter REX), in adherence to the spirit and letter of universally recognized anti-corruption principles and laws. The **912 Policy** is the unique binding and mandatory framework within REX for setting, reviewing and achieving anti-bribery and anti-corruption initiatives and objectives.

### **1.2 Application**

This policy is applicable to all regions and divisions of REX and to all employees, agents and representatives acting for or on behalf of REX. Strict adherence to this policy is mandatory, except to the extent that a more stringent law exists in the country in which you work.

## **2. Anti-Corruption Committee (ACC)**

The Anti-Corruption Committee (ACC) is formal corporate entity within REX, entrusted by the company’s Board of Directors with the responsibility and actions necessary for the proper implementation and oversight of the 912 Policy and for the handling of 912 Policy related incidents, complaints, reports and investigations. The ACC is based in REX’s headquarters in Costa Rica and its permanent members are:

- President : Manager, Quality Assurance
- Secretary : Manager, Human Resources
- Vice-President : Chief Counsel

**This policy as well as a reporting form can be found at: [www.rexcargo.com/912](http://www.rexcargo.com/912)**

The ACC reports directly to the President of the Board of Directors and/or to the REX General Assembly and has appropriate authority within the organization, adequate autonomy from management, and sufficient resources to ensure that REX’s 912 Policy is implemented and enforced effectively.

The ACC will periodically review and make public a Statement of Non-Corrupt Practices (SNCP) and this 912 Policy. The SNCP is intended to educate, advocate and drive on behalf of REX, its commitment with compliance in alignment with present and future Anti-Corruption laws and regulations in the countries where we conduct business.

## **3. United Nations Campaign Against Corruption**



REX adopts and supports the United Nations' Campaign Against Corruption ( [www.anticorruptionday.org](http://www.anticorruptionday.org) ) and therefore, amongst other initiatives, on December 9<sup>th</sup>, of every year, the ACC will publish in the REX website an official Statement of Non-Corrupt Practices (SNCP) making explicit reference to this 912 Policy. The SNCP and this 912 Policy are key elements in our commitment to convey, enable and drive our operations in alignment with present and future Anti-Corruption laws and regulations in the countries where we conduct business.

#### 4 Statement of Non-Corrupt Practices (SNCP) of December 9<sup>th</sup>, 2020

REX management, employees, agents and subcontractors will not tolerate and will diligently report corruption at any level within the organization. We do not give or receive anything of value that could even appear to improperly influence a decision by us or someone else. We deal with our customers, suppliers, and regulators in an honest and straightforward manner. All parties within or acting on behalf of REX regularly review this SNCP statement, the 912 Policy and make an effort to advance its principles within our sphere of influence.

#### 5. CORRUPTION

Corruption poses a significant threat to countries around the world; it undermines democratic institutions, contributes to governmental instability and erodes trust. Corruption threatens the economy by undermining fair competition and discouraging investment and trade. It disproportionately affects disadvantaged groups by preventing social inclusion, promoting inequality and inhibiting prosperity. Corruption affects everyone and can lead to:

- **Weak institutions and injustice:** Corruption attacks the foundation of democratic institutions by distorting the electoral processes, perverting the rule of law and creating inefficient governance systems.
- **Insecurity:** Corruption is a threat to safety and security structures. It can lead to dissatisfaction and distrust in leaders, public institutions and the rule of law, and finally, to spirals of anger and unrest. Corruption facilitates trafficking in drugs and people, and other forms of organized crime, making our world more unstable and insecure.
- **Less prosperity:** Corruption stifles economic growth, innovation and sustainable development. Where corruption is widespread, foreign direct investment is discouraged; businesses are reluctant to invest due to distorted competition, high cost of doing business, and significant legal and reputational risks.
- **Less respect for rights:** Corruption undermines democracy, governance and human rights by weakening state institutions that are the basis for fair and equitable societies with access to justice for all.
- **Denial of basic services:** Corruption diverts funds intended for essential services such as health care, education, clean water, sanitation and housing. It represents a major hindrance to a Government's ability to meet the basic needs of its citizens.
- **Less employment:** Corruption reduces employment opportunities. When employment decisions are not made based on fairness, merit and equity, opportunities of citizens are denied.
- **Environmental disasters:** Corruption threatens planet earth's finite resources. Some of the world's daunting environmental challenges are caused by corruption.



REX will not tolerate and will actively reject and denounce any form of corruption. We comply with the anticorruption laws that apply to our business in those countries where we conduct business and adhere to international principles on anticorruption, most notably:

- [United Nations Convention against Corruption](#)
- [United States Foreign Corrupt Practices Act \(“FCPA”\)](#)
- [United Kingdom Bribery Act](#)
- [Organization for Economic Co-operation and Development \(OECD\) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions \( OECD Anti-Bribery Convention \)](#)
- [Protocol of 2014 to the Forced Labour Convention of 1930](#)
- [UN Slavery Convention of 1926](#)

### **5.1 What is corruption?**

Corruption is defined by “Transparency International” as: The abuse of entrusted power for private gain. For the purposes of this policy, corruption comprises but is not limited to bribery of public officials; embezzlement, trading in influence, abuse of function and illicit enrichment by public officials; bribery and embezzlement in the private sector, as well as money-laundering, extortion and obstruction of justice.

### **5.2 What is bribery?**

The offering, promising, giving, accepting or soliciting of an advantage as an inducement for a person acting or refraining from acting in relation to the performance of that person’s duties in a manner that is illegal, unethical or a breach of trust. Inducements (bribes) can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, favors etc.).

A payment given with the purpose of expediting a discretionary decision by a government official such as, for example, a decision to award business or to avoid inspection, is also considered a bribe.

### **5.3 Government Official**

A “government official” means:

- any officer or employee of a foreign, national, local or municipal government whether elected or appointed;
- any person acting in an official capacity or exercising a public function for or on behalf of any government or its instrumentality;
- any officer or employee of a public international organization such as the UN or the World Bank;
- a member of a legislative branch, judge, customs official, or taxing official;
- political parties, their officials, and candidates for public office;
- or employees of state-owned or state controlled commercial enterprises.



## 5.4 Facilitation Payments

A small bribe, also called a ‘facilitating’, ‘speed’ or ‘grease’ payment; made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement. It is normally a relatively minor payment made to a public official or person with a certifying function in order to secure or expedite the performance of a routine or necessary action, such as the issuing of a visa, work permit, customs clearance or installation of a telephone.

**REX prohibits all forms of facilitating payments including those cases where an imminent threat to personal health, safety or liberty exists. This is called an extortion payment.**

## 6. Charitable & Political Contributions

REX directors, employees and agents must strictly follow all financial, ethical, and other laws and regulations covering political activities, including lobbying. Without exception, any involvement in politically related activities by any officer or employee requires explicit prior disclosure and when deemed appropriate, written approval by means of a formal resolution of the Anticorruption Compliance Committee or the Board of Directors. Charity and philanthropic participation and/or contributions are exempt of this requirement provided such are not sponsored, promoted or related directly to political parties and or religious organizations. As private citizens, all employees and officials may participate in political activities and make contributions as long as they do not use REX’s name, image and/or resources. When in doubt regarding this or any other provision of this policy, the employee/officer is encouraged to contact any member of the Anticorruption Compliance Committee by e-mail or telephone.

## **7. GIFTS & ENTERTAINMENT**

The exchange of business courtesies, such as gifts, meals, and entertainment, is a well-established practice which, when used appropriately, can help strengthen existing relationships, foster new opportunities, and convey respect and appreciation for business

partners. **Gifts, meals or entertainment to government officials are absolutely prohibited.**

**As a general rule, employees of REX may not solicit gifts from Third Parties.**

Companies run the risk of triggering anti-corruption laws if their marketing and entertainment expenditures cross a line into conduct that could be characterized as bribery.

For purposes of this 912 Policy, the term “Third Parties” means customers, prospective customers, suppliers, prospective suppliers and any person with whom REX does or may do business.



### **7.1. Accepting Gifts from Third Parties:**

Gifts include (but are not limited to):

- Tickets to sports, music or cultural events where REX employees and representatives of the Third Party providing the tickets do not attend the event together.
- Merchandise (for example, gift baskets, wine, clothing, mugs, pens, collectibles and hospitality bags)
- Travel or lodging not associated with a business conference, meeting or event
- Favorable terms or discounts on a product or service for the employee's benefit that are not otherwise available to all REX employees

Subject to any local law restrictions, employees may accept nominal gifts with a combined market value of US\$75 or less from the same Third Party per year. Acceptance of individual gifts greater than US\$75, or multiple gifts in one year from the same Third Party totaling greater than US\$75, must be approved by the REX ACC accompanied by a written resolution.

**Gifts of cash or cash equivalents (such as gift cards, gift certificates or “red packets” commonly offered in Asia) must never be accepted**

### **7.2. Accepting Meals & Entertainment from Third Parties**

Meals and entertainment include (but are not limited to):

- Meals
- Tickets to sports, music, or cultural events where REX employees and representatives of the Third Party providing the tickets attend the event together
- Travel or lodging associated with attendance at a business conference, meeting or event

Employees may accept meals or entertainment provided by Third Parties only if offered for legitimate business purposes and that complies with the following guidelines:

- Is infrequent
- Is not solicited
- Is not given as a bribe, payoff or kickback
- Does not create the appearance (or an implied obligation) that the provider is entitled to preferential treatment
- Is in good taste and occurs at a business-appropriate venue
- Is reasonable and appropriate in the context of the business occasion and your position at REX

It is important to note that the purpose of this Policy is to prevent conflicts of interest with REX and to avoid situations that may be perceived by others as a potential conflict. Not only does this protect REX and our reputation for conducting business with integrity, but it also protects you and your personal integrity.

### **7.3 Offering Gifts, Meals & Entertainment to Third Parties**



REX employees may offer or provide gifts, meals or entertainment to Third Parties only for legitimate business purposes, provided that it complies with the following guidelines:

- Is not given as a bribe, payoff or kickback
- Does not create the appearance of impropriety
- Is in good taste and occurs at a business-appropriate venue
- Is reasonable and appropriate to the circumstances and your position in REX
- Is properly documented in the company's books and records

**Gifts of cash or cash equivalents (gift cards or gift certificates) are never appropriate and may not be offered**

At REX, we compete for and award business transparently and solely based on merit and in REX's best interest – not improper personal benefits given by or to us.

**Remember: Gifts, meals or entertainment to government officials are absolutely prohibited.**

## **8.0 INVESTIGATIONS IN RESPONSE TO CORRUPTION**

Any person who identifies corruption, bribery or other related suspicious activity or risk, involving REX shall immediately contact the ACC by means of a written or verbal report to at least one (1) of its members. If in doubt, the person(s) willing to file a report shall consult [www.rexcargo.com/912](http://www.rexcargo.com/912) for the contact details of all ACC members. ACC members are aware of their responsibility and therefore have accepted to be permanently available and in disposition to receive reports any day at any time.

Ideally, the following information should be conveyed with every report:

- Contact details of the person who makes the report unless this person wishes to remain anonymous.
- Address or exact place where the situation was detected.
- Detailed description of what happened and when it happened.
- People involved.
- Any other relevant information.

### **8.1 Follow up**

Any member of the ACC that receives a report of a suspicious activity or incident shall immediately redact a formal report and convene an emergency meeting of all members to discuss the proper course of action in accordance with the principles of this policy and the faculties herein bestowed to the ACC. Failure to document and act diligently on any report will be considered in violation of company policy and may result in legal repercussions to the party failing to perform its duties in accordance with this policy. All reports and active cases shall be presented to the Board of Directors and therefore, every ordinary meeting of the Board of Directors shall allow time for the discussion and deliberation of all ongoing ACC cases. The ACC may request at any time an extraordinary meeting of the Board of



Directors. All written complaints through the on-line form are electronically logged and cannot be erased. This ensures all reports will be known and addressed by the ACC and the Board of Directors.

## **9. ACCOUNTING REQUIREMENTS**

All books, records and accounts of REX must be maintained in reasonable detail and accurately reflect all transactions and dispositions of assets. REX prohibits any mischaracterization or omission of any transaction which may be construed as an intentional attempt to mislead or "mask" facilitation payments and the spirit of this 912 Policy.

REX further prohibits any false or misleading entries in REX's books or records which may be interpreted as actions that are in conflict with this 912 Policy. We prohibit Company employees and representatives to engage in any arrangements that would result in misleading entries.

No undisclosed or unrecorded funds or assets may be established.

**No executive is above compliance, no employee below compliance, and no person within the organization is deemed too valuable to be disciplined, if warranted.**

For detailed anti-corruption guidelines for auditing, violations detection and mis-reporting of books and/or financial records, refer to FI-P-13-CAM.

## **10 THIRD PARTY RELATIONSHIPS**

In many instances, the use of third parties (agents, consultants or joint venture partners - collectively "representatives") is an essential element of doing business. Representatives are generally retained by REX for the expertise and services they are able to provide. The prohibitions of anticorruption laws include illegal conduct by representatives acting on REX's behalf.

**All third parties (agents, consultants or joint venture partners - collectively "representatives"), before engaging in any operation with REX, must present written evidence of their internal anticorruption program and/or sign and file with REX's legal department form LE-F-18.**

**No invoice or payment requirement will be executed by REX if this condition cannot be verified.**

Risk-based due diligence is particularly important with third parties and the ACC is responsible for assessing the effectiveness of REX's third-party due diligence program in accordance with the following guidelines:

1. Document and understand the qualifications and associations of third-party partners, including its business reputation and relationship, if any, with foreign officials. The degree of scrutiny should increase as red flags surface.
2. Document and understand the business rationale for including the third party in the transaction. Among other things, the role of and need for the third party and ensure that the contract terms specifically describe the services to be performed. Additional considerations include payment terms and how those payment terms compare to typical terms in that industry and country, as well as the timing of the third party's introduction to the business.





3. Confirm and document that the third party is actually performing the work for which it is being paid and that its compensation is commensurate with the work being provided.
4. Establish a regular monitoring of third-party relationship where appropriate, this may include updating due diligence periodically, exercising audit rights, providing periodic training, and requesting annual compliance certifications by the third party.

## **11. What are the consequences of not compliance ?**

Failure to comply with Anticorruption laws is expensive, time-consuming, and distracting us from our business objectives.

They could cause REX as a company and its employees individually to pay heavy fines sometimes applied by concurrent Anticorruption regulatory agencies in different countries. In addition to these and to other financial burdens that REX may suffer in connection with misconduct, individuals may need to bear imprisonment and other restrictions as a result of legal actions by those countries.

At REX, subject to and to the fullest extent allowed by applicable law, violation of REX's Anticorruption Policy as well as violation to the REX's [Code of Business Ethics](#) or other policies and procedures may result in disciplinary action, including employment termination.

## **13. DOCUMENT CONTROL**

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Author and Title: Victoria Burgues, Business Development

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Reviewer Name and Title: Mario Alpízar A., Quality Manager

Approved by: Name and Title: Álvaro Alpízar A., General Manager



## **14. REFERENCES**

FI-P-13–CAM Procedimiento Presupuesto Ordinario y Extraordinario Regional

LE-F-18 Declaración de Prácticas no Corruptas

SACS-SE-P-12 Procedimiento Amenazas, Actividades Sospechosas y Riesgos

SACS-SE-F-05 Reporte de Amenaza, Actividad Sospechosa o Riesgo

United Nations Convention against Corruption (UNCAC) In a “Nutshell” -  
<https://www.cmi.no/publications/file/3769-uncac-in-a-nutshell.pdf>

United States Foreign Corrupt Practices Act (“FCPA”) Resource Guide -  
<https://www.sec.gov/spotlight/fcpa/fcpa-resource-guide.pdf>

United Kingdom Bribery Act Quick Start Guide -  
<http://www.justice.gov.uk/downloads/legislation/bribery-act-2010-quick-start-guide.pdf>

Organization for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions ( OECD Anti-Bribery Convention ) Good Practices - <http://www.oecd.org/daf/anti-bribery/44884389.pdf>

California Transparency in Supply Chains Act Resource Guide -  
<https://oag.ca.gov/sites/all/files/agweb/pdfs/sb657/resource-guide.pdf>

United Kingdom Modern Slavery Act – Transparency in Supply Chains, A Practical Guide :  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/649906/Transparency\\_in\\_Supply\\_Chains\\_A\\_Practical\\_Guide\\_2017.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/649906/Transparency_in_Supply_Chains_A_Practical_Guide_2017.pdf)

Transparency International Anti-Corruption  
Glossary - <https://www.transparency.org/glossary/term/extortion>



## ACKNOWLEDGEMENT OF UNDERSTANDING

Subject to and to the fullest extent allowed by applicable law, I hereby:

- Acknowledge that I have received, reviewed, understand, and will comply with REX Anticorruption Policy;
- understand that violation of the Anticorruption Policy or REX's other policies may result in disciplinary action, including possible termination; and
- agree that I will promptly report any known or suspected violations of the Anticorruption Policy, other REX policies, applicable laws or regulations, and any actual (or apparent) conflicts of interest.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

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

REX Location: \_\_\_\_\_

### IMPORTANT FINAL REQUIREMENT

1. If you are an employee of REX AMERICA or any of its subsidiaries and you signing this acknowledgment manually, please provide this page to your local Human Resources representative to be placed within your personnel file.
2. If you are an agent, supplier, business partner or subcontractor of REX AMERICA or any of its subsidiaries, and you are signing this acknowledgment manually, please provide this page to your local REX AMERICA contact or representative to be placed in your trusted trader file.