



TITLE: Anti-Corruption Policy			
TYPE: Corporate Policy			
APPROVER: Policy Committee			
SPONSOR: Chief Legal Officer			
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## 1. Purpose

LyondellBasell Industries N.V. and its subsidiaries or affiliates over which it has operational control (“LyondellBasell” or the “Company”) and its officers, directors and employees (collectively “Employees”) place the highest value on integrity and ethical conduct. LyondellBasell views compliance with all applicable laws as the responsibility of all Employees and business partners. This policy outlines the obligations of Employees with respect to detecting and preventing corruption and money laundering.

## 2. Scope and Applicability

- 2.1. This Policy applies to all persons and entities acting for or on behalf of LyondellBasell, including but not limited to its Employees.
- 2.2. This Policy does not and cannot address every conceivable circumstance that may result in a violation of applicable laws and regulations. LyondellBasell depends on its Employees to use their common sense and good judgment in applying the principles laid out in this policy. If you are uncertain or have questions or concerns, contact the Compliance Department.

## 3. Anti-Corruption Laws

- 3.1. LyondellBasell is a global company with operations throughout the world. Consequently it is subject to a variety of anti-corruption laws and regulations. Perhaps the best known anti-corruption law is the United States Foreign Corrupt Practices Act (“FCPA”). The FCPA has two key provisions. The first prohibits the payment of bribes to non-US Government Officials, and the second imposes certain requirements for keeping books and records. The FCPA was enacted in 1977 as an outgrowth of the Watergate scandal. While the US was the first country to implement laws and actively enforce measures to prevent bribery many other countries have since joined these efforts. Over the past fifteen years a series of international initiatives modeled on the FCPA have been adopted, most notably the Organization for Economic Cooperation and Development Convention on Combating Bribery of Foreign Officials in International Business Transactions (“OECD Convention”) and the United Nations Convention Against Corruption (“UN Convention”). As of December 2010 over 100 countries were signatories to the OECD Convention and the UN Convention.

- 3.2. In addition to, and/or as a part of, these significant international conventions many countries have enacted their own anti-corruption laws. For example, several jurisdictions – including many in which the LyondellBasell group of companies operate (e.g., Netherlands, Germany, China, Israel, Spain, Turkey, and the United Kingdom) – have adopted laws against the bribery of domestic and/or foreign government officials commercial third parties and others as prescribed.
- 3.3. As a result of the passage of these laws and considerable national and international efforts to enforce them our Company must be careful to ensure it is, and those acting on its behalf, such as our international sales and logistics representatives are, conducting business consistent with such laws.
- 3.4 If you become aware of any warning signs that raise concerns about a transaction or the parties involved (“Red Flags”) you should consult with the Compliance Department. A list of examples of [Red Flags](#) can be found on the Compliance Department website.

#### **4. Company Requirements for Compliance with Anti-Corruption Laws Relating to Government Officials**

##### 4.1. Anti-Bribery Requirements:

- 4.1.1. A “Government Official” means an officer or employee of a government or public international organization, including their departments, agencies or instrumentalities, or any person acting in an official capacity for or on their behalf. Such persons may include customs, immigration, and tax officials, police, and judges. A Government Official includes not only a person who performs traditional governmental or administrative functions, but also an employee of a company or other business entity in which a governmental body has an ownership or controlling interest (e.g., an employee of Sinopec or Petróleos de Venezuela S.A.). Such employee can qualify as a Government Official even if he or she is engaged in commercial rather than governmental activities. A Government Official can also be a political party or a candidate for political office. The definition of Government Official also includes his or her immediate family members, spouse, children, mothers, fathers, sisters, and brothers.
- 4.1.2. No one acting for or on behalf of LyondellBasell shall, directly or indirectly, pay, offer, promise, give, or authorize the payment or giving of money or anything of value to a Government Official:

Knowing or having reason to know that all or a portion of the money or thing of value will be paid, offered, promised, or authorized to be paid or given in order to improperly influence any decision in connection with the Company obtaining or retaining business or to gain an improper advantage or benefit;

To facilitate or expedite any action on his or her part or by another Government Official; or

For the purpose of securing routine government services, such as permission to unload cargoes, obtain work or building permits, register patents and trademarks, secure electricity or telephone service, or obtain police protection. This paragraph does not preclude payments of routine government fees as required by local laws or regulations made payable directly to a government office for the receipt of government services.

#### 4.2. Political and Charitable Contributions

- 4.2.1. Contributions, whether cash or in kind, to political parties, party officials or candidates are prohibited by the FCPA. Please refer to the Company policy on political contributions for guidance.
- 4.2.2. Charitable contributions have the risk of creating the appearance of corruption, for example, funding charitable organizations that would benefit a third party (such as a Government Official) in some way. All charitable contributions should be made in accordance with applicable Company policies.

#### 4.3. Books and Record Keeping Requirements

- 4.3.1. Books, records, and accounts shall, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company. LyondellBasell's books, records and accounts include such things as expense reports, time records, procurement and purchase orders, contracts and agreements, and shipping documentation.
- 4.3.2. A system of internal accounting controls shall be devised and maintained so that it is sufficient to provide reasonable assurances that transactions are executed in accordance with management's general or specific authorization, are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets.
- 4.3.3. All transactions shall be recorded contemporaneously in the accounting period in which they are executed.
- 4.3.4. All expenses shall include documentation of all relevant details including the date, the names and business association of all those in attendance and the reason for the expenditure. Expenses shall be supported by actual and detailed third-party invoices or receipts in accordance with Company policy.

4.3.5. Financial controls and systems, including the training of relevant personnel, shall be implemented and be sufficient to provide reasonable assurances that:

Transactions are executed in accordance with LyondellBasell management's general or specific authorization;

Access to assets is permitted only in accordance with LyondellBasell management's general or specific authorization; and

Recorded assets are compared with the existing assets at reasonable intervals, and appropriate action is taken with respect to any differences.

4.3.6. The financial internal controls shall be reviewed periodically to ensure compliance, and modifications shall be made, as necessary.

4.3.7. LyondellBasell shall periodically conduct internal and external audits of the books and records of every subsidiary, joint venture and affiliate to ensure compliance with the anti-corruption, anti-bribery and commercial bribery laws and this Policy.

## **5. Exceptions for Permissible Gifts, Entertainment, and Travel for Government Officials**

5.1. Gifts, entertainment, or travel may not be promised, offered or provided for the purpose of improperly influencing any decision in connection with LyondellBasell obtaining or retaining business or to gain an improper advantage. Gifts, entertainment and travel that are promised, offered or made for an improper purpose are illegal and are strictly prohibited. Providing gifts, entertainment, and travel must be lawful under the written laws of the jurisdictions in which such gifting, entertainment or travel is provided, must not be a violation of the policy of the recipient's organization or company and must follow the standards below.

### 5.2. US Federal, State, and Local Government Officials

#### 5.2.1. Gifts, Entertainment, and Travel:

The strictest rules apply to offers of gifts, entertainment, and travel to employees of US federal, state, and local government, executive branch agencies or departments, such as the Commerce Department, Customs and Border Protection Service, or Internal Revenue Service, as well as elected officials such as congressmen, representatives and, in some places, judges. Laws and regulations concerning the offer of gifts, entertainment, or travel to US federal, state or local government employees, or elected or appointed officials are complex and vary considerably. Any gifts, entertainment, or travel offered to US federal, state and local government officials must be preapproved by the Director of Government Affairs.

### 5.3. Non-US Government Officials

5.3.1. Gifts, entertainment and travel for non-US Government Officials are governed by the laws of various countries. Notwithstanding the general prohibition against providing anything of value to a non-US Government Official for an improper purpose, there is an exception that allows you to provide non-US Government Officials with gifts, entertainment, and travel which are limited to reasonable, bona fide promotional or marketing expenses directly related to:

- The promotion, demonstration, or explanation of our products or services; or
- The execution or performance of a particular Company contract

5.3.2. More specific rules apply as follows:

#### 5.3.2.1. Gifts:

All gifts > US \$25 (per person) must be preapproved by the Compliance Department. A preapproval [form](#) is available on the Compliance Department website.

Cash gifts or per diems are strictly prohibited.

#### 5.3.2.2. Entertainment:

Prior *notification* to the Compliance Department is required for any entertainment offered to a non-US Government Official > US \$25 in value (per person). A [form](#) to notify the Compliance Department is available on the Compliance Department website.

>US \$100 (per person) or US \$1000 (total) in value must be preapproved in writing by your supervisor and the Compliance Department.

#### 5.3.2.3. Travel:

The prior approval of the Compliance Department is required for any travel expenses such as transportation or lodging offered to a non-US Government Official. A preapproval [form](#) is available on the Compliance Department website.

## 6. Exception for Extortion

6.1. In extremely rare circumstances, where an Employee, other person acting on behalf of the Company, or members of his or her family face an imminent threat to health, safety or welfare, bodily harm, or unjustified immediate arrest, such person may make a payment demanded by a Government Official. However, such payment must be

reported immediately, orally and thereafter in writing, to the Compliance Department. The Chief Legal Officer shall determine, without delay, whether to report the demand and payment to law enforcement authorities. Such payment, its recipient and purpose shall be reflected accurately in the books and records of the Company.

## 7. Risk Based Due Diligence Procedures for Third Parties that May be Engaged to Act on behalf of the Company or with whom we Joint Venture

- 7.1. Certain of our undertakings may be higher risk than others given the nature of our business and applicable laws. Just as the sophistication of our business and associated laws require heightened attention to health, safety, and environmental concerns we must also be diligent when engaging third parties to act on our behalf or with whom we joint venture. These relationships are also colored by the customers and others with whom these third parties and joint venturers interact, particularly when they are Government Officials. Such relationships shall be initiated and conducted consistent with applicable laws, Company policies, and our due diligence procedures and standards.
- 7.2. The Company may not use a conduit to make improper payments to Government Officials or third parties anymore than it may make improper payments to Government Officials or third parties directly. The Company can be liable for the improper payments made by an agent, consultant, joint venture partner or contractor if the Company knew or had reason to know that the agent, consultant, partner or joint venture partner was making an improper payment, failed to take appropriate steps to prevent such payment, and thus implicitly authorized the improper payment. Knowledge sufficient to make the Company liable is defined as including the belief that an improper payment is “substantially certain” to occur or that there is “high probability” it will occur. **Liability cannot be avoided by willfully ignoring a situation or looking the other way.**
- 7.3. Agreements entered into with third parties must include compliance representations and warranties that include, at a minimum:
- 7.3.1. that the third party will abide by our applicable policies and procedures;
- 7.3.2. LyondellBasell shall be entitled to have full and unrestricted access to, and to conduct reviews of all records related to the work performed for, or services or equipment provided to LyondellBasell including but not limited to:
- 7.3.2.1. the effectiveness of applicable policies and procedures;
- 7.3.2.2. the origin and legitimacy of any funds paid to LyondellBasell; and
- 7.3.2.3. all funds received from LyondellBasell in connection with work performed for, or services or equipment provided to, LyondellBasell.
- 7.3.3. a provision that the agreement is subject to immediate termination in the event that such party is in violation of applicable policies and procedures.

## 8. Compliance with Commercial Bribery Laws

- 8.1. Employees shall not, directly or indirectly, pay, promise, give, or authorize the payment or giving of money or anything of value to an agent, representative, intermediary or employee of another company with the intent to improperly influence the recipient's action with respect to his or her company's affairs or business or to gain an advantage or benefit to the detriment of his or her company without the consent of both LyondellBasell and the intended recipient's company.
- 8.2. Employees shall not, directly or indirectly, pay, offer, promise, give, or authorize the giving of any improper commissions, brokerages, kickbacks, rebates or other compensation to an agent, representative, intermediary or employee of another company.

## 9. Compliance with Anti-Money Laundering and Anti-Terrorism Laws and Regulations

### 9.1. What is money laundering and terrorist financing?

- 9.1.1. In essence, money laundering is disguising the illegal origin of criminal proceeds, such as terrorist financing. Anti-money laundering and anti-terrorism laws and systems are aimed at preventing criminals and terrorists from benefiting from their actions, taking the profit out of crime and terrorism, and thereby reducing their occurrence.

### 9.2. Money launderers use a wide variety of legitimate financial and other tools and devices to launder their illegitimate proceeds. Money laundering is often a highly innovative process and does not occur in set patterns. The only real limitations on laundering schemes is the imagination of the launderer and the risks of being caught. In general terms the goal of money laundering is to break the audit trail between the proceeds of crime and the underlying criminal activity; or, if the audit trail cannot be broken; to obfuscate it by concealment, change of asset form, or making the trail difficult to follow.

### 9.3. In order to prevent money laundering or terrorist financing no one acting for or on behalf of LyondellBasell shall, directly or indirectly:

- 9.3.1. engage in any financial transaction that involves property, funds or monetary instruments which, directly or indirectly, promotes or results from any criminal activity;
- 9.3.2. engage, participate, authorize, or assist anyone in conducting a transaction that involves the receipt, transfer, transportation, retention, use, structuring, diverting, or hiding the proceeds of any criminal activity whatsoever, including fraud or bribery of Government Official; or
- 9.3.3. engage or become involved in, finance or support financially, or otherwise sponsor, facilitate, or assist any terrorist person, activity or organization.

## 10. Disciplinary Action

10.1. Violations of this Policy may result in disciplinary action up to and including termination from employment.