



 **TRICON**

COMPLIANCE
POLICY AND
CONTROLS

2020

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TRICON'S COMMITMENT TO COMPLIANCE



As a US company operating globally, Tricon, and of all its affiliates, are governed by U.S. laws. Tricon is also subject to the laws of the countries it trades in. It is Tricon's policy, therefore, *that under no circumstances will a transaction be carried out in violation of U.S. or any other applicable law.* Our ability to export is a privilege, not a right, granted in each case by the government of the countries we trade in. It's a privilege we could lose by failing to abide by regulations. Moreover, petrochemicals are more tightly controlled than other commodities, and therefore extra care must be taken to screen our products (its end-use and their end-users) customers and transactions. Fortunately, to do this we have various resources. This Compliance Guide is designed to help and instruct as to the right actions to take and the right people to call for any questions.

COMPLIANCE GUIDE

This guide has been prepared to assist employees and agents increase their awareness and serve as reference to meet our compliance policy. It provides guidance of the following areas:

- ✓ Export Controls and Sanctions
- ✓ Anti-Boycott Restrictions
- ✓ Anti-Corruption
- ✓ Anti-Trust
- ✓ Anti-Money Laundering
- ✓ Anti-Fraud
- ✓ Record Retention



1. EXPORT CONTROLS AND SANCTIONS

The law requires Tricon to apply control exports based on: **a)** what the product is, **b)** where and who it goes to, and **c)** how it's used. We must know and assess these factors and apply Export Controls to every transaction (not just U.S. sales) of any product (not just those with US content) anywhere in the world. Transactions include exports, re-exports, and/or "transit through" transactions. As employees and agents of Tricon we are all involved in some way with export activity. We are all important and we all play a part in making sure Tricon's Export Controls are properly applied.

WE APPLY THE FOLLOWING EXPORT CONTROLS:

- **Controlled Products.** We control the products we deal in. The US and many other countries have created a long list of controlled products. The reasons for the controls vary: national security, anti-terrorism, chemical weapons, crime control, munitions trade, regional stability, short supply, or UN Sanctions. Some controlled products may require an export license, others may have to be reported or be specially coded in export documents, and others may simply be prohibited for export.

Our TRICON CONTROL and POLICY is that all Products *must* be approved by the Operations and Legal Departments prior to their purchase or sale. For obvious reasons it is strongly recommended that approval be requested prior to engaging in serious commercial negotiations.

- **Sanctioned Countries.** We control where the products we sell can go to. If we learn that our product will go to a sanctioned country, *directly or indirectly* (i.e., through our buyer's buyer or receiver), we need to assess. The Sanctioned countries are:

Balkans, Belarus, Burma, Cote d'Ivoire (Ivory Coast), Cuba, Democratic Republic of Congo, Iran, Lebanon, Former Liberian Regime of Charles Taylor, Libya, North Korea, Russia, Somalia, Sudan, South Sudan, Syria, Venezuela, Yemen and Zimbabwe.

Our TRICON CONTROL and POLICY is that any transaction with any of these countries must be run through JDE and Amber Road (our specialized software) and must be brought to the attention of the Legal Department to ensure that the transaction is not prohibited or that no special export license is required. Countries in Red are *completely* prohibited. No transactions of any kind may be done with these countries.

- **Prohibited Individuals/Entities.** We control who we can sell and buy from. The US and other countries keep various lists with the names (aliases, numbers or codes) of "prohibited" individuals, entities, vessels and containers. We can't engage or do any business directly or indirectly with anyone or anything listed.

Our TRICON CONTROL and POLICY is to obtain, for every transaction, reasonably detailed information about every party, entity, vessel and or container engaged in the transaction. This information *must* then be captured in JDE and Amber Road.

The software matches the updated lists with the information provided. Include full names, addresses and other contact information. Keep in mind that companies controlled by prohibited persons are also prohibited. If there is reason to believe that non-prohibited entities are controlled by prohibited persons this situation must be communicated to the Legal Department.

• **Prohibited End-Uses.** We control that the products we transact in will not be used for illegal purposes. U.S. export regulations prohibit the export of certain product if these will be directly or indirectly used in controlled chemical or biological applications.

Our TRICON CONTROL and POLICY is to verify that no product we deal in will be used, directly or indirectly, in prohibited end uses. If we find that a product we are transacting in may be used in dangerous chemical or biological applications the transaction must be reported to the Legal Department prior to moving ahead with the transaction.

IDENTIFYING POTENTIAL VIOLATIONS (“RED FLAGS”)

Persons engaged in formalizing an export transaction with our clients and suppliers must be vigilant for suspicious circumstances or “Red Flags”.

Our TRICON CONTROL and POLICY is to routinely communicate with the client, and politely ask the right questions, to ensure we are in compliance with our policies. We should always be certain that we are not selling to people who we are prohibited to do business with, and that the product will not be used for illegal purposes.

The following are “Red Flags”:

- The customer is reluctant to offer information about the end-use of the item (is he/she a front to someone else?)
- The product's capabilities do not fit the buyer's line of business, such as a large order of chemicals for a small bakery. Look for names, relationship or other factors that are not normal in the industry.
- The item ordered is incompatible with the industry found in the destination country. (Is the Product going to a prohibited third country?)
- The customer is willing to pay cash when the terms of sale normally call for L/C or other financing.
- The customer has little or no business background.
- The customer is unfamiliar with the product's specs but still wants the product.
- Delivery dates are vague, or deliveries are planned for out of the way destinations.
- A freight forwarding firm is listed as the product's final destination.
- The shipping route is not normal for the product and destination.
- Packaging is inconsistent with the stated method of shipment or destination.
- When questioned, the buyer is evasive and especially unclear about whether the purchased products are for domestic use, for export or re-export.

IF THERE ARE “RED FLAGS”

When a Red Flag is raised in the transaction you need to review the information carefully:

Our TRICON CONTROL and POLICY is to check out the suspicious circumstances and inquire about the end- use, end-user, or ultimate country of destination. Reevaluate the information you have and determine whether the Red Flag can be explained or justified.

If the transaction cannot be explained or justified and you proceed with the transaction, you run the risk of having had "knowledge" that you were doing something illegal. *Not knowing something you should have known will not excuse you or Tricon of having committed a violation.* Never ignore or avoid finding a Red Flag. To the contrary, be actively on the look-out for them. If you are unsure, suspicious or have reason for concern after your inquiry refrain from the transaction, submit all the relevant information to the Compliance Manager and wait for instructions.

2. ANTI-BOYCOTT REQUESTS

The U.S. has laws that prohibit or penalize conduct considered to support certain international economic boycotts. These laws also require reporting of requests to take actions supporting unsanctioned boycotts. However, the principal target of these laws is the boycott of Israel by certain Arab countries. Severe penalties may be imposed for violations of these anti-boycott laws, even if persons involved are not aware that their conduct constitutes a violation.

IDENTIFYING ANTI-BOYCOTT REQUESTS TO BE REPORTED

Our *TRICON CONTROL and POLICY* is that we may not comply with any boycott request which it receives and must formally report such requests to the Department of Commerce and Treasury.

Boycott-related requests can come in different forms and Tricon employees and agents must know how to identify them because these have to be reported immediately to the Trade Compliance Manager so that proper determination is made and appropriate action taken. Depending on the boycott language received, the transaction will be placed “on hold” until Tricon can determine whether it is a permissible action or not, and whether it is reportable to authorities or not.

In general terms, *Tricon cannot agree to any of the following:*

- 1. Refuse to do business with, or in, Israel or with blacklisted companies.** This includes the use of blacklists, white lists, boycott-based pre-award services and exclusions of specific suppliers. For example, USA Co. supplies chemicals to various countries including Israel. As a result, USA Co. has been restricted from doing business in Kuwait. Kuwait has blacklisted USA Co. because of their involvement with Israel. In an effort to penetrate the Kuwaiti market, USA Co. refuses to do business in Israel. This activity is prohibited under the “refusal to do business” clause.
- 2. Furnish or agree to furnish information about business relationships with, or in, Israel, or with blacklisted companies.** For example, USA Co. is seeking to sell their products in Kuwait. USA Co. is informed that as a condition of sale, they must certify that they have no sales representatives in Israel. USA Co. has reason to know this request is boycott-based. Furnishing boycott-based information regarding the business activities in another country is prohibited.
- 3. Discriminate against other persons based on race, religion, sex, or national origin.** For example, USA Co.’s British subsidiary is entering into a joint venture with a Saudi firm to sell and distribute chemicals in Pakistan. The Saudis stipulate no Israeli nationals are allowed to assist in the operations. This is prohibited as it discriminates against one’s national origin.
- 4. Furnish information about the race, religion, sex, or national origin of another person.** For example, USA Co. is requested to complete a questionnaire requesting information regarding the religion of the company’s principals. USA Co. has reason to know this request is boycott-based. It is prohibited from furnishing such information.
- 5. Implement a Letter of Credit containing prohibited conditions.** This prohibits banks and beneficiaries (like Tricon) from paying, honoring, issuing, confirming or negotiating letters of credit that contain boycott language. We must be *very careful* to avoid implementing letters of credit containing prohibited boycott terms or conditions.

Boycott violations can come from the shipping agents Tricon works with. *We must verify that the **agent does not approve** any conditions that are in violation with U.S. Anti-boycott regulations.* Tricon personnel should be very careful in reviewing *bills of lading* and *shipping certificates* and must make sure these *do not contain boycott language signed by an agent or an entity on behalf of the carrier.*

The following are countries that have been known to apply boycotts. Transaction with these countries must be carefully verified: *Iraq, Kuwait, Lebanon, Libya, Qatar, Saudi Arabia, Syria, Russia, Congo, United Arab Emirates, and the Republic of Yemen.*

It is important to note that boycott-related requests can arise in transactions involving countries not listed above; therefore, *regardless of the nationality of the other party to the transaction, employees and agents should be alert to the presence of language that may constitute a request to participate or cooperate in a boycott.*

WHAT DO I NEED TO DO TO BE IN COMPLIANCE WITH ANTI-BOYCOTT LAWS?

In order to ensure compliance with the anti-boycott laws and regulations you must do the following:

1. Screen for Boycott-Related Language

A boycott request may be made verbally or in writing (including e-mails) and could be contained in the language of a purchase order, contract, letter of credit, bill of lading, shipping certificate or similar document. You should refer all boycott requests immediately to the Trade Compliance Manager prior to taking any other action such as negotiating, making a counter-proposal, accepting, rejecting, booking, confirming, or agreeing to the order or request. It is very important to refer all boycott requests because the law requires Tricon to report them to authorities.

Language that includes any of the following words and phrases, or variations of any of these, should be considered boycott related and therefore subject to review:

- “blacklist”
- “Israel” or “Israeli” or “Jewish” (except if the customer or supplier is Israeli)
- “Arab league”
- “boycott” or “boycott office” or “boycott laws” or “boycott certificate”
- “comply” with (the laws of boycotting country)
- (a ship being) “eligible to enter a port of [Country Y], or the Arab ports”
- (an insurance company) “having an agent” in [Country Y]
- (shipping certificate) “ship has not to be blacklisted by the Arab port authorities”
- “The goods are not made in [Country X]”

Any other suspicious language should also be referred to the Trade Compliance Manager for review. You should place your transaction “on hold” while it is under review. You *may not* forward any documents containing prohibited boycott requests (under no circumstances) to any parties outside of Tricon. Always consult first with Tricon’s Trade Compliance Manager.

2. If You Identify Boycott Language, Notify the Event

When Anti-boycott language is identified or suspected, you *must* contact the Head Trader for the Office you work for so that *negotiations can be suspended or put on “hold”*. The event *must* also be notified to the Trade Compliance Manager.

A Boycott Disclosure Form is included in this Guide as **Exhibit-A**. Note that even if language is modified to avoid subjecting Tricon to a foreign boycott, the request for this language by a third party may still need to be reported, so it’s best to have any boycott language reviewed with the Trade Compliance Manager. Copies of all pertinent documents (*i.e.*, e-mails, purchase order, proposed contract, letter of credit, proposed invoice, and proposed certification) should be sent to the Trade Compliance Manager who will review and prepare the report to authorities.

3. ANTI-CORRUPTION

TRICON is committed to doing things right. It's part of our DNA. We work and play hard but are always respectful of the law and the communities in which we work. This means many things but one thing for certain: we don't give or accept bribes. Specifically this means we—and this includes TRICON's directors, officers, employees and agents—do NOT:

What Does Bribing Mean?

- ✗ Bribe Government Officials (as defined later on);
- ✗ Bribe non-government customers;
- ✗ Accept bribes;
- ✗ Provide "facilitation" payments (we define this later); and ✗ Engage in conflicts of interest.

It means offering or giving a "Thing of Value" to anyone in order to influence that person to award TRICON an improper business advantage. It also means that no one at TRICON can solicit or accept a Thing of Value from anyone in exchange of giving such person/company any type of business advantage. A business decision must be based on solid commercial advantages for TRICON, and not on gifts we get from or give to third parties to do business with us.

TRICON will treat seriously any violation of the Anti-Corruption Policy and will take appropriate action regarding those who violate it, up to and including termination. Managers also have responsibility for the persons who report to them and must maintain appropriate oversight and promptly report any violations up the chain. Violation of anti-corruption laws could have severe legal consequences, including steep fines and imprisonment.

WHAT WE NEED TO KNOW

So, what do we all need to know to make sure we are following this Policy? These are the terms that need to be clear to everyone:

1. Thing of Value

A *Thing of Value* is anything that would be considered to be valuable by the person to whom it is given. We are talking about things we could give or services we could hire others to provide that are not our business to provide. Tangible items like cash, jewelry and electronics are easily recognizable as Things of Value, but less tangible benefits, such as a job or a promise of future employment, admission to a school, or excessive travel or entertainment expenses are also considered Things of Value. If you have doubts as to what is and what is not a Thing of Value: ask your Manager.

2. Government Official

Government Officials are those persons who work, in any form or capacity, for an entity owned or controlled by a government, at any level. Remember, if our counterparty works for the government or a government company, we will treat him always with enthusiasm and respect, but no special gifts or favors. Of course, there may be situations where providing something of modest value may be harmless, will have no direct effect on our business, and could be completely within industry practice or a traditional business expense.

Donations to government entities may be acceptable, e.g., an annual small donation to the local police, etc. If you would like to make a small donation or gift that you think is acceptable under industry practice you must ask Legal first and get the OK.

3. Commercial Bribery

Commercial Bribery is the giving of a Thing of Value to an employee that is not a Government Official to get their business or an improper business advantage. Commercial Bribery is forbidden by TRICON. We can be accused of bribery when the giving of the Thing of Value can be interpreted as having been given in order to gain a business advantage even if we are confident we would have gotten the business in any event. That said, some business courtesies are allowed and are not bribery. Check out the section below: What We Can Do for further guidance.

4. Facilitation Payments

Facilitation Payments are small payments for non-discretionary, administrative acts performed by a government official. These payments, which are sometimes called “grease payments,” may not influence a decision in your favor or change anyone’s mind, but simply make things run, even if they should be running anyway. For example, a one hundred dollar “handshake” to the customs officer to “help” him/her process your import documents? Not our kind of shake. This is something the officer has to do anyway, regardless of whether you pay anything. TRICON is committed to complying with the laws of all countries where it conducts business and for that reason we prohibit Personnel from making Facilitation Payments.

5. Conflicts of Interest

A Conflict of Interest arises when a TRICON employee’s personal interests interfere, or appear to interfere, with his/her ability to perform his/her job effectively and without bias. Conflicts of interest are a form of commercial Bribery and a type of corruption. TRICON employees, officers, and directors must avoid any action, association, interest, or investment in which a Conflict of Interest might arise. This includes:

- Having an economic interest, directly or indirectly, in a business or organization that deals or competes with TRICON or accepting anything of value from a vendor, contractor, or third party in exchange for granting that party business or a business advantage.
- Participating and influencing any negotiation, bid or contract between TRICON and a personal family member, or any business or organization owned or operated by a family member.
- Taking for yourself, or directing to someone else, an opportunity discovered through TRICON or while using TRICON property or information, without obtaining prior written approval from Management.

Doing business or competing with TRICON will be considered a conflict of interest and grounds for termination. Employees must disclose to their manager all forms of outside employment. Disclosure of Confidential Information is not allowed, is possibly illegal, and is also a formed of Conflict of Interest.

Any present Conflicts of Interest must be disclosed to Legal immediately. In some cases, a waiver may be obtainable.

WHAT WE CAN DO

Providing and receiving Gifts, Meals, Travel, or Entertainment (“Hospitalities”) can be perfectly appropriate and a normal part of a business relationship. But keep in mind, in some cases, overdoing Hospitality can also be corrupt or appear to be corrupt. To be sure that you are not violating the law or Tricon policy when you provide or receive Hospitalities, you must ensure the following:

- The Hospitality must be directly related to promoting, demonstrating, or explaining our products or services, or to executing or performing a contract.
- The Hospitality must not be intended to improperly influence the recipient or be viewed as such.
- The Hospitality must be permitted under local law and consistent with generally accepted business practices and ethical standards.

- The cost of the Hospitality must be commercially reasonable and may not exceed what is customary and acceptable given the expense of the country in which the Hospitality is being provided.
- The Hospitality must not be cash or a cash equivalent (including gift certificates and vouchers).
- The Hospitality must not be given to family members.

If the Hospitality involves Government Officials, any expense over \$100.00 must be approved in advance by Legal. If you are ever unsure of whether a Hospitality expense meets these guidelines, it is always better to ask Legal and get the OK. In all cases, you must follow Tricon's Travel Policy and get prior approval for Hospitality expenses. You will need to fill out a form and provide receipts to the Finance Department which clearly identify the recipient of the Hospitality benefits, the company with which the recipient is affiliated and the reasons for the expense.

Receiving or providing gifts, meals and entertainment	Value	Approval Required
Government Officials	Greater than \$100	Approval from General Counsel
Non-Government Officials	Greater than \$1,000	Approval from Chief Accounting Officer

SAFETY PAYMENTS

Personal safety payments may be permitted in very limited circumstances to avoid physical harm or damage to property. We hope you never encounter this kind of situation, but if you do, be aware that personal safety payments may be allowed if you are:

- Stopped by the police or military personnel who demand payment in exchange for the passage of you or your property
- Threatened with imprisonment for a routine traffic or visa violation unless you make a payment
- Asked to pay for avoid an allegedly required medical treatment or other procedure

Note that economic coercion (e.g., demand of moneys on the part of a government official as a price for gaining entry into a market) would not be permitted. Once the danger has passed, immediately report the payment and documents it completely and accurately.

OTHER GOOD THINGS WE CAN DO

Political Contributions. can make political contributions in their personal capacity only, without the use of TRICON funds or services and not in TRICON's name. Tricon prohibits Tricon Personnel from making political contributions using Tricon funds, facilities, or services. Employees If the contribution can be seen as made to obtain or retain TRICON business or an improper advantage for TRICON, or to direct business to a third party, then, unfortunately, no, you can't give a political contribution.

Charitable Contributions. Tricon Personnel can make or solicit personal charitable contributions, except that the contribution cannot be made to gain a business advantage for TRICON. Charitable means charitable. It's not a payment to get something back, other than the satisfaction of having helped others in need. If you want to make a charitable contributions on behalf of TRICON, it may be possible (TRICON CARES), but talk to your Manager and get the OK first.

4. ANTI-TRUST



The antitrust laws promote competition and protect consumers from anticompetitive practice, in order to ensure that **consumers benefit** from lower prices, higher quality products and services. In the U.S., Section 1 of the Sherman Act declares that every contract in restraint of trade is illegal. But in a sense, every contract restrains trade to some degree. If A agrees to sell a pencil to B, A is implicitly agreeing not to sell that pencil to C. Thus, the agreement between A and B restrains trade with C. To avoid making every contract illegal, Section 1 is understood to mean that every contract which unreasonably restrains trade is illegal. Most other countries have similar provisions in their competition laws.

IT IS TRICON'S POLICY TO COMPLY WITH U.S. ANTITRUST LAW, AND WITH THE COMPETITION LAW OF EVERY OTHER COUNTRY IN WHICH WE DO BUSINESS.

For many agreements, their pro- and anti-competitive effects must be weighed to determine whether they unreasonably restrain trade. The agreement for A to sell a pencil to B would not be deemed to restrain trade unreasonably.

With certain types of agreements, the anticompetitive effects will almost certainly outweigh any conceivable pro-competitive effect. These types of agreements are per se, unlawful. Entering into this type of agreement automatically violates the Sherman Act, and similar non-U.S. competition laws. No justification will be considered.

Per se unlawful agreements are criminal violations of the Sherman Act. Individuals who enter into such agreements are prosecuted by the U.S. Department of Justice. Upon conviction as the result of a guilty plea or a trial, individuals are routinely sentenced to 21/2-3 years in jail. Companies that enter into per se unlawful agreements are subject to multimillion dollar fines. Also, anyone adversely affected by the agreement is entitled to receive three times their damages plus their attorneys' fees. Non-U.S. competition laws also impose heavy penalties on per se unlawful agreements. ***Per se unlawful agreements are extremely costly for the individuals and companies involved.***

Per se unlawful agreements include agreements with competitors:

- concerning the prices they will charge to customers, or pay to suppliers, or other terms or conditions of sale or purchase to or from third parties, including concerning credit terms, discounts, shipping charges, or anything else that affects the price charged or paid;
- to limit output;
- to allocate customers or territories;
- to refrain from supplying a product or service;
- to limit quality competition;
- to exclude competing firms from a market;
- to engage in bid-rigging, by coordinating bids or agreeing to refrain from bidding; and
- to boycott or refuse to deal with certain customers or suppliers.

This is not a complete list. ***Any agreement with a competitor concerning a third party may be per se unlawful.***

Technically, there must be an agreement for there to be a violation. But sometimes an agreement may be inferred. If communications between competitors are followed by identical, similar or parallel behavior toward third parties, an agreement may be inferred.

In addition to these agreements between competitors, some agreements between sellers and buyers that restrict the buyers' rights to use or resell the product may violate U.S. antitrust law or non-U.S. competition law. While no such agreement is per se unlawful in the U.S. some such agreements, particularly those that control or affect the price at which the buyer may resell the product, are per se unlawful in other countries.

IT IS CRITICALLY IMPORTANT TO AVOID EVEN COMING CLOSE TO VIOLATING THE SHERMAN ACT, OR ANY NON-U.S. COMPETITION LAW. THEREFORE, ALL EMPLOYEES OF TRICON SHALL OBSERVE THE FOLLOWING RULES:

- Except as provided below, no one shall enter into an agreement with any competitor without the prior written approval of the General Counsel.
- In conversations or other communications with a competitor, no reference should be made to any third party. Most importantly, there must be no reference to the prices at which we buy from or sell to any third party, or to any terms or conditions ("T&Cs") of such sales. Nor should there be any reference generally to the prices that we are currently charging or paying, or that we expect to charge or pay in the future.
- If any competitor ever proposes an agreement concerning prices, or other T&Cs, to or from any third party, or any other type of per se unlawful agreement, immediately reject the proposal, end the conversation or other communication, and report the proposal to the General Counsel.
- If in a conversation or other communication with a competitor, the competitor refers to their prices or T&Cs to or from any third party, immediately end the conversation or other communication, and report the communication to the Legal Department.
- If you learn of a competitor's prices or other T&Cs from a third party, such as a customer or supplier, you may consider that information in determining our prices or other T&Cs.
- Sometimes, a competitor is our customer or supplier. In those situations, it is permissible to enter into an agreement with the competitor concerning the price, and all the other T&Cs, with respect to transactions between Tricon and the competitor. In negotiating the price and other T&Cs, no reference should be made to the prices or other T&Cs in our transactions with any other party; and the prices and other T&Cs in transactions with competitors must not in any way be linked to our prices and other T&Cs in transactions with other parties.
- Violation of any of these rules by a Tricon employee shall be subject to appropriate sanction, up to and including termination of employment.
- No one shall enter into an agreement with any customer that restricts the customers right to use or resell the product without the prior written approval of the Legal Department.

WHAT DO I NEED TO DO TO BE IN COMPLIANCE WITH ANTI-TRUST LAWS?

If you think you are about to engage in an activity similar to the above mentioned, **review in advance with the Legal Department** to eliminate or reduce antitrust risks. **IF IN DOUBT AS TO WHAT IS PERMITTED, CONSULT WITH THE LEGAL DEPARTMENT BEFORE COMMUNICATING WITH A COMPETITOR, OR ENTERING INTO AN AGREEMENT WITH A CUSTOMER.** Also report to the Legal Department any antitrust activity that you suspect or become aware of other companies/competitors, so it can be reviewed if there are actions that we can enforce as part of the applicable regulations.

6. MONEY LAUNDERING POLICY



Money laundering is the process by which money obtained from illegal activities is used or applied to give the appearance of having originated from a legitimate source.

Our *TRICON POLICY* is not to participate, engage or assist, either directly or indirectly, on any activity that could constitute money laundering as defined in applicable laws and regulations.

It is the duty of each employee of Tricon requesting the process of a payment, to procure the necessary supporting documentation evidencing such payment obligation. Employees requesting that a payment be, shall provide the Finance Department a Tricon's Vendor Form duly executed by the appropriate party as well as the supporting documentation reflecting such changes and follow any procedures provided by the Finance Department.

WHAT DO I NEED TO DO TO BE IN COMPLIANCE WITH MONEY LAUNDERING LAWS?

Know your client. To do so analyze transactions by asking:

- Is the size of the transaction consistent with the normal activities of the customer/supplier or type of customer/supplier?
- Is the transaction rational in the context of the customer/supplier business or personal activities?
- Has the pattern of transactions changed?
- For international transactions, does the customer/supplier have an obvious reason for conducting business with the countries involved?
- Is Tricon conducting a transaction with a customer/supplier that has no physical address or that they suggest to use shell banks (a bank incorporated in a jurisdiction in which it has no physical presence and which is unaffiliated with a regulated financial group)?

TRICON CORPORATE SOCIAL RESPONSIBILITY POLICY



While we run our business with the clear goal of ensuring complete customer and supplier satisfaction by addressing the needs of the physical commodity industry and adding material value to the overall supply chain, we are also keenly aware that corporate responsibility is key to managing risks and maximizing on the opportunities available to all of us in a changing world.

Our strength indeed lies in working effectively with others to deliver products in the most cost-efficient way around the world. When doing so, however, we don't forget and are always committed to understanding, monitoring and managing the social, economic and environmental impact we have on the places we go and communities we touch. *We, at Tricon, endeavor that our growth and the economic benefits we create to all who work with us be always aligned to an increasingly stronger, safer, cleaner and sustainable world.*

This Corporate Social Responsibility Policy forms part of Tricon's governance framework and adherence to it and related operating procedures is the responsibility of every Tricon Manager, Director, Officer and Employee.

AT TRICON, CORPORATE SOCIAL RESPONSIBILITY IS DEFINED AS FOLLOWS:

- ✓ Conducting business in a socially responsible, legal and ethical manner;
- ✓ Protecting the safety of people and the environment;
- ✓ Engaging, learning from, respecting and supporting the communities and cultures within which we work.



TRICON WILL IMPLEMENT THIS CORPORATE SOCIAL RESPONSIBILITY POLICY EVERY DAY AS FOLLOWS:

- We will work so that all matters of Corporate Social Responsibility are considered and supported in our operations and administrative matters.
- This Policy is to apply to activities undertaken by or on behalf of Tricon International Ltd. and all its affiliates.
- All Tricon employees, suppliers and contractors are to adopt the Corporate Social Responsibility considerations described in this policy into their day-to-day work activities.
- Tricon's Leaders are to act as role models by incorporating these considerations into decision-making in all business activities.
- Tricon Management will ensure that appropriate organizational structures are in place to effectively identify, monitor, and manage Corporate Social Responsibility issues and performance relevant to our business.

TRICON WILL FOCUS ITS CORPORATE RESPONSIBILITY IN THE FOLLOWING AREAS:

Business Ethics and Transparency

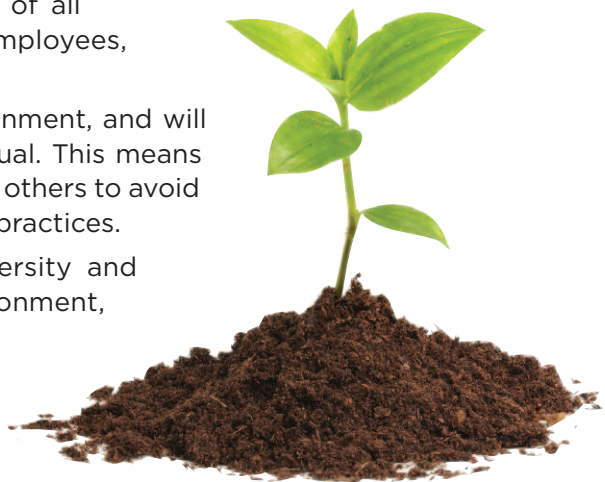
Tricon is committed to maintaining the highest standards of integrity and corporate governance practices in order to maintain excellence in its daily operations, and to promote confidence in its governance systems.

- Tricon will conduct its business in an open, honest, legal and ethical manner.
- Tricon will act to protect its and its partners' human, financial, physical, informational, social, environmental, and reputational assets.
- Tricon will advise its partners, contractors, and suppliers of its Corporate Social Responsibility Policy, and will work with them to achieve consistency with this policy.
- Tricon is committed to measuring, auditing and tracking the performance of its Corporate Social Responsibility programs.

Environment Health & Safety

Tricon is committed to protecting the health and safety of all individuals affected by our activities, including our employees, contractors and the public.

- Tricon will provide a safe and healthy working environment, and will not compromise the health and safety of any individual. This means that we will work our partners, stakeholders, peers and others to avoid all accidents and promote responsible environmental practices.
- Tricon recognizes that pollution prevention, biodiversity and resource conservation are key to a sustainable environment, and will effectively integrate these concepts into its business decision-making.
- Tricon will work with its employees and contractors to encourage, monitor and manage their contribution to a safe working environment, to fostering safe working attitudes, and to operating in an environmentally responsible manner.



Legal Framework

Tricon is committed to following all laws that apply to its businesses around the world.

- Tricon will operate in compliance with local laws and regulations regarding the ethical, corporate governance, labor, health and safety, and environmental compliance of the countries within which it conducts business.

Stakeholder Relations

As a global supplier and purchaser of product worldwide, Tricon operates across a diverse range of cultures and international markets and is committed to working well with all the communities we do business with.

- Tricon will apply fair labor practices and provide equal opportunity in all aspects of employment. We will not engage in or tolerate unlawful workplace conduct, including discrimination, intimidation, or harassment.
- Tricon will work with its suppliers to help them treat their workers and employees fairly and with dignity and respect, maintain safe working conditions, and conduct manufacturing activities in an environmentally safe and responsible manner.
- Tricon will not tolerate human rights abuses, human trafficking and/or slavery, and will not engage or be complicit in any activity that solicits or encourages human rights abuse.
- Tricon will actively manage our supplier base to foster and implement standards in line with this Policy.

Community Involvement

Tricon is committed to understanding and respecting the cultural values of the communities where our employees live and work. Through our organization “Tricon Cares” we have developed a framework through which Tricon and its partners and employees can participate and give back to communities in need.

- Tricon will endeavor to grow Tricon Cares and through it provide contributions of financial, equipment and volunteer support.
- Tricon will encourage its employees to contribute their time and energy in leadership and other roles in community organizations, and will facilitate employees with paid time so that they can participate in projects to develop and assist their communities.



TRICON POLICY ON DOCUMENT FRAUD



Fraud occurs when a false representation has been made knowingly and/or without belief in its truth. Fraud is also any intentional act committed to secure an unfair or unlawful gain. **Our TRICON POLICY ON DOCUMENT FRAUD** is to not commit fraud and report any evidence of fraud to Management.

What you *can* do:

- Add or remove information represented on internal documents as required per our contact agreements with counter parties. Any changes to invoices outside of JDE must be approved by Treasurer or CFO.
- Add or remove information represented on contracts. *Any changes to our GT&Cs must be approved by the Legal Department.*
- Create shipping document as needed, provided there is supporting documentation.

DO NOT COMMIT OR ASSIST OTHERS IN ACTIVITIES THAT ARE OR APPEAR TO BE FRAUDULENT. IF YOU HAVE ANY QUESTIONS AS TO WHAT MAY BE FRAUDULENT ASK THE LEGAL DEPARTMENT. REPORT ANY FRAUDULENT ACTIVITY TO YOUR MANAGER OR THE LEGAL DEPARTMENT.

What you *cannot* do:

- Modify, amend or remove information from *any third-party* document.
- Modify, amend or remove information of any document created by Tricon *that has already been made public* to any third party. For instance, a Tricon invoice that has already been sent out to a buyer, that invoice can no longer be amended even though it is originally a Tricon document.
- Create, add, modify or amend *any document* (Tricon or third-party) with:
 - Incorrect information
 - Incorrect dates
 - Information that cannot be verified or supported with additional documentation
 - Signatures that is not your signature

Examples of documents where fraud can occur:

- Bills of Lading (serves as proof of ownership, or title of goods)
- Certificates of Origin (declares in which country a commodity/good was manufactured)
- Invoices and Contracts
- Supplier or third-party certifications and letters
- Use of third-party letterheads in documents
- Other documents and e-mail
- Third party documents, including surveyor and/or terminal reports

Disciplinary Actions: Exporters misrepresenting goods contained in a shipment could be subject to civil and criminal charges, fines and/or loss of export licenses. TRICON will treat seriously any document fraud and will take appropriate action regarding those who violate it, up to and including termination. Committing documentation fraud could have severe legal consequences, including steep fines and imprisonment.

TRICON COMMODITIES INSIDER TRADING POLICY



1. PERSONAL TRADING POLICY

It is Tricon Energy Ltd.'s (the "**Company**") policy to conduct all business in compliance with applicable laws and regulations and ensure that its employees do so as well. This Commodities Insider Trading Policy (the "**Policy**") sets forth the prohibitions and procedures that all Company employees must observe with respect to trading in commodities based on material nonpublic information.

The term "insider trading" is not defined in the Commodity Exchange Act ("**CEA**") or Commodity Futures Trading Commission ("**CFTC**") regulations, but is generally understood to mean any one or more of the following activities:

- i. Trading by an insider, while in possession of material nonpublic information;
- ii. Trading by a non-insider, while in possession of material nonpublic information that was misappropriated or obtained from an insider in violation of the insider's duty to keep such information confidential;
- iii. Recommending the purchase or sale of commodities while in possession of material nonpublic information; or
- iv. Communicating material nonpublic information to others.

If an employee wishes to trade the same products that they trade for the Company in a personal account, including an account of which it has beneficial ownership, the employee must first seek the approval of Compliance. The Company prohibits any employee from (1) trading, either personally or on behalf of others, based on material nonpublic information in violation of applicable law; (2) communicating material nonpublic information to others in violation of applicable law; or (3) knowingly or recklessly assisting someone engaged in these activities. All information relating to the Company's commodities trading and operations is proprietary and must be kept confidential. Where such information is material, it must be treated as material nonpublic information and employees may not trade on it for their own accounts, and must not disclose it to anyone, inside or outside the Company, who does not need the information in the course of the Company's business without the approval of Compliance.

The elements of insider trading and certain penalties for such unlawful conduct are discussed below. If, after reviewing this Policy, you have any questions, please consult Compliance.

2. INSIDER TRADING DEFINED

Employees may obtain material nonpublic information regarding the Company's or its counterparties' strategies and plans for trading physical and financial commodities. Information is "material" if there is a substantial likelihood that the information would be viewed by the reasonable investor as having the potential to significantly affect the market price of a commodity. Information is "nonpublic" if it has not been widely disseminated to the general public through a report filed with an exchange, by a government agency, or through a news service.

Confidential nonpublic information obtained by employees in the course of working for the Company is the property of the Company. Accordingly, the Company is entitled to the exclusive use of this information. Employees have a relationship of trust and confidence with the Company as employees and adherents to the Company's policies governing employee conduct, and, therefore, owe a duty to the Company to act in its best interests, keep such information confidential, and not misappropriate such information. The U.S. Supreme Court characterizes the undisclosed misappropriation of such information as "fraud akin to embezzlement."

In addition to violating state anti-fraud laws, employees that intentionally or recklessly breach this duty to the Company may be in violation of Section 6(c)(1) of the CEA, CFTC Rule 180.1, and, if applicable, CME/NYMEX Rules 432, 526, 530 and 532, and ICE Rules 4.02, 4.04 and 4.07. Set forth in the table below are the specific prohibitions.

Provision	Prohibition
CEA § 6(c)(1)	It is unlawful for any person, in connection with any contract of sale of any commodity for future delivery, to use or employ any manipulative or deceptive device or contrivance. The CFTC interprets the "in connection with" requirement "broadly, not technically or restrictively," so as to encompass insider trading. ¹
CFTC Rule 180.1	It is unlawful to: (1) use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to defraud; (2) make or attempt to make, any untrue or misleading statement of a material fact or to omit to state a material fact necessary in order to make the statements made not untrue or misleading; or (4) engage, or attempt to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit upon any person.
CME/NYMEX Rule 432	It is prohibited to (1) engage in fraud or bad faith; (2) engage in conduct or proceedings inconsistent with just and equitable principles of trade; or (3) engage in dishonest conduct.
CME/NYMEX Rule 526	In connection with a block trade, it is prohibited to engage in the front running of a block trade when acting on material nonpublic information regarding an impending transaction by another person, acting on non-public information obtained through a confidential employee/employer relationship, broker/customer relationship, or in breach of a fiduciary responsibility. ²
CME/NYMEX Rule 530	It is prohibited to trade for one's own account, an account in which one has a direct or indirect financial interest, or an account over which one has discretionary trading authority if one is in possession of an executable order for another person to trade in the same product, regardless of the venue of execution. All contract months in a given futures product and all options on the futures product, in addition to any corresponding alternative sized futures or options contracts on a given product are considered the same product.

¹ See *In re Arya Motazed*, Comm. Fut. L. Rep. (CCH) ¶ 33,599 (Dec. 2, 2015).

² See Market Regulation Advisory Notice on Rule 526 (Block Trades), CME Group RA1613-5R (Nov. 16, 2016), available at <http://www.cmegroup.com/rulebook/files/cme-group-ra1613-5r.pdf>.

Provision	Prohibition
CME/NYMEX Rule 532	Except pursuant to CME/NYMEX Rules 526 (Block Trades), 538 (Exchange for Related Positions), and 539 (Pre-Execution Communications), it is prohibited to disclose another person's order to buy or sell except to a designated Exchange official or the CFTC and it is prohibited to solicit or induce another person to disclose order information. It is prohibited to take action or direct another to take action based on nonpublic order information. ³
ICE Rule 4.02	It is prohibited, among other things, to (1) manipulate, or attempt to manipulate, the price of any commodity traded on ICE; (2) commit or attempt to commit fraudulent action on ICE or use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to defraud; (3) prearrange the execution of transactions in ICE products for the purpose of passing or transferring equity between accounts; (4) engage in front running; (5) knowingly enter a bid or offer for the purpose of making a market price which does not reflect the true state of the market, or knowingly enter, or cause to be entered, bids or offers other than in good faith for the purpose of executing bona fide transactions.
ICE Rule 4.04	It is prohibited to engage in conduct or practices inconsistent with just and equitable principles of trade or conduct detrimental to the best interests of ICE.
ICE Rule 4.07	In connection with a block trade, it is prohibited to engage in the front running of a block trade when acting on material non-public information regarding an impending transaction by another person, acting on nonpublic information obtained through a confidential employee/employer relationship, broker/customer relationship, or in breach of a fiduciary responsibility.

3. PENALTIES FOR INSIDER TRADING

Certain penalties for trading on or communicating material non-public information are severe, both for individuals involved in such unlawful conduct and their employers. A person can be subject to some or all of the penalties below even if he or she did not personally benefit from the violation. Penalties may include:

- civil injunctions;
- criminal monetary penalties and jail terms;
- disgorgement of profit gained or loss avoided;
- civil monetary penalties for the employee and employer;
- a permanent bar from employment as a trader.

In addition, any violation of this Policy can be expected to result in serious sanctions by the Company, including dismissal for cause, suspension without pay, loss of bonus, loss of severance benefits, demotion or other sanctions. ANY CFTC INVESTIGATION, EVEN ONE THAT DOES NOT RESULT IN CIVIL PROSECUTION, CAN IRREPARABLY DAMAGE THE COMPANY'S REPUTATION AND AN INDIVIDUAL'S CAREER. IT IS ESSENTIAL TO AVOID EVEN THE APPEARANCE OF IMPROPRIETY.

³ See *Zhiyu Wang*, NYMEX 15-0139-BC (July 27, 2016).

The CFTC successfully brought two enforcement actions against company traders who traded for personal benefit on material nonpublic information obtained from their employer. In these two cases, the CFTC fined the traders \$216,955.80 and \$1,750,000, respectively (plus disgorgement of the unlawful gains), and permanently banned the traders from trading.

If you have any questions regarding this Policy, please contact Compliance.



TRICON THIRD PARTY PROCEDURES



WHY WE NEED THIS PROCEDURE

This procedure is required to meet Tricon's Anti-Corruption Policy. Failure to meet the policy can lead to liability for Tricon and affect Tricon's reputation in the market.

DEFINITION OF THIRD PARTY AND BROKER

Any entity or individual who represents or may represent or act for Tricon in the market, is authorized to act directly or indirectly on behalf of Tricon in front of any government official or agency, or which is otherwise a market actor that Tricon is acquiring or merging with. The following are Third Parties: **Agents, Customs Brokers, Freight Forwarders, Joint Venture Partners** and **Acquisition Targets**. **Consultants** are *not* Third Parties *only* if their services are strictly limited to advising Tricon directly and do not otherwise represent Tricon before other persons, entities or authorities. **Brokers** are *not* Third Parties if they represent both parties of the transactions they broker, provide their service on a spot basis, and are paid a commission based on broker recap.

ON-BOARDING PROCEDURE

Any Tricon employee, consultant or agents ("Tricon Personnel") planning to engage a Third Party on behalf of Tricon *must*, prior to making any engagement or commitment:

1. Fill out/submit to the Legal Department the Internal Questionnaire in, as applicable.
2. Ensure Third Party fills out/submits to the Legal Department the Due Diligence Questionnaire.

The compliance forms required on points 1 and 2 above will be provided by Nathalia Mattos mattosn@triconenergy.com.

Based on the information in the questionnaires, Tricon Management will approve or reject the engagement. If the engagement is approved, the Legal Department must approve the corresponding Representation Agreement.

Third Parties may be subject to Background Checks, signature verification and training as a condition of engagement. When engaged, Third Parties will be provided an information/welcome package that includes Tricon's Compliance Guide and Policies and contact information.

PAYMENT PROCEDURE

1. The corresponding trader/ops must confirm in writing for each invoice he/ she files that “the invoice amount is accurate and does not involve payment to any government owned or controlled entity and, to the best of [my][submitter’s] knowledge, the work performed by [add third party] was carried out in full compliance with all applicable laws and company policies.
2. The Accounting team will carry best effort to match the amount on a submitted commission invoice to the saved Representation Agreement that it has on file. If it is not possible to match the information a request will be made to trader/ops to provide justification/explanation for the commission amount on the invoice. The CFO and the General Counsel and in some cases the CEO must be copied on the reply. The invoice will not be vouched until satisfactory information is provided.
3. Broker (as defined above) invoice payment request must also provide a deal recap and indication of whether the counterparty is a government owned or controlled entity.



MONITORING

Tricon Personnel who work with a Third Party must monitor to ensure compliance with Tricon’s Policies. Tricon Personnel must notify the Legal Department if there is reason to believe the Third Party entity has or will engage in behavior that is in violation of Tricon’s compliance policies.

All business records pertaining to Third Parties engaged with Tricon must be accurately recorded, maintained, and reported with sufficient detail to reflect transactions and dispositions of assets, and in accordance with TRICON’s record-keeping and record retention policies. All Tricon transactions must have supporting documentation. Tricon prohibits false, misleading, or incomplete business records, including undisclosed or unrecorded payments, assets, or accounts.

WHAT ARE MY CORE “COMPLIANCE” OBLIGATIONS AS A TRICON EMPLOYEE/AGENT?

1. Screen For Red-Flags Indicators

Tricon employees and agents should be on the lookout for potential red-flags that could affect the legality of their transactions. You should make sure to: screen all the parties to the transaction; screen vessel IMO's and containers; make sure the destination country of your export is not sanctioned and that no export licenses are required to that country; prevent shipments from being diverted (transshipped or re-exported) from its initial destination to a prohibited country; screen the end-user and learn what the end-use of the product will be; and look for any potential anti-boycott requests. If any of these red-flags are present in your transactions, you must report and consult them with the Trade Compliance Manager.

2. Do Not “Self-Blind”

Do not do anything to block the flow of information that comes to Tricon in the normal course of business. For example, do not tell potential customers to refrain from discussing the actual end-use, end-user and ultimate country of destination of product that we sell. Do not put on “blinders” that prevent Tricon from learning relevant information. Avoiding “bad” information will NOT protect Tricon and could make matters much worse.

3. Communicate Any and All Suspicious Activity

Communicate all suspicious activity to the Trade Compliance Manager. What an employee or agent knows about a compliance matter will be considered Tricon knowledge if we are ever investigated. If you detect a potential violation or have a question, you should communicate it. Trade Compliance laws can be complex. It is not your responsibility to know and understand all of them, but it is your responsibility to communicate any suspicious circumstances.

4. Make Sure You Properly File and Keep All Your Records

Tricon's policy is to maintain all export-related records of each purchase/sale transaction it engages in. Unless otherwise provided for, all records shall be maintained consistent with Tricon's record retention policy, and shall be retained no less than 5 years from the latest of the following times:

- a. The date of the export;
- b. Any known re-export, transshipment, or diversion of the product;
- c. Termination of the transaction;
- d. In case of records pertaining to boycott requests, the date the employee or agent received the boycott request.

The records to be maintained in connection with each export or re-export include, but are not limited to the following: Purchase orders, sales orders and contracts, invoices, receipts, letters of credit, letter of instructions, bills of lading, shipping certificates, memos and notes, correspondence, etc. All these documents must be electronically filed in the JDE system (including all versions or amendments of each record). Likewise, all e-mails pertaining to any inquiries and other relevant communications with clients should be stored. Do not delete any records. Emails are not entered into the JDE system but may be relevant in the event of an investigation.

DISCIPLINARY ACTIONS FOR EMPLOYEES AND AGENTS WHO ARE NON-COMPLIANT

Tricon employees or agents that do not follow their obligations in this Guide are subject to possible reduction of salary, bonus or commission, termination of employment/agency contracts, and/or prosecution by authorities. Tricon will not pay fines or penalties assessed against employees or agents that are found to be in violation of any Compliance Laws.

WHY BEING COMPLIANT IS GOOD FOR EMPLOYEES AND AGENTS

By following policies and controls you are helping to keep everyone safe and free from any potential investigations or legal actions. It is a way to protect our reputation as a company as a team in a business where reputation is invaluable. We can all work confident that our company is and will remain strong and playing by the rules. Being compliant does not mean that we allow our competitors to break the rules, but it will mean that we can confidently approach authorities without any worries and demand an even playing field.



WHO CAN ASSIST WITH COMPLIANCE MATTERS?

Tricon's compliance efforts are coordinated by the **Chief Compliance Officer** Bryan A. Elwood. His phone number is **1 (281) 941-2066**; You can also send him an e-mail to: elwoodb@triconenergy.com

You can also call Tricon **Performance Manager**, James Prazak, his phone number **1 (713) 496-3690**, and his Mobile number is **1 (979) 230-6785**. You can also send him an e-mail to: prazakj@triconenergy.com

Tricon has an **Ethics and Compliance Helpline** that could also assist you: **1 (800) 295-3671**, or you can send an e-mail to: ethicsandcompliance@triconenergy.com



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