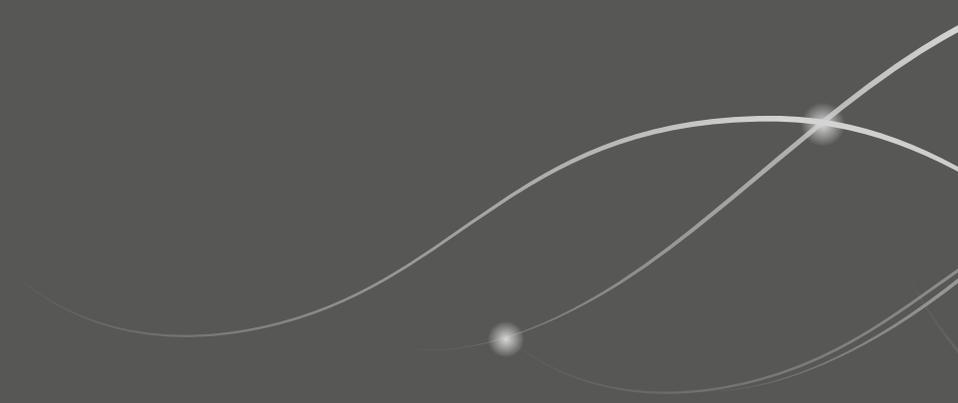
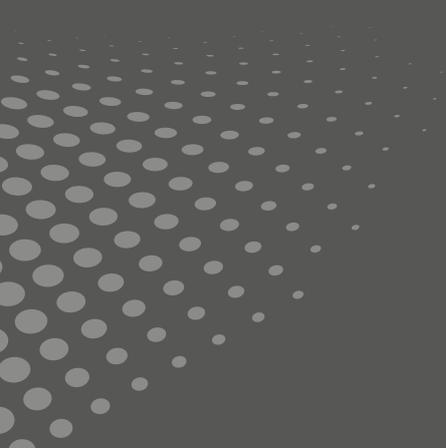




# Risk and Compliance

Meeting our commitments worldwide





The Crown Worldwide Group's success relies on the expertise and the determination of its people, all over the world.

Each of us contributes to making Crown a company known for the excellence of its service and for integrity and honesty in its operations.

As we continue to expand our presence to new places and new countries, we face new challenges daily, many of which test our personal resolve and commitment to ethical business.

As a corporation, we are prepared for most of these challenges with clear policies and guidance described in this document. But policies aside, we recognize that we are reliant on the willing commitment of our employees and partners to respect the sovereign laws of each nation in which we conduct our business.

We also maintain systems and processes for educating staff, for embedding attitudes and behaviors and for tracking and reporting on our compliance.

This report documents the principal policies and approaches and demonstrates the robust measures we have in place to ensure The Crown Worldwide Group remains respected for its responsible attitude towards business throughout the world.

Jim Thompson, Chairman  
The Crown Worldwide Group

**National and international laws and agreements change frequently, prompting the need for new policies or policy amendments. As a global company, The Crown Worldwide Group complies fully with all relevant laws in the territories in which it operates.**

Our risk and compliance report sets out our objectives in those areas of our business that are subject to regulation within and between national boundaries.

Specifically, it details our policies and procedures, goals and progress on bribery and corruption, data security and privacy, supplier management, and health and safety.

As a global business, we have to recognize that attitudes and standards of behavior vary between cultures yet, to ensure the confidence of our customers, it is important to have clear and relevant guidelines as well as unvarying rules. We employ a mix of tools to ensure that our people, as well as our partners, interpret our guidelines appropriately and comply with our rules fully.

We document in this report our approaches to establishing clear standards throughout our operations, how we achieve and maintain them and the safeguards we put in place to identify and swiftly respond to any violations.

If you require further information on any aspect of our compliance program, please contact The Crown Worldwide Group.

### **Contact us**

Gary Maguire – Chief Risk Officer  
Nelson Akinrinade – Group Compliance Officer  
Steve Slade – Group Quality and Risk Systems Manager  
Stuart Lawson – Global Alliance Manager  
Wincey Chek – Group IT Security and Risk Manager

## Worldwide Operations



# Objectives and achievements of our risk and compliance program

## Health and Safety

ISO 18001

Crown has achieved ISO 18001 accreditation in key countries and continues to strive for this throughout its worldwide operations.

## Data Privacy

U.S.-EU Safe Harbor certified.

US Department of Commerce and the EU nations.

Binding Corporate Rules (BCR) on Data Privacy. Submitted to UK Information Commissioner's Office (ICO) for EU approval.

## Information security

ISO 27001

Currently accredited in strategic locations with additional locations receiving accreditation throughout 2014-15.

SSAE-16

SOC 1 Type 2 report issued for expense management and home sale services performed by Crown United States.

## Anti-bribery, fraud and corruption

- Established documented Code of Conduct
- ABC awareness and e-learning delivered to all staff
- Risk assessment undertaken for high-risk partners
- Chief Risk Officer and Group Compliance Officer appointed in 2013

## Ethics and compliance reporting hotline

Available to all employees from Monday to Friday during working hours.

## Training

All employees undertake training courses in ABC, Data Privacy and Health and Safety. (Course passes tracked online.)

## Code of Conduct

All employees acknowledge and agree to abide by our Code of Conduct. An in-house tracking system records compliance.

## Group site standard audits

Crown sites worldwide operate to very high, but not identical, global standards as regulations and laws vary between territories. All global operations are expected to abide by and are audited against site standards, while also complying with any local regulations and laws in each country.

## Ethics in a global business

The Crown Code of Conduct sets the rules and behaviors in our business and makes clear our expectations of our employees and partners.

Two published editions of the Code express the principles for employees of the The Crown Worldwide Group, and for partners we work with. It is distributed to employees on joining Crown and also to partners during the assessment process.

Observance of the Code is mandatory for all employees (who must also sign a personal commitment). Failure to comply with the Code results in disciplinary action, which may lead to termination of employment.

To assist in interpretation of the Code, particularly where local attitudes may give rise to ethical problems, employees are encouraged to discuss issues with a supervisor and establish appropriate ways to handle such situations. If any doubt remains over the legality of an action, legal counsel must be sought.

Employees and partners must report any violation they observe or suspect, whereupon an investigation may be conducted at the discretion of the Chief Risk Officer. Employees are also expected to participate in any investigation, knowing that their identities will not be disclosed.

## Principles

The Code of Conduct details the essential elements of our business philosophy:

- Commitment to excellence, honesty, truthfulness and integrity on the part of all employees and partners,
- Upholding ethical standards in all of Crown's activities in every market (the Code provides guidance on ethical issues),
- Engaging in business only with customers and partners of sound business character and reputation,
- Compliance with all applicable laws governing employment, discrimination, health and safety, antitrust, securities and environment,



## Policies and practices

The Code of Conduct lays out clear policies on many subjects including:

- Conflicts of interest
- Securities laws
- Antitrust laws
- Relationships with public officials
- Bribery
- Sanctions
- Books and records
- Employment (including equal opportunities, bullying and harassment)
- Environmental protection and corporate social responsibility
- Corporate giving
- Data privacy
- Employee security

For further detail on specific practices, please ask for a copy of the The Crown Worldwide Group Code of Conduct for Employees or Partners.

## Social media activities

While Crown cannot restrict an employee's membership of social media platforms Crown employees are cautioned that once they list Crown as their employer on the website, they are then ambassadors of Crown on the Internet. To that extent, employees must engage only in appropriate activities and communication on the Internet. No Crown employee is allowed to represent or speak for Crown on the Internet except when authorized by management. Such communication is generally the exclusive domain of the Group Marketing Office.

Source: Crown Worldwide Group Code of Conduct for Employees, Section 4: Use of Company Property and Information, subsection E

## Anti Bribery and Corruption

Two important pieces of legislation govern the actions of international companies. The *Foreign Corrupt Practices Act, 1977* makes it possible that a company subject to U.S. jurisdiction is liable for acts of its employees and agents even when operating outside the US. The *UK Bribery Act, 2010*, makes it an offense to bribe anyone or to be bribed by anyone, as is one's failure to prevent bribery on behalf of a commercial organization.

### How we ensure compliance

The foundation of compliance is a combination of well-informed, clear policies and unequivocal guidance for all employees and partners. It is also a responsibility adopted at the highest level in the organization, where the Chief Risk Officer (Gary Maguire), assisted by the Group Compliance Officer (Nelson Akinrinade), report directly to the Executive Board. The Crown Executive Board regularly reviews all related policies.

#### Awareness Training

Delivered in person or via Webex.

#### On-Line Elearning via Crown University

Compulsory for all employees.

#### Supply chain risk assessment

We use periodically updated country corruption heat risk mapping from a widely recognized organization to screen all suppliers, as a preliminary step. Any company identified as high risk is subjected to a more detailed screen process through a widely recognized third party that specializes in providing renowned, leading edge, technology to screening partners for financial, social and political risk.

#### Internal audit process

All branches undergo a rigorous group site standards and financial audit at least once every two years. It covers awareness and training, electronic contract conditions and physical file audits. The whole process is visible throughout the business.

#### Gifts and hospitality register

To avoid the reality and the appearance of improper relations with current or prospective customers, partners and consultants, employees must observe detailed guidelines and obtain branch management approval before accepting or providing gifts or entertainment.

#### Whistle-blowing and investigation (Incident reporting hotline)

We take any suspected or actual violation of our policies very seriously. To enable employees, partners or the public to report non-compliance, we operate a reporting hotline. The Chief Risk Officer initiates any investigation, records findings and any actions taken to deal with the case or prevent future occurrences. The Chief Risk Officer reports directly to the Crown Executive Board and informs it of any non-compliance issue.

## Information security

Our business requires information to be acquired, processed and shared with employees, clients and legitimate third parties. It is fundamental to our business that appropriate measures are taken to protect that information.

Established international standards set the framework for compliance with national and international laws governing information security.

We have adopted an Information Security Management System (ISMS) as the basis for our internal information security strategy and controls. The ISMS is designed to be compliant with ISO 27001.

ISO 27001 provides us with the standard to maintain an ISMS that preserves the confidentiality, integrity and availability of information. It applies a risk-based approach giving greater confidence to everyone who deals with us.

### Principles

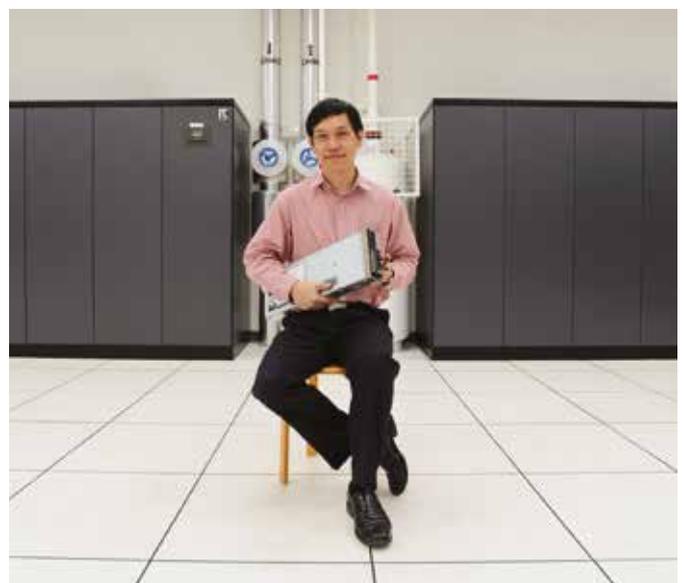
Crown's ISMS provides all the control and traceability necessary to fulfil our commitments and demonstrate compliance.

The management system and all supporting policies are published on Crown's intranet site and are available to all staff. They are reviewed annually to ensure they meet our needs and the requirements of relevant laws.

### Practical implementation

People's behavior has a significant bearing on the effectiveness of any security policy. From deliberate acts in violation of policy, to simple mistakes or oversights. Aside from basic training, we have specific measures in place to safeguard information, which include:

- A Group IT Security and Risk Manager at our Hong Kong headquarters
- An information security and risk committee that reports to the Executive Board
- Regular network and application penetration tests conducted against our systems
- Training courses on IT security and data privacy to educate all employees on policy and safe practice.



## Privacy

*“Binding Corporate Rules (BCRs) are designed to allow multinational companies to transfer personal data from the European Economic Area (EEA) to their affiliates located outside of the EEA in compliance with the 8th data protection principle and Article 25 of Directive 95/46/EC.*

*Applicants must demonstrate that their BCRs put in place adequate safeguards for protecting personal data throughout the organisation.”*

<http://ico.org.uk>

Although there are no international standards for data protection and privacy, international companies such as The Crown Worldwide Group adopt policies and procedures that are global in scope in order to meet the requirements of privacy laws.

Following two years of implementation experience, The Crown Worldwide Group’s privacy office submitted its BCR on data privacy to the UK Information Commissioner’s Office for approval by the EU.

Once approved, The Crown Worldwide Group will then join the few multinational corporations to have EU-approved BCRs.

It is worth noting that, although geared toward EU approval, the policies contained in the BCR apply equally to all customer and employee data and there is no distinction in processing EU data from non-EU data. All personally identifiable data must be treated with the same high level of security at all times, in all countries in which Crown operates.

### Working within the rules

Crown employees come across and process customer information in the normal course of providing business services, for example, in shipping goods or providing destination services. There is very little service that can be provided without collecting some personal information.

The nature of the data processed or transferred may include information about the customer’s nationality, gender, race, religion, sexual orientation, employment, age, address, national identification number, driver’s license number, bank account, credit card or passport number, as well as family information. All such information must be protected at all times.

Crown’s BCR describes the scope of its policies and details practices that must be observed by all employees worldwide.

To request a copy of the document *Binding corporate rules on data protection* (effective January 2012, amended September 2014), please apply to Crown’s Group Compliance Officer, Nelson Akinrinade, [nakinrinade@crownew.com](mailto:nakinrinade@crownew.com)

## Supply chain management

Providing a high standard of service across the globe requires careful management and detailed policies and procedures. That is so if your services are provided in-house, but perhaps more vigilance is needed when managing the services of a third party.

To achieve the standard needed to operate under the Crown brand, partners must pass a rigorous selection and qualification process and acknowledge their commitment to Crown’s Code of Conduct.

For further information, please refer to the document *Crown Worldwide Group global alliance, partner selection & review process*, or to our dedicated supplier web: [www.workwithcrown.com](http://www.workwithcrown.com), or speak to Stuart Lawson, Global Alliance Manager.

### Partners and the Code of Conduct

A special edition of the Crown Code of Conduct is supplied to potential partners upon negotiation of any agreement to enter into a contractual relationship for service delivery.

All partners are held responsible for observing every part of our Code of Conduct and are expected to behave in accordance with the guidance expressed in the document. Failure to comply with our Code of Conduct will leave a partner liable to suspension and possible termination of any business relationship.

The Code of Conduct for Service Partners encompasses the following subjects:

- Crown service partner ethical policy
- Guidance for Crown partners (e.g. on ethical issues, bribery and corruption)
- Relationships with public officials
- Observing legislation
- Employment policies
- Environmental protection
- Compliance with the code
- Reporting suspected violations

For further information, please refer to the document *Code of Conduct for Service Partners*.





## Health and Safety

Logistics is an industry with more than its fair share of risks to personal health and safety at work. We handle many tons of freight – much of it fragile – and transport it hundreds of thousands of kilometers in an average year. Along the way, we rely on the attitude and behavior of our people to ensure no one is put at risk.

Ensuring compliance with a set of codes and behaviors for safe working is made more complex by the international range of the business. Respect for health and safety varies widely between different countries and cultures. Our approach is to support a standard for our global operations (based on BS OHSAS 18001) and inculcate attitudes and behaviors that make safe working practices second nature for all.

All staff in The Crown Worldwide Group must understand that, with regard to health and safety, they have a legal and moral responsibility for their own safety and the safety of others.

### Embedding good attitude to health and safety worldwide

We educate and support all our staff to develop their knowledge of health and safety at work, chiefly through training courses and published guidebooks or manuals.

### Health and Safety training

All staff must complete an online training course in Health and Safety policies and good practice. The course ensures that basic information is available and understood by all. Periodic refresher courses provide updates or explain changes and additions to policy, practice or the law.

### Health and Safety guidance

Two published guidebooks provide staff with clear guidance on the law regarding Crown's policy and specific procedures.

*A pocket guide to your health and safety at work* lays out company policy clearly and expresses our commitment to operating to the highest standards.

*Our driving manual* is issued to all staff who may need to drive a vehicle on behalf of Crown on company business.

It provides guidance on company health and safety policy, road traffic laws and driving standards:

- Policy
- Guidance for site supervisors
- Detailed guidance for drivers
- Correct procedures for emergencies

### Monitoring standards and making improvements

Our documented health and safety system is subject to internal and external audits to report on our compliance.

Any workplace health and safety violation or accident is recorded in our improvement opportunity procedure. The process captures information on the incident, details, cause and actions taken to prevent reoccurrence in the future. The system tracks the frequency and severity of violations/accidents to benchmark our performance and measure ongoing improvement.



[www.crownworldwide.com](http://www.crownworldwide.com)

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