

Joint Press Release by AGC and CPIB

Two Individuals Related to Seatrium Limited Charged With Corruption Offences

Acting on information received, the Corrupt Practices Investigation Bureau ("CPIB") commenced investigations in May 2023 against Seatrium Limited (formerly Sembcorp Marine Limited) ("the Company") and individuals from the Company, for alleged corruption offences that occurred in Brazil. CPIB has since completed its investigations, and in consultation with the Attorney-General's Chambers ("AGC"), two individuals were charged with corruption offences involving the payment of bribes for the benefit of persons in Brazil. One of these individuals was also charged with obstruction of justice.

2 The Public Prosecutor is also in discussions with the Company on a deferred prosecution agreement ("DPA") in respect of the alleged corruption offences that occurred in Brazil.

Prosecution against Individuals

3 The following two individuals were charged today, on 28 March 2024:

- a) Wong Weng Sun ("Wong") (黃東榮, 62-year-old male Singaporean). At the time of the offences, Wong was the President, Executive Director and Chief Executive Officer of the Company and the Managing Director of Jurong Shipyard Pte Ltd ("JSPL"), a wholly-owned subsidiary of the Company; and
- b) Lee Fook Kang ("Lee") (李福根, 75-year-old male Singaporean). At the time of the offences, Lee was the Senior General Manager of JSPL.

Corruption Charges

4 Wong and Lee each face five charges of conspiring to corruptly give gratification to Guilherme Esteves de Jesus ("GDJ"), for the benefit of persons in Brazil, as inducements or rewards to advance the business interests of the Company's subsidiaries in Brazil, punishable under Section 5(b)(i) read with Section 29(a) of the *Prevention of Corruption Act*. The alleged offences are as follows:

- a) Over two occasions in 2009, in Singapore or elsewhere, Wong and Lee allegedly conspired to corruptly give to GDJ gratification of not more than US\$2 million in total, for the benefit of one or more Brazilian officials, as an inducement to advance the business interests of JSPL in Brazil;
- b) Over four occasions between 2010 and 2012, in Singapore or elsewhere, Wong and Lee allegedly conspired to corruptly give to GDJ gratification of not more than US\$1,905,345 in total, for the benefit of one or more officers of Petroleo Brasileiro S.A., as a reward to advance the business interests of JSPL in Brazil;
- c) In 2010, in Singapore or elsewhere, Wong and Lee allegedly conspired to corruptly give to GDJ gratification of not more than US\$1,169,590.64, for the benefit of one or more Brazilian politicians, as an inducement to advance the business interests of JSPL in Brazil;
- d) In 2010, in Singapore or elsewhere, Wong and Lee allegedly conspired to corruptly give to GDJ gratification of not more than US\$300,000, for the benefit of one or more Brazilian officials, as a reward to advance the business interests of Estaleiro Jurong Aracruz Ltda ("EJA"), a wholly-owned subsidiary of the Company; and
- e) In 2010, in Singapore or elsewhere, Wong and Lee allegedly conspired to corruptly give to GDJ gratification in the form of moneys amounting to not more than 2.5% of the contract sums of contracts relating to drilling rig units to be awarded by Sete Brasil Participacoes S.A. to EJA, for the benefit of one or more persons in Brazil, as a reward for the said person(s) assisting EJA to be awarded such contracts. Between

2012 and 2014, gratifications not exceeding a sum total of US\$26,478,989.80, EUR10,506,608.22 and BRL5,066,794.77 were allegedly given to GDJ corruptly.

Obstruction of Justice Charge

5 Wong has also been charged with allegedly instructing two employees of the Company, in 2014, to remove an email sent by GDJ containing evidence of bribes that GDJ had given or would be giving to other persons. This constitutes an obstruction of justice, punishable under Section 204A of the *Penal Code*.

Assessment of Evidence

6 AGC considered all the relevant factors in this case, including the available evidence, and assessed that there was sufficient evidence to mount a prosecution. This is unlike the Keppel Offshore & Marine Limited case where there were evidentiary difficulties.

7 As this matter is currently before the Courts, it would not be appropriate for AGC or CPIB to provide further details at this juncture.

Deferred Prosecution Agreement

8 In addition to bringing charges against Wong and Lee, the Public Prosecutor is in discussions with the Company concerning a DPA in respect of the alleged corruption offences that occurred in Brazil. Please see Annex A for more information on the purpose and nature of a DPA.

9 Under the proposed DPA, the Company will be required to pay a financial penalty of US\$110 million. Of this amount, up to US\$53 million may be used to offset the settlement payment totalling R\$670,699,731.73 under the in-principle settlement agreements that the Company has reached with the authorities in Brazil, namely, the Brazilian Attorney-General's Office, Comptroller General of the Union, and Public Prosecutor's Office in Brazil.

10 The contents and terms of the DPA remain to be worked out and agreed upon by the Public Prosecutor and the Company. The DPA will also have to be approved by the General Division of the High Court, before it comes into force.

Anti-Bribery Management Systems

11 Companies are strongly advised to put in place robust procedures and safeguards against illicit activities perpetrated by their employees. Companies are also strongly encouraged to obtain certification under the [Singapore Standard \(SS\) ISO 37001 – Anti-Bribery Management Systems](#), which is designed to help companies implement an anti-bribery management system or enhance such an existing system, to reduce corporate risk and costs related to bribery. Additionally, CPIB has made available on its website guidance for companies on measures to prevent corruption - [PACT: A Practical Anti-Corruption Guide for Businesses in Singapore](#).

12 Singapore adopts a strict zero-tolerance approach towards corruption. Any person convicted of a corruption offence can be imprisoned for up to five years and/or fined up to S\$100,000. Any person convicted of an offence of obstruction of justice can be imprisoned for up to seven years and/or fined.

Reference Links:

- PACT: <https://www.cpiib.gov.sg/research-room/publications/anti-corruption-guide-for-businesses/>
- SS ISO 37001: <https://www.cpiib.gov.sg/research-room/publications/ss-iso-37001/>

ANNEX A

1 A Deferred Prosecution Agreement (“DPA”) is a settlement under which the Prosecution agrees to defer criminal charges against a corporate offender in exchange for the corporation’s agreement to comply with various conditions, such as admission of wrongdoing, payment of financial penalties, and implementation of corporate reform.

2 All DPAs in Singapore must be approved by the General Division of the High Court. While the DPA is in force, the corporation is deemed to have been granted a discharge not amounting to an acquittal and will not be prosecuted for the alleged offence. If the corporation complies strictly with all the conditions imposed under the DPA, then upon expiry of the DPA, the High Court may grant the corporation a discharge amounting to an acquittal upon the Prosecution’s application. However, if the corporation breaches the DPA, the Prosecution may apply to terminate the DPA and may prosecute the corporation for the alleged offence upon such termination.

3 DPAs are a tool with which the Prosecution can deal with corporate offending effectively and efficiently. They incentivise corporate offenders to co-operate with the authorities and undertake corporate reform, without the need for a lengthy and costly trial. Apart from Singapore, countries such as the United States, the United Kingdom, France, and Japan have also introduced DPAs or their equivalents to address corporate offending.