

Joint Press Release by AGC and CPIB

Conditional Warning Issued to Keppel Offshore & Marine Ltd

On 23 December 2017, Keppel Offshore & Marine Ltd (“KOM”) was served a conditional warning (“Conditional Warning”) in lieu of prosecution, for corruption offences punishable under Section 5(b)(i) of the Prevention of Corruption Act, Chapter 241 (“PCA”).

2 The Attorney-General’s Chambers (“AGC”) and the Corrupt Practices Investigation Bureau (“CPIB”) were involved in investigative proceedings which revealed that between 2001 and 2014, KOM made corrupt payments to officials of Brazilian state-run oil company, Petroleo Brasileiro S.A. (“Petrobras”), and other parties, in order to win contracts with Petrobras and/or its related companies. KOM concealed these corrupt payments by paying commissions to an intermediary, under the guise of legitimate consulting agreements, who then made payments for the benefit of officials of Petrobras and other parties.

3 Under a global resolution led by the Department of Justice of the United States of America and discussed with Brazil and Singapore, a Deferred Prosecution Agreement (“DPA”) was entered into between the Department of Justice and KOM. Pursuant to the DPA, KOM will pay a total criminal fine amounting to USD 422,216,980 to the USA, Brazil and Singapore.

4 The Conditional Warning was issued as part of the global resolution. Under the Conditional Warning, KOM has committed to certain undertakings and will pay to Singapore (i) USD 52,777,122.50 within 90 days from the date of the Conditional Warning, and (ii) a further USD 52,777,122.50 within three years from the date of the Conditional Warning (less any penalties paid by KOM to specified Brazilian authorities

during this period). These payments are part of the total criminal fine to be paid by KOM under the DPA.

5 In issuing the Conditional Warning in lieu of prosecution, due consideration was given to the substantial cooperation rendered by KOM to the investigations (which included KOM's self-reporting to AGC and CPIB of the corrupt payments made by it) and the extensive remedial measures taken by KOM.

6 Investigations in respect of the individuals involved are ongoing.

Clare Tan
Senior Assistant Director, Corporate Relations
Corrupt Practices Investigation Bureau
DID: 6490 5934
Email: clare_tan@cpib.gov.sg

Lai Xue Ying
Manager, Media and Communication Unit
Attorney-General's Chambers
DID: 6908 3067
Email: lai_xue_ying@agc.gov.sg