

LIMONEIRA COMPANY

Anti-Corruption Policy

Purpose

Limoneira Company (“Limoneira”) is committed to conducting business fairly, honorably, with integrity, and in compliance with all applicable laws. The laws of most every country in the world make the payment, offer of payment or receipt of a bribe, kickback or other corrupt payment a crime. Many laws specifically prohibit bribery of government officials, including the U.S. Foreign Corrupt Practices Act (the “FCPA”). Other countries have also enacted laws that prohibit bribery of government officials and non-governmental parties. These laws impose severe fines, penalties and imprisonment for violations. Countries are increasingly imposing such punishment even where such payments are common within those countries. The purpose of this Policy is to ensure compliance by all employees, officers and directors of Limoneira, and its subsidiaries and affiliates, with the FCPA and related anti-corruption laws of the U.S. and other countries in which Limoneira does or intends to do business. This Policy covers the following:

- Bribes, Kickbacks or Other Corrupt Payments
- Facilitation Payments
- Relationships with Third Parties

Scope

This Policy applies to all employees, officers and directors of Limoneira and its subsidiaries and affiliates worldwide. Likewise, agents, consultants, business partners and any other individuals or entities doing business on behalf of Limoneira must also comply with this Policy. This Policy should be read in conjunction with the Code of Ethics and Limoneira Employee Handbook. If you have any questions or are uncertain about any given situation, you should seek further guidance from legal counsel or Internal Compliance.

Policy

Limoneira’s policy regarding anti-corruption is set forth in the immediately following sections. Frequently Asked Questions and examples highlighting the application of this Policy, as well as contact information for additional guidance, are set forth in the Appendices to this Policy.

Bribes, Kickbacks or Other Corrupt Payments

It is the policy of Limoneira that, in doing business anywhere in the world, Limoneira, all affiliates, subsidiaries, employees, officers and directors of Limoneira or any of its affiliates or subsidiaries, and all persons that act as a representative, agent, or advisor to Limoneira or any of its affiliates or subsidiaries, must comply fully with applicable anti-corruption laws. Limoneira employees are prohibited from directly or indirectly offering, giving, soliciting or receiving any form of bribe, kickback or other corrupt payment, or anything of value, to or from any person or organization, including government agencies, individual government officials, private companies and employees of those private companies under any circumstances. For purposes of this Policy, whether the other party in connection with any bribe, kickback or other corrupt payment works in the public or private sector is irrelevant. This prohibition applies:

- Worldwide, without exception.
- Without regard to regional customs, local practices or competitive conditions.
- To the indirect payment of any such bribe, kickback or other corrupt payment that may be carried out through third parties, such as relatives, representatives, consultants, brokers, contractors, suppliers, joint ventures or affiliates, or any other intermediary or agent acting on behalf of Limoneira.

No employee will be penalized for any delay or loss of business resulting from his or her refusal to pay a bribe.

Third Parties

This policy prohibits corrupt offers, promises and payments made through intermediary agents, joint venture partners, or third parties. Therefore, it is important to conduct due diligence on such partners, agents, or third-party representatives, and not disregard or ignore facts which indicate a probability that a corrupt payment may occur. The purpose of due diligence is to ensure, to the extent possible, that Limoneira retains only reputable and honest agents, representatives and partners. In addition, contracts with agents or third-party representatives and joint venture partners should, to the extent possible, include provisions to mitigate against the risk of potential illicit payments, such as audit rights. All contracts with intermediary agents, joint venture partners, or third parties must be approved in advance by Senior or Executive Management.

Facilitation Payments

Facilitation payments are payments of small amounts (in addition to any official government fee, including an official expedited processing fee) made to non-U.S. clerical level government officials to secure or expedite the officials' performance of routine, non-discretionary government action. Examples of situations in which facilitation payments are made may include obtaining routine permits to do business, processing visas and work orders, obtaining mail or telephone services, or expediting shipments through customs (assuming all legal requirements for obtaining these have been satisfied).

FACILITATION PAYMENTS, WHETHER LEGAL OR NOT, ARE PROHIBITED BY THIS POLICY.

The circumstances under which Limoneira would make an exception to this Policy are rare and would generally be made only under one of the following two conditions:

- The failure to make the payment would create a risk to an employee's (or his or her traveling companions') personal health or safety. Any such payment should be promptly reported to Internal Audit.
- Advance approval is obtained from Internal Compliance.

"Off the Books" Payments; Books and Records

To ensure compliance with this Policy, Limoneira prohibits any "off the books" payments, as well as any falsification of Limoneira books and records to cover up any improper payment. This prohibition applies regardless of amount and includes the falsification of books and records to conceal commercial bribery and any other corrupt or improper payments.

Additionally, because of the FCPA's requirement that any facilitation payments be properly recorded in Limoneira's books and records, it is imperative that any facilitation payment that is made be reported to the Chief Financial Officer or Corporate Controller and recorded as a facilitation payment. If not properly recorded, even an approved facilitation payment allowed under the law can result in liability to Limoneira.

Compliance with this Policy

Compliance with this Policy is mandatory and is vital to the business interests of Limoneira. As a Limoneira employee, it is your responsibility to:

- Learn and apply the requirements of this Policy to your job responsibilities and activities;
- Maintain accurate books and records, adhere to audit requirements and establish, maintain and monitor appropriate spending controls;
- Monitor strict compliance with this Policy by all agents, consultants, distributors, sales representatives, joint venture partners and other third-party representatives;
- Maintain and retain any specific required evidence of compliance (saving all receipts and statements monthly);
- Report any known or suspected violation of this Policy to Internal Audit or make a whistleblower report at <https://secure.ethicspoint.com/domain/media/en/gui/30083/index.html> or by calling 1-866-879-0407.
- Cooperate fully in any audit or investigation related to any possible Policy violations.

If you are a manager or supervisor, you have additional responsibilities, including:

- Make certain that employees know and understand this Policy;
- Take affirmative steps to prevent violations;
- Establish proactive methods to determine if violations have occurred;
- Assure that any employee who reports a suspected violation is protected from retaliation;
- Maintain a consistent and strong ethical and anti-corruption tone from the top and an atmosphere that encourages others to speak up.

Anyone who violates this Policy, conceals or destroys evidence of anyone else's violation or withholds information from or refuses to cooperate with an investigation of a possible violation will be subject to appropriate discipline, up to and including termination of employment.

Seeking Further Guidance

If you seek further information on the Limoneira Anti-Corruption Policy or if you have any questions concerning the Policy or its application, you should feel free to contact legal counsel or Internal Audit.

Below is contact information for members of Internal Compliance:

- Amy Fukutomi, Director of Compliance afukutomi@limoneira.com
- 805-525-5541, x1042

Internal Use

The Policy is intended solely for the internal use by Limoneira and does not constitute an

admission, by or on behalf of any person, as to any fact, circumstance, or legal conclusion.

APPENDIX TO LIMONEIRA ANTI-CORRUPTION POLICY

Frequently Asked Questions

What exactly is a bribe or a kickback?

Bribery can generally be described as the offer or receipt of anything of value, including any payment, gift, loan, fee, reward or other advantage or consideration to or from any person as an inducement to do something, to refrain from doing something, or to influence a decision. For example, a payment of money in order to: (a) obtain, retain or direct business; (b) gain any undue or improper advantage in the conduct of business (such as favorable tax treatment); or (c) influence the judgment or conduct of a third party or to cause a desired outcome or action is a bribe. A kickback is a particular kind of bribe. It is the unethical or illegal return of part of a payment already made as part of a legitimate business transaction. For example, an unethical supplier might agree to pay a manager some amount of money in exchange for the award of a supply contract by that manager.

Is it acceptable to provide a favor or gifts to someone instead of cash in exchange for getting them to agree to do something for Limoneira?

No. Bribery, kickbacks and other forms of corrupt payments can take many forms and are not just the payment of money. This can include things like:

- Providing a job to a relative of the beneficiary of the bribe;
- Promising a job after retirement from a government position;
- Excessive and lavish gifts or gifts of sexual favors.

Make sure that gifts, entertainment and travel provided to government officials, as well as, employees of private companies, cannot be considered as bribes or other corrupt payments. All gifts, entertainment and travel provided to government officials must be approved in advance by Internal Compliance. Employees may provide small gifts to individuals who are not government officials without preapproval if the following conditions are met: (1) the gift is not intended to improperly influence; (2) the gift is not cash or a cash equivalent (e.g., gift card); (3) the gift is reasonable, proportionate to the parties involved, and consistent with local custom; (4) gifts are given to the individual infrequently (e.g., not more than twice a year); and (5) the gift is valued at less than \$100. All gifts must be reported to Internal Compliance so that they can be recorded properly.

What about charitable contributions? How can these be considered improper?

Employees must avoid charitable contributions or sponsorships that might be disguised vehicles for obtaining bribes or other corrupt payments. For example, a corrupt official may suggest that before we can be considered for awards of business we must agree to contribute to a charity of the official's choosing. Obtain approval from Internal Compliance before making any charitable contribution. We need to insure that the: (a) charity is a legitimate charity; (b) payment will not be diverted to or otherwise benefit the official or his family; (c) contribution is transparent and will be properly recorded in our financial records; (d) arrangement complies with all applicable laws; and (e) contribution is not given in exchange for a favorable decision by the requestor.

Is it acceptable to provide a customer with an invoice that shows an amount higher or lower than the amount actually charged?

No. All invoices we issue to customers must reflect the actual price at which the invoiced products are sold. This is true regardless of the reason given by the customer regarding the purpose of the invoice.

What is a government official? If a customer is owned by a local governmental authority, is the manager a government official?

The term “government official” is a broad one. It includes all employees, at any level, of a government department or agency: executive, legislative or judicial; national, regional or local; appointed, elected or honorary. It also includes: (a) any person acting in an official capacity for a government organization, department, or agency; (b) officers or employees of any public international organization, such as the International Monetary Fund, the European Union and the World Bank; and (c) foreign political parties, party officials, or candidates for office. Officers and employees of companies under government ownership or control are also considered “government officials.” Additionally, “government official” includes family members of persons otherwise deemed government officials. A person does not cease to be a government official by purporting to act in a private capacity or by the fact that he or she serves without compensation. Remember, this Policy prohibits the offer, acceptance or payment of bribes, kickbacks and other corrupt payments to anyone, whether they are a government official or not.

When considering the retention of a third-party agent (such as a sales representative or a distributor) to assist in developing and maintaining business, what red flags should employees consider to ensure that the agent does not make improper payments?

Due Diligence of third-party representatives and other potential business partners is important because payments made by a third party on behalf of Limoneira may subject Limoneira to the same liability as if Limoneira had made the payment itself. Make sure a prospective business partner is a legitimate organization, with the skills, talent, resources and competencies to perform its obligations and that neither the business partner, nor any of its employees or affiliates, has made or is likely to make improper payments. Asking yourself these questions should help alert you to possible corrupt payment issues involving third parties:

- What is the reputation of the third party or the country where they are located, particularly in regards to corruption?
- Does the third party have family or business ties with a government official?
- If an entity, is the third party owned by a government official?
- If a person, is the third party currently or have they ever been a government official?
- Was the third party recommended by a government official?
- Does the third party have adequate staff, expertise, facilities and other resources to perform the required service?
- Is the third party’s fee, commission or other compensation reasonable and consistent with the market rate for similar services or arrangements in that location?
- Does the third-party request cash payments, unusual bonuses, substantial upfront payments, or any unusual payment process, such as off shore payments or off the books accounts?
- Does the third party understand and agree to comply with Limoneira’s policy prohibiting corrupt payments?

- Has the third party been subject to any government investigation, informal inquiry, or enforcement action related to corruption?

This is not an exhaustive list, as suspicious circumstances can take many forms. Ignoring these “red flags” can give rise to a presumption that we acted in reckless disregard of violating applicable laws. Accordingly, any employee that suspects a transaction might involve corrupt payments should immediately report that fact to Internal Compliance.

Finally, it is important that due diligence be exercised in the supervision and review of a business partner’s actions and performance of its obligations throughout the term of the engagement so that any concerns can be quickly identified and addressed.

All proposed relationships with third parties, including but not limited to distributors, agents, consultants, joint venture partners, and other representatives and third parties who conduct business on Limoneira’s behalf, must be made in accordance with this Policy and the Company’s Code of Ethics, after a thorough and documented due diligence review and approval coordinated by Internal Compliance.

I am comfortable with my due diligence on a prospective business partner, but what type of contract provisions should I include in our agreement with the partner?

Generally, these provisions will include: (a) anti-corruption representations, warranties and covenants relating to compliance with anti-corruption laws, including FCPA; (b) rights to conduct audits of books and records of the business partner to ensure compliance with these representations, warranties and covenants; and (c) rights to terminate a business partner as a result of any violation of anti-corruption laws or the representations, warranties and covenants of the agreement related to such matters. Remember, Senior or Executive Management must review all agreements prior to either party’s execution.

How should I respond to demands for a corrupt payment or an offer of one?

Despite Limoneira’s reputation, this Policy and our best intentions, some of us may experience situations in the performance of our jobs where we realize a prospective customer or official is expecting a bribe or other corrupt payment, or is offering us a kickback. Beyond the initial step of refusing the demand or offer, you should always feel free to seek help internally. In addition, whenever you receive a request for or offer of an improper payment, you should report the matter to Internal Compliance to determine appropriate actions on behalf of Limoneira.

Examples

The following examples are designed to provide guidance to employees and further illuminate the Policy set forth above.

- **Scenario:** A government inspector has discovered a number of small safety violations at a Limoneira facility. He threatens to shut down our facility unless you pay him a fine on the spot.

Analysis: You should contact Internal Compliance immediately. While we certainly wish to avoid unnecessary bureaucratic difficulties, paying money to a government inspector is both improper and likely illegal.

- **Scenario:** A purchaser states she will enter into a long-term Supply Agreement with Limoneira, but only if Limoneira agrees to “rebate” a portion of the purchase price to the purchasing company. What do you do?

Analysis: If you agree to rebate a portion of the purchase price (assuming the net price still makes good business sense) to obtain the business, make sure the rebate is being paid to an account owned by the purchasing company, and not to the private account of the purchasing manager or other third party. When presented with “out of the ordinary” requests pertaining to payments, routings of goods, etc., use reasonable care to be sure such requests are legitimate, and are not in furtherance of any improper scheme or arrangement.

- **Scenario:** Limoneira is seeking to purchase land for a new facility. The land is owned by the local government. A real estate broker informs you that for a commission equal to 25% of the transaction value, he will arrange for the sale of the land through his “connections” with the local government. Do you pay the commission?

Analysis: No. Because of the large amount of the commission, and our knowledge that the broker has close government connections, there are sufficient “red flags” to suggest that this transaction is improper. For further information on “red flags”, see “Frequently Asked Questions” above. You should immediately report the suspicious request to Internal Compliance.

- **Scenario:** In attempting to depart a country undergoing civil unrest, you are detained by a local customs official who demands the payment of a “processing fee” of US\$20 to permit you to clear Customs.

Analysis: In this case, because you are faced with imminent danger, you may pay the fee, provided you immediately report the payment to Internal Compliance, and properly record the payment.

- **Scenario:** A customer asks you to issue two invoices for products sold – one invoice reflecting the actual price, and another invoice reflecting a higher price. The customer will pay the first invoice, and will use the second invoice to justify charging a higher price from its end-user. Is this acceptable?

Analysis: No. By issuing a second invoice at a higher price, Limoneira may be helping a customer engage in misrepresentation or fraud. This could expose Limoneira to liability, even if it was the customer who used the invoice improperly. (The same holds true if a customer requests Limoneira to issue a duplicate invoice reflecting a lower price. If the customer used the duplicate invoice to lower its Customs duties, Limoneira may be legally liable for helping that customer evade those duties). This request should be immediately reported to Internal Compliance.

- **Scenario:** A large shipment of Limoneira’s product en-route to an important customer is held up in Customs because the containers aren’t properly marked as noted on the shipping papers. Because of the delay we risk missing our delivery date. Our third-party transporter tells you he can convince Customs officials to overlook the inconsistency for a small fee. Is this a good idea?

Analysis: No. As a Limoneira employee you are prohibited from making this type of payment, and using the transporter to make the payment is the same as making it yourself. We must never ask another party to do something on our behalf that we are prohibited from doing ourselves. This request from the transporter should be immediately reported to Internal Compliance.

- **Scenario:** You want to hire a consultant to assist in soliciting business from customers. The consultant requests a \$100,000 up-front "logistics" fee and a 25% commission on any contracts. The consultant has no particular business experience with Limoneira's products, but is well-known as someone "who gets things done." Should you enter into this business arrangement?

Analysis: Not without undertaking additional due diligence, significant contractual protections and approval from Internal Compliance. Although the arrangement is not illegal on its face, there are red flags in this arrangement which, if left unchecked, will put you and Limoneira at risk of violating the FCPA or other anti-corruption laws. Be sensitive to unusual up-front payments and/or commissions for third parties, particularly those who will be dealing directly with government entities and who are really selling "access." You may act knowingly for purposes of an FCPA analysis by consciously disregarding facts about third parties which indicate a probability that a corrupt payment will occur. You should contact Internal Compliance for help in conducting due diligence on agents, as well as, providing appropriate contractual language.

CERTIFICATION

I certify that I have received, read and understand Limoneira's Anti-Corruption Policy. I will comply with Limoneira's Anti-Corruption Policy as long as I am employed by or providing services to Limoneira or one of its affiliates. I understand my obligation to raise any concerns or questions and to immediately report any suspected violations of this Policy.

By: _____

Name: _____

Date: _____

Title/Position: _____