

Appendix B

**The FSD Group
For Employees of:
Field Systems Designs Limited and FSD Mech Limited**

ANTI BRIBERY POLICY & PROCEDURES

The offering, giving or receiving of bribes is contrary to the FSD Group's values and can play no part in the way in which it carries out its business.

The FSD Group will not engage in any form of bribery or corruption. This principle applies to all agents, advisers, representatives, consultants, suppliers, contractors and sub-contractors, who act on our behalf or with whom the FSD Group conducts business as well as directors, employees and agency workers. Even the suggestion of corruption may damage the FSD Group's reputation and may also bring the personal integrity of individuals into question.

Bribery is illegal and severe penalties apply to both companies and individuals who break those laws. From 1st July 2011 tougher new legislation in the UK (in the form of the Bribery Act 2010) has introduced new offences for failing to prevent bribery. As a result the FSD Group have made efforts to ensure it has adequate procedures in place to prevent bribery and to ensure compliance with the new legislation.

This Policy is a reminder of what you should do if you are asked to make or accept a bribe or suspect that bribery may be taking place. **Please read it carefully.**

1. Application

This policy is sponsored by the FSD Group's Board of Directors. It applies to all the FSD Group directors, employees and agency workers whether permanent or temporary. It also applies to the FSD Group's supply chain partners, including agents, advisers, representatives, consultants, contractors and sub-contractors (together "Associated Persons").

This policy is effective from 1st July 2011 and must be understood and complied with at all times.

2. Bribery

Directors, employees, agency workers or Associated Persons of the FSD Group must not offer, provide, authorise, request or receive bribes or anything that could give the perception of a bribe.

The UK Bribery Act 2010 is brought specifically to your attention. It creates four main potential offences for UK registered companies:

- (1) A general offence of offering or giving bribes;
- (2) A general offence of receiving bribes;
- (3) A specific offence of bribing a foreign official; and
- (4) A "Corporate Offence", where a commercial organisation fails to prevent Associated

Persons performing services on its behalf from committing bribery.

2.1. General offences of offering or giving bribes (1); or receiving bribes (2)

These offences are committed if a person (individual or company) offers, promises, gives or receives a bribe. A bribe can include money, or any offer, promise or gift of something of value or advantage. It need not necessarily be of large value. It might include signing bonuses or overpaying suppliers. It might also include intangible

benefits such as the provision of information or advice or assistance in arranging a business transaction. It need not be for personal benefit. For example a donation by a supplier to a favourite charity could be a bribe.

2.2. Specific offence of bribing a Foreign Public Official (3)

This offence is committed if the person giving the bribe intends to influence the foreign public official in the performance of his or her official functions in order to obtain an advantage in the conduct of business in doing so.

Whilst such activity is very unlikely to involve conduct that amounts to 'improper performance', it does not have to be proved and could include the performance of their normal public duties which the foreign public official may otherwise have done in any event.

2.3. "Corporate Offence", where a commercial organisation fails to prevent Associated Persons performing services on its behalf from committing bribery (4)

This is a new corporate offence. It is committed if a company fails to prevent persons (directors, employees, agency workers or Associated Persons) from using bribery with intention of obtaining or retaining a business advantage for the company. For this offence it is irrelevant whether or not the company approves, or is aware of, the bribery committed. It is, however, a defence to this corporate offence if the company can show that, despite a particular case of bribery, it nevertheless has 'adequate procedures' in place to prevent bribery but the burden of proof is on the company to demonstrate this.

If in doubt about any issue raised in this Policy, guidance should be sought from your line manager, a FSD Group Director or the FSD Group Head of SHEQ.

3. Facilitation Payments

A "facilitation payment" is an unofficial payment to encourage the recipient to perform their existing obligations or role, or to expedite or refrain from performing a routine task they are otherwise obliged to do. They are also known as gratuity or "grease" payments. These can be payments to perform routine tasks such as obtaining permits, licences, or other official documents, processing governmental papers, such as visas and work orders or providing power and water supply and loading and unloading cargo. The FSD Group prohibits directors, employees, agency workers and Associated Persons from offering, making or paying any "facilitation payments" to any third party including, but not limited to, foreign public officials.

All the FSD Group directors, employees and agency workers must report any request by a third party for a facilitation payment by calling 01306 880800.

4. Political Contributions

4.1. Political contributions in the name of the FSD Group

The FSD Group funds and resources are not be used to contribute to any political campaign, political party, political candidate or any of their affiliated organisations with the intention of obtaining business or any other advantage in the conduct of business. The FSD Group will not use charitable donations as a substitute for political payments.

4.2. Personal political contributions by employees and other individuals

The FSD Group recognises that everyone has a right to participate as individuals in the political process and to make personal political contributions from personal funds and in their own time. Directors, employees, agency workers or Associated Persons cannot, however, be reimbursed or otherwise compensated by the FSD Group for any such contribution.

5. Charitable Contributions and Sponsorship

The FSD Group and its directors, employees, agency workers or Associated Persons may only make charitable contributions or sponsorships on behalf of or in the name of the FSD Group for bona fide charitable purposes and where the activities align with the FSD Group's business objectives, values and ethical principles.

Charitable contributions or sponsorships should be given with the expectation that no tangible benefit is received or expected by the FSD Group. They should never be used as a substitute for political contributions.

All requests for charitable contributions and sponsorship in the name of the FSD Group by directors, employees, agency workers or Associated Persons of the FSD Group must be made in accordance with the FSD Group's Board Policy.

6. Register of Charitable Contributions and Sponsorship

All donations and sponsorship made and requests for these must be declared. The declaration should be made by email and must state:-

- The name of the charity or individual receiving the donation/sponsorship
- The date that the donation/sponsorship was made
- The value of the donation/sponsorship

7. Gifts and Hospitality

Neither the law, nor this policy is intended to prohibit the giving or receipt of reasonable and proportionate hospitality designed to cement business relationships and enhance knowledge of people, products or services. More care is required when giving hospitality or entertainment to foreign public officials, because of the different definition of what constitutes an offence with regard to such persons (see Section 2 above).

When consideration is being given to offering, accepting or providing gifts, hospitality or entertainment it must be ensured that they shall;

- Be in good faith, occasional, appropriate, reasonable and proportionate;
- Constitute a normal business courtesy (such as paying for a meal or shared taxi);
- Comply with any applicable laws, including those relating to foreign public officials;
- Not be possible of reasonably being perceived in any way as a bribe and;
- Not be in cash

By way of guidance:

- Customary gifts or modest Christmas gifts may be accepted provided the values of such gifts are modest and are not overly frequent from any one source;
- Reasonable entertainment in restaurants, theatres and at sporting or cultural events is allowed provided that it is not excessive and is not repeated on frequent occasions.

8. Register of Gifts and Hospitality

As from the 1st July 2011 every director, employee and agency worker is required to declare any benefits they are offered, promised and/or receive that they estimate would have cost the provider more than £200 per person to provide. Likewise they are required to declare any benefits they offer, promise and/or give that they estimate would have cost more than £200 per person to provide.

The declaration should be made by email to nick.kester@fsdl.co.uk and must state:-

- the name of the individual offering/promising/giving/receiving the gift and the organisation for which the individual works
- the date of which the gift(s)/hospitality was offered, promised, given or received
- a description of the gift(s)/hospitality offered, promised, given or received and an estimate of the cost of the gift(s)/hospitality

9. Associated Persons

The FSD Group will only contract with Associated Persons and engage with business partners who demonstrate at all times business integrity and who practice ethical conduct which meets the standards set out in this Policy and all applicable laws and regulations.

This Policy must be communicated to all Associated Persons at the outset of any business relationship with them and as appropriate thereafter. The standard letter for this purpose must be used and is obtainable from the FSD Group's Head Office at Dorking. For further information on dealing with Associated Persons please contact the FSD Group's Head Office at Dorking.

10. Compliance Monitoring

Compliance with this policy by all directors, employees, agency workers and all Associated Persons will be reviewed periodically.

11. Training

All the FSD Group's directors, employees and agency workers will receive documentation on anti-bribery compliance and the requirements of this policy as part of their Induction Training. Directors, employees and agency workers already working for the FSD Group at the time of implementation of this policy will also be made aware of the requirements.

12. Obligation to Report Your Concerns

Any concerns that any of the FSD Group's directors, employees, agency workers or Associated Person is offering, promising or paying bribes to anyone or requesting, agreeing to accept or receiving bribes, must be reported to a FSD Group director on 01306 880800.

13. Breaching the Anti-Bribery Laws and this Policy

There are severe penalties for breach of the UK Bribery Act; being an unlimited fine and/or imprisonment for up to 10 years. Also importantly, failure to comply with the new legislation may cause considerable damage to the good name and reputation of the FSD Group.

The FSD Group considers a breach of this Policy a serious offence. Any violation will result in the following:

13.1. Employees

Disciplinary action, up to and including dismissal of an individual from working for the FSD Group in accordance with company employment policies

13.2. Agents, Advisers, Representatives, Consultants, Suppliers, Contractors and Sub-Contractors

The business relationship with Agents, Advisers, Representatives, Consultants, Suppliers, Contractors and/or Sub-Contractors who violate this Policy will be irrevocably terminated.

14. The FSD Group Policies and Procedures for staff

The FSD Group directors, employees and agency workers must therefore ensure that they are familiar with the content of this Policy and adhere to it at all times. If you have any questions as to the requirements or scope of this Policy guidance should be sought from the FSD Group's Head of SHEQ or a FSD Group Director