

Statement of continued support by the Chief Executive Officer

Statement of the company's chief executive (CEO or equivalent) expressing continued support for the Global Compact and renewing the company's ongoing commitment to the initiative and its principles.

9th April 2019

To our stakeholders:

I am pleased to confirm that Pilgrims Group Limited (PGL) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

William Freear
CEO

Human Rights

Assessment, policy and goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

PGL is full committed to the Universal Declaration of Human Rights and the Voluntary Principles on Security and Human Rights (VPSHR). PGL have worldwide PSC.1 (ISO 18788) certification. PSC.1 has the International Code of Conduct and the Montreux Document as its foundation. PGL are also fully compliant with GDPA and are in the process of gaining ISO 27001 certification.

In this reporting period PGL rolled out its policy on the VPSHR for its operations in Iraq and Afghanistan and Nigeria.

Human rights issues and abuse of Human Rights forms an integral part of our company risk assessments for all our areas of operations.

PGL Human Rights Policy (VPSHR) - see below:

Voluntary Principles on Security and Human Rights.

Compliance

Pilgrims Group complies with international human rights standards and abides by international humanitarian law. The company fully supports the UN Voluntary Principles on Security and Human Rights. Pilgrims is not a signatory or participant, because the principal signatories are governments, originally the USA and the UK, with support from key NGOs and international observers, such as the International Committee of the Red Cross (ICRC), who participated in the formulation of the principles which were also formally supported by the world's leading companies, including BP, BHP, ExxonMobil, Shell, Statoil and a few others. Pilgrims recognises the constructive role our staff can play in advancing the goals in these UN Voluntary Principles; and also uses as a reference those principles incorporated in the later Montreux Document, produced by the ICRC, which has similar goals and guidelines; and the company supports the principles and work of the 'Geneva Centre for the Democratic Control of Armed Forces (www.dcaf.ch)', which was established by the Swiss government and is supported by 52 other member states, and which, in seeking to illustrate patterns of behaviour in corporate obligations, has produced a draft Code of Conduct for private military and security companies which Pilgrims entirely subscribes to.

In summary, Pilgrims is committed to adhere to all laws, rules and regulations which apply in the countries where our staff work and strives to exceed both international and industry best practices. Our documented policies and employee handbook for sites govern and direct our staff behaviours in all our workplaces, inside the UK and abroad. Specifically, Pilgrims is compliant and audited annually to meet BS7499:2007 'Static site guarding and mobile patrol service Code of Practice', the company is an approved contractor in the UK's Security Industry Authority Approved Contractor Scheme, and ensures that its foreign operations match the same standards.

Professional proficiency

All our personnel are fully vetted and screened, and the majority of the security operatives we select are ex Special Forces, so are highly trained professionals with extensive experience in hostile environments.

Use of force

All our personnel are required to abide by our Rules of Engagement, which state that in all situations the minimum force necessary should be used and that firearms must only be used as a last resort. All incidents are required to be reported immediately and an inquiry carried out where necessary. In Iraq, Pilgrims Group operates in accordance with the instructions in MNF-I Fragmentation Order 08-641 (Rules for the Use of Force and Graduated Force Response procedures for armed DOD contractors, civilians and Private Security Companies) and we constantly monitor and liaise with relevant authorities to ensure we are aware of any changes or amendments in laws applicable to Rules of Engagement.

The local community

Pilgrims Group has been built upon the UK Special Forces ethos of winning the "hearts and minds" of the local population in the areas we operate in. We aim to integrate as many qualified local personnel into our security teams as we can, offering robust training programmes and high quality management, and ensuring that they receive good rates of pay and are treated well. Our expatriate personnel have an understanding and respect of local customs and at all times must show respect to local communities.

Reporting procedures

Pilgrims Group encourages personnel to report any abuses of human rights, and we have in place a Confidential Reporting Policy to provide all employees with ready access to a safe and effective means of reporting any matters regarding the Company and/or its employees, no matter how serious, in the full knowledge that the report will be dealt with in the strictest confidence and they will be protected against any detriment. Should any allegations relating to human rights be made, a full investigation will be carried out and allegations forwarded to the relevant law enforcement authorities where applicable.

Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

PGL operate a no blame culture and encourage all staff and contractors to report any breach of policy through our whistle blowing procedure.

PGL recognise the rights of individuals to freely report their grievances without fear of repercussions. Our grievance policy is given below:

Grievance and Whistle Blowing Policy

Are at: <https://www.pilgrimgroup.com/contact.php>

Environment

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

PGL is a strong advocate of sound environmental practices and all our operations apply best practice environmental management principles, including recycling at all our facilities. PGL are ISO 14001-2015 certified.

All our risk assessments consider environmental risks as key areas to be mitigated.

PGL Environmental Policy - see below:

ENVIRONMENTAL POLICY

Environmental and Sustainability Policy and Procedures

1. Environmental Policy Statement

Pilgrims Group Ltd is committed to the adoption of environmentally responsible policies and practices, together with the regular review of both its ongoing performance and the inherent scope for further improvements. The Company aims, through staff awareness, to create and maintain the highest levels of environmental responsibility.

The Company maintains a fundamental belief in the importance of protecting the environment, and will take all necessary steps within its powers to eliminate, or control, environmental hazards by:

- Striving to adopt the highest possible environmental standards in all its operations, wherever these are located
- Conducting its activities in full knowledge of, and compliance with, the requirements of applicable environmental legislation and approved codes of practice
- Minimising consumption of natural resources, including energy, water and raw materials, as far as is economically practicable
- Preventing pollution and minimising emissions
- Reducing the production of waste and developing effective waste management and recycling procedures
- Aiming to achieve the most economical use of all materials, supplies and energy, using renewable or recycled materials wherever possible
- Keeping itself fully informed of best practices elsewhere
- Minimising waste produced in all parts of the business
- Encouraging similar environmental standards to be achieved by all third parties involved with its business
- Encouraging employee involvement in positive environmental action
- Encouraging the use of environmentally friendly means of transport by staff
- Raising awareness amongst members of staff and encouraging them to become more environmentally responsible
- Communicating its policy to customers and employees

All Company employees have a responsibility towards the environment in which they live and work. It is the duty of all concerned to demonstrate both a responsible attitude and also a commitment to the Company's objectives.



William Freear
Managing Director
March 2019

2. Key Environmental Legislation

The following is a list of some relevant current environmental legislation applicable within the United Kingdom. The full text of these regulations can be obtained from Pilgrims Head Office.

Although this legislation applies to the UK it should be regarded as industry best practice and implemented throughout Pilgrims Groups operations.

Waste Management

- **Control of Pollution (Amendment) Act, 1989** Regulates the Registration system for carriers of waste.
- **Environmental Protection Act, 1990**
Controls and regulates on complete life cycle of waste from production to final disposal. Acts as enabling Act for other Env Regs.
- **Environmental Protection (Duty of Care) Regulations, 1991 and Statutory Code of Practice on Duty of Care.**
Introduced Waste Duty of Care, which states that all reasonable steps must be taken to keep waste safe. If waste is given to a third party, it must be checked that they are authorised to take it and are authorised to transport, recycle or dispose of it safely. (Not applicable to waste from the home but does include household waste from commercial or industrial premises.)
- **Waste Management Licensing Regulations, 1994 (amended 1995 and 1996)**
Defined Directive Waste and introduced a new licensing system for waste treatment and waste disposal operators.
- **Special Waste Regulations, 2006**
Introduced a new definition of Special Waste and also a requirement to have a waste consignment note system for movements of Special Waste and new restrictions on mixing different types of waste.

Water

- **Water Resources Act, 2007**
Imposes a general prohibition on discharges to controlled waters. Specified system of discharge consents subject to conditions relating to quality and character of discharge. Introduced a general water pollution offence where it is an offence to cause or knowingly permit polluting matter to enter controlled waters.
- **Water Industry Act 1991**
Consolidated legislation relating to the supply of water and sewerage services. Controls on the 10 Water and 15 Water & Sewerage Companies in the UK ('The Water Industry')

Pollution Control

- **Environmental Protection Act, 1990**

Introduced a dual system of pollution control whereby the most polluting processes require prior authorization under integrated pollution control (IPC) and others fall under local authority air pollution control (LAAPC). Introduced the legal requirement to use Best Available Techniques not Entailing Excessive Cost (BATNEEC) and the Best Practicable Environmental Option (BPEO). Will be phased out in favour of IPPC & BAT.

- **Environmental Act, 1995**

Established the Environment Agency and introduced measures to enhance the protection of the Environment in particular the prevention and remediation of water pollution.

- **Pollution Prevention and Control Regulations 2000**

Introduces Integrated Pollution Prevention and Control (IPPC) which will be phased in over 7 years and will replace IPC (see above). Permit from the EA or the LA if intending to operate a prescribed process. (Aircraft painting). Introduced the concept of Best Available Technique (BAT) which replaces BATNEEC & BEPO.

- **Environmental Protection (Applications, Appeals and Registers) Regulations, 1991 (amended 1996)**

Lays down the information requirements for IPC and LAAPC applications, establishes the need for statutory consultation and requires the Environment Agency (EA) to impose specific conditions on process authorisations. Specifies the conditions under which an appeal may be made and imposes a duty on the EA and local authorities to establish public registers.

- **Environmental Protection (Prescribed Processes and Substances) Regulations, 1991 (amended 1994 and 1995)**

Defines which processes or substances are to be controlled by the IPC legislation and which fall under APC. (Being replaced by IPPC Regs 2000)

Contaminated Land

- Environmental Protection Act 1990
- Environment Act 1995
- Contaminated Land Regulations 2006

3. Environment Policy

It is the responsibility of Management to ensure that all staff reporting to them have read and understood the Pilgrims Group Environmental Policy. They must also ensure that all contractors and suppliers are aware of this policy.

a. Planning

Environmental Impact

Pilgrims Group identifies the environmental impacts of its activities and assesses their significance through a system of site environmental audits.

Environmental audits are conducted by Pilgrims Group management.

Statutory requirements

Pilgrims Group management are responsible for understanding and reviewing Environmental Statutory requirements including codes of practice, agreements with public authorities and non-regulatory guidelines that are applicable to Pilgrims Group's activities.

A list of relevant environmental legislation and regulations is contained in this manual. Guidance on these may be obtained from Pilgrims Head Office.

b. Implementation and Operation

Responsibility

All Employees

All staff are responsible for safeguarding, as far as they are able, both their working environment and the greater environment surrounding Pilgrims Group's operations. This includes:

- Complying with environmental standards and procedures as set out in this Policy
- Notifying management and supervisors of potential Environmental Hazards using the procedures set out in the Environment Policy
- Avoiding needless wastage of energy and materials

Line Management

All line managers, in relation to activities under their individual control, are responsible for identifying and ensuring compliance with environmental regulations affecting our environment. Line managers must:

- establish individual responsibilities, objectives and accountabilities for subordinate staff in environmental matters
- develop and maintain procedures to protect the working and external environment
- monitor implementation of procedures and working practices and take swift and appropriate steps to correct environmental non-conformances
- provide communication channels for employees and contractors to be consulted on environmental matters
- investigate and report all environmental incidents and near misses and take necessary follow up actions
- review regularly the use of materials and energy in order to reduce waste, optimise recycling and select materials compatible with environmental objectives
- maintain accurate and comprehensive records of waste disposals and other discharges to the environment

General Manager

Authority for environmental matters is devolved through the GM who is responsible for:

- periodic assessments, audits and reviews of facilities and operations to ensure compliance with environmental statutes and this policy
- provision of support and advice on environmental matters throughout Pilgrims
- promoting workable procedures, codes of practice and working cooperatively in emergencies
- encouraging initiatives for implementation of the Pilgrims Environmental policy
- active co-operation with government, local authorities and other external bodies, to provide an informed and constructive background to regulatory processes
- keeping staff, relevant authorities and, as appropriate, the public informed of our efforts to protect and improve the environment
- Interpreting and ensuring implementation of this policy, and updating it as required

Training, awareness and competence

Line managers are responsible for identifying the environmental training needs of the staff under their supervision and ensuring that all personnel whose work may create a significant impact on the environment have received suitable and sufficient training.

Line managers must ensure that all employees under their supervision are aware of:

- the importance of compliance with the environmental policy and procedures
- the significant environmental impacts, actual or potential, of their work activities, the potential consequences of departure from specified operating procedures and the impact this could have on the environment

The key documents for raising staff awareness on these issues are:

- Pilgrims Group Environmental Policy (ISO 14001 Certified)
- Pilgrims Group Health & Safety Policy (BS OHSAS 18001 Certified, migrating to ISO 45001 in July 2019)

Environmental Management Documentation

The following documents form the core for Environmental Management within Pilgrims:

- Pilgrims Environmental Policy
- Records of permits, consents and authorisations
- Local emergency plans
- Environmental accident and incident records
- Staff training records
- Environmental audit and review documentation

4. Environmental Audit

a. Policy

Pilgrims Group will undertake an annual Environmental Audit of all its major facilities as part of its commitment to continual improvement in environmental performance.

b. Objectives of the Audit Process

In general the Audit process aims to:

- identify and assess relevant environmental issues
- check compliance with Pilgrims Group Environmental Policy as well as statutory requirements (both current and forthcoming) and industry best practice
- assess the appropriateness of management arrangements for dealing with identified environmental issues
- identify training and awareness requirements
- identify opportunities for improvement in practice and saving of materials, energy and water
- make prioritised recommendations for action to achieve compliance and other improvements within designated timescales

c. The Approach

Each Audit involves a site visit, guided tours, interviews with key personnel and the acquisition of background information such as legislation, codes of practise and site plans.

Environmental Technical issues covered may include:

- use, handling and storage of hazardous substances
- effluent discharge
- atmospheric emissions and control
- waste management and disposal
- energy use
- housekeeping, visual impact and litter

Management issues covered may include:

- policy and management structure
- identification and evaluation of significant environmental issues
- development and implementation of environmental programmes
- training and awareness
- communications
- monitoring and auditing
- information, reporting and document control

5. Document Control Procedures

a. Responsibilities for Environmental Management System Documentation

H, S & E Department

- review and update Environmental audit documentation
- review and update the Pilgrims Group Environment Manual

Line Managers

- local operational procedures with regards to environmental impacts, e.g. spill control measures
- records of permits, consents and authorisations if applicable
- local monitoring records (discharges, waste disposal) if applicable
- local inspection, calibration and maintenance records
- local accident and incident records
- local training records

b. Company Requirements

Line Managers are responsible for ensuring that all documents which form part of the Environmental Management System and which are identified with activities under their control conform to the following:

- 1) Documents must be stored in a recognised and known location
- 2) They must be legible
- 3) They must be dated, including dates of revision
- 4) They must be maintained in an orderly manner, with revisions incorporated promptly
- 5) They must be retained for a minimum of two years
- 6) The current versions of relevant documents must be available at all locations
 - Pilgrims Environmental Policy
 - Waste Transfer Notes and Special Waste transfer notes
 - Trans Frontier Shipment (TFS) transfer notes
 - Discharge Consents
 - Authorisations to undertake a prescribed process

6. Waste Management and the Duty of Care

a. Policy

In addition to complying with the relevant national and international legislation on waste management, it is Pilgrims Group's policy to promote waste minimisation, reuse and recycling. Line managers should regularly review the use of materials and energy in order to reduce waste. Final disposal (landfill, for example) should be considered as the least preferred option.

The Waste Hierarchy

1. *preferred option is to* **REDUCE** waste production
2. *next best solution* **REUSE, RECYCLE & RECLAIM** waste products if at all possible
3. *last resort* **RESPONSIBLE DISPOSAL** in accordance with Duty of Care requirements

b. Definitions

Waste: Any substance or object which Pilgrims Group discards or is required to discard. In practical terms this means anything which has fallen out of the normal cycle of commercial activity. Waste from Pilgrims Group is usually defined as industrial or commercial waste. Materials for recycling are also defined as waste.

Examples: General office waste, food waste, scrap metal, pallets.

Special Waste: Certain types of waste, which are potentially environmentally hazardous and difficult or dangerous to dispose of. Waste is considered special if it is:

- one of the 250 substances listed in the EC Hazardous Waste List and has one of 14 listed properties which qualify a chemical as dangerous
- a prescription only medicine
- a liquid with a flashpoint of 21°C or below
- any highly flammable, irritant, harmful, toxic, corrosive or carcinogenic substance

Examples: Waste from electroplating, chemical processes and aircraft painting such as paints, thinners, paint strippers, oils, various acids, alkalis and bulk effluent slurries. This includes empty tins or other containers used for the original products.

Clinical Waste: Waste which consists wholly or partly of human or animal tissue, blood, body fluids or excretions or swabs, dressings, syringes, needles or other sharp instruments, which unless rendered safe may be hazardous to a person who comes in contact with it; or any other waste arising from medical, nursing, dental, veterinary, pharmaceutical or similar practice.

Examples: Medical and dental waste, needles and other sharps, waste from aircraft toilet maintenance and toilet service unit maintenance and any associated contaminated cleaning materials and clothing.

c. Managing Waste – The Duty of Care

The Environment Protection (Duty of Care) Regulations 1991 and the Statutory Code of Practice imposes a '**duty of care**' on anyone who produces, stores, carries, disposes, imports, treats or brokers waste, to take reasonable steps to prevent the illegal disposal, treatment or storage of waste and to ensure:

- against the escape of any waste
- that waste is only transferred for disposal to an authorised person
- that an adequate description and documentation of the waste is given to anyone to whom the waste is transferred

It is a criminal offence to breach the duty of care, irrespective of whether damage is caused. It is the failure to take reasonable steps that is the offence, which carries the punishment of an unlimited fine.

It is Pilgrims Group's responsibility to ensure that waste is only transferred to an **authorised person**, or to a person for authorised transport purposes, with an accompanying description which enables subsequent holders of the waste to fulfil their Duty of Care.

An authorised person is a person who will be one of the following:

- Waste collection authority
- Someone who is the holder of, or who has an exemption for, a waste management licence
- Someone who is registered, or who has an exemption for registration, as a carrier of controlled waste

It is the responsibility of **Pilgrims Group** as the '**WASTE PRODUCER**' to ensure that any waste we generate is handled by an authorised person and it is important that we:

- Check that the waste collector is authorised to carry waste and is registered, copies of registration certificates can be obtained from the Environment Agency
- Check that the Waste carrier is registered to carry the type of waste produced

- Check that we know where the waste is going and that it will not escape en route This will involve ensuring that skips are covered, adequately securing drums and taking any other measures to prevent spillage in transit

d. Controlled Waste

This is household, commercial or industrial waste. It can be from a house, school, hospital, shop, office, factory or any other trade or business. It may be liquid, solid, scrap metal or even a scrap car. It does not have to be hazardous or toxic to be controlled waste.

e. Special Waste

Certain wastes are considered to pose a potential risk to the environment and require special handling and treatment. A waste is classified as special if it has hazardous properties such as flammability, toxicity or is corrosive for example and as such has a more stringent system of control to ensure that it is handled and disposed of properly.

Special waste movements are controlled and recorded using official Special Waste documentation, which must be supplied to the relevant enforcing authority before the waste is moved. In the UK, the top copy of a set of consignment notes are sent to the Environment Agency, the remainder travel with the waste and record subsequent transfers of the waste, i.e. carrier to final disposal.

f. Transport

Transported hazardous wastes are subject to legislation covering the classification, packaging, labelling and transportation of dangerous goods. They also require a waste transfer note which is completed by the waste removal firm and given to Pilgrims as a record of waste transfer and disposal.

g. Company Requirements

Line managers are responsible for ensuring that:

- Procedures are established for the disposal of all waste and recycling materials including specific procedures for special and clinical wastes
- Staff and service partners have been provided with adequate information equipment, training and supervision before handling Pilgrims waste
- The possibility of reuse, recycling or pre-treatment is investigated where waste cannot be avoided
- **It is expressly forbidden to allow solid or liquid waste materials to be discharged into foul or surface water drains, unless approval has been obtained from the relevant authorities**

- All waste and recycling materials leaving Pilgrims are transferred to a licensed waste carrier
- All waste is treated and disposed of at appropriate treatment and disposal facilities
- All documentation on waste movements must be retained (in UK: Waste Transfer Notes for 2 years and Consignments Notes (for Special Waste) for 3 years)
- A written description of the waste is provided to handling/disposal contractors

IOM Waste disposal

Special waste must only be disposed of through the IOM Government Trans Frontier Shipment (TFS) process.

All staff have a part to play in ensuring Pilgrims Group's waste is handled and disposed of in accordance with government and local regulations and the company requirements.

This includes:

- Taking all reasonable steps to avoid or minimise the use of packaging and the generation of waste
- Avoiding the mixing of different types of waste; in particular, special and clinical waste must be kept separate from other wastes
- Keep waste in appropriate, well-maintained containers that are securely stored
- Label waste correctly

7. Water Pollution

a. Policy

In addition to complying with the relevant national and international legislation on water pollution control and with the conditions of any discharge consents applicable to its activities, it is Pilgrims policy to minimise the discharge of solid, liquid and gaseous emissions that could be harmful to the environment. b.

Definitions

Discharge consent: A permit granted by the Environment Agency to allow surface water or treated process effluent to be discharged to controlled waters.

Trade effluent agreement: A permit granted by the local sewerage undertaker to allow producers to discharge trade effluent to public sewers. The permit will set limits on the temperature, volume and chemical constituents of the discharge.

IPC Authorisation: An operating licence granted by the EA for certain prescribed processes or for use of prescribed substances. The terms of the authorisation may specify conditions regarding discharges to public sewer, in addition to those specified by the sewerage undertaker. (To be replaced by IPPC)

Controlled waters: Surface water (ponds, lakes, rivers and estuaries), groundwater and territorial waters up to three miles offshore.

Trade effluent: Any liquid waste matter produced within the course of trade or industry.

Special category effluent: Trade effluent, which contains prescribed substances requiring authorisation.

c. Company Requirements

As a line manager you should ensure that you comply with the following requirements:

- Ensure any discharge of waste contain details of any effluents produced within your area of responsibility together with details of their correct disposal routes

- Local procedures contain details of any discharge consents, authorisations or trade effluent agreements applicable to effluents produced within your area of responsibility
- Information is made available to all employees and contractors working within your area of responsibility whereby they must be informed of the correct disposal routes for all waste effluents
- Procedures are developed for responding to emergency spillages or accidental discharges to sewer along with any local Authority Instructions

8. Integrated Pollution Control and Air Pollution Control

a. Policy

In addition to complying with the relevant national and international legislation on pollution control and the terms and conditions of any authorisations and consents for discharges, it is Pilgrims Group policy to seek to minimise the discharge of solid, liquid and gaseous emissions to the environment.

b. Definitions

Prescribed substance: any substance listed in the Environmental Protection (Prescribed Processes and Substances) Regulations 1991 (as amended) whose release into the environment is to be controlled.

Prescribed process: any industrial process listed in the Environmental Protection (Prescribed Processes and Substances) Regulations 1991 (as amended).

BATNEEC: Operators of prescribed processes are required to use the Best Available Techniques not Entailing Excessive Cost to minimise the release of substances to the environment. Guidance on the BATNEEC for any process can be found in IPR series or PG series guidance notes.

BPEO: The Best Practicable Environmental Option is that which “provides the most benefit, or least damage, to the environment as a whole, at acceptable cost, in the long as well as the short term”. The Environment Agency is required through consultation to establish what the BPEO is for any process falling within the scope of IPC.

c. Company Requirements

Line managers must ensure local procedures direct employees to:

- comply with the conditions of authorisations and consents applicable to their areas of activity
- comply with any enforcement or prohibition notice or any inspector’s requirement
- maintain accurate and comprehensive records of any discharges to the environment

- report breaches of compliance limits to line management in order that the relevant regulatory authorities can be notified

d. Pilgrims' Corporate Arrangements

Any applications for which require a process authorisation whether under IPC / LAAPC / IPPC must be handled through the HSE Representative.

9. Ozone

a. Policy

In addition to complying with the relevant national and international regulations on the use of ozone depleting substances, Pilgrims Group aims to take all reasonable precautions to reduce and prevent, where possible, the emissions of ozone depleting and greenhouse gases into the atmosphere. The use of alternatives, substitution, improved working methods and recycling shall be utilised where it is deemed cost effective.

b. Phase Out

Production of the following ozone depleting substances has been phased out under the Montreal protocol:

- Chlorofluorocarbons (CFCs)
- Halons
- Carbon Tetrachloride
- 1,1,1-Trichloroethane
- Hydrobromofluorocarbons

The EC has set a phase out date of 2015 (with interim reductions) for Hydrochlorofluorocarbons (HCFCs). The Montreal Protocol has a phase out date for use of Methyl Bromide by 2005. This has yet to be reflected in EU legislation.

c. Company Requirements

Line managers should identify any ozone depleting substances or equipment containing such substances used within their area of responsibility. Substitution should be considered.

- New refrigeration equipment should not contain CFCs or HCFCs
- Existing equipment containing CFCs should be fitted with leak detection equipment and purge control devices
- Equipment containing CFCs or HCFCs will remain in service until such time as it requires replacement

10. Contaminated Land

a. Policy

Persons acting on behalf of Pilgrims should ensure that environmental issues are identified and adequately addressed when acquiring or disposing of land or facilities.

Under existing requirements it is the responsibility of the owner or occupier of land or premises to bear the cost of any clean up works required to return contaminated land back to use.

Disposal of assets must be conducted so as to minimise damage to the environment and prevent any liability for future claims on environmental grounds.

b. Land Acquisition

Before any land is acquired for use it should be assessed to ascertain any levels of contamination - this will involve a gathering of information and an Environmental Assessment produced to include:

- Site History
- Site investigation
- Subsequent Environmental Hazard Assessment
- Remediation techniques if necessary

Guidance notes published by the Department of Environment Food and Rural Affairs (DEFRA) detail the scope and content of environmental statements and consultation procedures.

c. Sources of Information

Gathering of information to ascertain perceived levels of contamination is essential and may be gained from the following sources:

- Previous Owners or Occupiers
- Staff who have been in long term employment
- Land Register from the Land Registry
- Hydro-geological maps from the Environment Agency (EA) (England & Wales) or Scottish Environmental Protection Agency (SEPA) available at www.environmentagency.gov.uk
- Planning conditions from Local Authority Councils
- Lease conditions from landlords consent
- Soil or water surveys
- Contaminated Land Register at the EA

d. Company Requirements

As the cost of remediation of any contaminated land is extremely expensive it is essential that the extent of any contamination is ascertained before property is purchased:

- Identify the previous use of the land
- Identify hydro-geological conditions (potential for pollution) if applicable
- Establish nature and location of previous potentially polluting processes
- Establish processes requiring authorisation or consent from a regulatory body
- Establish the extent of any soil or water monitoring
- Identify any areas of soil or water that may have been contaminated in the past
- Identify planning conditions or conditions of leases previously applicable
- Prepare an environmental statement for all projects where there is potential for significant environmental impact
- Assess the project against the concept of '**suitable for use**'

d. Suitable for Use

Planning Guidance - PPG23 Planning Policy Guidance: Planning and Pollution Control (1994) highlights the need to be aware of the previous use of land in considering development plans. Where contamination is suspected, developers should investigate the land to determine what remedial measures are necessary to ensure its safety and suitability for the proposed purpose - 'suitable for use'.

Guidance based on the 'suitable for use' principle on the redevelopment and after use of contaminated land is provided by DEFRA's Interdepartmental Committee on the Redevelopment of Contaminated Land (ICRCL).

e. Registers of Contaminated Land

The Environment Protection Act 1990 (Part IIA), contains the legislative framework for identifying and dealing with contaminated land in England (similar requirements apply in other countries), and further updated by the Contaminated Land Regulations 2000.

In England, Local authorities have a duty to identify contaminated land within their area, and if the land is identified as contaminated, determine whether the land is a 'special site', i.e. severely contaminated. Land is identified as 'contaminated' under the new regime if:

- significant harm is being caused or
- there is a significant possibility of significant harm being caused
- pollution of controlled waters is occurring or
- there is a significant possibility of controlled waters being contaminated

Those sites identified as 'special sites' will be the responsibility of the Environment Agency, while all other sites will be the responsibility of the local authority. Once

'contaminated land' or 'special sites' have been identified, the owners, occupiers and other appropriate parties are notified that this is the case. A consultation period of three months then takes place, which usually ends with the issuing of a remediation notice which may impose:

- Obligations on the recipient to assess the land, undertake works on the land to clean up the contamination and monitor the land after it has been remediated.
- The responsibility for remediating the land will lie with the person who caused or allowed the polluting substances to be present in the first place. If this person cannot be found, the notice may be served on the current owner or occupier of the land. Where more than one person is deemed to have caused the polluting substances to be present, liability may be apportioned.

g. Company Requirements to Prevent Land Contamination

Line managers are responsible for ensuring that:

- Arrangements are in place to prevent spillages and leaks from process activities and operations from entering the ground
- Report all spillages according to the procedure detailed in this manual
- Where contamination of the ground is suspected, this should be notified to the H,S & E Representative who will evaluate the need for site investigations
- Where soil is known to be contaminated, the need for remediation will be established by reference to Property and H, S & E Representative using the principle of 'suitable for use'
- Records of site investigation soil sampling and water analysis will be retained for an indefinite period

11. Environmental Incident Reporting

It is essential that where an Environmental Incident has occurred it must be reported and investigated thoroughly, this will enable management in conjunction with the H, S & E Department prevent it happening again.

Pilgrims Accident and Environmental Incident Report Form

All Environmental incidents must be reported using the Pilgrims Accident and Environmental Incident Report Form within 7 days of the incident.

You must complete as much information about the event as possible at the time and forwarded to the H, S & E representative.

A copy must be kept for your departmental records and the original sent the H, S & E Representative.

Serious Environmental Incident

In the event of a serious Environmental Incident such as:

- spillage of over 5 litres of oil
- The rupture of any oil tank or drum
- The collapse of a bund surrounding an oil storage area
- Evidence of leakage from a bund or oil storage area
- The leak of any amount of oil, hydraulic fluid, paint or solvents into a drain, sewer or water course
- The unexpected combustion of any toxic material
- The rupture or overspill of any septic tank or cesspit
- The collapse of any drain or sewer
- The contamination of any water source by any material likely to cause an Environmental Hazard,

The Operations Centre should be contacted immediately for advice on further action.

H&S ACCIDENT AND ENVIRONMENTAL INCIDENT REPORT

REPORT

THE REPORT SECTION SHOULD BE COMPLETED BY THE SUPERVISOR / MANAGER (RESPONSIBLE FOR THE INJURED PERSON OR FOR THE AREA WHERE THE ACCIDENT / DANGEROUS OCCURRENCE / ENVIRONMENTAL INCIDENT HAPPENED) IN CONJUNCTION WITH THE STAFF MEMBER INVOLVED.

ACCIDENT		DANGEROUS OCCURRENCE*		ACCIDENT BOOK (BI 510) COMPLETED*		F2508 SENT TO ENFORCING AUTHORITY*	
ENVIRONMENTAL INCIDENT*				ENVIRONMENT AGENCY INFORMED*			

THE INDIVIDUAL

STAFF		STAFF NUMBER		BUSINESS AREA	
PUBLIC		NAME		UNIT	
CONTRACT OR		JOB TITLE		SECTION	
CONTACT (NON - STAFF)				AGE	
use additional sheet if required					Tel No

THE INCIDENT

DATE	TIME	LOCATION (eg. IOM, BRS, MAN)	SUB LOCATION 1 (eg Building / Airside/ Ramp/ Pier)	SUB LOCATION 2 (floor/room/stand/road etc)
EQUIPMENT		EQUIPMENT NO / FLEET NO if applicable		AIRCRAFT TYPE
				AIRCRAFT REGN
DESCRIBE THE EVENTS LEADING UP TO THE ACCIDENT/INCIDENT				
WITNESSES (NAMES, ADDRESSES, STAFF NUMBERS & CONTACTS)				

THE ACTUAL OR POTENTIAL OUTCOME

(TICK AS APPLICABLE)

TYPE OF ACCIDENT / DANGEROUS OCCURRENCE / ENVIRONMENTAL INCIDENT	TYPE OF INJURY/OUTCOME	BODY PART	LEVEL OF ASSISTANCE NEEDED	
CHEMICAL CONTACT / SPILLAGE	ABRASION	ARM	NONE	
COLLISION / CRASH / IMPACT	AMPUTATION	BACK	LOCAL FIRST AID	
CONTACT WITH EXTREME COLD / HEAT	FRACTURE	EAR	BAHS	
CUT	BRUISING	EYE	AMBULANCE	
ELECTRIC SHOCK / BURN	BURN	FINGER	HOSPITAL	
EQUIPMENT FAILURE / STRUCK AGAINST	CHEMICAL INJURY	FOOT / TOE	OWN GP	
EXPLOSION	CONCUSSION	HAND	TIME ON DUTY	
FIRE	CUT	HEAD	0-4 HRS	

INHALATION (state DUST, GAS, VAPOUR)	DISLOCATION	INTERNAL	4-8 HRS	
MANUAL HANDLING	EMOTIONAL	LEG	8-12 HRS	
NOISE	FOREIGN BODY	TORSO	12 + HRS	
VIOLENCE AT WORK (state PHYSICAL, VERBAL ABUSE)	SPRAIN / STRAIN			
RADIATION	STRESS		LAST REST DAY	
SLIP / TRIP	POLLUTION			DAYS AGO
FALL FROM HEIGHT	SEVERITY			
STRUCK AGAINST	MINOR An injury requiring first aid with an immediate return to work			
STRUCK BY	SERIOUS An injury where full recovery and return to normal duties can be expected in time			
TRAPPED	MAJOR Injury involving permanent disability and preventing return to normal duties			
UNSAFE LOAD	FATAL Self Explanatory			
UNSAFE PRACTICE	ENVIRONMENTAL ACTION			
STRUCTURAL COLLAPSE	Containment			
OTHER (Specify in Text)	Clean up			
SIGNED (Originator)	NAME (Print)	TITLE	Tel No	DATE

INVESTIGATION THIS SECTION MUST BE COMPLETED BY THE INVESTIGATING MANAGER

WHAT INVESTIGATION HAS TAKEN PLACE AND BY WHOM? (e.g. interviews, site visit, photographs)
WHAT CAUSED THE INCIDENT? (state primary cause(s) and any contributory factors identified - e.g. training , procedures, equipment design, congestion)
WHAT SPECIFIC ACTIONS HAVE YOU TAKEN TO PREVENT A RECURRENCE? <u>THE RISKS IN THE TASK INVOLVED MUST BE RE-ASSESSED</u>

I confirm that:- 1. the above action has been / will be taken to prevent recurrence of this type of accident.				SIGNED (INVESTIGATING MANAGER)
2. all statutory and company documentation has been completed.				
3. this report has been passed to person responsible for recording in BASIS				
Tel No	DATE	TITLE	INVESTIGATING MANAGER (PRINT NAME)	

Any additional information should be enclosed on a separate sheet

NOTE:- You are required to send this copy to the HS&E Department and to keep a photocopy for local records and audit purposes

12. Oil Storage and Handling (Including Waste Oil)

a. Policy

Pilgrims Group is committed to the prevention of environmental damage from oil pollution and we are committed to the prevention of pollution during the storage and handling of oil.

Oil is toxic to plants and animals and a small amount of oil can devastate river life by forming a thin film on the water surface which stops oxygen getting to plants and animals. Oil which is spilt on the ground can pollute underground water supplies making them unfit for drinking purposes.

Oil Storage & Bunding Requirements

Where oil is stored the following standards must be adhered to:

- Tanks, drums or other containers must be strong enough to hold the oil without leaking or bursting
- Oil containers must be positioned away from vehicle traffic to avoid damage from collision
- A bund or drip tray must be provided to contain any oil leaks from the container or any of the ancillary pipework and equipment
- The bund must be large enough to contain 110% of the maximum contents of the container
- Where more than one container is stored, the bund must be capable of storing 110% of the largest container or 25% of the total storage capacity, whichever is the greater
- The bund base and walls must be impermeable to water and oil and checked regularly for leaks
- Any valve, filter, sight gauge, vent pipe or other ancillary equipment must be kept within the bund when not in use

- It is forbidden to fit a drainage valve to any bund for the purpose of draining rainwater
- Any above ground pipework must be properly supported along its length

Oil Storage Tanks

Before the installation of any new oil storage facility is implemented the HSE Dept must be consulted.

Standards for construction of oil storage tanks are contained within the Environment Agency: Pollution Prevention Guidelines (PPG2) Above Ground Oil Storage Tanks.

Safe Storage and Disposal of used Oils and Lubricants

Pilgrims Group has a 'Duty of Care' to dispose of waste, and in particular Waste Oil, as it is one of the most polluting substances and is therefore treated as 'Special Waste'. It must be disposed of through a licensed special waste contractor in accordance with the Special Waste section of this Policy. It is a criminal offence not to do this.

Storage of used Oils and Lubricants

The same requirements for safe and secure storage are needed for Used Oils as for new Oil (See Above).

13. Emergency Procedures

Emergency procedures must be formulated at all bases where Pilgrims Group operates - this will include any processes which could have an impact on the environment. Adherence to local Authority Instructions and the contents of the Pilgrims Environmental Policy must be followed to minimise any Environmental impact and assist with the clean-up and recovery.

Any emergency response plan to deal with spillage should include the following information as appropriate

- How spillages are dealt with
- What spill kit is held by Pilgrims at the site in Question?
- Where this spill kit is located?
- Who is responsible for dealing with the spillage? - There must be a designated individual within Pilgrims who will deal with the situation and act as the focal point.
- What training is given on dealing with spillages and how is this training delivered?
- How is any materials used in spillage operations disposed of?
- What records are kept?
- What follow up action is taken? - i.e. investigation into cause of spillage / maintenance regime / staff training / discipline.

Contact Details

**Emergency contact (UK Operations Centre, 24 hours):
+44 (0) 1483 228760**

Comments are welcomed and encouraged from anyone having constructive suggestions on improvements to Pilgrims organisation and arrangements for Health, Safety and the Environment.

These should be addressed to:

David Freear Group Chief Operating Officer Pilgrims Group Ltd Pilgrims House PO Box 769 Woking Surrey GU21 5EU	Des Ewers Group Compliance Manager Pilgrims Group Ltd Pilgrims House PO Box 769 Woking Surrey GU21 5EU
Tel: 01483 228771	Tel: 01483 228762
Mobile: 07932 750057	Mobile: 07789 153930
Email: df@pilgrimgroup.com	Email: de@pilgrimgroup.com

Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

All PGL offices take an active part in local recycling projects.

Whenever possible PGL incorporates environmental practices into our risk mitigation plans; i.e. Crime Prevention Through Environmental Design (CPTED) and use of integrated smart technology with low energy footprints thereby encouraging suppliers to raise their own environmental awareness.

Effective environmental management is a line management responsibility within PGL with the Facilities Manager holding responsibility for the development of environmental policies and procedures.

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

PGL actively manages all environmental issues (see Environmental policy on waste management, spill management and incident management).

PGL are not subject to nor have been the subject of any investigations or fines related to environmental issues during this reporting period.

PGL environmental policy implementation is regularly reviewed and forms part of our annual ISO 9001 audit procedure.

Anti-Corruption

Assessment, policy and goals

Description of the relevance of anti-corruption for the company (i.e. anticorruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

PGL has a zero tolerance to un-ethical behaviour and any breach of our ethical or anti bribery policy will be investigated by senior management and may result in disciplinary action including dismissal.

PGL Anti Bribery Policy - see below:

Introduction

The Company is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas. This policy outlines the Company's position on preventing and prohibiting bribery, in accordance with the Bribery Act 2010. The Company will not tolerate any form of bribery by, or of, its employees, agents or consultants or any person or body acting on its behalf. Senior management is committed to implementing effective measures to prevent, monitor and eliminate bribery.

Scope of this policy

This policy applies to all employees and officers of the Company, and to temporary workers, consultants, contractors, agents and subsidiaries acting for, or on behalf of, the Company ("associated persons") within the UK and overseas. Every employee and associated person acting for, or on behalf of, the Company is responsible for maintaining the highest standards of business conduct. Any breach of this policy is likely to constitute a serious disciplinary, contractual and criminal matter for the individual concerned and may cause serious damage to the reputation and standing of the Company.

The Company may also face criminal liability for unlawful actions taken by its employees or associated persons under the Bribery Act 2010. All employees and associated persons are required to familiarise themselves and comply with this policy, including any future updates that may be issued from time to time by the Company.

The Bribery Act 2010 is in force from 1 July 2011. This policy covers:

- the main areas of liability under the Bribery Act 2010;
- the responsibilities of employees and associated persons acting for, or on behalf of, the Company; and
- the consequences of any breaches of this policy.

Bribery Act 2010

The Company is committed to complying with the Bribery Act 2010 in its business activities in the UK and overseas.

Under the Bribery Act 2010, a bribe is a financial or other type of advantage that is offered or requested with the:

- intention of inducing or rewarding improper performance of a function or activity; or
- knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity.

A relevant function or activity includes public, state or business activities or any activity performed in the course of a person's employment, or on behalf of another

company or individual, where the person performing that activity is expected to perform it in good faith, impartially, or in accordance with a position of trust.

A criminal offence will be committed under the Bribery Act 2010 if:

- an employee or associated person acting for, or on behalf of, the Company offers, promises, gives, requests, receives or agrees to receive bribes; or
- an employee or associated person acting for, or on behalf of, the Company offers, promises or gives a bribe to a foreign public official with the intention of influencing that official in the performance of his/her duties (where local law does not permit or require such influence); and
- the Company does not have the defence that it has adequate procedures in place to prevent bribery by its employees or associated persons.

All employees and associated persons are required to comply with this policy, in accordance with the Bribery Act 2010.

What is prohibited?

The Company prohibits employees or associated persons from offering, promising, giving, soliciting or accepting any bribe. The bribe might be cash, a gift or other inducement to, or from, any person or company, whether a public or government official, official of a state-controlled industry, political party or a private person or company, regardless of whether the employee or associated person is situated in the UK or overseas. The bribe might be made to ensure that a person or company improperly performs duties or functions (for example, by not acting impartially or in good faith or in accordance with their position of trust) to gain any commercial, contractual or regulatory advantage for the Company in either obtaining or maintaining Company business, or to gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.

This prohibition also applies to indirect contributions, payments or gifts made in any manner as an inducement or reward for improper performance, for example through consultants, contractors or sub-contractors, agents or sub-agents, sponsors or sub-sponsors, joint-venture partners, advisors, customers, suppliers or other third parties.

Records

Employees and, where applicable, associated persons, are required to take particular care to ensure that all company records are accurately maintained in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers and public officials.

Due diligence should be undertaken by employees and associated persons prior to entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative.

Employees and associated persons are required to keep accurate, detailed and up-to-date records of all corporate hospitality, entertainment or gifts accepted or offered.

Working overseas

Principle

Employees and associated persons conducting business on behalf of the Company outside the UK may be at greater risk of being exposed to bribery or unethical business conduct than UK-based employees. Employees and associated persons owe a duty to the Company to be extra vigilant when conducting international business.

Procedure

Employees and associated persons are required to cooperate with the Company's risk management procedures and to report suspicions of bribery to their line manager (in the first instance), the Senior Operations Manager (as an alternative to the line manager), or a Company Director (if neither the line manager nor Senior Operations Manager is available). While any suspicious circumstances should be reported, employees and associated persons are required particularly to report:

- close family, personal or business ties that a prospective agent, representative or joint-venture partner may have with government or corporate officials, directors or employees;
- a history of corruption in the country in which the business is being undertaken;
- requests for cash payments;
- requests for unusual payment arrangements, for example via a third party; □ requests for reimbursements of unsubstantiated or unusual expenses; or □ a lack of standard invoices and proper financial practices.

If an employee or associated person is in any doubt as to whether or not a potential act constitutes bribery, the matter should be referred to your line manager.

Facilitation payments

Principle

The Company prohibits its employees or associated persons from making or accepting any facilitation payments. These are payments made to government officials for carrying out or speeding up routine procedures. They are more common overseas. Facilitation payments are distinct from an official, publicly available fast-track process. Facilitation payments, or offers of such payments, will constitute a criminal offence by both the individual concerned and the Company under the Bribery Act 2010, even where such payments are made or requested

overseas. Employees and associated persons are required to act with greater vigilance when dealing with government procedures overseas.

Procedure

Where a public official has requested a payment, employees or associated persons should ask for further details of the purpose and nature of the payment in writing. If the public official refuses to give these, this should be reported immediately to your line manager.

If the public official provides written details, your line manager will consider the nature of the payment. Local legal advice may be sought by the Company.

If it is concluded that the payment is a legitimate fee, for example part of a genuine fast-track process, or is permitted locally, the Company will authorise the employee to make the payment.

Where your line manager considers that the request is for a facilitation payment, the employee or associated person will be instructed to refuse to make the payment and notify the public official that the employee or associated person is required to report the matter to the Company and the UK embassy.

The Company will seek the assistance of the relevant employee in its investigation and may determine that the matter should be referred to the prosecution authorities.

If an employee or associated person has any other concerns about the nature of a request for payment, he/she should report it to their line manager using the reporting procedure set out in this policy.

Corporate entertainment, gifts, hospitality and promotional expenditure

Principle

The Company permits corporate entertainment, gifts, hospitality and promotional expenditure that is undertaken:

- for the purpose of establishing or maintaining good business relationships;
- to improve the image and reputation of the Company; or □ to present the Company's services effectively; provided that it is:
 - arranged in good faith, and
 - not offered, promised or accepted to secure an advantage for the Company or any of its employees or associated persons or to influence the impartiality of the recipient.

The Company will authorise only reasonable, appropriate and proportionate entertainment and promotional expenditure.

This principle applies to employees and associated persons, whether based in the UK or overseas. However, those with remits overseas will be given further training on the specific procedures that they are required to follow.

Procedure

Employees and, where relevant, associated persons should submit requests for proposed hospitality and promotional expenditure well in advance of proposed dates to their line manager. Reasonable, appropriate, and proportionate requests should be approved by the line manager; however any concerns should be escalated to the Senior Operations Manager or to a Company Director.

Employees are required to set out in writing:

- the objective of the proposed client entertainment or expenditure;
- the identity of those who will be attending;
 - the organisation that they represent; and
 - details and rationale of the proposed activity.

The Company will approve business entertainment proposals only if they demonstrate a clear business objective and are appropriate for the nature of the business relationship. The Company will not approve business entertainment where it considers that a conflict of interest may arise or where it could be perceived that undue influence or a particular business benefit was being sought (for example, prior to a tendering exercise).

Any gifts, rewards or entertainment received or offered from clients, public officials, suppliers or other business contacts should be reported immediately to the Senior Operations Manager. In certain circumstances, it may not be appropriate to retain such gifts or be provided with the entertainment, and employees and associated persons may be asked to return the gifts to the sender or refuse the entertainment (for example, where there could be a real or perceived conflict of interest). As a general rule, small tokens of appreciation, such as flowers or a bottle of wine, may be retained by employees.

If an employee or associated person wishes to provide gifts to suppliers, clients or other business contacts, prior written approval from the Senior Operations Manager or a Company Director is required, together with details of the intended recipients, reasons for the gift and business objective. These will be authorised only in very limited circumstances.

Employees and, where applicable, associated persons must supply records and receipts, in accordance with the Company's expenses policy.

Charitable and political donations

The Company considers that charitable giving can form part of its wider commitment and responsibility to the community. The Company may also support fundraising events involving employees.

What practices are permitted?

This policy does not prohibit:

- normal and appropriate hospitality and entertainment with clients (please see the Company's expenses policy and gifts and hospitality section below for further details); and
- the use of any recognised fast-track process that is publicly available on payment of a fee.

Any such practices must be proportionate, reasonable and made in good faith. Clear records must be kept.

Risk management

Principle

The Company has established detailed risk management procedures to prevent, detect and prohibit bribery. The Company will conduct risk assessments for each of its key business activities on a regular basis and, where relevant, will identify employees or officers of the Company who are in positions where they may be exposed to bribery.

Procedure

The Company will identify high-risk areas, for example projects undertaken in high-risk countries, tenders for work and those working on high-value projects. Employees and associated persons are required to complete a bribery risk assessment form with [name of individual/the line manager/the compliance officer] when commencing a new project.

The Company will:

- regularly monitor "at risk" employees and associated persons;
- regularly communicate with "at risk" employees and associated persons;
- undertake extensive due diligence of third parties and associated persons; and
- communicate its zero-tolerance approach to bribery to third parties, including actual and prospective customers, suppliers and joint-venture partners.

Reporting suspected bribery

Principle

The Company depends on its employees and associated persons to ensure that the highest standards of ethical conduct are maintained in all its business dealings. Employees and associated persons are requested to assist the Company and to remain vigilant in preventing, detecting and reporting bribery.

Employees and associated persons are encouraged to report any concerns that they may have to the line manager as soon as possible. Issues that should be reported include:

- any suspected or actual attempts at bribery;
- concerns that other employees or associated persons may be being bribed; or
- concerns that other employees or associated persons may be bribing third parties, such as clients or government officials.

Procedure

A form is available from the HR department to allow employees to record any incidents of suspected bribery. Any such reports will be thoroughly and promptly investigated by the line manager in the strictest confidence. Employees and associated persons will be required to assist in any investigation into possible or suspected bribery.

Employees or associated persons who report instances of bribery in good faith will be supported by the Company. The Company will ensure that the individual is not subjected to detrimental treatment as a consequence of his/her report. Any instances of detrimental treatment by a fellow employee because an employee has made a report will be treated as a disciplinary offence. An instruction to cover up wrongdoing is itself a disciplinary offence. If told not to raise or pursue any concern, even by a person in authority such as a manager, employees and associated persons should not agree to remain silent. They should report the matter to the line manager.

Action by the Company

The Company will fully investigate any instances of alleged or suspected bribery. Employees suspected of bribery may be suspended from their duties while the investigation is being carried out. The Company will invoke its disciplinary procedures where any employee is suspected of bribery, and proven allegations may result in a finding of gross misconduct and immediate dismissal. The Company may terminate the contracts of any associated persons, including consultants or other workers who act for, or on behalf of, the Company who are found to have breached this policy.

The Company may also report any matter to the relevant authorities, including the Director of Public Prosecutions, Serious Fraud Office, Revenue and Customs

Prosecutions Office and the police. The Company will provide all necessary assistance to the relevant authorities in any subsequent prosecution.

Review of procedures and training

The Company will regularly communicate its anti-bribery measures to employees and associated persons.

Director, Operations will monitor and review the implementation of this policy and related procedures on a regular basis, including reviews of internal financial systems, expenses, corporate hospitality, gifts and entertainment policies.

Employees and those working for, or on behalf of, the Company are encouraged to contact The Company contact with any suggestions, comments or feedback that they may have on how these procedures may be improved.

The Company reserves the right to amend and update this policy as required. For the avoidance of doubt, this policy does not form part of employees' contracts of employment.