

Anti-Bribery and Anti-Corruption Policy

Message from the Chairman

As the Chairman of Barhale I am fully committed to the Company being run in accordance with its well established Values which affect all that we do. We expect all who work for Barhale to uphold these both in belief and action. Sometimes employees breach these Values and commit acts which go against the beliefs of the Company. Sometimes companies fail to live up to good moral and ethical standards and may even break the law (you may recall, for example, the allegations of price fixing against some companies). It is a fundamental belief that working to the highest levels of integrity allows us to create a culture which allows our employee and customer relationships to flourish. It is for this reason, that we have a Whistleblowing Procedure which encourages anybody from within or outside Barhale to raise the alert if they believe that Company Values are being compromised. I am committed to fully supporting any member of staff which challenges any behaviours which contravenes the Barhale Values or any Barhale policy or procedure.

Dennis Curran
January 2018

Managing the threat of fraud and corruption

The Board and all of those engaged in corporate governance are committed to managing risk, both real and potential, across the business. This policy and the supporting documents are designed to create an honest, open and anti-fraud culture throughout the Company and to provide guidance to staff of what to do in the case of suspected corruption. For further information on responsibilities with regard to this policy, please see CG103-01 Anti-Bribery and Anti-Corruption Guidance Note.

The Barhale Values

This Policy is underpinned by the Barhale Values which have been embedded in the organisation since 1985:

- Safety – we put safety at the top of every agenda
- Communication – good communication is important in everything we do
- Quality – we focus on providing a high quality service
- Integrity – our relationships are based on trust and integrity
- Team*Spirit* – we enjoy an excellent team spirit
- Caring – we adopt a caring approach towards people and environment
- Trust – our relationships are based on trust and integrity
- Pride – we take pride in what we do

All those who work for the Company and its associated ventures should be aware of and act in accordance with these Values.

Definitions

- **Business integrity** refers to honest, truthful, reliable and honourable behaviour that endorses the Company's commitment to anti-bribery and anti-corruption
- **Bribery** is the receiving or offering of undue reward value or advantage, financial or otherwise, in connection with the performance of duties or functions for the Company. Anything of value can be a bribe, including a gift in kind, or some other favour such as an offer of employment to a relative of the person being bribed. It involves the giver and the receiver in the improper performance of a personal, company or official responsibility
- **Corruption** can include gifts, bribery, facilitation payments or other forms of improper business practice. It has the same attributes as set out under the bribery definition. It can be summarised as the misuse of entrusted power, office or position for financial gain

- **Kickbacks** arise when suppliers or service providers make payments or give something of value or advantage to the individual(s) who gave them the contract
- **Facilitation payments** are bribes given with a view to speeding up transactions or encouraging performance in a certain manner

Bribery examples

- Offering a bribe; you offer a potential client a holiday or some free building works, but only if they agree to do business with us. This would be an offence as you are making the offer to gain a commercial and contractual advantage. The Company may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer
- Receiving a bribe; a supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our Company to ensure we continue to do business with them. It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage

Scope

This policy applies to employees of the Company (whether permanent, temporary or fixed term); consultants, agents, agency staff, trainees, volunteers and job applicants.

Where the Company services are provided by external contractors or third parties on the basis of a specification set by the Company, these contractors or third parties are responsible for adhering to this Anti-Bribery and Anti-Corruption Policy whilst providing services on behalf of the Company.

The Policy

The Board of Directors is committed to maintaining business integrity by way of an honest and open culture within Barhale. It is also committed to the elimination of any form of bribery, fraud and corruption within the organisation and to the rigorous investigation of any such cases.

If you believe that you have good reason to suspect an employee, contractor, supplier or any other person or organisation connected to Barhale of a fraudulent, corrupt or improper practice or of any activity or behaviour that you feel is wrongful, you should report it immediately. These may include any of the following:

- Any criminal offence, breach of duty or miscarriage of justice
- Health, Safety and Environmental regulations and/or Quality Systems being breached within the Company
- Corporate fraud or corrupt actions, including questionable accounting, kickbacks, bribery, theft or non-Barhale work being carried out in Company time or at the Company's expense.
- Bullying, discrimination, victimisation or harassment of any Barhale employee, customer, client or third party
- Any of the Barhale Values being broken or neglected in the workplace to report them immediately

It is the Board's policy (which will be rigorously enforced) that no employee will suffer detriment or be penalised in any way as a result of reporting reasonably held suspicions. "Reasonably held" suspicions means anything this is not maliciously raised and found to be groundless. Victimisation or deterring employees or anyone else from reporting suspicions will be treated under the disciplinary procedure.

Prohibited activities

The above activities may arise by way of the following list of specific, prohibited activities, which is not exhaustive but serves as example and reminder:

- Arranging, promising, offering, giving, soliciting or accepting any bribe, inducement or kickback. The Company does not take part in, and also prohibits its employees from engaging in acts of corruption, paying bribes or kickbacks, or receiving bribes or kickbacks either directly or indirectly
- The making of facilitation payments. It is our policy that the Company and its employees will not engage in this even if such payments are custom and practice. The Company accepts that this may lead to commercial delays and costs attributable to this policy
- It is our policy that employees must not offer to, or accept from, third parties corporate entertainment, gifts, hospitality, promotional activity, rewards, benefits or other incentives that are not reasonable and proportionate, could affect impartiality, influence a business decision or lead to the improper performance of an official duty. See CG103-01 Anti-Bribery and Anti-Corruption Guidance Note for more details on this, and also donations
- Recruitment or engagement of employees, consultants, subcontractors or suppliers other than on an arms' length basis or the fixing of inappropriate remuneration, payment or terms & conditions
- Failing to disclose a conflict of interest
- Taking part in any dishonest activity in the prequalification, tender, nomination, selection or negotiation process prior to engagement including arrangements with competitors, exchanging competitively sensitive information, sharing price information, giving cover prices or any activity which breaches anti-competition laws
- Failing to account for monies received, accepting personal inducements or benefits or concealing the same
- Purchasing, selling, trading or using materials, plant, labour services or other assets or property of the Company for personal reward, gain or advantage
- Knowingly providing false, inaccurate or misleading information, data, records, opinion or advice
- Withholding or failure to disclose information dishonestly or to obtain an improper advantage
- Providing or knowingly making any false, inaccurate or misleading statements, records, invoices, claims or requests for payment or any deception or failing to implement controls or procedures
- Providing, concealing or approving work, materials, equipment or services which are not of the quality, quantity, value, type or location required under contract or otherwise not in the normal course of the Company's business
- Dishonestly refusing or failing to pay or delaying payment of sums due or failing or delaying approval of work, materials, equipment, services, invoices, claims or contractual entitlements
- Knowingly or wilfully ignoring any evidence of corruption

The Company will actively manage any suspected fraud and corruption in a structured, accountable and professional manner and in compliance with all relevant legislation.

Control Measures

Implementation of this policy is to be achieved by the following means:

- Culture – Barhale's Values were adopted in 1985 and awareness is maintained by Inductions, Management training, inclusion on all stationery and publicity material, notice boards in all offices, publication on the IMS, regular reference at Quarterly Leadership meetings and in Bulletins to staff and customers
- The compiling and maintenance of Risk Maps for each aspect of the business including both corporate and operational risks with the grading of such risks

- Monitoring of risk with regular reviews and audits under the supervision of the Risk and Audit Committee
- Employment contracts prescribe a duty to observe the policy and Disciplinary Procedures in corporate enforcement provisions
- Authorisation limits and procedures are prescribed for each level of management
- Procurement terms and procedures that include bribery prevention measures and authorisation requirements
- Regular contract reviews
- Internal and external audits including expenses management
- Due diligence enquiries made of new employees, subcontractors, consultants, supply chain and JV partners
- Regular training and guidance on the Anti-Bribery and Anti-Corruption Policy and adequate training provided around corruption awareness and legal obligations so that the policy can be upheld. Information will be provided at inductions and this policy, CG103-01 Anti-Bribery and Anti-Corruption guidance note, CPR170 Whistleblowing procedure and all other associated documentation will remain available via the Barhale Portal or upon request from HR
- The operation and promotion of CPR170 Whistleblowing Procedure for both internal and external use
- Procedures for investigating incidents and accidents (including Near Misses) both internally and externally
- The evaluation of risk during the work tender and contract negotiation processes
- The inclusion of anti-corruption measures in the companies operational procedures and the communication thereof
- The policy is subject to regular review and amendment by the Risk and Audit Committee which is responsible to the Board
- For auditing purposes the Company will keep financial records and have appropriate controls in place which will evidence business reasons for making payments to third parties.
Employees are required to:
 - Declare and keep a written record of all hospitality or gifts given or received, which will be subject to managerial review
 - Submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with CPR872 Expenses Procedure, recording the reason for the expenditure
 - Ensure all accounts, invoices and other records relating to dealings with third parties including suppliers and customers are prepared with strict accuracy and completeness. Accounts must not be kept “off book” to facilitate or conceal improper payments

Non-compliance

The Company promotes a zero-tolerance approach to bribery and corruption. Failure to comply with this policy could lead to the following consequences for the Company:

- criminal or civil liabilities including unlimited fines and imprisonment
- serious reputational damage including media exposure
- unenforceability of contracts entered into as a result of acts of bribery or corruption

Failure to comply with this policy could lead to the following consequences for the employee:

- personal criminal liability followed by fines or imprisonment
- disciplinary action initiated by the Company including dismissal

Reporting

Employees are encouraged to raise concerns whether they are potential issues, founded or suspected concerns of bribery or corruption at the earliest possible stage. Concerns may be raised in accordance with CPR170 Whistleblowing Policy, with your line manager, HR or with the Chief Executive Officer. Please see CG103-01 Anti-Bribery and Anti-Corruption Guidance Note for more details on reporting procedure.

The Company will support any employee who raises genuine concerns in good faith even if they are proven to be mistaken. The Company is committed to ensuring no employee suffers any detrimental treatment as a result of reporting their concerns.

If an employee believes they have suffered detrimental treatment, such as disciplinary action, dismissal, threats or unfavourable treatment, as a result of raising a concern the employee may raise the matter with HR or formally using CPR823 Grievance procedure.



Company Secretary
February 2019