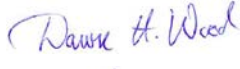

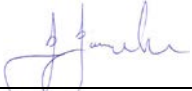



Anti-Bribery & Corruption Policy

	Rev 3	
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The Bribery Act 2010

Statement of Ethics - Transcar Projects Ltd

Transcar Projects Ltd specialises in project freight forwarders, managing general and project cargoes on a global basis. We pride ourselves on our reputation for acting fairly and ethically wherever we do business. Our reputation is built on our values as a company, the values of our employees and our collective commitment to acting with integrity throughout our organisation as well as those that we contract with.

Transcar Projects Ltd condemns corruption in all its forms and we will not tolerate it in our business or in those we do business with. From the confines of our working environments, it is sometimes difficult to grasp the scale of the damage that bribery does to societies. It is not a victimless crime; far from it:

"Corruption ... undermines democracy and the rule of law, leads to violations of human rights, distorts markets, erodes the quality of life and allows organised crime, terrorism and other threats to human security to flourish. This evil phenomenon is found in all countries - big and small, rich and poor...corruption hurts the poor disproportionately by diverting funds intended for development, undermining a government's ability to provide basic services, feeding inequality and injustice and discouraging foreign aid and investment. Corruption is a key element in economic under-performance and a major obstacle to poverty alleviation and development." (Kofi Annan, former UN Secretary General)

Our Anti-Bribery and Corruption Policy sets out in detail how you should behave and what you should do if you are confronted with corruption. We expect that all of you will embrace the Policy and its values and use them in all aspects of your day-to-day work.

The Policy is for your benefit as much as for the Company's. If convicted of a bribery offence, Transcar Projects Limited might get a significant fine and suffer lasting reputational damage. If you are convicted of a bribery offence, you could face up to ten years in prison. The potential harm done by bribery, both to Transcar Projects Limited and to you, is long term and hugely outweighs any potential short term gain. Bribery is wrong and it is just not worth the risk.

If you have any doubts about anything at all, refer to the Policy or you can speak to the company compliance officer and MD Dean Rossiter in complete confidence. We are committed to eradicating corruption and we will stand by you in acting ethically.

Statement of Ethics (cont.)

Remember, take the RIGHT approach, and we can eradicate corruption together:

- **Responsibility.** You are responsible for your actions. If you break the law, you will have to face the consequences - which could mean a fine, imprisonment, or both.
- **Integrity.** Don't compromise your integrity. If you think something is wrong, ALWAYS report it. If you aren't sure, consult the Policy. Don't ever let yourself be forced into doing something you know or suspect is wrong.
- **Genuineness.** Always pay genuine prices for genuine goods and services. Never pay over the odds. Agents who ask for especially large fees or commissions may do so in order to pay bribes on your behalf. If this happens, you will be responsible. Excessive payments are obvious and will always be uncovered.
- **Honesty.** Act honestly and in good faith at all times and in all aspects of your work.
- **Transparency.** Keep accurate records (including all invoices and receipts) of everything that you do, especially in relation to the payments you make and what they are for. Full and accurate records demonstrate complete transparency and that you have nothing to hide.

Don't bribe. Do the RIGHT thing.



Dean Rossiter
Managing Director



Lyn Salter
Company Secretary

Memorandum to Transcar Projects Limited **Board of Directors regarding the Bribery Act 2010**

THE BOARD OF DIRECTORS - TRANSCAR PROJECTS LTD AND ITS GROUP

This memorandum summarises the significant changes in UK anti-corruption law brought about by the Bribery Act 2010 and the urgent need for the Group to take appropriate action to ensure Group-wide awareness of the offences and to protect against incurring liability, to the extent such actions have not already been taken.

Issue

The Bribery Act 2010 came into effect from 1 July 2011. It introduced changes in the law that could significantly impact the conduct of the Group's business, both in the UK and abroad, in that:

- It extends the crime of bribery to cover all private sector transactions (previously bribery offences were confined to transactions involving public officials and agents).
- It creates a new strict liability offence of failing to prevent bribery. An organisation will only have a defence to this offence if it can show it had "adequate procedures" in place to prevent bribery.
- Its scope is extensive – the offences are very broadly defined and it has significant extra-territorial reach.
- The offences contained in the Bribery Act carry criminal penalties for individuals and organisations. For individuals, a maximum prison sentence of ten years and/or an unlimited fine can be imposed; for companies, an unlimited fine can be imposed.

We must review our anti-corruption procedures to ensure they are sufficiently robust to prevent corruption and to mitigate the risk of committing an offence under the Act.

Bribery Offences

The Act creates four offences:

- A general offence covering offering, promising or giving a bribe.
- A general offence covering requesting, agreeing to receive or accepting a bribe.
- A distinct offence of bribing a foreign public official to obtain or retain business.
- A new strict liability offence for commercial organisations where they fail to prevent bribery by those acting on their behalf.

The Act will not be retrospective.

Memorandum to Board of Directors (cont.)

The new offence of failure to prevent bribery: strict liability and the adequate procedures defence

A commercial organisation commits an offence if a person associated with it bribes another person for that organisation's benefit.

A person is "associated" with a commercial organisation if it performs services for or on behalf of the organisation, regardless of the capacity in which they do so. This will therefore be construed broadly and could cover our agents, employees, subsidiaries, intermediaries, joint venture partners and suppliers, all of whom could render the Group guilty of this offence.

This is a strict liability offence: there is no need to prove negligence or the involvement and guilt of the 'directing mind and will' of the organisation. This makes the offence easier to prove and will probably lead to more corporate prosecutions and convictions.

Adequate Procedures Defence

The organisation has a defence if it can prove it had "adequate procedures" in place to prevent bribery. "Adequate procedures" are not defined in the Bribery Act but the Ministry of Justice has published guidance on what adequate procedures might involve.

The guidance sets out the following six principles for companies to follow:

- Proportionate procedures.
- Top level commitment.
- Risk assessment.
- Due diligence.
- Communication.
- Monitoring and review.

We need to urgently review the guidance, conduct a risk assessment, and ensure we have implemented measures so that we have adequate procedures to prevent bribery in place.

Criminal Penalties

The potential consequences of being convicted of a bribery offence include criminal penalties for both individuals and companies:

- Individuals can be jailed for up to ten years and/or receive an unlimited fine.
- Companies can receive unlimited fines.

Fines for companies are likely to be substantial. No guidance has yet been given, but a recent judgment in the Crown Court against a company that had bribed foreign public officials stated that fines for corruption should be in the tens of millions or more.

"Senior officers" (which is broadly defined, and includes directors) can also be convicted of an offence where they are deemed to have given their consent or connivance to giving or receiving a bribe or bribing a foreign public official. Importantly, it is possible that omitting to act might be regarded as consent or connivance and lead to prosecutions, fines and/or imprisonment.

A director convicted of a bribery offence is also likely to be disqualified from holding a director position for up to 15 years.

Memorandum to Board of Directors (cont.)

Particular Risks for the Group

Certain of the Group's activities and operations expose it to particular risks of being involved in corruption and leave us vulnerable. In particular:

- **Public procurement:** If we are convicted of "active corruption" we will face mandatory exclusion under EU law from carrying out public contracts in the EU. If convicted of the offence for failing to prevent bribery, public authorities would have discretion to exclude us from public contracts. This could represent a huge loss of business and reputation damage for the Group.
- **Corporate hospitality and gifts:** There is a risk that corporate hospitality, such as customer or supplier entertainment, and the giving or receiving of gifts might be seen as bribery, especially in dealings with foreign public officials. Lavish hospitality or gifts must be avoided, both the giving and receiving.
- **Facilitation payments:** These are payments demanded by officials (or others) simply to secure or expedite the performance of their normal duties (for example, granting a licence, allowing goods to cross a border, and so on). These are commonplace in some jurisdictions, but the making of such payments, regardless of how small, will be an offence under the Act. (Note: the equivalent US legislation (Foreign Corrupt Practices Act 1977) currently specifically exempts such payments provided they are not unlawful in the relevant jurisdiction, but the Bribery Act does not.)
- We operate in countries where corruption is perceived to be high.
- We have frequent interactions with public officials.
- The Group has extensive global operations, which are considered to be high risk.
- The Group makes extensive use of agents and also enters into joint ventures in high risk jurisdictions and sectors.

Need for Immediate Action

Although we already comply with the US Foreign and Corrupt Practices Act (FCPA), the Bribery Act goes further and we must therefore review our existing anti-corruption policies immediately and implement necessary changes.

Initial Actions

The following actions, which are proportionate to the Group and consistent with the Ministry of Justice's guidance for commercial organisations about preventing bribery, should be carried out:

- Conduct a comprehensive Group-wide risk assessment.
- Conduct an immediate review of anti-corruption policies and procedures, especially taking into consideration corporate hospitality, donations and facilitation payments.
- Review the Group's code of conduct to ensure it adequately sets out how employees and other associated persons should behave from an anti-corruption point of view.

Memorandum to Board of Directors (cont.)

- Conduct due diligence on all "associated persons", especially third parties in high risk jurisdictions or sectors.
- Appoint a compliance officer at board level.
- Adopt a robust anti-corruption stance at the highest level, including making a public statement of the Group's zero tolerance to corruption both internally and externally.
- The Group's anti-corruption statement and policies should be clearly published and accessible, both internally and externally.
- Provide budget to implement policy (for example, for extensive training and monitoring of staff in key risk areas and establishing disciplinary mechanisms).

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ANTI-BRIBERY AND CORRUPTION POLICY

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1. POLICY STATEMENT

- 1.1 It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.
- 1.2 We will uphold all laws relevant to countering bribery and corruption. However, we remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad.
- 1.3 The purpose of this policy is to:
- (a) set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
 - (b) provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.
- 1.4 Bribery and corruption are punishable for individuals by up to ten years' imprisonment and if we are found to have taken part in corruption we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.
- 1.5 In this policy, **third party** means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

2. WHO IS COVERED BY THE POLICY?

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as **workers** in this policy).

3. WHAT IS BRIBERY?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

Examples:

Offering a bribe

You offer a potential client tickets to a major sporting event, 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. We 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 organisation 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.

Bribing a foreign official

You arrange for the business to pay an additional payment to a foreign official to speed up an administrative process, such as clearing our goods through customs. The offence of bribing a foreign public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for us. We may also be found to have committed an offence.

4. GIFTS AND HOSPITALITY

4.1 This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties.

4.2 The giving [or receipt] of gifts is not prohibited, if the following requirements are met:

- (a) it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- (b) it complies with local law;
- (c) it is given in our name, not in your name;
- (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- (e) it is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
- (f) taking into account the reason for the gift, it is on an appropriate type and value and given at an appropriate time;
- (g) it is given openly, not secretly; and
- (h) gifts should not be offered to, or accepted from government officials or representatives, or politicians or political parties, without the prior approval of the compliance manager.

4.3 We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

5. WHAT IS NOT ACCEPTABLE?

It is not acceptable for you (or someone on your behalf) to:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
- (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (f) engage in any activity that might lead to a breach of this policy.

6. FACILITATION PAYMENTS AND KICKBACKS

- 6.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions.
- 6.2 If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the company MD.
- 6.3 Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

7. DONATIONS

We do not make contributions to political parties. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the MD.

8. YOUR RESPONSIBILITIES

- 8.1 You must ensure that you read, understand and comply with this policy.
- 8.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.3 You must notify the MD as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in the 0.
- 8.4 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other workers if they breach this policy.

9. RECORD-KEEPING

- 9.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 9.2 You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.
- 9.3 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.
- 9.4 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

10. HOW TO RAISE A CONCERN

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your line manager or the MD.

11. WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

It is important that you tell the MD as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

12. PROTECTION

12.1 Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

12.2 We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the compliance manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure, which can be found in your company handbook.

13. TRAINING AND COMMUNICATION

13.1 Training on this policy forms part of the induction process for all new workers. All existing workers will receive regular, relevant training on how to implement and adhere to this policy.

13.2 Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

14. WHO IS RESPONSIBLE FOR THE POLICY?

14.1 The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

14.2 The compliance manager has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness [and dealing with any queries on its interpretation]. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

15. MONITORING AND REVIEW

15.1 The compliance manager will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

15.2 All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

15.3 Workers are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the compliance manager.

15.4 This policy does not form part of any employee's contract of employment and it may be amended at any time.

Schedule

Potential Risk Scenarios: "Red Flags"

The following is a list of possible red flags that may arise during the course of you working for us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly to the MD:

- (a) an agent or sub-contractor offers to deliver gifts to your home address or to provide gifts to a private address;
- (b) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (c) you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- (d) a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- (e) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (f) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (g) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- (h) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (i) a third party requests that a payment is made to "overlook" potential legal violations;
- (j) a third party requests that you provide employment or some other advantage to a friend or relative;
- (k) you receive an invoice from a third party that appears to be non-standard or customised;
- (l) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- (m) you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (n) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.