

WHISTLE BLOWING POLICY

The Company is committed to the highest standards of openness, probity and accountability.

An important aspect of accountability and transparency is a mechanism to enable staff and other members of the Company to voice concerns in a responsible and effective manner.

It is a fundamental term of every contract of employment that an employee will faithfully service his or her employer and not disclose confidential information about the employer's affairs. Nevertheless, where an individual discovers information which they believe shows serious malpractice or wrongdoing within the organisation (meaning that a legal obligation which a company is subject to is failing to be met), then this information should be disclosed internally without fear of reprisal, and there should be arrangements to enable this to be done independently of line management (although in relatively minor instances the line manager would be the appropriate person to be informed).

The Public Interest Disclosure Act, which came into effect in 1999, gives legal protection to employees against being dismissed or penalised by their employers as a result of disclosing certain serious concerns. The Company has endorsed the provisions set out below so as to ensure that no members of staff feel at a disadvantage in raising legitimate concerns.

It should be emphasised that this policy is intended to assist individuals who believe they have discovered malpractice or impropriety within the Company. It is not designed to reconsider any matters that have already been addressed under harassment, grievance, disciplinary or other Company procedures.

The Company expects all staff to use the procedures in place under this policy to raise any concerns they have relating to its compliance with its legal obligations. The Company believes it is reasonable to expect staff to raise concerns internally rather than air them outside the Company, and an employee raising concerns under this policy should provide as much detail as possible in order for the Company to investigate the concerns fully.

(a) Scope of Policy

This policy is designed to enable employees of the Company to raise concerns internally and at a high level and to disclose information which the individual believes shows malpractice or impropriety. Concerns under this policy will not necessarily consist of complaints or grievances against named individuals but may consist of a concern that certain procedures are not being followed generally. This policy is intended to cover concerns which are in the public interest and may at least initially be investigated separately, but might then lead to the invocation of other procedures if appropriate. These concerns could include, the past, present or future occurrence of:

- Failure to comply with a legal obligation.
- Health and Safety risks
- Damage to the environment.
- Criminal activity including but not limited to financial malpractice, impropriety or fraud.
- A miscarriage of justice.
- Attempts to deliberately conceal any of the above.

(b) Safeguards

(i) Protection

This policy is designed to offer protection to those employees of the Company who disclose such concerns provided the disclosure is made:

- In good faith.
- In the reasonable belief of the individual making the disclosure that it tends to show malpractice or impropriety and if they make the disclosure to an appropriate person (see below). It is important to note that no protection from internal disciplinary procedures is offered to those who choose not to use the procedure. In an extreme case malicious or wild allegations could give rise to legal action on the part of the person complained of.

(ii) Confidentiality

The Company will treat all such disclosure in a confidential and sensitive manner. The identity of the individual making the allegation may be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required.

(iii) Anonymous Allegations

This policy encourages individuals to put their name to any disclosures they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of the Company.

In exercising this discretion, the factors to be taken into account will include:

- The seriousness of the issues raised.
- The credibility of the concern.
- The likelihood of confirming the allegation from attributable sources.

(iv) Untrue Allegations

If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual.

In making a disclosure the individual should exercise due care to ensure the accuracy of the information. If, however, an individual makes malicious or vexatious allegations, and particularly if he or she persists with making them, disciplinary action may be taken against that individual.

(c) Procedures for Making a Disclosure

An employee who wishes to raise a concern under this policy must raise it in writing with his/ her line manager unless it is not suitable for him to do so. In such circumstances, the employee should raise his/her concerns with another member of Senior Management. Upon receipt of the concern an investigating officer will be appointed to carry out the necessary steps as follows:

- Concerns of malpractice will be investigated by the appropriate Director unless the complaint is against the Director or is in any way related to the

actions of the Director. In such cases, the complaint should be passed to the Chairman for referral.

- In the case of a concern, which is in any way connected with but not against a Director, the Chairman will nominate a Senior Manager to act as the alternative investigating officer.
- Concerns against the Chairman should be passed to the Managing Director who will nominate an appropriate investigating officer.
- An employee has the right to bypass the line management structure and take their concern directly to the Chairman. The Chairman has the right to refer the concern back to the management if s/he feels that the management without any conflict of interest can more appropriately investigate the concern.

If there is evidence of criminal activity, breach or impropriety, as covered by the scope of this policy, then the investigating officer should inform the police or any other appropriate external body (as necessary). The Company will ensure that any internal investigation does not hinder a formal police investigation or the investigation of any other external body.

(d) Time Scales

Due to the varied nature of the concerns which may give rise to following this internal investigation procedure and/or the policy, it is not possible to lay down precise timescales for such investigations. The investigating officer should ensure that the investigations are undertaken as quickly as possible without affecting the quality and depth of those investigations.

The investigating officer, should as soon as practically possible, send a written acknowledgement of the concern to the employee raising it and thereafter report back to them in writing the outcome of the investigation and on the action that is proposed. If the investigation is a prolonged one, the investigating officer should keep the complainant informed, in writing, as to the progress of the investigation and as to when it is likely to be concluded.

All responses to the employee raising the concern should be in writing and sent to their home address.

(e) Investigating Procedure

The investigating officer should follow these steps:

- Full details and clarifications of the concern should be obtained.

- The investigating officer should inform in writing, any member of staff implicated by the concern raised, and schedule individual meetings with any such staff, as soon as practically possible. The implicated member of staff will be informed of their right to be accompanied by a fellow work colleague or a trade union representative, at any interviews or meeting held under this policy.
- The investigating officer should consider the involvement of the Company's auditors and the policy at this stage and should consult with the Chairman or Managing Director as appropriate.
- The allegations should be fully investigated by the investigating officer with the assistance where appropriate, of other individuals/bodies.
- A judgement regarding the concern and its validity will be made by the investigating officer. This judgement will be detailed in a written report containing the findings of the investigations and reasons for the judgement. The report will be passed to the Chairman or Managing Director, as appropriate.
- The Chairman or Managing Director will decide what action to take. If the concern is shown to be justified then the Company will invoke the disciplinary or other appropriate Company procedures.
- The employee raising the concern should be kept informed of the progress of the investigations and, if appropriate, of the final outcome.
- If appropriate, a copy of the outcomes will be passed to the Company's auditors to enable a review of any procedures in question.

If the employee raising the concern is not satisfied that their concern is being properly dealt with by the investigating officer, they have the right to raise it in confidence with the Chairman or Managing Director.

If the investigation finds the allegations unsubstantiated and all internal procedures have been exhausted, but the employee raising the concern, is still not satisfied with the outcome, the Company recognises the lawful rights of employees and ex-employees to make disclosures to prescribed persons (such as the Health and Safety Executive, the Audit Commission, or the utility regulators), or, where justified, elsewhere. A full list of public bodies is available from an independent charity - Public Concern at Work who can be contacted at <http://www.pcaw.co.uk>

Employees should wherever possible, follow all internal procedures before taking any concerns outside the Company. If you have any concerns regarding this policy please contact the HR department.