

OUR POLICY: Babcock will conduct its business to the highest standards of honesty and integrity.

WHY? Simply, it is the right and proper thing to do and it is in Babcock's, and our employees', best interests. Our reputation and good name are our greatest assets; they are easily lost by actual or suspected corrupt or unethical behaviour. Without them we will lose business and jobs.

Corrupt behaviour can be criminal behaviour: the company and employees can be prosecuted, fined or imprisoned. Conviction can ruin individual careers, lead to existing contracts being terminated and disqualification from bidding for others, with a consequent loss of jobs.

What our Code of Business Conduct means. Babcock:

- › WILL respect the dignity and rights of its employees and place the highest priority on ensuring the safety of each other at work and the safety of others who might be affected by our activities;
- › WILL seek to minimise so far as we reasonably can the impact of our activities on the environment;
- › WILL comply with the law in the conduct of our business;
- › WILL be honest in our dealings with those with whom we do or seek to do business;
- › WILL strive to avoid even the appearance of wrongdoing or impropriety in the way we go about our business;
- › WILL NOT bribe or attempt to bribe anyone;
- › WILL NOT take bribes from anyone;
- › WILL be diligent in selecting our business advisors and partners so that we minimise the risk of our reputation being damaged by others;
- › WILL implement and observe appropriate training and procedures designed to ensure that we and others working for us understand what our Code of Business Conduct means for them in practice; and
- › WILL treat seriously breaches of our Code or its associated Guidance.

And our Business Advisors:

MUST agree to comply, and actually comply, with our Code and this Guidance, so far as relevant to them, as if they were our employees.

And our employees:

- › WILL avoid (or properly disclose and obtain clearance for) potential conflicts between their interests (or those of their friends and families) and their responsibilities to Babcock or our customers;
- › WILL NOT take bribes and will report to appropriate management any attempt made to bribe or improperly influence them or another employee in the carrying out of their duties for Babcock;
- › WILL NOT bribe or attempt to bribe anyone (including by making "facilitation payments"* and will report to appropriate management any request or suggestion that Babcock, or anybody working for or with Babcock, should bribe or attempt to improperly influence someone;
- › WILL seek advice on how to proceed if they are at all unsure whether something complies with our Code of Business Conduct or how to apply its associated Guidance;
- › WILL be able to raise (confidentially if they wish), without fear of unfavourable consequences for themselves, any genuine concerns they have that our Code or its associated Guidance is not being followed.

And our Business Partners:

SHOULD either be willing to subscribe to our Code and its associated Guidance or have equivalent standards and procedures in their own businesses.

*A "facilitation payment" is a payment to a public official or another person to encourage or reward that person for carrying out their normal duties (either at all or more quickly than they would have done without the payment).