

Business Ethics Statement

Safespear's business has been developed around a core set of values which are fundamental to the Company's development strategy and success.

Integrity runs throughout our organisation and by employing and developing the best people in the industry, we are able to use our expertise to focus on delivering solutions to customers and financial performance for the Company and its' shareholders.

Safespear operates throughout the world and we pride ourselves on our reputation for acting fairly and ethically whenever 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. Our zero-tolerance approach to bribery and corruption is a key part of that commitment.

This Anti-Bribery and Corruption Policy sets out the general rules and principles to which we adhere. It will be communicated to all businesses and employees overseen by Safespear's board, as well as any other relevant third parties. Those who work in areas within our business that have been identified as high risk will receive additional training and support in identifying and preventing bribery and corrupt activities.

Through the procedures explained in this policy, Safespear and its' subsidiaries [together 'Safespear'] can maintain its' high ethical standards and protect its' reputation against any allegations of bribery and corruption. The successful implementation of this policy requires pro-active adoption at the following levels:

- You – as an employee of Safespear, are required to read and understand all aspects of this policy and abide by it.
- Line Management – Ensuring your departments overall compliance with the requirements of this policy is the responsibility of the Line Manager.
- Compliance Officer – Is responsible for overseeing the implementation of the policy throughout all departments, providing necessary training, updating the policy and supervising the monitoring and review processes.
- Safespear's Board – Has overall responsibility for implementation of the policy and monitoring compliance with the policy.



Barry McGuire
Chairman

Anti-Bribery & Corruption Policy



It is Safespear's policy to conduct all of our business in an honest and ethical manner. Safespear is resolutely opposed to bribery and corruption in whatever form it may take. We take a zero-tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and to implementing and enforcing effective systems to counter bribery.

We will uphold all laws relevant to countering bribery and corruption in all of the jurisdictions in which we operate.

The purpose of this policy is to;

- Set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
- Provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

We have identified that the following are particular risks for our business:

- The sector in which we operate – The oil and gas industry, is frequently identified as one of the sectors most susceptible to bribery;
- The territories in which we operate – Safespear operates in a variety of countries around the world, some of which have been identified as carrying a higher risk of corruption;
- The nature of some of our business relationships – Safespear operates in some overseas territories with arm's length partners or distributors, over whose activities we do not have direct oversight.

To address those risks, we:

- Are clearly and unequivocally committed to a zero-tolerance approach to bribery at all levels within Safespear;
- Have put in place a comprehensive training programme to ensure that all Safespear employees are fully aware of their obligations and potential bribery risks;
- Ensure that all Safespear employees are clear about the standards expected of them, on the expected response to any instance or potential instance of bribery, and know who to contact within Safespear to report any activity which gives cause for concern;
- Have undertaken a detailed risk assessment of all aspects of Safespear's business to ensure that they are committed to the same ethical standards which we hold Safespear to; and
- Continuously monitor and review our operations to ensure that we are meeting the high ethical standards we have set for Safespear and our compliance with this policy.

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, advisors, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

Scope of this Policy

Safespear’s zero-tolerance of bribery and corruption applies to all officers, directors and employees as well as any agents, contractors, representatives or other parties acting on behalf of Safespear or any subsidiary, of which Safespear has effective control, in any country that we operate. Safespear also encourages the application of a zero-tolerance policy on bribery and corruption in any subsidiary in which we do not have a controlling interest.

Safespear expects our business partners, suppliers and contractors to act with integrity in a way which does not involve or tolerate bribery and / or corruption. Safespear will, where appropriate, include clauses to this effect in relevant contracts.

What is Bribery?

Bribery is the practice of offering, promising or giving something [usually money or gifts but may also be favours or other advantages] in order to influence, or seek to influence, a person to perform a role or duty improperly.

In the business world, bribes are generally used to obtain, retain or direct business. This may involve sales processes, such as tendering or contracting, or it may involve the handling of administrative tasks, such as licences, customs, taxes or import / export matters. A bribe could be:

- The direct or indirect promise, offering, or authorisation, of anything of value;
- The offer or receipt of any kickback, loan, fee, reward or other advantage;
- The giving of aid, donations or voting designed to exert improper influence.

The Policy

Safespear prohibits:

The offering, the giving, the solicitation or the acceptance of any bribe, whether cash or other inducement

to or from

Any person or commercial organisation, wherever they are situated and whether they are a public official or body or private person or commercial organisation

by

any individual employee, agent or other person or body acting on Safespear’s behalf in order to gain any personal advantage, financial or otherwise, for the individual or anyone connected to the individual.

Gifts and Hospitality

The giving and receiving of gifts or hospitality could influence, or could be perceived to be capable of influencing, a transaction. As such they could be considered a bribe, especially if they are lavish and inappropriate. On no account should gifts be accepted that have a potential to cause reputational damage to the organisation.

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 justified. The intention behind the gift should always be considered.

Detailed guidance on what constitutes acceptable gifts and hospitality is given in a separate Gifts and Hospitality Policy.

Facilitation Payments

These are payments used by businesses or individuals to secure or expedite the performance of a routine or necessary action to which the payer has a legal or other entitlement eg; to expedite a visa application. In many countries, it is customary business practice to make payments or gifts of small value to government officials in order to speed up or facilitate a routine action or process.

Such payments are bribes and as such are prohibited, except for in situations of medical or safety emergency. Where this occurs, prior approval should be sought from the Compliance Officer, or, if not practicable, the payment should be made first and then record of such payment should be kept and immediately reported to the Compliance Officer.

Donations

Safespear does not make contributions to political parties in the UK and this policy should be followed worldwide. We only make charitable donations that are legal and ethical under local laws and practices and are related to the oil and gas industry. No donations must be offered or made without the prior approval of the Compliance Officer.

Your Responsibilities

You must ensure that you read, understand and comply with this policy.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for use or under our control. All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify the Compliance Officer as soon as possible if you believe or suspect that a conflict of 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.

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 personnel, such as business partners, consultants, advisers, or self-employed contractors, if they breach this policy.

Record Keeping and Reporting

It is Safespear's policy to conduct its business in a fully transparent manner beyond what is required by applicable laws. The maintaining of complete and accurate records is essential for demonstrating transparency. Honest and accurate recording and reporting of information is critical to Safespear's ability to make responsible business decisions. Safespear's books and records reflect transactions in conformity with accepted accounting and record keeping standards. Misrepresentation, concealment, falsification, circumvention, and other deliberate acts resulting in inaccurate financial books and records are unlawful and will not be tolerated.

In accordance with our Gifts and Hospitality Policy, written records of all gifts and hospitality accepted or offered must be kept in our Gifts and Hospitality register which is administered by our Compliance Officer.

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 may be kept 'off-book' to facilitate or conceal improper payments.

Dealing with Third Parties

Safespear's Anti-Bribery and Corruption Policy shall be communicated to all third-parties with whom Safespear has business dealings.

Sales and Purchases

Safespear shall ensure that in contracting for the sale / purchase of goods or for the supply of services by / to Safespear that these transactions are conducted with an honest, fair, and transparent manner. Safespear shall endeavour to contract with parties who have similar policies in place. All potential clients are required to complete a due diligence questionnaire for internal review. Safespear will also carry out due diligence, either using its own resources or via a third-party Risk and Compliance Assessor.

Agents, Business Partners & Intermediaries

The following procedure must be followed for the appointment of an agent, business partner or intermediary. This procedure must also be repeated when contracts are renewed and at regular 2-yearly intervals in relation to existing agents, business partners and intermediaries.

Due Diligence

- The potential agent, business partner or intermediary shall be required to complete a due diligence questionnaire [which can be obtained from the Compliance Officer] to provide information including details of its shareholders, directors, other clients, any involvement or relationship [business or familial] with public officials and its resources and capabilities to perform the services required.

- The completed questionnaire shall be read by the Operations Director to check for any 'red flags'. If a prospective agent, business partner or intermediary is unwilling to provide the requested information, or is offended by the request, then this may itself represent a 'red flag' and an alternative agent, business partner or intermediary should be sought.
- The information provided must be independently verified by the Operations Director. Checks can be made with local embassies, business contacts and other organisations in the local market to find out any concerns and determine which agents, business partners or intermediaries are regarded highly or adversely and why. On all occasions a primary check must be conducted either through Safespear's own resources or by using its third-party Risk and Compliance Assessors.

Appointing the Agent, Business Partner or Intermediary

- To protect against agents, business partners or intermediaries being appointed for corrupt purposes or behaving corruptly, the business case for appointing the party must be reviewed using consistent criteria set by the Compliance Officer.
- All appointments must be notified to the Compliance Officer along with documentation of the details of the agent, business partner or intermediary and of the relationship together with details of the due diligence carried out.
- Fees, commissions, and expenses paid to the agent, business partner or intermediary must be reasonable in relation to the services provided.
- Adherence to the policy
- All agents, business partners and intermediaries shall receive a copy of Safespear's Anti-Bribery and Corruption Policy & Gifts and Hospitality Policy.
- In all areas that are high risk for bribery, the agent, business partner or intermediary may receive additional training as determined by the Compliance Officer.
- All contracts shall contain provisions requiring adherence to these policies and sanctions in the event of a breach of this policy including permission to immediately terminate this contract.
- The agent, business partner or intermediary shall be informed as to the nature of any sanctions and the circumstances in which they would apply including any right of appeal.

Documentation

The Compliance Officer shall maintain a register of its agents, business partners and intermediaries which shall include details about them, and of the relationship with them, together with details of due diligence carried out.

Every step of the procedure in the appointment and monitoring of an agent, business partner or intermediary shall be documented, including records of negotiations, payments, meetings, reviews, inspections, and audits.

Contractors

All contractors shall be required to adhere to Safespear's Anti-Bribery and Corruption Policy and a copy shall be provided to them. Where appropriate, contractors shall be required to participate in Safespear's induction programme and receive training. Contracts shall contain provisions requiring adherence to these policies and sanctions to be applied in the event of a breach of this policy, including permission to immediately terminate the contract.

How to Raise a Concern

You are encouraged to raise a concern 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 the Compliance Officer. Concerns should be reported by following the procedure set out in our Whistle Blowing Policy.

What to do if You are a Victim of Bribery and Corruption

It is important that you tell the Compliance Officer 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.

Protection

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

Safespear is committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery and corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or any 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 Officer immediately. If the matter is not remedied, and you are an employee, you should raise it formally using the Grievance Procedure.

Training and Communication

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

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

Anti-Bribery & Corruption Policy



Who is Responsible for the Policy?

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

Monitoring and Review

The company 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.

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

Employees 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 Officer.

**** Although employees are required to abide by their terms, the Anti-Bribery and Corruption Policy & Gifts and Hospitality Policy do not form part of any employee's contract or employment and may be amended at any time.**