

BUSINESS CONDUCT POLICY

ELIQUO HYDROK expects its staff (including temporary, agency, interim, contractor or consultant staff) to be scrupulously impartial and honest in all affairs relating to the Company and their job within it. All staff also bear a responsibility as employees to act as ambassadors for the Company in terms of their general conduct both within and outside the organisation.

Scope

This policy outlines the responsibilities of all ELIQUO HYDROK employees and others acting on behalf of ELIQUO HYDROK. This Policy extends to all business dealings and transactions in the UK and in all countries in which ELIQUO HYDROK operates. It is essential that ELIQUO HYDROK conducts an effective process of due diligence prior to entering into significant business relationships and that a record is kept of this process.

The duties of an employee are embodied in Common Law and built on by Statute e.g. the Equality Act 2010, The Health and Safety at work Act 1974, the Bribery Act 2010 etc. United Kingdom Statute places further responsibilities on individual employees with regards to their own behaviour and their behaviour towards other employees.

Bribery and Other Corrupt Behaviour

The Company has a strict anti-bribery and corruption policy in line with the Bribery Act (2010). The Bribery Act creates a framework of five criminal offences:

- Giving, promising, and offering of a bribe
- Agreeing to receive or accept a bribe.
- Bribing a foreign official
- Failure of commercial organisations to prevent bribery.
- A senior officer of a commercial organisation consenting to or conniving in an act of bribery

A bribe is defined as: giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.

If an employee bribe (or attempts to bribe) another person, intending either to obtain or retain business for the company, or to obtain or retain an advantage in the conduct of the company's business this will be considered gross misconduct. Similarly accepting or allowing another person to accept a bribe will be considered gross misconduct. In these circumstances the employee will be subject to formal investigation under the Company's disciplinary procedures, and disciplinary action up to and including dismissal may be applied.

Tax Evasion

Tax evasion (tax fraud) is an illegal attempt to defeat the imposition of taxes by individuals, corporations, trusts, and others. Tax evasion often entails the misrepresentation of the taxpayer's affairs to the tax authorities to reduce the taxpayer's tax liability, and it includes dishonest tax reporting, such as declaring less income, profits or gains than the amounts actually earned, or overstating deductions.

If an individual or the business is placed under tax investigation from HMRC, it will be due to a suspicion that something is awry with the tax returns in question, such as any expenses that have been claimed as tax deductible, payments made to employees that fall below the government-mandated minimum living wage, or any VAT that has been involved in our business transactions. Individuals must ensure that they do not fall foul of any legal misunderstandings or errors. If inconsistencies are found, these will be discussed with the individual in question and draw a conclusion as to any penalties that may be required. In the case of businesses suspected of tax malpractice, however, HMRC may make an unannounced visit to the business premises and review financial records on-site.

Gifts and Hospitality

This policy does not prohibit normal and appropriate gifts and hospitality (given and received) to or from Third Parties unless otherwise specifically stated. However, any gift or hospitality, that is given, promised to give, or offered must NOT:

- be given secretly, but openly.
- be a payment, gift or hospitality with the expectation or hope that they or ELIQUO HYDROK will improperly be given a business advantage, or as a reward for a business advantage already improperly given.
- be a payment, gift or hospitality to a government official, agent or representative to facilitate or expedite a routine procedure;
- be a payment from a Third Party where it is known or suspected that it is offered or given with the expectation that the Third Party will improperly obtain a business advantage, or improperly provided by ELIQUO HYDROK in return.

ELIQUO HYDROK employees must NOT:

- threaten or retaliate against another member of staff who has refused to commit a bribery offence or who has raised concerns under this policy; or
- engage in any activity that might lead to a breach of this policy.

ELIQUO HYDROK appreciates 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 both in the UK and any other relevant country. The intention behind the gift should always be considered.

The only exceptions to this are trivial gifts with a nominal value of less than £10 such as a calendar, diary, chocolates or mugs, which will be offered in a 'free draw' at the end of the year, before the Company closes for the Christmas break. All other gifts must be politely refused or, if received through the post, returned to the donor with a suitably worded letter signed by the Department Manager.

Transaction of Private Business

Employees having official dealings with contractors and other suppliers of goods or services must avoid transacting any kind of private business with them by any means other than the Company's normal commercial channels. No favour or preferences as regards price, or otherwise, which is not generally available, should be sought or accepted.

Visits to Conferences, Demonstrations etc

The Company intends that when it is necessary for employees to visit conferences, demonstrations and similar occasions, it should bear the travelling and subsistence expenses. Exceptions to this general rule will only be permitted with the approval of the Managing Director.

Attendance at Luncheons, Receptions etc

Where it is evident that the work of the Company will be facilitated, invitations to attend receptions, luncheons may be accepted under the following rules:

- no employee may accept an invitation without first obtaining the approval of the Managing Director or Chief Financial Officer.
- in exceptional circumstances, where it is not possible to seek prior approval, the facts should be reported immediately afterwards.
- if addressed personally, such an invitation may not be transferred to another employee, except with the consent and approval of a senior manager as above and the party issuing the invitation.
- invitations involving attendance outside normal working hours may be accepted only on the authority of the Departmental Manager.

- any employee who has any doubts about the wisdom of accepting any hospitality should decline the offer.

NB. The important difference between, for example, attendance in an official capacity at a function organised by the Company or one of its subsidiaries and the acceptance of hospitality from a private individual or firm should be recognised.

Confidentiality

At all times confidentiality must be maintained. No information can be released to unauthorised persons or organisations. The Managing Director, Chief Financial Officer, or other Directors of the Company will inform employees of those authorised to receive information. If doubt exists as to the validity of an organisation or individuals to receive information, this must be checked with the Managing Director.

Outside Interests and Employment

Outside interests include directorships, ownership, part ownership or material shareholdings in companies, business or consultancies likely to seek to do business with ELIQUO HYDROK. These should be declared to the individual's line manager as should the interests of a spouse / partner or close relative.

Political and civic activities

It is not the intention of ELIQUO HYDROK, or this policy, to dissuade employees from participating actively in public duties. It is important, however, that by doing so there is no suggestion to a third party that the employee is acting on behalf of, or with the support of, ELIQUO HYDROK. To avoid any misunderstanding, no Company employee should permit his or her company affiliation to be noted in any outside organisation's materials or activities without the express written approval of a member of senior management.

General Conduct

Employees should conduct themselves at all times, in such a way as to enhance the reputation of the Company. These standards of conduct are intended to underpin and clarify standards required by the Company of its employees and form a fundamental part of the employment contract.

Responsibilities and raising concerns.

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

Employees are required to notify ELIQUO HYDROK as soon as possible if it is believed or suspected that a conflict with this policy has occurred, or may occur in the future, or if they are offered a bribe, are asked to make one, suspect that this may happen in the future, or believe that they are a victim of another form of unlawful activity. ELIQUO HYDROK will support employees who become aware of and are willing to report breaches of this policy or who genuinely believe that a breach is occurring, has occurred or is likely to occur within the business. Employees should raise the issue internally following P30 Whistleblowing Policy, notifying their line manager or senior manager as appropriate.

Staff who fail to comply with the guidance detailed in this Policy could be subject, following full investigation, to disciplinary action up to and including dismissal. If through their actions or omissions staff are found to be in contravention of either this Policy or, indeed, their legal responsibility, then the Company reserves the right to take legal action if it deems it to be necessary to do so.

Signed:



Peter Wroe
Managing Director



Robert Johns
Operations Director