



Herschel Infrared Ltd – Ethical Business Practice policy statement (July 2014)

This policy sets out our ethical business practices. It applies to all employees, in relation to our dealings with our people, agents, clients, suppliers, subcontractors, competitors, government officials, the public and investors in all our operating countries.

Policy objectives

We have a duty to act responsibly and to show the highest levels of ethical and moral stewardship. The objectives of this policy are to:

1. Support our commitment to be a responsible business and develop mutually beneficial and sustainable relationships with our stakeholders, based on trust and co-operation;
2. Treat all our stakeholders appropriately; and
3. Promote safe and fair working conditions, including the responsible management of environmental and social issues within our supply chain.

UNDER NO CIRCUMSTANCES will bribery and corruption will be tolerated.

It is not acceptable to:

1. 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, or to facilitate or expedite a routine procedure.
2. Request, agree to receive or accept payment from a third party that is known or suspected to have been offered with the expectation that it will obtain a business advantage from Herschel Infrared Ltd
3. Participate in any activity that might lead to or suggest that a facilitation payment or kickback has been made or accepted by Herschel Infrared Ltd.
4. Accept a gift or hospitality from a third party if it is known or suspected to have been offered or provided with an expectation that a business advantage will be provided to Herschel Infrared Ltd in return; or
5. Threaten or retaliate against another employee who has refused to commit a bribery offence or who has raised concerns under this policy.

All reasonable suspicions must be reported directly to the CEO and any acts of bribery will be notified by Herschel Infrared Ltd to the relevant government agency. Any acts of bribery and other forms of corruption, and failure by any employee to report such acts when they reasonably suspect or know another employee has committed them, will be treated as gross misconduct and may result in summary dismissal.

All employees, subcontractors, agents and suppliers must act honestly and with integrity at all times. All reasonable suspicions of fraud must be reported to the CEO. No accounts must be kept "off the book" to facilitate or conceal improper payments.

All expenses and entertainment must be in accordance with the Business expenses and entertaining procedures. Client/Customer confidentiality and information related to data protection legislation must be safeguarded. Conflicts of interest must be declared. Anti-competitive practices will not be tolerated. The use of third parties and introductory fees during the bidding process is prohibited. We never make donations to political organisations and only make charitable donations that are legal and ethical under local laws and practices.



We endorse the tenets of the Global Compact principals, International Labour Organisation Declaration on Fundamental Principles and Rights at Work and the Ethical Trading Initiative 'Base Code' and will ensure that: employment is freely chosen; freedom of association is respected; working conditions are safe and hygienic; child labour shall not be used; wages are not lower than minimum wage; working hours are not excessive; no discrimination is practised; regular employment is provided; and no harsh or inhumane treatment is allowed. Compliance with these rules is a prerequisite for any business engagement.

We do not directly participate in political activity. However, we will engage in policy debate on subjects of legitimate concern to us, our people and the communities in which we operate. The Executive Board will monitor activities to ensure they align with our core values.

The CEO is responsible for reviewing, endorsing and achieving this policy's aims.

Managers are responsible for:

1. Implementing and enforcing the processes and procedures;
2. Ensuring that their people are aware of their responsibilities and receive appropriate training;
3. Reporting immediately to the Divisional Managing Directors any significant deficiencies or breaches; and
4. Addressing any inappropriate behaviour.

Employees are responsible for:

1. Carrying out their work in line with this policy and associated procedures;
2. Challenging any behaviour that falls short of the expectations of this policy; and
3. Identifying any breaches of this policy and reporting them to their line manager.

Paul Morey

A handwritten signature in black ink, appearing to read "Paul Morey".

Chief Executive Officer