



BRIBERY POLICY, PRACTICES AND PROCEDURES

Approved and Adopted by the

Board of Directors on 10 May 2014

INTRODUCTION

This document (“the Policy”) has been approved by the Directors of Geodrill Limited (“the Company”) at their meeting on 10th May 2014 and describes the policy of the Company together with the practices and procedures to be followed in order to comply with bribery legislation.

The Company’s anti-bribery policies are currently contained in section 5 of the Company’s Code of Conduct and Ethics and this will still apply. However these provisions are to be supplemented by this Policy, which provides additional guidance, following the introduction of a new Bribery Act 2013 (“the Act”) in the Isle of Man. The Act came into operation on the 16 December 2013 and it was determined that the Company required additional procedures to comply with the new legislation.

The Act has far reaching provisions in that it created a new “corporate offence” for a “commercial organisation” such as the Company to fail to prevent bribery by a person “associated with it”. In this context it is liable if a person associated with it (a Director, an employee, an agent) commits an act of bribery whether that person is prosecuted or not.

This Policy describes the measures the Company has adopted and has put into place. It comes into force from the date of adoption and applies to all acts done by or on behalf of the Company thereafter.

In order to prevent the unwitting engagement in behaviour which might raise the suspicion of bribery and to prevent any associated person purporting to act on its behalf in a manner that brings suspicion on the Directors and employees, the following measures have been adopted as appropriate and proportionate to the risks it faces. They will be enforced by their dissemination, regular training and disciplinary measures. Any resources that are required to implement any compliance measures are to be made available.

MISSION STATEMENT

The Company is committed to running a professional business free from discreditable behaviour of any kind. It is committed to the Six Principles set down in the Guidance given under the Act by the Isle of Man Department of Home Affairs (“the Principles”).

THE OFFENCES

The four separate offences under the Bribery Act comprise the following:

1. Offering, promising or giving a financial or other advantage to another person with the intention to induce that or another person to perform a relevant function or activity improperly or to reward a person for improperly performing a function or activity. This is commonly referred to as “**Active Bribery**” and is dealt with under **Section 7** of the Act.
2. Requesting, agreeing, receiving or accepting a financial or other advantage where it is either intended that a function or activity should be performed improperly or is a reward for acting improperly or where the act of requesting, agreeing, receiving or accepting itself constitutes improper performance. This is known as “**Passive Bribery**” and is dealt with under **Section 8**.
3. **Bribery of a public official** is dealt with under **Section 9**. A person commits an offence if they offer, promise or give financial or other advantage and they intend to influence the official in their formal capacity and intend to obtain or retain business or an advantage in the conduct of business. The offence is not committed if the official was permitted or required to be influenced as determined by local written law (e.g. where investment into a local community is a written condition under local planning law).
4. **Section 10** is entitled “**Failure of commercial organisations to prevent bribery**” and applies to all persons associated with the Company which is defined as a person who “performs services” for or on behalf of the organisation making the scope of applicability extremely broad. It is a defence to prove, on the balance of probabilities, that the Company has “adequate procedures” in place. This will be determined on a case by case basis taking account of the adherence to the Principles.

THE PRINCIPLES

In order to demonstrate its commitment to preventing bribery the Company is guided by the six principles set out by the Isle of Man Government. These are as follows:

1. Procedures are proportionate;
2. Top Level Commitment;
3. A risk assessment of the Company's potential exposure is carried out;
4. Due Diligence procedures are undertaken;
5. Communication (including training);
6. Monitoring and Review is carried out.

COMPANY POLICY

MANAGEMENT

1. The responsibility for compliance with this Policy rests with the top level of management, the members of which will exercise oversight, make assessments of risk, deal with decisions where potential for bribery exists, receive and investigate reports of bribery and supervise the measures put in place to prevent bribery.
2. The Directors are responsible for overseeing that the Policy is being properly implemented. They are to be notified by management of any matter where the possibility of unlawful acts could arise.
3. It shall be a condition of the contract of employment of all employees that they shall at all times observe the requirements of this Policy.
4. The Directors, management, employees, consultants or individuals performing services for the Company ("Relevant Individuals") shall report any attempt at bribery which comes to their attention, whether it consists of an approach to one of them or an act done by an associated third party.
5. Under no circumstances should a person who reports a suspicion of bribery be subject to victimisation for making a bona fide report, whether or not the suspicion turns out to be justified.

ASSESSMENT OF RISK

6. Relevant Individuals are governed by a strict code of conduct and they are appointed for their integrity as well as their ability.

However the Company operates in an environment where bribery and corruption are evident. The Company has identified that its key risk areas from a bribery standpoint are:

- (i) Customs and Trade compliance.
- (ii) Visas and work permits.
- (iii) Airport and other travel.

Other areas of risk may include the following:

- (iv) In relation to occasions on which hospitality is offered or accepted issues may arise as to the line between a proper public relations exercise and intention to induce improper performance of a relevant function (see below for further guidance).
 - (v) In relation to awarding of contracts for services the Company has provisions for competitive tendering in place. However, as an additional requirement and as a requirement in awarding contracts which are not required to go out to tender, an issue of bribery might arise.
 - (vi) In relation to the awarding of contracts or instructions to professionals issues may arise as to the financial arrangements that are made for the sharing of the professional fee.
 - (vii) In the event that the Company decides to make a charitable or political donation care should be exercised to avoid the suggestion of soliciting favours.
7. The assessment of the Company's exposure to external and internal risks of bribery will be assessed by management on an ongoing basis.

RELEVANT INDIVIDUAL'S DUTY

8. All Relevant Individuals must ensure that they comply with this Policy. Their overriding responsibility is not to give or receive a bribe. If a Relevant Individual is asked for a bribe they must refer the matter to their line manager.

HOSPITALITY

9. In relation to hospitality, promotional expenditure which seeks to improve the image of the Company, to establish cordial and professional relationships and to maintain them is not unlawful if it is reasonable and proportional.
10. In order to make an assessment of any particular hospitality event which is to be offered to a client or prospective client the individual planning the event must supply the CEO with information including the cost and nature of the hospitality, the name and details of the person to be entertained and the purpose of the event.
11. At all times the hospitality must be proportionate.
12. In the event that a Relevant Individual is invited to an event the same principles apply.

CONTRACTS WITH CLIENTS

13. No fees over and above proper professional fees agreed in advance for professional work done may be accepted.

THIRD PARTIES

14. Any third parties engaged to act on behalf of the Company should be notified of their requirement to comply with this Policy.

CHARITABLE AND POLITICAL DONATIONS

15. Donations of a charitable or political nature must be approved by the Board of Directors to ensure that there can be no suspicion that any advantage could be deemed to accrue to the Company.

COMMUNICATION

16. Reference to this Policy will be made in the client care documents provided to clients, contracts with suppliers and agents.

TRAINING

17. Individuals employed or contracted by the Company and the Directors themselves will be required to undergo appropriate training and confirm their knowledge of the requirements described in this Policy.
18. The acknowledgement section of this Policy is to be signed by all individuals from supervisor level up to Board level. It is the responsibility of the supervisors to ensure that all members of their team are fully conversant with the requirements of this Policy.
19. Any Relevant Individual should be able to approach the Directors in absolute confidence in order to receive advice as to their conduct or to report a matter of concern which relates to bribery.

DISCIPLINARY MEASURES

20. Non-compliance with this Policy by any Relevant Individual will be taken extremely seriously and will be dealt with by the Chief Executive Officer taking into account all the circumstances of the case. It may ultimately lead to loss of employment and/or an action against the Relevant Individual for any damage that may have been caused to the Company's activities and/or reputation as a result of the non-compliance.

REVIEW AND AMENDMENTS

21. The Directors will keep this Policy under review and make amendments to it as appropriate.

Receipt and Acknowledgement

The undersigned hereby acknowledges having received and read a copy of the Bribery Policy, Practices and Procedures adopted by the Company on 10 May 2014 and agrees to respect its terms and its intent at all times.

Name: _____

Signature: _____

Date: _____