



Policy on Anti-Corruption

Regulations regarding anti-corruption

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EXECUTIVE SUMMARY

Why this policy?

We want to do business and remain the client's choice based upon legitimate business considerations. "Good citizenship" means that each of us acts with integrity and adheres to applicable anti-corruption laws.

NB: The term 'corruption' in this policy includes bribery which is also illegal.

What we expect from you

- We do not allow any form of corruption: In practice conducting business with integrity means that you never accept a bribe, never ask for a bribe, and never engage in corrupting others in any way, be it directly or indirectly through a third party.
- Facilitating payments are a form of corruption and are forbidden except in case of personal health or safety: In circumstances where there is an imminent and serious threat to you or your colleague's personal health or safety a facilitating payment may be acceptable as long as you report it to your superior (preferably prior to making such payment or otherwise immediately after having made such payment). It will also have to be recorded properly in the books under the heading Compliance. The files should include a description under which the cash payment was necessary.
- Payments must be properly and transparently recorded in accordance with Fugro company standards: No payments may be made 'off the books', into secret accounts or so-called numbered accounts.
- Payments must be made to or received in a bank account directly in the name of the intended recipient. Cash payments are only permitted in line with internal instructions.
- Payments to suppliers must be reasonable, defensible and not inflated to (potentially) allow for illegal payments.
- Usually government officials and politically exposed persons are not permitted to accept anything of value to avoid corruption or the impression of corruption. Please refer to the Gifts and Entertainment Policy for further guidance.

Corruption and facilitating payments: differences and commonalities

Corruption	Facilitating payments
<ul style="list-style-type: none">▪ paying/giving/offering something of value▪ to a government official or private individual▪ to obtain an unfair advantage or to influence a decision▪ always forbidden	<ul style="list-style-type: none">▪ paying a small sum▪ to a government official▪ to obtain something you are entitled to▪ only permitted if:<ul style="list-style-type: none">▪ you feel your health and/or safety are threatened; and▪ you have reported it to your supervisor; and▪ it is recorded properly.

Facilitating payments are a form of corruption

Full policy applies

Please note that this executive summary only provides highlights; the full Policy on Anti-Corruption is the binding text.

Full policy

1. Why this policy?

At Fugro we want to conduct business in a responsible, legal manner and with integrity. We expect the same from all parties we conduct business with. We want to do business and remain the client's first choice based upon legitimate business considerations and not because of past or future personal gain. "Good citizenship" means that each of us acts with integrity and adheres to anti-corruption laws wherever in the world we conduct our business.

Corruption is a criminal offence that can have far-reaching consequences for all those involved. Moreover, corruption can result in serious damage to Fugro and its excellent reputation. The suspicion or impression of corruption alone can result in the integrity of Fugro and its staff being questioned as well as potentially causing dangerous situations for employees on the ground. Clients and other stakeholders may lose trust in us which can result in a loss of business and other adverse consequences.

This policy gives guidance on what constitutes corruption and how to avoid it. A policy cannot describe all circumstances and rules, so every Fugro employee is obliged to use his or her common sense and professional judgement at all times.

NB: The term 'corruption' in this policy includes bribery which is also illegal.

2. What we expect from you

2.1 What do we mean by corruption?

By corruption we mean providing or promising:

- anything of value;
- to any person;
- with the aim of improperly receiving a favourable treatment, unfair advantage, or influencing a decision.

Anything of value

'Anything of value' is a very broad term and can include cash, vouchers, tickets, accommodation, entertainment, kickbacks, products or services (like a personal loan, or a service against a reduced rate, which is not available to all). It can even include a personal favour to the recipient, his family or friends, or to a charity or political party.

Q. A government official calls you to ask if you can arrange for an internship for his daughter at your Fugro group company. The official implies that in exchange for the internship place, Fugro will have "a much better chance of success" in the current government tender for a large project. Is this a case of corruption?

A. Yes, it is. Offering the internship to the daughter represents something of value to the

government official. As a result, the decision making process is no longer unbiased. It makes no difference whether Fugro wins the contract or not. What matters is the intention to influence the decision making process.

Any person

Corruption can occur both in the public sector (government officials) and in the private sector. Furthermore, it includes not only improper advantages offered to decision makers directly, but also advantages offered to someone who may influence the decision maker(s) or the decision making process.

Aim to improperly receive a favourable treatment, an unfair advantage or influence a decision

The ultimate goal of the party offering a bribe is to somehow gain an unfair advantage. This requires the recipient of the bribe to violate his/her position of trust.

Q. Can you give some examples of violating a 'position of trust'?

A. A government official has promised to serve the needs of all citizens without being influenced by possible personal benefits. By accepting (or even asking for) personal benefits this position of trust is violated.

Another example is a purchasing manager who – explicitly or implicitly - promised loyalty to serve the needs of his/her employer without being influenced by personal benefits from potential suppliers. Similarly, an employee of Fugro must only serve Fugro in an objective manner without being influenced by possible gifts, entertainment or hospitality.

2.2 Facilitating payments

Facilitating payments are small payments made directly to a government official to secure or expedite routine governmental actions to which you are entitled (e.g. visa, permit or license, port clearance, telephone connection, etcetera). Requests for facilitating payments are more common in certain regions than in others. Facilitation payments may seem innocent, but are a form of corruption!

In certain countries it may be possible to request for expedited services from the government authority (e.g. VIP/express services), as long as payment for such services is made to the government authority and not to an individual government official representing that authority this should not be a problem. In such case, always ask for a receipt which clearly states the service provided.

Q. When is paying for government services appropriate and when does it become a 'facilitating payment'?

R. Contrary to a regular payment, facilitating payments are made to the individual government official to entice such official to provide you with a service you are entitled to but which they are delaying in order to extract payment from you. Unlike payments for VIP/express services regularly offered by governmental authorities facilitating payments are made to the government official

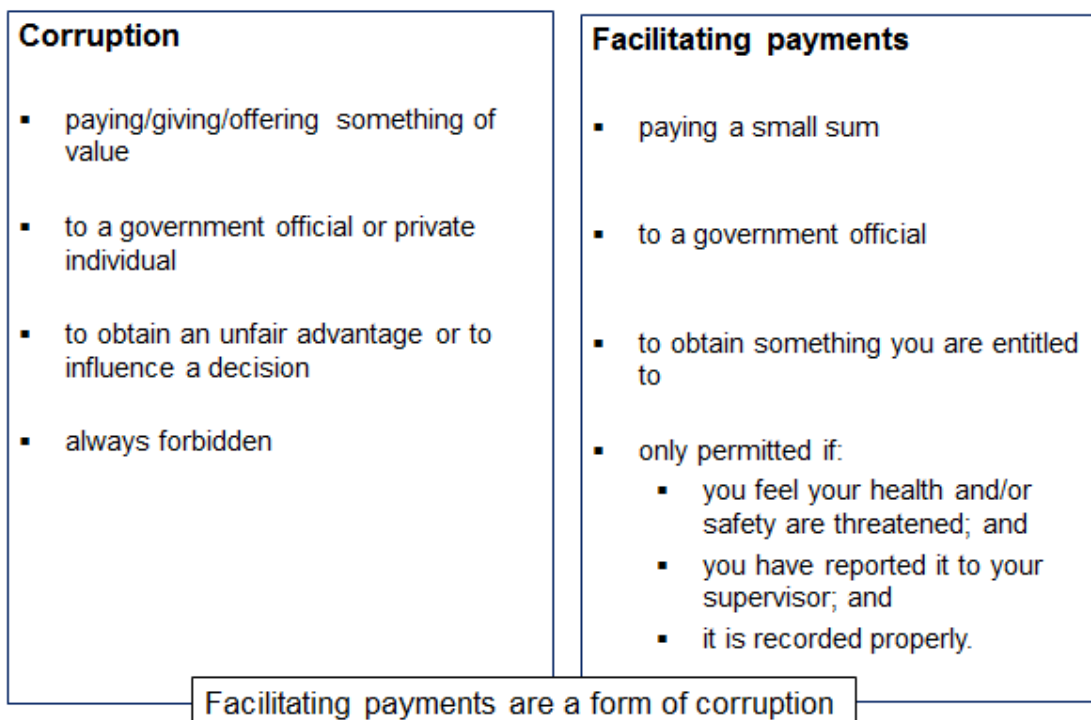
personally to entice him or her to carry out the duties which he/she is obliged to carry out in the first place - and without additional payment!

Fugro forbids making facilitating payments and promotes measures to eliminate such practices. The general guidance in **Annex A** relating to corruption also applies to facilitating payments.

The one difference between corruption and facilitating payments is that in situations where there is an imminent and serious threat to you or your colleague's personal health or safety (i.e. you are being held up at customs or stopped along a semi-deserted road), a facilitation payment may be acceptable in order to get you out of that situation. If made, such facilitation payment must as soon as possible be reported to your supervisor or manager in writing and must be properly recorded in the books under the heading Compliance. An incident report of the situation which gave rise to the need to make the facilitating payment will also have to be made and shared by you or your manager with your Regional Director.

For clarification as to whether a particular payment is prohibited, please consult your supervisor or manager. If a manager wishes to seek further advice about the appropriate course of action, he or she should contact the Chief Compliance Officer.

The differences and commonalities between corruption and facilitating payments can be summarised as indicated below.



2.3 Our principles for public and private sector

Three basic rules apply for both the public and the private sector:

- We do not allow any form of corruption: In practice conducting business with integrity means that you never accept a bribe, never ask for a bribe, and never engage in corrupting others in any way, be it directly or indirectly through a third party.
- Payments: All payments must be made directly to or received in a bank account in the name of the intended recipient. Cash payments and similar instruments are only permitted in line with internal instructions.
- Payments must be properly and transparently recorded in accordance with Fugro company standards: No payments may be made 'off the books', into secret accounts or so-called numbered accounts.

In case you are being confronted with a demand for a bribe, such demand must immediately be rejected, and reported to your supervisor or manager. If your supervisor or manager wishes to seek further advice about the appropriate course of action, he or she should contact the Chief Compliance Officer.

As long as Fugro maintains strict compliance with this policy the chances of Fugro employees being asked to participate in corruption will decrease over time. If, however, Fugro employees partake in corrupt behaviour they not only put the company at risk, but also their colleagues, as Fugro will get a reputation for contributing to corruption. Other colleagues will likely be asked to participate in corrupt behaviour which will put them in danger and must be avoided. Please consult **Annex A** for further guidance in responding to demands for a bribe.

2.4 Private sector

You must make sure that payments to suppliers (including to customs clearance agents, transporters, or to local service providers supporting us with governmental services) are reasonable, defensible and not inflated to allow for (potential) illegal payments. In short, payments to the suppliers of goods or services must be limited to reasonable expenditures made in good faith.

If the supplier of products or services is a company, payment must be made to the company directly, not to private individuals or ambiguous bank accounts. A request to divert a payment to another entity or person must always be rejected until such payment requested can be properly investigated and verified.

2.5 Public sector

When doing business in the public sector you should be aware of the special status of government officials. Generally, government officials are not permitted to accept anything of value to avoid corruption or the impression of corruption. Governments have taken additional steps to protect the integrity of their officials: corruption in the public sector as a whole attracts a more severe punishment than in the private sector.

The term 'government official' covers a wide range of functions in administrative, legislative, executive or judicial government, whether paid or unpaid, temporary or permanent, elected or appointed, senior or junior. The term even covers individuals not employed by government but with similar positions (e.g. performing a public function for a public agency, public international organisations or public enterprises, or providing a public service; or acting as a public official).

Examples of government officials:

- policemen
- judges and public prosecutors
- customs officials
- employees in state companies
- ministers
- local politicians, mayors and city council members

Principles in relation to government officials (and politically exposed persons in short PEP)

No money, money equivalents, vouchers or contributions in kind must ever be offered or given to government officials.

Offering government officials anything of other value (such as business meals, entertainment, or a gift) should be minimised. This is only allowed if all below conditions are met:

- it is in line not only with laws and regulations in the recipient's country but also in line with anti-corruption laws which apply across borders (for guidance consult Fugro Legal); and
- it is in line with the internal policies which apply to the receiving party; and
- prior written approval of your supervisor or manager has been received; and
- it does not take place during governmental licensing, procurement or contract negotiations in which the government official is directly or indirectly involved; and
- it cannot be perceived by others as trying to improperly influence the recipient; and
- it is appropriate and proportional.

The same principles which apply when doing business with government officials, also apply when dealing with a 'politically exposed person'. The term PEP includes individuals who are:

- active in politics (without being a government official);
- wanting to become active in politics (e.g. running for office);
- a close family member of a government official;
- an advisor to politicians, to political parties or to government officials; or
- any individual publicly known to be a close personal or professional associate of a senior politician or government official.

Paying for government services

Payments for the following government services are normally considered appropriate and allowed:

- The use of government agents such as governmental customs clearance agents, provided that:
 - this is common commercial practice in the country; and
 - legally allowed; and
 - a specified and legitimate service is executed; and
 - a fee is paid to the government authority which is reasonable and confirmed as being within commercial norms in the relevant country.
- The use of VIP treatment or express services offered by the relevant governmental authorities, provided these services are uniform and open to everyone and provided by the government authority – normally by payment of an additional fee to the government authority.

Any agreement for such services needs the prior written approval of your supervisor or manager. Payments for any of the above or similar legitimate services that have been approved must be made directly to the government agency, ministry, municipality or other government body and never to any government official in their individual capacity.

In some instances it may be required to request assistance from local police organisations (i.e. in case of instability, security issues, fraud or the like). In such cases please first discuss with your manager or supervisor and the Chief Compliance Officer. Care will have to be taken that no inappropriate arrangements or payments are owed or made for such assistance.

3. When in doubt

When in doubt, talk to your supervisor or manager, a (local) Human Resources representative, Fugro Legal, or to a (local) Confidential Advisor. Transparency is part of the Fugro culture, part of the way we look after each other and part of preventing you or your colleague(s) from getting into a difficult or even criminal situation.

4. Sanctions

Non-compliance with this Policy on Anti-Corruption may result in disciplinary measures being taken (see our Policy on Disciplinary Measures).

In case stricter requirements in relation to this subject apply to you - e.g. rules contained in an employment contract, applicable local law or in Staff Regulations – such stricter requirements prevail over those laid down in this policy.

5. **Speak Up**

We remind you that our Speak Up Procedure states that each employee must report any situation or behaviour which seems a violation of the law for which a person could end up in jail or for which Fugro could pay a substantial fine, such as corruption. Each report will be professionally investigated. Each employee is obligated to fully and promptly cooperate with any company investigation. If you were obliged to report and you did not, you may also be subjected to disciplinary measures. So do not become part of the problem, but help to stop corruption

6. **Related policies and procedures**

This Policy on Anti-Corruption should be read in conjunction with Fugro's:

- section Bribery and Corruption in the Code of Conduct,
- Policy on Gifts and Entertainment,
- Policy on Sponsoring and Charity,
- Procedure for Engaging Agents (currently being developed),
- Speak Up Procedure, and
- Policy on Disciplinary Measures.

Note: This policy does not in any way constitute an employment contract.

Annex A

Possible actions when declining a demand for a facilitating payment or any other kind of corruption.

- Refer to our Code of Conduct and indicate that you will personally commit an offence under your national law and Code of Conduct and therefore risk going to jail and losing your job;
- Question the legitimacy of the demand;
- Request a receipt clearly stating the reason for payment and identification from the individual making the demand;
- Ask to consult the superior of whoever is making the demand;
- Avoid paying cash;
- Inform those demanding a payment that it will be necessary for you to inform the authorities - like your own embassy - of such a demand; and
- Remove yourself from the situation as quickly as possible.

These actions also help to avoid/reduce similar requests in future.

Note: Try to anticipate possible situations where demands for a facilitating payment could be made or where you may come across other forms of corruption. E.g. expect delays in getting through customs and when dealing with government permits; set realistic, achievable timescales to be able to resist demands. Avoid becoming a victim of extreme time pressures (government officials know that at such times, facilitating payments are usually paid without much resistance).