

Anti Fraud and Bribery Policy

DSI LTD has a zero tolerance to fraud and corruption and is committed to the prevention of fraud, bribery or any corrupt activity associated with the Company.

The Fraud Act 2010 came into effect in July 2011.

- **The key elements of the Act are:**

Offences

Bribing and being bribed (Sections 1 and 2)

- **Bribing:** it is an offence to offer, promise or give a financial or other advantage for the purpose of bringing about an improper performance of a function or activity.

Being bribed: it is an offence to request, agree to or receive a financial or other advantage for the purpose of bringing about an improper performance of a function or activity or to request, agree to or receive a reward for having done so.

Bribing foreign public officials (Section 6)

A discrete offence of bribery of a foreign public official to obtain or retain business or an advantage in the conduct of business;

Failing to prevent bribery (Section 7)

A new offence of failure by a commercial organisation to prevent a bribe being paid for or on its behalf. It will be a defense if the organisation has “adequate procedures” in place to prevent bribery.

Bribes vs hospitality

1. While the Act is designed to punish bribery, it is clear that genuine acts of hospitality could easily appear to fall within the Act.
2. The key difference between genuine hospitality allowed by the Act and a bribe dressed up as hospitality is the intention to obtain an advantage.
3. A person’s intention behind an act is very difficult to determine. In the absence of direct evidence, the prosecution will consider a number of factors but will chiefly consider the reasonableness and proportionality of the hospitality provided together with industry norms to help decide whether the requisite intention is present.

- **The key provisions of the Act are:**

Two general offences covering the offering, promising or giving of an advantage, and the requesting, agreeing to receive or accepting of an advantage;

A maximum penalty of 10 years imprisonment for all the offences, except the offence relating to commercial organisations, which will carry an unlimited fine;

Extra-territorial jurisdiction to prosecute bribery committed abroad by persons ordinarily resident in the UK as well as UK nationals and UK corporate bodies;

A defence for conduct that would constitute a bribery offence where the conduct was necessary for the proper exercise of any function of the intelligence services or the armed forces engaged on active service.

- **Fraud by false representation**

A person is in breach of this section if he dishonestly makes a false representation, and intends, by making the representation to make a gain for himself or another, or to cause loss to another or to expose another to a risk of loss. A representation is false if it is untrue or misleading, and the person making it knows that it is, or might be, untrue or misleading. "Representation" means any representation as to fact or law, including a representation as to the state of mind of the person making the representation, or any other person. A representation may be expressed or implied. For the purposes of this section a representation may be regarded as made if it (or anything implying it) is submitted in any form to any system or device designed to receive, convey or respond to communications (with or without human intervention).

- **Fraud by failing to disclose information**

A person is in breach of this section if he dishonestly fails to disclose to another person information which he is under a legal duty to disclose, and intends, by failing to disclose the information to make a gain for himself or another, or to cause loss to another or to expose another to a risk of loss.

- **Fraud by abuse of position**

A person is in breach of this section if he occupies a position in which he is expected to safeguard, or not to act against, the financial interests of another person, dishonestly abuses that position, and intends, by means of the abuse of that position to make a gain for himself or another, or to cause loss to another or to expose another to a risk of loss. A person may be regarded as having abused his position even though his conduct consisted of an omission rather than an act.

DSI LTD require all employees including any employed on a temporary, agency or contractor basis to act honestly and with integrity, comply with the laws, regulations and customs of each country in which the Company operates and to conduct business with clients, suppliers and all other parties in an ethical, lawful and responsible manner.

The offering, giving, solicitation or acceptance of any bribe or cash inducement to or from any person, company or any third party is strictly prohibited by DSI LTD.

- **Customs and Inducements**

This policy recognises the variance in market practice across different countries in which DSI LTD operates, and strictly prohibits any inducement which may result in a personal gain or advantage to the recipient or any associated person or third party which is intended to influence action which may not be solely in the interests of the Company, person or body whom the Company represents.

The giving of ceremonial gifts, normal or appropriate hospitality, or the use of a recognised fast track process available on payment of a fee, provided that they are proportionate, customary within a particular market and properly recorded and openly disclosed are not prohibited providing that they are agreed with senior management or with persons or clients that the Company represents. This policy does not prohibit the offer or use of resources to assist a person or body to make a decision more efficiently providing that they are supplied for that purpose only.

All Employees will be made aware of the Company policy and their personal responsibilities and that they must ensure to adhere strictly to this policy. The responsibility to prevent unethical business practice resides across all levels of the Company, and any suspected instance of such practice will be handled consistently without regard to position held or length of service of the person or persons involved, with the possible consequence of immediate termination of employment.

This policy, which should be read in conjunction with DSI LTD Ethics Policy, will be periodically reviewed for continual improvement and relevance. Compliance with this policy will be continually reviewed.

- **Process for Monitoring and Enforcement**

DSI Ltd. ensures that staff and sub contractors are made aware of this policy. Monitoring and enforcement of this policy is maintained through maintaining a close team within its staff and sub contractors. Risk assessments are carried out when relevant. Appraisals and training are carried out on a regular basis, and screening is applied where relevant. Disciplinary process will be invoked when required and unlawful actions will be reported to the authorities.

- **Procedures to prevent bribery**

DSI Ltd. follows the guidelines published by The UK Ministry of Justice on compliance with the Act including six principles of adequate procedures to prevent bribery:

1. Proportionate procedures are applied and are proportionate to the risk faced.
2. Senior Management is commitment to a culture of zero tolerance.
3. DSI Ltd. has identified its bribery risks and has prioritised its actions in the highest risk areas.
4. DSI Ltd applies due diligence in taking appropriate care when entering into relationships or markets with a risk of bribery.
5. DSI Ltd. policy is clearly communicated to all relevant parties, supported by appropriate training, culture and reporting procedures.
6. DSI Ltd. regularly reviews and updates their procedures as the company's risks change over time.

Corporate Social Responsibility Policy (CSR)

DSI Ltd. is fully committed to the principle of CSR and intends that CSR should become embedded, where appropriate, into its policies and practices, to the benefit of staff as well as the wider community. There is already much good work which is classified as contributing to CSR taking place within DSI Ltd. and the policy and future strategy builds on this. DSI Ltd. aims to be recognised as an organisation that is transparent and ethical in all its dealings as well as making a positive contribution to the community in which it operates. It is committed to the following core values in all aspects of its work, including the fulfilment of its social responsibility:

- Clear direction and strong leadership;
- Customer focus;
- Respect for people;
- Open communication;
- Working to deliver best value;
- Openness and transparency
- Equality
- Probity
- Development of positive working relationships with others;
- Commitment to the highest ethical standards of public service; and
- Valuing and harnessing the diversity of DSI Ltd. staff.

2. CSR Strategies

DSI Ltd. will seek to achieve corporate and social objectives by focusing on five strategic areas:

- Equal Opportunities - maintaining and promoting our commitment to the obligations on the promotion of equal opportunities and to the ethos of the DSI Ltd. Equality Scheme.

- Good Relations – DSI Ltd. has developed and adopted a Good Relations Strategy. This will be reviewed annually and will be implemented and endorsed through a corporate action plan.
- Workplace – addressing the needs and aspirations of staff through the continuing development of diversity, work-life balance and health and well-being policies and initiatives.
- Community Impact – encouraging and assisting staff to greater involvement in team/individual projects in support of the wider community.
- Environment – further developing environmental management practices that minimise waste and maximise efficiencies.

3. Existing Policies

Existing policies in some areas may already, at least in part, address the issues listed above, and initial work will focus on integrating these with CSR principles. In order to establish the 'baseline' of CSR work that is already taking place, a framework has been drawn up detailing corporate programmes.

4. Guiding Principles

DSI Ltd. recognises that we must integrate our business values and operations to meet the expectations of our stakeholders. They include customers, employees, suppliers, the community and the environment.

- We recognise that our social, economic and environmental responsibilities to these stakeholders are integral to business. We aim to demonstrate these responsibilities through our actions and within our corporate policies.
- We take seriously all feedback, complaints and compliments that we receive from our stakeholders and, where possible, maintain open dialogue to ensure that we fulfil the requirements outlined within this policy.
- We shall be open and honest in communicating our policies, strategies, targets, performance and governance to our stakeholders in our continual commitment to sustainable development.
- DSI Ltd. will, where reasonable, make the necessary resources available to realise our corporate responsibilities. The responsibility for delivery lies with all employees.
- In relation to community involvement, DSI Ltd. will identify a charity each year and staff will work together to raise funds and aid the charity as and when possible in a practical way.
- In selecting either a charity for this support or working with a charity in a team building scenario, DSI Ltd. will only support programmes which are inclusive in nature and reach across all social and community backgrounds. Support will not be given to individuals or groups with political or sectarian connections.

5. Partnership Focus

- We shall strive to improve our environmental performance through implementation of sustainable development and environmental policies.
- We shall ensure a high level of business performance while minimising and effectively managing risk.
- We shall encourage dialogue with local communities for mutual benefit.
- We will record and resolve customer complaints in accordance with our published standards of service.
- We shall encourage our employees to help local community organisations and activities.
- We shall operate an equal opportunities policy for all present and potential future employees.
- We will offer our employees clear and fair terms of employment and provide resources to enable their continued development.
- We shall maintain forums for employee consultation and business involvement.
- We shall provide safeguards to ensure that all employees are treated with respect and without sexual, physical or mental harassment.
- We shall provide, and strive to maintain, a clean, healthy and safe working environment.
- We shall uphold the values of honesty, partnership and fairness in our relationships with stakeholders.
- Contracts with suppliers will clearly set out the agreed terms, conditions and the basis of our relationship

6. Reporting

CSR activity undertaken by DSI Ltd. staff will be reported to the Management on a regular (at least bi annual) basis. In addition, CSR activity will be publicised both through the internal communications, and externally as appropriate, through a variety of media.

Sections heads will maintain a framework of current and future CSR programmes that are run within their business areas and report on these to the Management. Andie Tsangari, will be the management member responsible for CSR issues.

Antitrust and Competition Laws

DSI Ltd is committed to observing the applicable antitrust or competition laws of all countries. Although these laws may vary from country to country, they generally prohibit agreements or actions that reduce competition without benefiting consumers. They seek to protect the competitive process so that

consumers receive the benefits of competition. Violations of antitrust or competition laws may result in severe penalties, including large fines and jail terms.

Compliance with antitrust or competition laws is required at all times. Therefore, you must not agree with any competitors to (i) fix or control prices, either by agreeing directly with a competitor or any other method, such as through third parties; (ii) structure or orchestrate bids to direct a contract to a certain competitor or reseller (bid rigging), including abstaining from bids or submitting noncompetitive or “courtesy” bids; (iii) boycott suppliers or customers; (iv) divide or allocate markets or customers; or (v) limit the production or sale of products or product lines. These prohibited agreements are against both public policy and DSI Ltd policy and should be equally avoided in your discussions with DSI Ltd and other DSI Ltd partners, as well as representatives of other companies. In addition, you must refrain from prohibited discussions with competitors (whether DSI Ltd Direct, other DSI Ltd partners, or other companies) about prices, costs, profits or profit margins, production volumes or bids, or quotes for a specific customer’s business.

It is important to note that competitors are DSI Ltd direct sales, other DSI Ltd partners, or any other entity that may compete with you for a business opportunity. If you are ever solicited by an DSI Ltd employee to engage in any of this prohibited conduct, you are to report this behaviour to the DSI Ltd Legal Department.

Certain sales tactics or other arrangements with customers or suppliers may also raise antitrust and competition law risks, if they unfairly restrain or prevent competition by your competitors or among your customers. Examples of sales arrangements that have been found to violate the antitrust laws include predatory pricing below cost, exclusive dealing contracts, bundled or tie-in sales, agreements with customers or suppliers about minimum resale prices, and discriminating between competing customers. Regardless of your location, the antitrust laws of the United States are likely applicable as they apply to business operations and transactions related both to imports to or exports from the United States.

Improper Payments, Money Laundering, and Economic Boycotts

Partners cannot offer or pay bribes. You are prohibited from offering, promising, authorizing, directing, paying, making, or receiving any bribes, kickbacks, or payments of money or anything of value (directly or indirectly) to improperly obtain business or any other advantage for DSI Ltd or yourself. The Foreign Corrupt Practices Act (FCPA) and other similar international anticorruption laws outlaw bribery. Penalties

for violating these laws are severe and can include prison time and large fines for individuals. DSI Ltd also prohibits all forms of money laundering, which involves disguising, channelling unlawfully obtained money, or transforming such money into legitimate funds.

The above prohibition applies to

- Government and public sector, which includes public utilities, higher education, public healthcare entities, and public international organizations and their employees or officials
- Political parties or candidates for political office
- Business entities partially or wholly owned or controlled by government interests (often referred to as state-owned enterprises) and their employees or officials
- Privately held commercial companies and their employees
- DSI Ltd employees
- Any other third party

DSI Ltd prohibits giving money or anything of value directly or indirectly to a government official or employee of a state-owned enterprise, or to the spouse, significant other, child, or other relative of any such person, for the purpose of influencing or rewarding an action or decision of the government or public sector employee or official or to gain any improper advantage for DSI Ltd.

“Anything of value” is intended to be broad and covers not only money, but also gifts, lavish or excessive entertainment, funding of personal travel such as sightseeing, contributions to charity, and employment opportunities. DSI Ltd also prohibits facilitation or facilitating payments, which are payments to an official to speed up or expedite routine government actions, including processing and approving applications and permits. You must not participate in any economic boycott not sanctioned by the United States Government. You must not provide information that could be construed to support any such unsanctioned boycotts.

Dealing with Government

DSI Ltd’s standards and the applicable laws for dealing with government and public sector employees or officials are more stringent than standards for commercial company employees.

You must strictly observe the laws, rules, and regulations that govern the acquisition of goods and services by any governmental entity of any country and the performance of government contracts.

Activities that may be appropriate when dealing with nongovernment customers may be improper and even illegal when dealing with government. If you deal with any governmental entity, including public international organizations, you are responsible for knowing and complying with all rules that apply to government contracting and interactions with government or public sector employees and officials, including but not limited to the following:

- You must not attempt to obtain, directly or indirectly, from any source, procurement-sensitive information that is not publicly available or otherwise authorized for disclosure by the government; confidential internal government information, such as pre-award, source selection information; or any proprietary information of a competitor, including, for example, bid or proposal information, during the course of a procurement or in any other circumstances where there is reason to believe that the release of such information is unauthorized.
- You must ensure the submission of accurate invoices to the government and comply with all laws regarding invoicing and payments.
- You must not give or offer, either directly or indirectly, any gratuity, gift, favour, entertainment, loan, or anything of monetary value to any government or public sector employee or official except as may be permitted by applicable law. You are required to establish and maintain appropriate internal controls to ensure compliance with all applicable local country and US laws concerning prohibitions on offering anything of value to government and public sector employees or officials.
- You must not provide, attempt to provide, offer, or solicit a kickback, directly or indirectly, to obtain or reward favourable treatment in connection with any transaction.
- You must not pay or enter any agreement to pay, directly or indirectly, a contingent fee to any party for the purposes of obtaining a government contract or influencing government action. You may not receive any contingent fees or participate in any influence/referral fee program on any transaction involving a government or public sector end user (this includes, but is not limited to, public higher education, public healthcare, and utility entities). There are additional policies that govern the methods in which DSI Ltd is allowed to compensate its Partners, particularly for those transactions that involve government or public sector employees and officials.
- If you are selling or offering to sell commercial products to the United States Government, you should be familiar with and must ensure compliance with the laws and regulations concerning the sale of commercial products and sales to government and, if applicable to you, the Multiple Award Schedule (MAS) contracting regulations of the General Services Administration (GSA).

Lobbying of Government Officials

Lobbying is generally any activity that attempts to influence laws, regulations, policies, and rules. In certain jurisdictions, however, the legal definition of “lobbying” can also cover procurement and business development activity. You are responsible for understanding when your activities may legally be considered lobbying in a particular jurisdiction and for complying with all applicable laws.

You may not lobby government on behalf of DSI Ltd. Government relations consultants/lobbyists retained by you may not be used by DSI Ltd, and you may not use DSI Ltd’s consultants/lobbyists for any such purpose.

Trade Compliance Laws and Regulations

United States global trade laws and regulations govern all imports, exports, re-exports, and use of US origin commodities and technical data, wherever located. DSI Ltd requires that you comply fully with all applicable US and global trade laws and regulations. Failure to comply could result in the loss or restriction of your or DSI Ltd’s trade privileges. Violation of these laws and regulations may also result in fines and imprisonment.

You are responsible for understanding how the global trade laws and regulations apply and for conforming to these laws to ensure no technology, data, information, program, and/or materials resulting from services (or direct product thereof) will be imported or exported, directly or indirectly, in violation of these laws, or will be used for any purpose prohibited by these laws and regulations.