

Code of Ethics

For Commercial and Contract Management Directorate

Sellafield Ltd

Version: 4

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Introduction

Integrity, whether personal or organisational, is indispensable in the commercial environment. Establishment and maintenance of trust is an essential requirement for any business, and recovering a lost reputation is difficult and sometimes impossible. The benefits of competition can be missed if the marketplace does not trust a buyer to be fair and as a result chooses not to submit a serious offer or otherwise elects not to compete.

Accordingly, the Commercial and Contract Management Directorate requires a clear policy statement and specific guidance relative to professional ethics to earn and maintain the confidence of its Supply Chain. This Code of Procurement Ethics is promulgated as such guidance for all personnel involved directly or indirectly in Sellafield Ltd procurements and will be the basis of annual training for all such personnel.

Principles

- A primary responsibility for all Sellafield Ltd contracting professionals is compliance and enforcement of this Code of Conduct.
- No one with a personal or organisational conflict of interest may participate in any way in the source selection or justification process or in the formation or administration of a contract.
- All companies seeking procurement work from Sellafield Ltd shall be treated fairly and equitably and their intellectual property shall be protected and used only for the purposes intended by its owner.
- All personnel involved in any way in the contracting process within Sellafield Ltd shall comply with all applicable laws, regulations and directives as well as the terms and conditions of the Sellafield prime contract.
- The integrity of the Sellafield Ltd commercial processes shall never be tainted by any real or perceived improper activities.
- In order to avoid any hint of selling or otherwise exchanging inappropriate influence or benefit for a gratuity, all personnel within the Commercial and Contract Management Directorate must completely refrain from receiving goods or services from contractors, suppliers, competitors or potential sources.

Guidance

Personal conflict of interest

1. All personnel involved in a procurement transaction must disclose any actual or potential conflict of interest, which could exist or perceive to exist to the Supply Chain Ombudsman or the Commercial & Contract Management Director.
2. Interests which might create personal conflict of interest include but are not limited to the following:
 - Ownership of stock in a potential competitor, actual competitor, or contractor.
 - Marriage to or cohabitation with an officer or employee of a potential competitor, actual competitor or contractor.
 - Indebtedness to a potential competitor, actual competitor or a contractor.
 - Receipt of compensation from a potential competitor, actual competitor or a contractor.
 - Ownership of a mutual fund which owns shares of a potential competitor, actual competitor or contractor does not create a conflict of interest in and of itself.
3. Disclosure of potential conflicts of interest should be made in writing and delivered to the Ombudsman or the Director in a sealed envelope and will be held in strict confidence.
4. If a conflict of interest is determined, the disclosing person will be directed to recuse themselves from any further involvement in the subject transaction.
5. All Commercial and Contract Management Directorate personnel with the potential for influencing a procurement transaction in any way during the upcoming financial year shall submit a financial interest disclosure to the Director on April 1 of that financial year. The Director shall make a determination upon review and in consultation with Group Legal if blanket disqualification or limitation of activities should be directed.
6. Disclosure of potential personal conflict of interest shall not result in any adverse action against a disclosing party.

Equity and Fairness in Conduct of Competition

1. No preference or advantage shall be afforded to any contractor or potential contractor. Similarly, no prejudice against any contractor or potential contractor shall be tolerated. Introduction of documented contractor performance information is not considered preference or prejudice.
2. Specifications or requirements must not be biased in favour of any particular contractor or potential contractor.
3. Implying large quantities to influence price when knowing that the actual order will be smaller is not permitted.
4. Wording of Invitations for Tenders, other solicitations or specifications or statements of work in a vague way to intentionally induce misinterpretation or errors in proposals are unethical and prohibited.

5. Solicitation of proposals from suppliers known to be unqualified for award with the intent to merely create the illusion of competition is dishonest and is not permitted.
6. Solicitation of other proposals to create competitive pressure on a certain sole source supplier is a sharp business practice specifically banned by Sellafield Ltd.
7. Bid or proposal information from one proposal may never be shared with another contractor or potential contractor even if either of the competitors has been eliminated from competition.
8. No criticism of one potential source should be communicated to another contractor or potential contractor nor should the strengths or weaknesses of a contractor or potential contractor be disclosed to any organisation, whether competing or not.
9. To assure equitable treatment of all contractors or potential contractors, all face to face or telephonic contact with competitors during a competition shall be open and controlled. The cognisant contracting professional and one other authorised individual shall participate in any meeting with a competitor and minutes of such meetings shall be produced and maintained as proof of what was said at such meetings.

Confidentiality and Protection of Intellectual Property

1. Information submitted by competitors or proposers is the property of the entity that submits the information and must be protected from disclosure to personnel or firms not authorised to be involved in the evaluation of proposals.
2. The cognisant contracting professional assigned to the competition shall control all such submitted intellectual property and must account for all copies at all time. Copies should be numbered and proof of disposal or return must be maintained in the transaction file.
3. Such submitted information shall normally be held under lock and key until destroyed or returned in accordance with the procedures set forth in the solicitation or in accordance with the direction of its owner.
4. Copyrighted or patented information shall never be reproduced without the express written authorisation of the owner but such authorisation may be requested in the solicitation for proposals and its granting may be a condition for being responsive to the Invitation for Tender.

Gratuities

1. Business gifts – other than items of small intrinsic value such as business diaries or calendars, should not be accepted by Sellafield Ltd personnel involved in the procurement process.
2. Sellafield Ltd personnel should refuse gifts exceeding nominal value, and return them with a polite explanation, or if the gifts are perishable, either return them or donate them to a local charity in the name of the supplier.
3. Acceptance of any other gratuity, for example tickets to entertainment or sporting events, meals, jewellery including tie-pins, pens, travel tickets, gift certificates or cash, even temporarily, shall result in immediate disqualification from all

procurement activity until reinstated by the Commercial & Contract Management Director.

4. Pre-existing and reciprocal family friendship gift exchanges are exempted from this rule but should be disclosed to the Director before receipt of such gifts.
5. Seek direction from your line management if concerned that a business relationship may be impaired or appear to be impaired by refusal of a gift, gratuity or entertainment.

Hospitality

1. In order to avoid being misconstrued as consideration for special treatment or as an attempt to positively influence their attitude or decision-making, Directorate personnel should not accept without reimbursement any hospitality from a supplier, subcontractor, or competitor while on official business
2. Hospitality includes business and social meals, liquor, spirits, or alcoholic beverages, lodging, use of recreational facilities including golf courses, tennis courts or swimming pools, or transportation.
3. Coffee, tea, soft drinks, biscuits or light snacks offered as a part of business meetings are excepted from this rule.
4. Transportation incident to an official visit where Company transportation is not practicable is also excepted. An example of such transportation would be a bus ride as a part of a tour of a plant or a ride to a remote location where private vehicles are not permitted. An airline ticket provided by a competitor or contractor to visit a firm's location would not qualify as an exception.
5. A hospitality item such as a working lunch may be accepted if the fair market value is paid to the offeror. Directorate personnel should pay for their own social meals and obtain a separate receipt as proof of compliance.
6. If no means for payment is presented by the offeror, Directorate personnel should leave a reimbursement payment at their seat and suggest that it be used for some other worthy cause such as a charity or the local coffee fund.

Further Guidance

The above specific guidance may not be sufficient to handle every situation. When in doubt, Directorate personnel may seek guidance or specific authorisation from the Supply Chain Ombudsman, the Commercial & Contract Management Director, or Group Legal.

Expectations

All Directorate personnel are expected, as professionals, to comply with this Code of Ethics. Failure to comply could result in being disqualified from participation in sensitive procurement transactions, reassignment to an alternative role or appropriate action being considered under the Company disciplinary procedure.