

AWE/MAN.A	<b>MANAGEMENT SYSTEM STANDARDS</b>	<b>PS901</b> Issue 1 February 2006
<b>PERSONAL BUSINESS ETHICS STANDARD</b>		

<b>Policy Area:</b>	<b>Human Resources</b>
Document Authority:	Tony Morris

	APPROVED	AUTHORISED
<b>Signature</b>	_____ Tony Morris (Head of Procurement) Functional Authority	_____ David Maitland Director, Operations Services

### CHANGE HISTORY

Issue	Date	Reason for change

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## 1 PURPOSE AND SCOPE

- 1.1 This Standard puts into effect the Company Human Resources Policy on Personal Business Ethics.
- 1.2 Definitions of **highlighted** terms used in this Standard can be found in the [Company Glossary](#).

## 2 ACCOUNTABILITY AND RESPONSIBILITY

- 2.1 The **Head of Procurement** is accountable for developing and maintaining the necessary supporting arrangements, including guidance, required to deliver this Standard.
- 2.2 The **Head of Internal Financial Audit** is accountable for reporting on the performance of those arrangements to the Executive Management.
- 2.3 The **Head of Employee Relations and Operations** is responsible for the implementation, communication to employees and maintenance of local registers for recording all employee Gifts and Hospitality.

## 3 REQUIREMENTS

### 3.1 Conflict of Interest

- 3.1.1 Employees shall act for the benefit of AWE and not be influenced by personal interests.
- 3.1.2 Employees shall declare to line management any form of personal or financial interest, which might reasonably be deemed by others to affect the employee's behaviour and impartiality in their duties.
- 3.1.3 Details of any such declared interest and any mitigation taken shall be recorded in the employee's personal file.

*Interpretation:*

*A potential conflict of interest would be generated in dealing with a company in which an employee was a director, consultant or employee, or a close member of their family was so employed and liable to gain a financial benefit.*

*Employees do not need to declare investments in managed funds such as ISA, OEIC, Pensions or Unit Trusts unless a relevant company is a dominant factor in the investment. Ask yourself if any financial interest is sufficiently direct and large that it might reasonably be thought that your actions might be biased.*

*Specific rules exist for employment outside AWE by employees, see Line Managers Handbook, [Section 3.7.5](#).*

### 3.2 Confidentiality

- 3.2.1 Employees shall abide by the provisions of the Official Secrets Act.
- 3.2.2 Employees shall respect the confidentiality of Company Information and shall not use this for personal gain or in any way which may prejudice the interests of the Company.
- 3.2.3 Employees shall not use any commercial information gained in the course of their duties for financial benefit.

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3.2.4 Employees shall protect the commercial information of contractors and any other stakeholders covered by confidentiality agreements, and shall only divulge information as required by law.

3.3 Bribes and Inducements

3.3.1 Employees shall neither offer nor accept any gift or consideration as a bribe or offer inducement. Any approach, or suspected approach, shall be reported verbally to the AWE General Counsel immediately for the purpose of obtaining legal advice and confirmed in writing subject to direction from him.

3.4 **Non-solicitation**

3.4.1 Employees shall not solicit, entice away, or endeavour to entice away either on our behalf or the behalf of another, employees of a contractor to AWE.

3.5 **Sponsorship**

3.5.1 Employees shall not approach suppliers to AWE for sponsorship or financial benefit of any event. Individuals seeking sponsorship for interests outside AWE shall ensure that any potential conflict of interest is taken into account and the approach cleared with line managers.

3.6 **Offers of Gifts or Hospitality by AWE**

3.6.1 Employees may only offer gifts or hospitality provided such offers are authorised in advance in accordance with the Financial Authorities Matrix.

3.7 **Gifts and Hospitality**

3.7.1 All gifts and hospitality accepted, or refused, arising from contact with the supply chain in the course of duties at AWE, shall be recorded in a local register, regardless of whether the offers are made or taken in work or personal time.

3.7.2 The register shall be subject to audit 6 monthly by the relevant Director and then annually by the Internal Financial Audit Programme. The register shall record all offers of gifts or hospitality accepted or refused.

*Interpretation: Hospitality Books should be held at a management level appropriate to Directorate organisation. They should be treated as accountable documents held within DCC registration. Small gifts and routine working meals should be recorded as soon as practicable, but typically within 4 working days, or as soon as practicable, after the event. More significant hospitality should be agreed and recorded before the event in line with 3.7.7 below.*

3.7.3 Employees shall not accept any money, loans, holidays or accommodation.

3.7.4 Employees shall not gain financial benefit from their work or position unless the benefit e.g. discounts on purchases, is available to all AWE staff.

3.7.5 Employees may accept business gifts, so long as they are of small value (<£50 retail), such as diaries or calendars.

3.7.6 Employees may accept meals whilst in the course of their duties.

3.7.7 Employees may accept hospitality provided the following conditions are met:

- Prior approval to attend the event shall be obtained from the immediate line manager and recorded in the local register,

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- The event must be deemed to be on official business, all travel and accommodation costs must be paid by AWE.

*Interpretation:*

*In order to protect employees, attendance at off site events must be regarded as on official business. Industry standards vary, but it is likely that employees will receive offers to hospitality events. In judging whether an invitation should be accepted, the scale, nature, frequency and appropriateness of the event should be taken into consideration. In judging appropriateness, managers should consider whether AWE's business interests or reputation will be enhanced, business benefit gained, an obligation for reciprocal hospitality be created, or whether the offer may be misconstrued by others by attendance.*

*Invitations that include partners may be acceptable, but will be the exception and only when appropriate to the event. AWE will not liable for any additional costs arising.*

*During the run up to (within 6 months) and whilst a tender process is being conducted, all such offers shall be refused.*

### 3.8 Outside Employment

3.8.1 Employees shall seek approval from their line manager to take outside employment whether paid or unpaid. Approval may be given provided it does not:

- Adversely affect their ability to carry out all duties of their job with the Company (e.g. overlap with the working day at AWE, or leave the employee too tired to work effectively for the Company);
- Adversely affect the reputation of the Company.

3.8.2 Employees engaged in outside employment shall not utilise AWE or MOD assets in pursuit of their interests.

### 3.9 'Whistle Blowing'

3.9.1 Any employee with concerns or reservations as to professional conduct that can not be dealt with within normal line management channels shall follow the AWE Serious Concerns procedure.

### 3.10 Control and Review

3.10.1 Local registers recording employee Gifts and Hospitality shall be assessed as part of the internal Financial Audit process.

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#### 4 REFERENCES

<b>Company Management System</b>
<a href="#">Financial Authorities Matrix</a>
<a href="#">Line Managers Handbook</a>
Employees Terms & Conditions
<a href="#">Procurement Procedures</a>
<a href="#">Procurement Process</a>
<a href="#">Serious Concerns</a>
<b>Legal Requirement</b>
Inland Revenue
Fraud Laws (Bribes and Inducements of Civil Servants)
The Official Secrets Act
<b>External Standard(s)</b>
MoD M&O Contract
<b>Guidance</b>
<a href="#">Company Values</a>

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