



## BAM Nuttall Limited Fraud policy

The Board of BAM Nuttall Limited is committed to the promotion of a business culture and working environment that is based upon the prevention of fraud and the maintenance of sound corporate governance.

BAM Nuttall seeks first to prevent the occurrence of fraud and is firmly committed to maintaining the necessary procedures to detect and investigate all instances of suspected fraud.

For the purposes of this policy statement, fraud is defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party. Without limitation, this policy refers to:

- theft, the misappropriation or misuse of assets for personal benefit
- bribery and corruption
- blackmail or extortion
- accepting or offering an inducement to or from a third party, which could be considered a kickback
- false accounting and/or making fraudulent statements with a view to personal gain or gain for another, eg falsely claiming overtime, travel and subsistence, sick leave or special leave (with or without pay)
- collusion between bidders in a tender competition to favour a particular bidder
- externally perpetrated fraud against an organisation

BAM Nuttall acknowledges its responsibility under competition law not to engage in any anti-competitive arrangements (whether orally or in writing) where the intention or the effect is in some way to restrict, prevent or distort competition through collusive tendering in bid competitions.

This includes:

- 'cover pricing' where one bidder suggests a price for another bidder to return
- any other agreement amongst competitors to fix the prices one of them tenders or the prices paid to suppliers
- any agreement between competitors that involves deciding which competitor will win a particular contract, or dividing up the business so that only some tenderers will bid for work in a particular area or of a particular type

Prevention of fraud is achieved via:

- the maintenance of and strict adherence to internal control procedures and levels of authority as laid out in BAM Nuttall procedures
- the requirement of staff at all times to act honestly and with integrity to safeguard the resources for which they are responsible
- regular review of internal control procedures by senior management
- external audit
- use of BAM Group based financial software to minimise the potential for manipulation through unauthorised amendments
- regular detailed review of tenders and projects by senior management

All employees and workers have a shared responsibility for the deterrence and detection of fraud amongst the employees and workers of BAM Nuttall. Employees are required to raise any concerns they may have with their business unit or department manager. If this is inappropriate the report can be made to a Board Director or to the Company Secretary. Any such reports are treated in confidence and properly investigated.

Following an allegation of fraud:

- matters will be dealt with promptly
- evidence will be adequately supported and recorded
- company disciplinary procedures will be implemented
- where appropriate the police or other appropriate authorities will be notified
- BAM Nuttall will assist in any investigation and prosecution of suspected fraudsters
- the rules of natural justice will be applied

A handwritten signature in black ink, appearing to be 'S Fox', written over a horizontal line.

Stephen Fox  
Chief Executive, on behalf of the BAM Nuttall Board

Previous revisions: November 2009

Date: 01 April 2010