



Code of Conduct

June 2008

NSG Group Code of Conduct

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NSG Group Code of Conduct

Message from Katsuji Fujimoto and Stuart Chambers

It is the NSG Group's mission to be the global leader in the manufacture and supply of glass products, through the best use of our people and technology and the pursuit of innovation, judged best in class by our customers, our people and our shareholders. This Code of Conduct sets out the principles by which the Group will strive to conduct its business activities in pursuit of its mission.

The Code defines the conduct expected of both the Group and its employees across all areas of our business and applies to relationships with employees, customers, suppliers, business partners, the community and all others with whom we have contact in daily business life.

The wide range of issues addressed in the Code reflects the many diverse activities that are involved in operating as a successful global business.

The overriding basis of the Code is that the Group will carry out these activities in a safe, professional, legal and ethical manner and in a way that demonstrates the Group's corporate social responsibility. Wherever possible the Code defines a fair and common sense approach to doing business. Some elements are dictated by strict legal requirements.

The content of the Code also takes into account the Group's Values & Principles, particularly the emphasis on safety, taking personal ownership for our actions and communicating with openness and involvement. The Code brings together the key issues and principles from the many different areas of Group policies and regulations and presents them in a readable form in one document. It is of necessity broad and general in nature and cannot be expected to anticipate every situation. However, whatever the circumstances, the spirit and intention of the Code's principles should always be followed.

The NSG Group aims to enjoy the highest reputation worldwide for the professional, legal and ethical way it conducts its business. It is the responsibility of everyone to follow the principles of this Code to ensure that the Group operates in this manner.

Katsuji Fujimoto
Chairman of the NSG Group

Stuart Chambers
President and CEO of the NSG Group

June 2008

NSG Group Code of Conduct

NSG Group Values & Principles

OUR MISSION

To be the global leader in the manufacture and supply of glass products, through the best use of our people and technology and the pursuit of innovation.

First in Glass™

OUR VALUES

People are the most important asset of our company.

We value:

- Trust and mutual respect
- Integrity and professionalism
- Team work and mutual support
- Open communication
- Initiative and creativity
- Passion and resilience
- Individual and social responsibility

OUR STAKEHOLDERS

We aim to be judged as best in class by:

- **OUR CUSTOMERS**

To be their preferred supplier for glass products and related services

- **OUR EMPLOYEES**

To be their preferred place to work

- **OUR SHAREHOLDERS**

To be their preferred long-term investment

OUR GUIDING PRINCIPLES

Success will be achieved by:

- Ensuring that all our decisions and actions add value to the company
- An obsession with safety, in the belief that all accidents are preventable
- The development of the potential and motivation of all employees to enable the use of the right people in the right place
- The achievement of defined quality standards to satisfy internal and external customers
- The development and use of market-leading technologies for products and processes
- *Monozukuri*: having a passion for manufacturing excellence - through benchmarking, best practice and standard operating procedures
- *Genchi Genbutsu*: making decisions after going to the source to understand conditions on the shop floor and in other workplaces
- Making decisions based on data, facts and analysis
- Seeking to continuously improve in all our activities, through the application of the PDCA (Plan, Do, Check, Act) methodology
- Efficiency in everything we do, exploiting synergies and achieving cost leadership throughout
- A commitment to high standards of social responsibility in the communities and environments in which we operate.

NSG Group Code of Conduct

Introduction

1. Scope of the Code of Conduct

This Code applies to any business in which the NSG Group has more than a 50 per cent share or otherwise has effective management control.

The term “Group” used in this Code and in any of the Group’s policies, procedures and guidelines, refers to the collection of businesses defined above.

The Code covers elements from all major areas of Group policies, procedures and guidelines. However, it does not contain all the details which can be found in the full range of Group policies, procedures and guidelines. Therefore, those seeking guidance on points of detail will need to consult the actual relevant documents.

NSG Group Code of Conduct

Social Responsibility

2. Law, culture and ethical behaviour

We must observe all national and international laws and regulations that are applicable to the Group's businesses worldwide.

There are many laws and regulations applicable to the conduct of the Group's business around the world. It is important that we should all be familiar with, and observe, the laws and regulations that are in force in the countries in which we operate and that are applicable to our area of responsibility.

If in doubt on any legal matter, individuals should seek advice from their manager, supervisor, local HR department or any other department responsible for the particular legal matter. Advice can also be obtained from the Group Legal Function.

We must also comply with the Group's internal policies, procedures and guidelines. We should know and understand in detail the ones that relate to our areas of responsibility. If there are any doubts or questions on these policies, regulations or procedures, guidance should be sought from the appropriate line manager, supervisor, local HR department or any other department responsible for the particular policy, procedure or guideline.

Everyone working away from their home base should make themselves aware of and should respect, not only the laws of the countries in which they are working, but also the traditions and cultures of those countries.

We must accept personal responsibility for behaving professionally, ethically and with integrity and fairness.

In our everyday business transactions we must be even-handed and honest in our dealings with all our customers, suppliers and others with whom we work. While pursuing the Group's commercial interests enthusiastically, we must ensure this is done in good faith and without deception or dishonesty.

NSG Group Code of Conduct

Social Responsibility

3. Human rights

As a major international business the NSG Group has significant relationships across the world with its employees, the communities in which it operates and the many stakeholders in its businesses. As a consequence the Group takes its corporate social responsibilities seriously and acknowledges internationally proclaimed human rights.

The Group will strive to apply employment standards within the Group which promote the application of human rights. These standards are described in section 5 of this Code.

Internal audit procedures will embrace corporate social responsibility and human rights employment standards.

In areas outside its management control the Group will use its influence to encourage business partners such as suppliers, customers and JV partners to adopt standards similar to those set out in this Code of Conduct.

Also the Group will include in the evaluation of new business initiatives, a review of the code of conduct and human rights employment standards of potential business partners. The purpose is to determine whether standards are being met and whether an initiative will add to or gain advantage from the infringement of human rights employment standards.

The adoption of human rights employment standards is important in providing individuals with the treatment they have a right to expect and it is believed this will, in turn, lead to a more successful business through a more effective, motivated and committed workforce.

Issues in the area of human rights and employment are often complex. However, by identifying and giving them due attention, the Group seeks not only to influence the way people are treated but also to reduce the potential risks to which the business is exposed.

NSG Group Code of Conduct

Social Responsibility

4. Environment

The NSG Group recognises the crucial importance of environmental issues worldwide. We will play our part in creating a prosperous and sustainable future by continually seeking to achieve best practice in environmental protection.

We will as a minimum comply with all applicable environmental laws, regulations and standards as well as with our own internal rules in order to protect the environment, and minimise our impact.

We will promote and facilitate various social activities and practices that seek to conserve natural resources such as reducing the consumption of energy and encouraging recycling and providing products which support a more sustainable environment.

We will manage hazardous material in appropriate ways to protect our employees and the environment.

The NSG Group, with the participation of all individual employees, will seek to protect and enhance the environment in the following ways:

- by ensuring that every individual is aware of their personal role in protecting the environment
- by following procedures that ensure existing plant and equipment are operated in ways which minimise our impact on the environment
- by developing and operating new manufacturing processes that minimise our impact on the environment
- by developing and promoting products that encourage more efficient use of natural resources.

A cornerstone of our environmental commitment is the adoption and use of environmental management systems, with our glass making and major production facilities certified to the international Environmental Management System Standard ISO 14001. The Group recognises and supports the ICC Charter for Sustainable Development.

The Group will comply with the requirements of relevant environmental legislation in the countries in which we operate and the requirements of organisations or other external programmes to which we subscribe.

The Group will, through compliance with applicable laws, regulations and standards as well as internal rules and procedures, seek to take every possible measure to prevent fire, explosion, release of hazardous material and other major accidents that may cause severe damage and loss not only on our own facilities but also the surrounding communities and premises

Through communications and training, all employees will be made aware of their environmental responsibilities and will be given the resource and support necessary to meet them.

We will also seek to encourage our customers, suppliers and other business partners to facilitate good environmental practices and promote the efficient use, reuse, recovery and recycling of glass and other materials involved in glass manufacture and processing.

Environmental factors will be considered at an early stage in research, design and development of our products and processes around the world.

We will work with governments, regulatory agencies, the scientific community and responsible organisations as appropriate, to develop and encourage business and community practices that make progress towards the common aim of sustainable development.

We will put plans in place to deal efficiently with any emergency situations which may arise from current operations or past operations where the Group retains a responsibility.

We will pursue an environmental programme of continuous improvement that sets, monitors and reviews the achievement of meaningful environmental objectives and targets.

NSG Group Code of Conduct

Relationships with Employees

5. Employment standards

The Group considers its employees to be its most important asset in achieving its mission and business objectives.

The NSG Group takes it as a policy that there should be no intentional discrimination for recruitments, promotions, job transfer, dismissal and other employment related activities on the basis of race, colour, creed, nationality, age, gender, sexual orientation, religion, origin, disability, union membership, political affiliation or other status protected by law. Local laws on age discrimination will be observed.

Abuse, harassment or intimidation will not be tolerated under any circumstances nor will the act of pressurising or retaliating against the individual who reports such harassment.

While this general principle is to be commonly applied across the Group globally, each specific case should be carefully reviewed with reference to the law in each of the countries in which we operate.

The key standards in the policy are, in summary:

- a safe and healthy working environment will be provided on all sites by minimising as far as is reasonably practical, the causes of hazards inherent in the working environment
- the law and regulations relating to employment in each country in which the Group operates will be respected
- appropriate methods of regular employee consultation and communication will be implemented on each site to meet the joint needs of the particular business and its employees
- the right of employees to join, or not to join, a trade union of their choice will be respected, with the Company providing facilities to allow recognised employee representatives to carry out their roles effectively, including collective bargaining in accordance with arrangements in each country. In countries where specific legislation or legitimate collective agreements exist to regulate this matter, the legislation or collective agreements will be respected in full
- fair and just remuneration policies and practices will be followed. Pay and terms of employment will meet at least the legal or national industry minimum standard and the levels of pay will provide at least a living wage plus some discretionary income
- national employment law on working hours will be respected. Employees will not be required to work excessive standard hours on a regular basis. The working of additional hours over and above the standard hours, where this is necessary, will not be excessive nor requested with unreasonable frequency
- the Group will not engage in or support forced labour. Young people under the age of 15, or older if defined by law, will not be employed

NSG Group Code of Conduct

Relationships with Employees

Employment standards (continued)

- the Group will work positively to ensure that it has a diverse work force that reflects its international structure and the diversity of the communities in which it operates
- appropriate training and development will be provided to enable employees to carry out their current roles safely and to a competent standard and to achieve their full potential in the future.

These are minimum standards for all employees. Where the relevant law or regulations set higher standards these will be adopted. If legal or regulatory restrictions prevent the implementation of any of the standards, the Group will seek alternative, lawful methods of affording an equivalent level of treatment for its employees.

NSG Group Code of Conduct

Relationships with Employees

6. Health and Safety

The health and safety of all NSG Group employees, contractors, neighbours, visitors and customers who use our products, is of paramount importance.

The Group aims to provide a clean, healthy and safe working environment for all employees, in accordance with the best industrial practice.

All managers are responsible for health and safety within each of the businesses and locations of the Group.

All employees have a duty to take every reasonable precaution to avoid injury to themselves, their colleagues and members of the public. This duty includes following the instructions set out for safe working practices in plant and equipment operating manuals.

Our safety performance improvement programme is based on a five-point safety strategy, designed to:

- increase proactive safety management through the use of safety evaluation systems to measure activity and develop action plans
- improve communication on safety information, best practice and benchmarking
- improve the reporting and analysis of all incidents
- involve senior management in raising awareness of the importance of safety to the Group and its employees
- encourage the adoption of behavioural safety programmes throughout the NSG Group.

The NSG Group treats all accidents as preventable. This is reflected in the safety policy and is underpinned by extensive training. In addition to the routine safety training programmes in place in each business line, health and safety has been incorporated into our management training programmes.

The Group employs health care specialists who act as impartial advisers and their actions are governed by their own professional codes of conduct.

Access to clinical data is confined to the occupational physicians and nurses and no confidential employee information may be disclosed to others without the consent of the individual.

The Group is committed to developing products for the use of its customers that achieve the highest possible standards of safety in use as well as offering value for money. This will be supported by appropriate customer advice and training to promote the safe handling, installation, use and maintenance of products.

The Group regards the safety of our customers as essential. We are committed to offer our products and services with the highest possible standard of safety applicable to our type of industry and products.

NSG Group Code of Conduct

Relationships with Employees

7. Internal Communications

The Group is committed to open and timely communications both internally and externally to the extent that normal limits on commercial confidentiality allow.

Internally, the Group operates a regular cascading briefing process for reporting progress to employees and allowing the discussion of important local and Group-wide issues. A similar process is used to communicate the half-year and year-end results. The Group also publishes a magazine which is in local languages and includes both international and local news about the Group. An extensive Intranet exists which provides employees with significant information about Group activities.

While procedures can be put in place, their effectiveness depends on a two-way flow of information and we must all take responsibility for ensuring that important information and issues are communicated, in a timely fashion, to appropriate people.

All managers are responsible for communications with their teams and their supervisors.

NSG Group Code of Conduct

Relationships with Employees

8. Avoiding conflicts of interest

We must not engage in outside interests, activities, or investments which conflict with the performance of our duties or affect our ability to apply independent judgement on behalf of the Group.

Employees (or their immediate family members) may not hold any direct or indirect financial interest in, make any loan to, or derive any benefit from, a competitor, customer or supplier of the Group unless:

- the interest is disclosed to the head of the business unit in which they work, and
- the head of the business unit decides, based on the circumstances, that the interest does not present a material conflict or appearance of conflict. Such a decision must be recorded in writing.

Except where expressly authorised, employees may not engage in any business activity as a director, officer, employee, or agent of a Group competitor, customer, or supplier.

Employees may not take personal advantage of any business opportunity that is related to the business of the Group unless all of the following apply:

- the details of the opportunity are disclosed to the head of their business unit
- the head of the business unit decides that the Group has no interest in the opportunity
- pursuit of the opportunity will not otherwise be a violation of this Code of Conduct or of the employee's contract of employment
- pursuit of the opportunity does not present any of the conflicts of interest set out in this section of the Code of Conduct.

Employees may participate in civic, charitable, political or professional activities, provided that the activities do not unreasonably interfere with their duties to the particular Group business concerned. Activities requiring time away from the job require the approval of an individual's manager or supervisor.

Other outside activities including investment must be secondary and subordinate to employment with the Group and must not interfere with the performance of duties as an employee. The time or the assets of the Group may not be used for personal reasons, personal business endeavours or for civic, charitable or professional activities without the approval of the head of the business unit.

NSG Group Code of Conduct

Relationships with Employees

9. Political activity

Personal political activities must be conducted separately and apart from the Group's business:

- individual employees may engage in personal political activities only if these are conducted in the employee's own name and without reference to the Group's business. All such activities should be in the employee's own time unless specific authorisation has been given by the employee's manager to undertake these activities at a time when the employee would normally be at work
- in many countries in which we operate the law expressly prohibits the direct or indirect use of company funds (including reimbursement of personal expenses), or company assets for or on behalf of any political candidate or political party. In countries where regulations allow, any financial support for political candidates or political parties will be approved by the Group Executive Officer responsible for that business
- in some circumstances businesses may financially support local non-partisan issues. However, the business head (typically President or Managing Director) of the business concerned and the Group Executive Officer responsible for that business must approve such expenditure.

NSG Group Code of Conduct

Other Relationships

10. Customers, suppliers and other business partners

Customers

A well-developed relationship with our customers is one of the key means by which we will achieve business success.

We must anticipate and respond to customer needs in a timely, positive and co-operative manner. We will supply products that are of good design and high quality; that are competitively priced and are delivered to schedule. The necessary product support will be provided and where requested, we will work closely with the customer on product design and performance with the aim of meeting the needs of the end consumer.

Suppliers

In certain circumstances a well-developed relationship with our suppliers will also have a beneficial impact on business performance. These benefits will include cost savings, access to the latest technology, improved payment terms, improved delivery and service, higher quality, new or improved design of products or services.

All suppliers will be selected on the basis of quality, price and performance of the products and related services offered.

Other business partners

In the course of developing and growing the business it will be necessary to create relationships with a range of other organisations and people. Amongst these might be included partners in a joint business venture, consultants, financial advisors, providers of finance or government officials.

Areas of common conduct

In the course of building relationships with customers, suppliers and other business partners the exercise of our independent judgement on behalf of the Group must not be influenced by personal advantage.

No employee may give or accept gifts or entertainment that could be construed as a bribe, kickback or payoff. As employees we may only give or accept gifts or entertainment if all of the following apply:

- the gift or entertainment is of sufficiently limited value and in a form such that it will not be construed as a bribe or payoff
- giving and acceptance of the gift or entertainment is consistent with accepted ethical customs and practices
- public disclosure of the gift or entertainment would not embarrass the Group.

In this context giving cash is never allowed. Also strictly prohibited are any secret commissions, discounts, compensations or payments to employees of customers.

NSG Group Code of Conduct

Other Relationships

Customers, suppliers and other business partners

Areas of common conduct (continued)

Sale discounts must be paid by credit to the customer's account or by Group cheque made payable to the customer only in its company name.

Commission or fee arrangements may be made only with persons or companies serving in a bona fide capacity. Payments must be reasonable in relationship to the services rendered and must be properly reflected in the Group's books of account. No payment may be made to third persons or to bank accounts that are not in the name of the party involved in the arrangement.

The Group will encourage and influence customers, suppliers and other business partners to adopt principles similar to those set out in this Code of Conduct.

NSG Group Code of Conduct

Other Relationships

11. Competitors

The Group is committed to free and open competition and will compete vigorously but with integrity and honesty. In dealing with competitors the Group and its employees must comply with national and international competition and antitrust laws in the countries in which we operate.

To facilitate and monitor compliance the Group has a Competition Law Compliance Policy which all employees must adhere to. Key features of that policy are an annual compliance interview for relevant personnel and a prohibition on unauthorised contact with competitors.

12. The community

The Group has many businesses that have close, long-standing relationships with the local communities within which they operate. The Group believes that these relationships are important and can be of mutual benefit to the community, the Group and its employees.

The nature of the relationships will vary across the Group depending upon the needs of each local situation. It may include the direct involvement of employees in initiatives, the provision of materials and equipment, the giving of specialised advice, the donation of cash to appropriate causes and the participation in consultation procedures.

Good community relationships are, however, not just about the provision of cash or resources but can be the basis for resolving important issues. For instance, a particular community may have concerns about the impact of the Group's operations on the local community. A good relationship will enable issues to be discussed openly, understanding to be developed and mutually agreeable, practical solutions to be identified.

To achieve effective working relationships, businesses and employees in general are encouraged to involve themselves in appropriate local organisations and initiatives. However, to enable relationships to be tailored to local needs, each business in the Group will determine how it develops relationships with its local community.

13. Governmental agencies or officials

Payments in any form to any governmental entity or official made for the purpose of obtaining or retaining business or other advantage are prohibited.

NSG Group Code of Conduct

Management of Information

14. Integrity of Group records

Accounting records must be maintained in accordance with the Group's internal accounting procedures, the legal requirements and generally accepted accounting principles (GAAP) applicable in each of the countries in which we operate.

Financial statements of each of the Group companies must accurately represent its financial position and operating results.

The following principles will also apply:

- the books and records of the Group must reflect all transactions accurately and completely
- no employee may engage in any conduct or make any arrangement that results in a false or artificial entry in any Group record, including employee expense reports
- no payment may be made on behalf of the Group with the intention or understanding that all or any part of the payment will be used for any purpose other than as described in the documents supporting it
- no undisclosed or unrecorded fund or asset of the Group may be established for any purpose. The Group will record and report all transactions, including those where payment is made in cash
- the Group will not knowingly evade tax obligations. All taxable benefits to which employees are entitled, or which employees obtain, will be listed and declared for tax purposes
- all Group records will be protected and retained in accordance with Group policy and the law
- all Group businesses are required to produce annual statements of compliance with internal controls comprising comprehensive lists of the controls established in all areas of business activity. The responsible management at each level of the Group must confirm that the controls are working effectively or give reasons if they are not, detailing any corrective action being taken.

NSG Group Code of Conduct

Management of Information

15. Protecting confidential personal information

The employment of people requires the Group to maintain personal data relating to individuals covering topics such as the payment of salaries and benefits, family circumstances, education and training. Such personal data can be in the form of manual or computer records.

The Group will abide by local laws governing the protection of personal data. However, the Group has a policy which provides a Group-wide minimum standard and guidance for those responsible for managing or using information systems involving personal data. The aim is to ensure that such data is managed in a legal, secure, effective and confidential manner.

Personal data will be obtained and processed lawfully and those with access to databases must ensure that personal data is kept confidential, processed in a secure manner and is used only for the purposes intended.

Access to personal data will be limited to those who have a legitimate reason to see the data and will be controlled by appropriate security codes or devices.

Personal data should be updated by businesses as circumstances change and be kept no longer than is necessary for its declared purposes.

Databases should not, by themselves, be the mechanism by which decisions affecting individuals are made. Any such decisions should be the result of consultation between appropriate line management, HR management and the individual.

Businesses will ensure that clear responsibilities and accountabilities are given to the appropriate local managers for compliance with the policy and with relevant national data protection legislation.

NSG Group Code of Conduct

Management of Information

16. Protecting confidential Group information

In order to conduct its business the Group creates, receives and distributes significant quantities of information. Much of this information is confidential for commercial or legal reasons and it is important that this confidentiality is preserved and protected.

Confidential information is that which is not generally known outside the Group and either gives the Group a competitive advantage or could operate as a disadvantage if known outside the Group.

Confidential information can consist of:

- business information about the Group's sales, earnings, financial condition, major contracts, acquisitions, divestments or mergers
- information about the Group's customers and suppliers
- the Group's trade secrets
- intellectual properties including patent and technical know-how.

Confidential information is an important asset of the Group and must not be revealed to anyone outside the Group at any time, including following retirement. All employees are responsible for the protection of the Group's confidential information. When disclosure is required in the ordinary course of the employee's duties on behalf of the Group, a confidentiality agreement, as approved by the Group's lawyers, must be obtained from the person to whom disclosure is made.

Likewise, confidential information belonging to other companies should not be accessed in an improper manner. Infringement of the intellectual property rights in possession of other companies and/or individuals could result in substantial damage to the Group. When necessary, legal advice should be sought from Group Intellectual Property Department, or local intellectual property or legal departments.

Intellectual property including patents, technical know-how and trade secrets are an important asset of the Group and therefore we retain legal rights to protect them. Any case of infringement of such rights, to whatever extent, should be communicated to the Group Intellectual Property Department or the local business head.

NSG Group Code of Conduct

Insider Trading of Public Stock and Securities and Security Trade Control Regulations

17. Insider trading of public stocks and securities

No employee of the NSG Group should buy or sell stocks/securities when he/she has access to material information, which is not yet public, about either the NSG Group companies, customers, suppliers or any other business partners.

The buying or selling of stocks/securities by any person who has access to unpublished information is prohibited by law until that particular information becomes public.

18. Security trade control regulations

In several countries where the NSG Group operates, there are laws, regulations and procedures with respect to international trading activities related to the strict control over exporting goods, technologies, and/or services that may be used to disturb the peace and security of international society.

If any of the products or services we export are subject to such control by reason of their nature, specification, shipping destination, end user etc, we will ensure that required formalities are cleared before exporting in compliance with the domestic and international laws and regulations in each of the countries in which we operate.

NSG Group Code of Conduct

Compliance

19. Procedures for ensuring compliance with the Code and Group policies

The compliance programme of the NSG Group is established by internal regulation with the objective of fulfilling the expectations and trust placed in the Group by society as a whole, and improving its corporate value through the promotion and enforcement of compliance activities.

A Compliance Committee has been established as a sub-committee of the Main Board and chaired by the Executive Vice President. The Compliance Committee defines the Group's overall policy regarding compliance, reviews the compliance programme and oversees the implementation of compliance activity, and monitors the level of compliance across the Group.

A full programme of compliance activity is established across the Group. This includes self assessments and independent audits conducted by the relevant Group Functions and by Group Internal Audit. The results of these activities are utilised by the responsible functions to improve the level of compliance, and summarised for presentation to the Compliance Committee.

NSG Group Code of Conduct

Compliance

20. Reporting of Concerns Procedure

Purpose

It is important that employees have the means to report instances of illegal or improper behaviour by another member of the organisation (such as a manager or member of staff) or someone externally who has connections with the organisation (such as a supplier or contractor). This section explains to employees what they should do if they have concerns and confirms that their concerns will be dealt with in a fair and responsible manner.

The existence of this procedure provides employees with the confidence that the NSG Group is an open company which wishes to operate in a lawful and ethical manner. Employees should not feel apprehensive about voicing concerns and should not believe that, by doing so, they are being disloyal or that they will experience recriminations. Reports made in good faith, even if not subsequently confirmed by investigation, will be valued and individuals will not be liable to disciplinary action. However, disciplinary action may result from reports that are false, malicious or for personal gain.

Activities to be reported

The list below is not exhaustive but the NSG Group expects individuals to report the following types of incidents:

- criminal offences
- failure to comply with legal obligations
- miscarriages of justice
- false accounting or other false reporting
- misuse of NSG Group assets
- improper relationships with suppliers, customers or competitors
- actions which endanger the health or safety of employees or the public
- actions which cause damage to the environment
- any other breaches of the NSG Group Code of Conduct and
- actions which are intended to conceal any of the above.

Making a report

A report can be made orally or in writing and normally will be presented to an individual's line manager or the line manager's superior. It is recognised that this may not be appropriate in certain situations and, therefore, the Company Secretary, Head of Group General Affairs, Group Chief Internal Auditor or the Group General Counsel are alternative contacts. The local Group Country manager or any other person in charge of reporting in accordance with the local rules is also available as a contact.

NSG Group Code of Conduct

Compliance

Reporting of Concerns Procedure (Continued)

Making a report (Continued)

The aim of this procedure is to give individuals the reassurance to raise matters of concern internally. It is recognised that there may be circumstances (for example where the wrongdoing is extremely serious) where it may be appropriate for concerns to be reported to an outside body such as the police.

It is not expected that the report of the wrongdoing will contain absolute proof of illegal or improper behaviour. However, there needs to be evident reasons for expressing the concerns.

The Group will do everything possible to keep the identity of the person making the report confidential. However, there may be circumstances where the individual may be needed as a witness, for instance if the incident becomes the subject of a criminal investigation. Should this be the case, the matter will be discussed with the individual at the earliest opportunity.

The Group will acknowledge receipt of a report within five working days.

Investigation

The Group will make preliminary enquiries to conclude whether a full investigation is necessary. If this proves to be the case then, depending on the nature of the allegation, the concerns will be:

- investigated internally (by management, Group Internal Audit, Group Human Resources or Group Legal), or
- referred to an appropriate external person (for example, the Group's external auditors or the police) for investigation.

Outcome

If an individual is unhappy with the outcome of an investigation, the NSG Group will ask the individual to submit another report explaining why this is the case. The concerns will be investigated again if there is good reason to do so.

However, the individual may not think this is appropriate and may wish to raise their concerns with an appropriate external organisation. It is open for the individual to do so, though they should satisfy themselves in advance that they have sufficient evidence to support this course of action.