John Laing plc ("JLPLC")
Fraud Policy and
Whistleblowers’ Charter (the “Charter”)

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1 Why have a Fraud Policy?

Fraudulent and dishonest behaviour can result in substantial cost to the Company, loss of business and damage to our reputation. This policy is designed to protect the Group's business, customers, shareholders and employees from the adverse effect of fraudulent behaviour. The policy:

- Applies to any irregularity, or suspected irregularity, involving John Laing employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with John Laing Group.
- Is an integral part of the John Laing Ethical Code of Conduct which can be found on the Source under: work tools/policies/HR/ethical.

2 Actions Constituting Fraud

Fraud is the wrongful or criminal deception intended to result in financial or personal gain through an illegal activity, and other fiscal irregularities that include, but are not limited to:

- Embezzlement – stealing/theft of money and/or goods
- Misuse or misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of company activities
- Disclosing confidential and proprietary information to outside parties
- Bribery/corruption - accepting or seeking inducements of material value from contractors, vendors, or persons providing services/materials to John Laing
- Failing to record hospitality or offers of gifts. Exception: Gifts less than £50 in value.
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment
- Forgery – altering documents, signatures
- False accounting – giving incorrect information, untrue details or fake invoices/documents
- Being under undue influence – failing to disclose an interest
- Extortion – obtaining favours by the use of threats/blackmail
- Conspiracy, collusion and corruption – entering into agreements with others to carry out illegal activities
- Money laundering
3 Key Objectives of the Policy

- To protect the reputation of the Group with its stakeholders and in particular its clients, suppliers and shareholders
- To prevent financial loss or illegal gain
- To set the boundaries by which staff can determine Laing’s definition of unacceptable practice
- To provide a framework to staff for reporting any suspicion of fraud in confidence.

4 John Laing Culture and Your Role

John Laing encourages a culture of absolute honesty and integrity and we use our influence to encourage our Joint Venture operations and partners to adopt the principles of our fraud policy.

All staff, clients, suppliers and their staff should observe the highest professional standards and should take positive steps to ensure that malpractice is prevented throughout our respective organisations. John Laing staff should ensure that all transactions are at “arms length” and that no actual or proposed transaction is capable of being interpreted as malpractice.

John Laing staff must employ an open and honest stance and should report “bad news” when it is first identified, not discourage the reporting of “bad news” and should not impose a blame culture. Managers should not use their influence to cover up bad news or to suppress good news. Employees who believe that their managers are attempting to use such influence should report their suspicion in accordance with the Whistleblowers’ Charter (see later).

The following principles must be applied by staff:

- You must not accept inducements or bribes from clients or suppliers, no matter how small
- You must not solicit any gift or inducement from clients or suppliers
- You may accept low value unsolicited gifts and corporate hospitality but not high value gifts or inappropriate hospitality. All such gifts must be registered in the Corporate Gifts and Hospitality Register using the standard form (which can be found on the intranet, under work tools/HR/forms)
- You must not offer any gift or inducement to clients or suppliers beyond properly authorised corporate hospitality in accordance with Group policies. Hospitality and entertaining of clients and suppliers must be approved by line managers in accordance with delegated authority limits
- You must not use company property or assets for personal use without the pre-approval of your line manager
- You must notify your line manager if you believe you have a conflict of interest in any proposed transaction with a supplier or customer
• You must not offer or pay introductory fees to any third party without written pre-approval of two members of the Executive Committee

• You must not provide goods or services to clients or suppliers at discounted prices without the pre-approval of two members of the Executive Committee

• You must take reasonable steps to ensure that confidential information is neither deliberately nor accidentally made available to third parties that are not bound by confidentiality agreements

Everybody covered by this policy has a role to play in preventing, detecting and reporting fraud and maintaining the standards expected by the Group.

You must work in such a way as to prevent fraud and immediately report any suspicion of fraud (other than money laundering) to your line manager, another senior manager, or via the John Laing Whistleblowers’ Charter to the Independent Assessor (see later).

Any manager who receives notice of fraud must ensure that it is notified to the Group Finance Director.

5 Cash Management and Money Laundering

Management must pay particular attention to business units handling material quantities of cash and cash handling procedures must be documented and observed at all times.

The Company should not normally accept cash for the sale of assets or provision of any other service. However, if circumstances dictate that this cannot be avoided, written approval should first be obtained from the immediate line manager and money laundering checks should be initiated. Any member of staff who has knowledge of, or suspects that the business might be involved in money laundering (which include the proceeds from any crime) should report the fact immediately to the Group’s Money Laundering Reporting Officer (MLRO) who will alert the appropriate authorities and report the incident to the Group Audit Committee.

For further information on Money Laundering Please see the John Laing Guidance Notes For The Prevention of Money Laundering which can be found on the Source under: work tools/policies/HR/ethical

You should not:

• Confront the suspect, or

• Discuss the suspicion more widely, or

• Begin any investigation that may result in loss of evidence or “tip-off” the suspect.

Any manager contacted directly about the suspicion of fraud is obliged to report the incident directly to either the MLRO or the Company Secretary.
Employees have a **Statutory Duty** to report any suspicion or actual knowledge of money laundering or knowledge of terrorist funding. You should discharge this legal obligation initially by verbally notifying the MLRO immediately and then providing a written report.

You must immediately report any suspicion of money laundering to Arafat Shah (0207 901 3242), the Group’s MLRO or, via the John Laing Whistleblowers’ Charter, to the Independent Assessor (see later).

### 6 Management Action on Receipt of a Report

Every reported incident of fraud will be investigated and the confidence of those reporting the incident or suspicion of fraud will be respected.

The investigation will be carried out by either external agencies or managers having no operational responsibility within the business unit implicated depending upon the circumstances.

Every fraud will be reported by the MLRO or the Company Secretary directly to the Chairman of the Group Audit Committee and to the full Group Audit Committee at its next scheduled meeting. Every suspicion of money laundering will be reported by the MLRO or the Company Secretary to the Group Finance Director and all members of the Group Audit Committee immediately **without** investigation commencing in order that the appropriate external authorities can be notified and can control the investigation.

### 7 Consequence of Committing Fraud

Any employee or director who has committed a fraud or who has deliberately or maliciously abused the Fraud Policy or the Whistleblowers’ Charter in order to damage the reputation of the Group should expect disciplinary action/summary dismissal. Individuals will normally be prosecuted and the Company will seek to recover losses.

The Company reserves the right to publicise the details of fraud internally and externally.

### 8 John Laing Whistleblowers’ Charter

Anybody who is covered by the John Laing Fraud Policy and who suspects that the Company, its clients, suppliers, staff or directors are involved, either deliberately or unwittingly, in fraud, money laundering or error or misstatement, should report their suspicion in accordance with this Charter. **The Charter also applies to deliberate acts or omissions that endanger the health and safety of any person or the observed failure to report accidents in accordance with the Group’s Health and Safety Policy.**

The following process should be observed:
• The Whistleblower should report suspected malpractice, preferably in writing, to the Independent Assessor (see below). Such reports will be held in confidence. In respect of money laundering, the Independent Assessor will immediately notify the Group’s MLRO or the Company Secretary but will take no further action in the matter unless specifically instructed to do so.

• Whistleblowers should be prepared to identify themselves within the report but can do so on the understanding that the Independent Assessor will respect the confidentiality of their report.

• The Independent Assessor will acknowledge receipt of the Whistleblower’s report by return.

• Within 14 days of the matter being reported, the Independent Assessor will provide the Whistleblower with details of the process that will be followed in order to deal with the matter raised.

• The Independent Assessor will inform the Whistleblower when the matter has been dealt with, but is not obliged to give details of action taken.

• Whistleblowers who are not satisfied that matters have been adequately dealt with should report their grievance in writing to the Chairman of the Group Audit Committee, c/o the Company Secretary.

• Whistleblowers should not discuss details of their concerns with any third party unless they are exercising their legal rights to report to The Financial Services Authority, HMRC, The London Stock Exchange, the Police or media under circumstances where they are protected by the Public Interest Disclosure Act, 1998. This does not prevent an individual from discussing the matter with his or her solicitor.

• The Independent Assessor will provide a summary report to the Group Audit Committee on all suspected fraud and error brought to his attention.

Independent Assessor

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Staff who are considering whether to report a suspected fraud (and in respect of money laundering they have a legal obligation to do so) should be aware that the Company encourages them to come forward and that the Company will take steps to ensure that Whistleblowers are not victimised. Whistleblowers will be regarded as witnesses, not complainants.

Independent guidance to staff may be sought from Public Concern at Work (PcaW). This body provides practical guidance and information on its website - www.pcaw.co.uk.