

Policy on Voluntary Disclosures

Background

Governments encourage the submission of timely Voluntary Disclosures by companies who believe they may have violated an applicable export control regulation. They will review disclosures to determine if violations of regulations have occurred and assess what appropriate corrective action is necessary, taking into account the action that has already been taken in this regard by the company. Most Voluntary Disclosures are resolved by means other than an administrative penalty. However, in instances where a Government considers that an administrative penalty would be appropriate for the resolution of a violation, the regulators afford the submission of a Voluntary Disclosure weight in assessing and mitigating that penalty.

Full transparency and the factual accuracy of our voluntary disclosures, combined with a well-designed and functioning compliance programme, are our best defense in avoiding costly administrative proceedings and settlements.

Policy

1. The corporate export control team retains oversight of any export control violations and the declarations that are made by businesses to regulators.
2. Businesses and functions should contact the corporate export control team immediately after a potential or actual violation is discovered and then conduct a thorough review of all trade transactions where a violation is suspected. Where regulatory timescales for investigations are specified they must be met or extensions to such deadlines sought in consultation with the corporate export control team. Items to take into account during the review include:-
 - (i) Whether the transaction(s) would have been authorized had a proper application been made;
 - (ii) Whether there is a need to suspend certain activities while the investigation takes place;
 - (iii) Why the violation(s) occurred and whether they are a recurrence of a previously disclosed matter;
 - (iv) Whether there is uncertainty over the regulatory interpretation of the matter.
3. Businesses, or in some cases individual sites, will be responsible for submitting both initial and final disclosures (once approved by the corporate export control team) and for taking ownership of remedial measures.
4. Any additional correspondence with the regulatory body (e.g. to clarify points or to provide further information) must be approved by the corporate export control team before submission.
5. All lessons learnt and remedial measures proposed, even from near misses, should be agreed with the corporate export control team. The corporate team will be responsible for

determining whether to communicate lessons learnt and remedial measures more widely to improve compliance throughout the company.