

FINAL ASSESSMENT

SRC, INC.

The following pages contain the detailed scoring for your company based on public information.

The following table represents a summary of your scores:

| Topic | Number of questions | % score based on public information |
|---|---------------------|-------------------------------------|
| Leadership, Governance and Organisation | 10 | 0% |
| Risk Management | 5 | 0% |
| Company Policy and Codes | 12 | 0% |
| Training | 5 | 0% |
| Personnel and Helplines | 7 | 0% |
| Total | 39 | 0% |

TI has found no evidence that the company is involved in offsets and has therefore removed the two relevant questions (A13a and A13b).

A1:

Does the company publish a statement from the Chief Executive Officer or the Chair of the Board supporting the ethics and anti-corruption agenda of the company?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the Chief Executive Officer or the Chair of the Board publishes a statement supporting the ethics and anti-corruption agenda of the company.

References:

Public:

TI Notes:

Company website: Leadership

'President's Message

At SRC, we believe that our success is based on our customers' success. We place significant emphasis on our ability to attract and develop exceptional people who are technically competent, mission-savvy and who embrace our core values. SRC's extraordinary workforce is the reason we are able to be the company of choice to solve our customers' grand challenge problems – to help keep America safe and strong.

'We aim to develop and apply science and technology to issues of national significance. SRC's growth is based on our strong core competencies along with a passion to innovate. One of our greatest strengths is our agility – our dynamic environment allows us to align our business with our customers' evolving requirements.

'For more than five decades, SRC has been a beacon for innovation. We promote a supportive culture that allows professionals to flourish and achieve amazing results. We also foster a progressive environment that maximizes customer success. SRC's not-for-profit advantage means that we work for the customer and the best solution, not the bottom line. With no shareholders, our earnings are reinvested back into the company which allows us to perform proactive research and development in areas critical for our customers' continued

SRC 30/05/14

[HTTP://WWW.SRCINC.COM/](http://www.srcinc.com/)

success.

In addition to staying on the cutting edge technically, we strive for SRC to be a corporate role model in the communities where we live and work. Improving various aspects of life is our forte – whether it's through a technological advance or being upstanding corporate citizens. We are redefining possible® – building on our reputation as a company known for making significant impacts on society.'

SRC Leadership Team

SRC's leadership team includes accomplished professionals with broad executive expertise in defense, environment and intelligence.

SRCTec Leadership Team

SRCTec's leadership team includes accomplished professionals with broad executive expertise in engineering, military and manufacturing.'

<http://www.srcinc.com/about/leadership/>

A2:

Does the company's Chief Executive Officer or the Chair of the Board demonstrate a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the Chief Executive Officer or the Chair of the Board demonstrates a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company.

References:

Public:
NA

A3:

Does the company's Chief Executive Officer demonstrate a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company, actively promoting the ethics and anti-corruption agenda at all levels of the company structure?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company's Chief Executive Officer demonstrates a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company, actively promoting the ethics and anti-corruption agenda at all levels of the company structure.

References:

Public:
NA

A4:

Does the company publish a statement of values or principles representing high standards of business conduct, including honesty, trust, transparency, openness, integrity and accountability?

Score:

0

Comments:

Based on public information, there is evidence that the company publishes a statement of values or principles representing some high standards of business conduct, including honesty and integrity. However, information about these values is limited and there is no detail provided about what they mean for the organisation and why they are important.

References:

Public:

TI Notes:

Company website: About

'Our Values

SRC's core values guide our conduct, as well as our relationships with customers, stakeholders and each other. We will:

Practice integrity and honesty in all dealings

Remain customer-centered

Perform purposeful innovation

Aspire to have a positive, supportive, and healthy work environment

Exercise a teamwork approach that incorporates collaboration and commitment to each other and our customers'.

<http://www.srcinc.com/about/>

A5:

Does the company belong to one or more national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company belongs to one or more national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption.

References:

Public:
NA

A6:

Has the company appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda.

References:

Public:

NA

A7:

Has the company appointed a person at a senior level within the company to have responsibility for implementing the company's ethics and anti-corruption agenda, and who has a direct reporting line to the Board?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has appointed a person at a senior level within the company to have responsibility for implementing the company's ethics and anti-corruption agenda.

References:

Public:

NA

A8:

Is there regular Board level monitoring and review of the performance of the company's ethics and anti-corruption agenda?

Score:

0

Comments:

Based on public information, there is no readily available evidence that there is regular Board level monitoring and review of the performance of the company's ethics and anti-corruption agenda.

References:

Public:
NA

A8(a):

Is there a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, and evidence of improvement plans being implemented when issues are identified?

Score:

0

Comments:

Based on public information, there is no readily available evidence that there is a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, and no evidence of improvement plans being implemented when issues are identified.

References:

Public:
NA

A9:

Does the company have a formal process for review and where appropriate update its policies and practices in response to actual or alleged instances of corruption?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a formal process for review and where appropriate updates its policies and practices in response to actual or alleged instances of corruption.

References:

Public:

NA

A9(a):

Does the company have a formal anti-corruption risk assessment procedure implemented enterprise-wide?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure.

References:

Public:
NA

A10:

Does the company have a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure for assessing proposed business decisions.

References:

Public:
NA

A11:

Does the company conduct due diligence that minimises corruption risk when selecting or reappointing its agents?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company conducts due diligence that minimises corruption risk when selecting or reappointing its agents.

References:

Public:
NA

A12:

Does the company have contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption.

References:

Public:
NA

A13:

Does the company make clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company makes clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance. TI notes that the company has a limited policy referencing the FCPA and prohibiting kickbacks and other gratuities but beyond this it is not clear that the company's own stance on bribery is made clear and that the consequences of breaches to this stance are clarified.

References:

Public:

TI Notes:

Company website: Suppliers

'Suppliers

To be a supplier with SRC means collaborating with a nationally recognized, not-for profit, research and development organization dedicated to keeping America safe and strong. For more than 55 years, we have adhered to the highest standards of technical excellence and ethical business conduct.

Ethics statement

Forms

Frequently asked questions

Invoice instructions

Quality

Terms and conditions

What we buy PDF

Contact form

Interested in becoming a supplier?

We're constantly looking for the best materials and goods for key components of our innovative solutions. We look forward to exploring new relationships and anticipate the details provided within this section will help you understand how to become supplier to SRC. If you have any questions, please feel free to contact us.'

<http://www.srcinc.com/suppliers/>

Company website: Ethics Statement

'Ethics Statement

Our core values include integrity and honesty in all dealings. Therefore, the company, its employees and board members are required to use good judgment and the highest ethical standards in compliance with all applicable laws and regulations.

Procurement personnel are not permitted to solicit or accept any gift, including business courtesies, from any person or entity that does, or seeks to do business with the company, except for advertising or promotional items of nominal value, and holiday gift baskets of reasonable value.'

<http://www.srcinc.com/suppliers/suppliers-ethics-statement.html>

General Provisions Commercial Subcontracts/Purchase Orders (March 2014), p.4:

'Foreign Corrupt Practices Prohibition

(a) By accepting this Contract, SELLER certifies and represents that it has not made or solicited and will not make or solicit any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value to any governmental official or any political party, party official or candidate, either directly or through an intermediary, corruptly for the purpose of influencing any official act, omission, or exercise of influence by the recipient, to assist SRC or SELLER in obtaining or retaining business.

...Gratuities/Kickbacks Prohibition

No gratuities (in the form of entertainment, gifts or otherwise) or kickbacks shall be offered or given by SELLER, or anyone acting on SELLER's behalf, to any employee of SRC with a view toward securing favorable treatment as a supplier.'

<http://www.srcinc.com/suppliers/terms-and-conditions/SRC-TC1.pdf>

A13(a):

Does the company explicitly address the corruption risks associated with offset contracting?

Score:

NA

Comments:

Based on public information, there is no readily available evidence that the company engages in offset contracting.

References:

Public:
NA

A13(b):

Does the company conduct due diligence that minimises corruption risk when selecting its offset partners and offset brokers?

Score:

NA

Comments:

Based on public information, there is no readily available evidence that the company engages in offset contracting.

References:

Public:
NA

A15:

Does the company have an anti-corruption policy that prohibits corruption in its various forms?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has an anti-corruption policy that prohibits corruption in its various forms. TI notes that the company has an 'Ethics Statement' but this is assessed to be extremely limited.

References:

Public:

TI Notes:

Company website: Suppliers

'Ethics Statement

Our core values include integrity and honesty in all dealings. Therefore, the company, its employees and board members are required to use good judgment and the highest ethical standards in compliance with all applicable laws and regulations.

Procurement personnel are not permitted to solicit or accept any gift, including business courtesies, from any person or entity that does, or seeks to do business with the company, except for advertising or promotional items of nominal value, and holiday gift baskets of reasonable value.'

<http://www.srcinc.com/suppliers/suppliers-ethics-statement.html>

A16:

Is the anti-corruption policy explicitly one of zero tolerance?

Score:

0

Comments:

Based on public information, there is no readily available evidence of a zero-tolerance anti-corruption policy.

References:

Public:
NA

A17:

Is the company's anti-corruption policy easily accessible to Board members, employees, contracted staff and any other organisations acting with or on behalf of the company?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company's anti-corruption policy is easily accessible to Board members, employees, contracted staff and any other organisations acting with or on behalf of the company.

References:

Public:
NA

A17(a):

Is the company's anti-corruption policy easily understandable and clear to Board members, employees and third parties?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company's anti-corruption policy is easily understandable and clear to Board members, employees and third parties.

References:

Public:
NA

A18:

Does the anti-corruption policy explicitly apply to all employees and members of the Board?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company's anti-corruption policy explicitly applies to all employees and members of the Board.

References:

Public:
NA

A20:

Does the company have a policy on potential conflicts of interest, and does it apply to both employees and board members?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a policy on potential conflicts of interest.

References:

Public:
NA

A21:

Does the company have a policy for the giving and receipt of gifts to ensure that such transactions are bona fide and not a subterfuge for bribery?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a policy for the giving and receipt of gifts to ensure that such transactions are bona fide and not a subterfuge for bribery. TI notes that within the company's 'Ethics Statement' reference is made to procurement personnel indicating that soliciting or accepting gifts is prohibited; however, this is considered too weak a statement to score here.

References:

Public:

TI Notes:

Company website: Suppliers

'Ethics Statement

Our core values include integrity and honesty in all dealings. Therefore, the company, its employees and board members are required to use good judgment and the highest ethical standards in compliance with all applicable laws and regulations.

Procurement personnel are not permitted to solicit or accept any gift, including business courtesies, from any person or entity that does, or seeks to do business with the company, except for advertising or promotional items of nominal value, and holiday gift baskets of reasonable value.'

<http://www.srcinc.com/suppliers/suppliers-ethics-statement.html>

A22:

Does the company's anti-corruption policy include a statement on the giving and receipt of hospitality that ensures that such transactions are bona fide and not a subterfuge for bribery?

Score:

0

Comments:

Based on public information, there is no readily available evidence of a statement on the giving and receipt of hospitality that ensures that such transactions are bona fide and not a subterfuge for bribery. TI notes that within the company's 'Ethics Statement' reference is made to procurement personnel indicating that soliciting or accepting business courtesies is prohibited; however, this is considered too weak a statement to score here.

References:

Public:

TI Notes:

Company website: Suppliers

'Ethics Statement

Our core values include integrity and honesty in all dealings. Therefore, the company, its employees and board members are required to use good judgment and the highest ethical standards in compliance with all applicable laws and regulations.

Procurement personnel are not permitted to solicit or accept any gift, including business courtesies, from any person or entity that does, or seeks to do business with the company, except for advertising or promotional items of nominal value, and holiday gift baskets of reasonable value.'

<http://www.srcinc.com/suppliers/suppliers-ethics-statement.html>

A23:

Does the company have a policy that explicitly prohibits facilitation payments?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a policy that explicitly prohibits facilitation payments.

References:

Public:
NA

A24:

**Does the company prohibit political contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent?
Does the company record and publicly disclose all political contributions?**

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company prohibits political contributions, or regulates such contributions in order to prevent undue influence or other corrupt intent.

References:

Public:
NA

A25:

Does the company have a clear policy on engagement in lobbying activities, in order to prevent undue influence or other corrupt intent, and discloses the issues on which the company lobbies?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a clear policy on engagement in lobbying activities, in order to prevent undue influence or other corrupt intent, or discloses the issues on which the company lobbies.

References:

Public:
NA

A25(a):

Does the company prohibit charitable contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company prohibits charitable contributions, or regulates such contributions in order to prevent undue influence or other corrupt intent.

References:

Public:

TI Notes:

Company website: About

'Philanthropic Focus

SRC strongly believes that our mission to help keep America safe and strong begins in our own backyard. We are committed to taking an active role in the community and do so by supporting local non-profit organizations with our time, treasure and talent. SRC focuses our philanthropic efforts in STEM education, the military, and the United Way. However, we also contribute to a variety of causes that uplift our communities in many ways.

To request support for a charitable cause or organization, please submit a donation/volunteer request.'

<http://www.srcinc.com/about/philanthropy.html>

A26:

Does the company provide written guidance to help Board members and employees understand and implement the firm's ethics and anti-corruption agenda?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company provides written guidance to help Board members and employees understand and implement the firm's ethics and anti-corruption agenda.

References:

Public:
NA

A27:

Does the company have a training programme that explicitly covers anti-corruption?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a training programme that explicitly covers anti-corruption.

References:

Public:
NA

A28:

Is anti-corruption training provided in all countries where the company operates or has company sites?

Score:

0

Comments:

Based on public information, there is no readily available evidence that anti-corruption training is provided in all countries where the company operates or has company sites.

References:

Public:
NA

A29:

Does the company provide targeted anti-corruption training to members of the Board?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company provides targeted anti-corruption training to members of the Board.

References:

Public:
NA

A30:

Does the company provide tailored ethics and anti-corruption training for employees in sensitive positions?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company provides tailored ethics and anti-corruption training for employees in sensitive positions.

References:

Public:
NA

A31:

Does the company have a clear and formal process by which employees declare conflicts of interest?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a clear and formal process by which employees declare conflicts of interest.

References:

Public:
NA

A32:

Is the company explicit in its commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company is explicit in its commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities.

References:

Public:
NA

A33:

Does the company have multiple, well-publicised channels that are easily accessible and secure, to guarantee confidentiality or anonymity where requested by the employee (e.g. web, phone, in person), to report concerns or instances of suspected corrupt activity?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has multiple, well-publicised channels that are easily accessible and secure, to guarantee confidentiality or anonymity where requested by the employee (e.g. web, phone, in person), to report concerns or instances of suspected corrupt activity.

References:

Public:
NA

A33(a):

Are the whistleblowing channels available to all employees in all geographies?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has whistleblowing channels.

References:

Public:
NA

A33(b):

Does the company have formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, and that whistleblowers are treated supportively?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, and that whistleblowers are treated supportively.

References:

Public:
NA

A34:

Does the company have well-publicised resources available to all employees where help and advice can be sought on corruption-related issues?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has well-publicised resources available to all employees where help and advice can be sought on corruption-related issues.

References:

Public:
NA

A35:

Is there a commitment to non-retaliation for bona fide reporting of corruption?

Score:

0

Comments:

Based on public information, there is no readily available evidence that there is a commitment to non-retaliation for bona fide reporting of corruption.

References:

Public:
NA

Information Sources:

Company website:

<http://www.srcinc.com/>

Leadership, Company website:

<http://www.srcinc.com/about/leadership/>

Philanthropic Focus, Company website:

<http://www.srcinc.com/about/philanthropy.html>

General Provisions Commercial Subcontracts/Purchase Orders (March 2014):

<http://www.srcinc.com/suppliers/terms-and-conditions/SRC-TC1.pdf>