

RESPONSIBLE BUSINESS PRACTICES

BW LPG is a global leader in maritime LPG and our reputation as a reliable provider of maritime energy transportation services is an asset. To that end, BW LPG is committed to maintaining high standards of integrity, conducting our business and achieving operational and financial results in an honest, fair and transparent manner.



BW LPG works with a large number of customers and suppliers and our responsible supply chain management is based on the International Maritime Purchasing Association and on the UN Global Compact's Ten Universal Principles which includes provisions on anti-corruption.

Procurement and Collaboration with Suppliers

BW LPG's procurement policy ensures the procurement of quality materials and reliable services done in the a cost effective manner. All procurement transactions across the organisation are conducted in compliance with the company's safety, quality and environmental requirements.

In order to achieve this objective we:

- a. Ensure materials and services meet the required specifications;
- b. Consolidate purchase volumes and consider common-stock facilities;
- c. Require suppliers to provide appropriate product certification;
- d. Establish long term relationships;
- e. Maintain confidentiality of contract details;
- f. Audit the performance of principal suppliers;

- g. Remain loyal to fleet agreements;
- h. Minimise the environmental impact of procurement decisions;
- i. Validate specifications to ensure that correct items are supplied;
- j. Ensure no use of asbestos in packing, services or in any kind of products

Vessel Screening

- The BW LPG fleet has conducted 91 Ship Inspections Report Programme (SIRE) inspections with a global average of 3.03 observations per inspection.
- The BW LPG fleet has had 76 port state controls globally with an average of 1.20 deficiencies per inspection.
- Our SIRE target for 2016 is to be better than the Oil Companies International Marine Forum (OCIMF) benchmark for all segments and to have less than an average of 3.5 observations per inspection.

Quality Management

BW LPG follows a comprehensive quality management system involving our commercial, technical and finance departments.

- The effectiveness and validity of our organisational processes are continuously monitored and simplified through audits and management reviews.
- BW LPG has implemented initiatives to improve management review processes and quality of reporting by enhancing seafarers' induction/training programmes.

Audits

- External audits are carried out by DNV-GL, Lloyds, flag authorities, oil majors and charterers on a regular basis.
- Our International Safety Management (ISM) document of Compliance was

renewed in 2014 and is valid for five years. In addition, our fleet is ISO 9001 and ISO 14001 certified by DNV-GL.

- The fleet also follows the OCIMF Tanker Management and Self-Assessment scheme (TMSA).
- In 2015, various major oil companies carried out TMSA reviews and approvals were given for us to continue providing marine transportation services and solutions.

Fighting Corruption

Our commitment to integrity is enshrined in our Code of Conduct, which employees are familiarised with at the commencement of their employment and annually thereafter. Policies on Whistleblowing and Anti-bribery and Corruption are deployed across the organisation. We comply with the principles set out in the UK Bribery Act 2010. The following anti-bribery and corruption policy guides our interactions with suppliers, customers, members of the industry and other stakeholders at all levels of the organisation.

Our Policy Guidelines:

- Comply with all applicable laws relating to anti-bribery and corruption in the jurisdictions in which we operate, with respect to the UK Bribery Act 2010.
- Support any employee who passes up an opportunity or advantage that would compromise our standards.
- Ensure that our reputation for ethical behaviour and fair dealing with suppliers, customers, members of the industry and other stakeholders is maintained.
- Expect all employees to conduct themselves with high standards of integrity.



MACN
Maritime Anti-Corruption Network

BW LPG is a member of the Maritime Anti-Corruption Network (MACN), a global business network working towards the vision of a maritime industry free of corruption that enables fair trade to benefit society at large. MACN and its members promote good corporate practice in the maritime industry for tackling bribery, facilitation payments and other forms of corruption.

MACN collaborates with key stakeholders, including governments and international organisations, such as the United Nations Development Programme (UNDP), to identify and mitigate the root causes of corruption in the maritime industry.

- Prohibit the giving or receiving of any gift, cash, entertainment or hospitality where the intention is to influence a business decision.
- Prohibit unofficial payments or gifts made to facilitate routine government action (facilitation payments) where there is an intention to influence a public official in the performance of his/her official function and gain an advantage in the conduct of business.
- Prohibit employees from asking for or suggesting any gifts and/or entertainment of any kind or amount from suppliers or any other person.
- The BW Anti-Bribery and Anti-Corruption policy is reflected at the bottom of all purchase orders and in our terms and conditions of all contracts.

In order to achieve this we:

- Provide training, guidance to employees on BW LPG's anti-bribery policy.
- Report gifts and entertainment according to HR guidelines for shore based employees.
- Record gifts and entertainment exceeding a value of USD 300 on board vessels.
- Hold employees accountable for reporting infringements of any applicable laws in the jurisdictions in which BW LPG operates and in particular with respect to the UK Bribery Act 2010.