RISK MANAGEMENT POLICY STATEMENT

FAUN Zoeller (UK) Limited's' Risk Management Policy is to adopt best practice in the identification, evaluation and cost-effective control of risks, to ensure that they are either eliminated or reduced to an acceptable level.

Risk is a factor of ever-day life and can never be eliminated completely. All employees must understand the nature of risk and accept responsibility for risks associated with their area of authority. The necessary support, assistance and commitment of senior management will be provided.

Our Risk Management objectives are to:

- Integrate Risk Management into the culture of the organisation.
- Manage risk in accordance with best practice.
- Consider legal compliance as an absolute minimum.
- Anticipate and respond quickly to social, environmental and legislative change.
- Prevent injury and damage and reduce the cost of risk.
- Raise awareness of the need for risk management.

These objectives will be achieved by:

- Establishing a Corporate Governance/Risk Management organisational structure to act in an advisory and guiding capacity and which is accessible to all employees.
- Include Corporate Governance/Risk Management as one of the implications to be considered in every committee report.
- Adopt processes, which demonstrate that Corporate Governance/Risk Management principles are being applied across the whole organisation.
- Provide training in risk awareness and Corporate Governance.
- Maintain documented procedures for the control of risk and provision of suitable information, training and supervision.
- Maintain an appropriate system for recording incidents and carrying out post event checks to ascertain causes and identify preventive measures against re-occurrence.
- Devise and maintain contingency plans in key risk areas to secure business continuity where there is a potential for an event having a major impact upon the council's ability to function.
- Maintain effective communication and involvement of all staff and members.
- Monitor arrangements on an ongoing basis.

Signed:

Simon Hyde
Chief Executive Officer

20th May 2013