

DOING THE RIGHT THING

GROUP FINANCIAL CRIME, ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

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SEVERN
TRENT

1. INTRODUCTION

The Group Financial Crime and Anti-Bribery, Anti-Corruption Policy sets out a zero tolerance to financial crime - this includes bribery, fraud, tax evasion and all other corrupt business practices, all of which are prohibited by law. Severn Trent Group Plc ("Severn Trent Group") is committed to upholding the law, and consistently promoting and implementing measures to prevent and detect financial crime.

As a company we know the work that we do is critical for our customers to live their daily lives, and our purpose of **'taking care of one of life's essentials'** recognises this. Our purpose is underpinned by our core values which define who we are and what we stand for, ultimately supporting everything we do. These are **Showing Care, Having Courage, Embracing Curiosity** and **Taking Pride**.

All of our employees follow **"Doing the Right Thing"**. Doing the Right Thing helps us understand how we can put our core values into practice every day. It's for all of us and represents our minimum standards and expectations. In following this, we equip our employees with the ability to detect acts of financial crime and take steps to prevent them.

Our Group Policies support Doing the Right Thing and can be found [HERE](#).



1. INTRODUCTION [CONT.]

1.1 We will comply with all applicable laws including the Fraud Act 2006, Bribery Act 2010 and the Criminal Finances Act 2017 which are relevant to countering fraud, bribery, corruption and tax evasion. We also implement and enforce effective systems to prevent each of these occurring.

1.2 This Policy applies to all companies within Severn Trent. It applies to all directors, employees, whether permanent, fixed-term or temporary, consultants, contractors and suppliers of the Severn Trent Group.

1.3 The purpose of this Policy is to:

- (a) set out our responsibilities and the responsibilities of those working for us in observing and maintaining our compliance with the measures designed to prevent bribery, fraud, corruption and tax evasion; and
- (b) provide information and guidance to those working for us on how to recognise and deal with bribery, fraud and corruption issues.

1.4 Individuals found guilty of fraud, bribery or corruption can face a prison sentence of up to ten years or suffer an unlimited fine. Companies found guilty of fraud, bribery, corruption or tax evasion can face an unlimited fine as well as reputational damage.

1.5 To address the risks of fraud, bribery, corruption and tax evasion, we will:

- (a) continuously review this Policy;
- (b) review and update our risk assessment exercises on an annual basis;
- (c) provide training and guidance materials for senior management and employees working in high risk areas;
- (d) maintain effective controls to prevent bribery, fraud, corruption and tax evasion;
- (e) ensure that any suspected, alleged, attempted or actual instances of bribery, fraud, corruption or tax evasion are investigated appropriately, regardless of the position held by any individual implicated;
- (f) take appropriate disciplinary action where there has been attempted or actual instances of bribery, fraud, corruption and tax evasion;
- (g) operate a lessons learnt process to review incidents, systems and procedures to prevent similar instances occurring and embed responsible business behaviours within Severn Trent; and
- (h) maintain standard clauses relating to Bribery Act issues for inclusion in key contractual documentation.



1. INTRODUCTION [CONT.]

1.6 This Policy is divided into the following sections:

- Introduction;
- Bribery;
- Fraud;
- Conflicts of interest;
- Continuous Disclosure;
- Insider Dealing;
- Group Anti-Facilitation of Tax Evasion Policy;
- Summary of your responsibilities in relation to financial crime;
- How to report a concern;
- Governance; and
- Supporting information

2. BRIBERY

2.1 Severn Trent is fully committed to maintaining a strong anti-bribery and corruption culture within its business and to complying with anti-bribery and corruption legislation including, but not limited to, the Bribery Act 2010. It is Severn Trent's policy to conduct all of its business in an honest and ethical manner.

2.2 Severn Trent takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with transparency and integrity in all its business dealings and relationships wherever it operates, with a view to ensuring that no bribes or other corrupt payments, inducements are made, offered, sought or obtained by Severn Trent, its employees or parties working on its behalf.

2.3 The Policy sets out the steps that we take to prevent bribery and corruption in Severn Trent's business in order to comply with relevant legislation and the Company's requirements.

2.4 This Policy applies to all of our employees and to third parties such as agents, contractors, subcontractors and consultants who are, engaged in doing business with Severn Trent.

What is bribery?

2.5 Bribery is defined within the Bribery Act 2010 as the offering, promising, giving or accepting any financial or other advantage, to induce the person receiving it or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the financial or other advantage.

An advantage includes money, gifts, loans, fees, hospitality, services, discounts, the award of contracts or anything else of value.

2.6 Bribery includes the following activities:

- (a) offering, promising or giving a bribe, which includes facilitation payments;
- (b) requesting, agreeing to receive or accepting a bribe;
- (c) acting as an intermediary (i.e. facilitating an act of bribery); and
- (d) bribing public officials.

2.7 Bribery can also be committed by third parties acting on behalf of Severn Trent (these are called Associated Persons within the Bribery Act 2010). Severn Trent may be liable therefore for any bribery carried out by third parties working on its behalf, such as contractors or consultants, both in the UK and globally.



2. BRIBERY [CONT.]

What are the consequences?

- 2.8** For all employees, failure to comply with this Policy and/or with the Bribery Act 2010 may result in:
- (a) disciplinary action; and
 - (b) criminal penalties under the Bribery Act 2010, which may result in a fine and/or imprisonment for up to 10 years.
- 2.9** For Severn Trent, any breach of this Policy may result in:
- (a) Being deemed to be in breach of the Bribery Act 2010 or regulatory requirements;
 - (b) Being subject to fines; and
 - (c) Suffering adverse publicity and further associated damage to reputation.

Facilitation Payments

- 2.10** Facilitation payments are usually small, unofficial payments (not made through a recognised fast-track process) to secure or expedite a routine government action by a government official. They are not common in the UK but are common in some other jurisdictions. These are also known as 'grease payments'
- 2.11** Kickbacks are usually payments made in return for a business favour or advantage.
- 2.12** We do not make, and will not accept facilitation payments or "kickbacks" of any kind. If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the General Counsel Team.

Charitable Donations

- 2.13** Bribes may even be disguised as charitable donations.
- 2.14** Donations to charity on behalf of the Severn Trent Group can only be made in compliance with our internal process and with the consent of the Strategy and Regulation team.
- 2.15** No charitable donation may be made at the request of any party where that donation may result in improper conduct. Under no circumstances may charitable donations be made in cash.
- 2.16** We do not make direct or indirect donations to political parties. All requests for political donations, whether to political party funds or political candidates should be recorded and declined.

Record Keeping

- 2.17** We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 2.18** All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

2. BRIBERY [CONT.]

Gifts and Hospitality

2.19 All gifts and entertainment must comply with Severn Trent's Gifts and Hospitality Policy and Procedure.

2.20 Gifts and Hospitality can, when excessive, constitute a bribe and/or give rise to a conflict of interest. Care should always be exercised when giving or receiving any form of Gift or Hospitality on behalf of Severn Trent.

2.21 Severn Trent recognises that market practice varies across the territories in which it does business and what may be normal and acceptable in one place may not be in another. In any event, Gifts or Hospitality should be appropriate and proportionate and proper records of such gifts, hospitality or expenses should be kept.

2.22 Gifts include money, goods, services or loans given without the expectation of receiving anything in return.

2.23 Hospitality includes entertaining, meals, receptions, tickets to entertainment, social or sports events where those activities are being offered or accepted to initiate or develop business relationships.

2.24 This Policy does not prohibit normal and appropriate hospitality provided it is properly recorded. Examples of this would include:

- (a) where the gift or hospitality is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- (b) where the gift or hospitality complies with law;
- (c) does not include cash or a cash equivalent (such as gift certificates or vouchers);

- (d) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;

- (e) is given openly, not secretly;

- (f) is not offered to, or accepted from, government officials or representatives, politicians or political parties, without the prior approval of the Strategy and Regulation Team; and

- (g) the use of any recognised fast-track payment process which is available to all on the payment of a fee.

2.25 Individuals should always seek prior approval from their budget holder for the type and costs of entertaining which is intended to be offered by them to third parties. As a general rule it should be considered whether the expenditure could be perceived as being disproportionate or inappropriate by others.

2.26 Gifts or hospitality offered, received or rejected should be declared and properly recorded on the Gifts and Hospitality Register.

2.27 For further guidance please refer to the flowchart within Appendix 1 and contact the Company Secretariat team.



2. BRIBERY [CONT.]

What is Not Acceptable?

2.28 It is not acceptable for you (or someone on your behalf) to:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
- (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this Policy; or
- (f) engage in activity that might lead to a breach of this Policy.



3. FRAUD

3.1 At Severn Trent, we adopt a zero-tolerance approach to fraud. We are fully committed to having a strong defence against internal and external fraud within our business and to comply with all fraud legislation including, but not limited to, the Fraud Act 2006.

3.2 Each Severn Trent employee is responsible for reporting any suspicion of fraud. We are dedicated to investigating all instances of attempted or suspected fraud and will ensure cases are appropriately investigated in line with our anti-fraud response plan.

3.3 This Policy sets out Severn Trent's approach to preventing fraud, its response to instances or allegations of fraud, and applies in all areas of our business. The Policy covers both:

- (a) Internal fraud – fraud committed by Severn Trent employees directly, indirectly and/or in collusion with external parties; and
- (b) External fraud – fraud committed by a client, third party or external party.



What is Fraud?

3.3 Fraud can be defined as intending to deceive to secure an unfair or unlawful gain, or to deprive a victim of a legal right. The Fraud Act states that a person is guilty of fraud if they are in breach of any of the following:

(a) Fraud by false representation, including;

- Dishonestly making a false representation; and
- Intending by making the representation to either make a gain for themselves or another; or to cause loss to another or expose another to a risk of loss

(b) Fraud by failing to disclose information, including:

- Dishonestly failing to disclose to another individual information which they are under a legal duty to disclose; and
- Intending, by failing to disclose the information, to make a gain for themselves or another; or to expose another to a risk of loss.

(c) Fraud by abuse of position, including:

- Where an individual occupies a position in which they are expected to safeguard, or not act against, the financial interests of another person;
- That position is dishonestly abused; and
- The individual intends, by means of that abuse, to make a gain for themselves or another, or to cause loss to another or to expose another to a risk of loss.

3. FRAUD [CONT.]

Consequences of Fraud

3.5 For all employees, failure to comply with this Policy and/or the Fraud Act 2006 may result in:

- (a) Disciplinary action, which may result in dismissal; and
- (b) Criminal penalties under the Fraud Act 2006, which may result in a fine and/or imprisonment for up to 10 years.

3.6 For Severn Trent, any breach of this Policy may result in:

- (a) Being deemed to be in breach of the Fraud Act 2006 or regulatory requirements;
- (b) Being subject to fines; and
- (c) Suffering adverse publicity and further associated damage to reputation.

Examples of Fraud

3.7 Examples of fraud include (but are not limited to):

- Purchasing items for personal use using Severn Trent's money;
- Using Severn Trent property for personal gain;
- Submitting false timesheets or false expenses;
- Giving fraudulent instructions to obtain payment;
- Knowingly making false statements to regulators;
- Setting up false accounts;
- Dishonestly raising purchase orders;
- Unauthorised disclosure of confidential information to our suppliers to any other third party, with the intention of personally benefitting from it;
- Identity theft;
- Forgery or alteration of Severn Trent documents either for personal gain or to cause Severn Trent to suffer a loss;

- Customer's falsely claiming to be occupiers of their property;
- Businesses providing false details regarding the occupation of a property; and
- Customers making fraudulent claims for compensation.

3.8 Fraud could occur:

- **IN** the business – Fraud that occurs within the business (e.g. financial misreporting);
- **BY** the business – Fraud conducted by the business itself (e.g. bribery and corruption); or
- **ON** the business – Fraud that the business is a victim of (e.g. supplier overcharge and collusion).

Our responsibilities to prevent and detect fraud

3.9 A key Board responsibility is oversight of the management of risk, including fraud, and ensuring that management takes reasonable steps to prevent and detect incidences of fraud within the Severn Trent Group. This Policy sets out how the Board, senior management and all employees can fulfil this duty, as well as respond if fraud occurs.

3.10 Our General Counsel is responsible for maintaining an effective anti-fraud policy. As part of this, our General Counsel team will:

- Undertake a regular review of the fraud risks associated with each of the key organisational objectives;
- Establish an effective anti-fraud response plan, in proportion to the level of risk identified;
- Establish appropriate mechanisms for reporting fraud risk issues or significant incidents of fraud;
- Ensure that all appropriate anti-fraud e-learning is made available to Severn Trent employees; and
- Make available a copy of this Policy to any Severn Trent contractors.

3. FRAUD [CONT.]

3.11 Our Senior management team will:

- Ensure that an adequate system of internal control exists to prevent and detect fraud within their areas of responsibility and that those controls operate effectively;
- Assess the types of fraud risks involved in the business operations for which they are responsible;
- Review the control systems business;
- Regularly, within each business area, ensure compliance with anti-fraud controls and ensure the systems continue to operate effectively; and
- Give employees confidence to speak up if they see things that aren't quite right.

3.12 All Severn Trent employees will:

- Act in line with Severn Trent's "Doing the Right Thing" Policy;
- Act honestly in the use of Severn Trent's resources and when they are handling money, receipts, payments or dealing with suppliers;
- Comply with applicable laws, regulation and our company standards;
- Complete the Doing the right thing and Anti Bribery and Corruption e-learning.
- Be alert to the possibility that unusual events or transactions could be indicators of fraud;
- Co-operate fully with internal or external audits or reviews of suspicions of fraud;
- Where a concern is identified, raise it in the most appropriate way by alerting their line manager in the first instance, either face to face or in writing;

- Where it can't be raised with an employee's line manager, follow the appropriate escalation route including escalation via the Strategic Leader, Department Executive, or via the Group Speak-Up reporting line if the employee believes that fraud exists or suspects fraudulent activity is taking place; and
- Raise concerns in good faith and maintain confidentiality.



4. CONFLICTS OF INTEREST

- 4.1** No employee may use their position, company information, assets or resources in a way that benefits them personally or improperly benefits others. Potential conflicts of interests must be avoided or, if unavoidable, carefully managed.
- 4.2** All cases of actual or potential conflict of interest must be reported to the employee's line manager and discussed openly, promptly and documented in writing. The full Conflicts of Interest Policy can be found [HERE](#).

5. CONTINUOUS DISCLOSURE

- 5.1** We place considerable importance on effective communication with our stakeholders.
- 5.2** We are committed to adopting best practice government standards and will do so even in circumstances where a particular practice is not required to meet any prevailing statutory obligations.
- As a minimum, we are committed to meeting our continuous disclosure obligations contained in the Listing Rules and Disclosure and Transparency Rules.

6. INSIDER DEALING

- 6.1** We are committed to the promotion of investor confidence by taking steps within its power to ensure that trading in its securities takes place in an efficient and informed market.
- 6.2** Our employees must not deal in any Severn Trent securities at any time when they have unpublished inside information or price sensitive information in relation to Severn Trent securities.
- 6.3** Severn Trent will seek to ensure that inside information and potential inside information is adequately protected and will seek to control access to such information throughout its standards and procedures.
- 6.4** We maintain an insider list in accordance with the obligations imposed by law.

7. GROUP ANTI-FACILITATION OF TAX EVASION POLICY

7.1 We do not tolerate criminal activity of any kind. Employees at all levels of our company have an important role to play in helping us detect, prevent and deter financial crime, including the facilitation of tax evasion, whether under UK law or under the law of any foreign country.

7.2 Under the Criminal Finances Act 2017, it is a criminal offence for a corporate entity to fail to prevent the facilitation of tax evasion.

7.3 The only defence available to the company under the Act is that it had “reasonable procedures” in place to prevent the facilitation of tax evasion. As such it is imperative that all associated persons are aware of and comply with this Policy.

7.4 The prevention, detection and reporting of tax evasion are the responsibility of all those working for us or under our control.

7.5 Our Group Anti-Facilitation of Tax Evasion Policy applies to you if you are employed by or carry out work on behalf of Severn Trent Plc and extends to any Severn Trent Group company, employees, contractors, temporary staff and agency workers; as well as external service providers, third-party representatives, business partners, sponsors, or any other person associated with us, wherever located.

7.6 We expect our partners, whether they are distributors, suppliers or the affiliates that we work with, to adopt and implement this Policy or have their own policies that reflect equivalent or similar standards.

7.7 It is not acceptable for you (or someone on your behalf) to:

(a) engage in any form of facilitating tax evasion, including aiding, abetting, counselling or procuring the commission of a tax evasion offence by another person;

(b) fail to promptly report any request or demand from any third party to facilitate the fraudulent evasion of tax or any suspected fraudulent evasion of tax by another person, in accordance with this Policy;

(c) engage in any other activity that might lead to a breach of the Policy; or

(d) threaten or retaliate against another individual who has refused to commit a tax evasion offence or who has raised concerns under this Policy.



7. GROUP ANTI-FACILITATION OF TAX EVASION POLICY [CONT.]

7.8 Some examples of some possible red flags that may arise during the course of you working for us and which may raise concerns related to tax evasion or foreign tax evasion are:

- (a) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (b) you become aware, in the course of your work, that a third party has deliberately failed to register for VAT;
- (c) you become aware that a third party working for us as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions; and
- (d) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business.

The full Group Anti-Facilitation of Tax Evasion Policy is available [HERE](#).



8. SUMMARY OF YOUR RESPONSIBILITIES IN RELATION TO FINANCIAL CRIME

8.1 You must ensure that you:

- (a) understand and act in accordance with “Doing the Right Thing, the Severn Trent Way”, comply with the law and maintain high ethical standards;
- (b) report any known or suspected instances of attempted or actual bribery, fraud, tax evasion or corruption in line with this Policy;
- (c) notify the company at the earliest opportunity of the concern so that the issue can be investigated appropriately;
- (d) record gifts, hospitality or expenses appropriately;
- (e) co-operate with any investigation into any concern; and
- (f) are familiar with the flowchart at Appendix 3 so that you understand the risks of financial crime and controls that you could put in place to prevent or detect it.

9. REPORTING CONCERNS

9.1 Any person who discovers or suspects bribery or fraudulent activity should normally raise any concerns through their line manager. Alternatively, concerns may be raised with any of the following group senior executives: Liv Garfield (CEO), Neil Morrison (HR Director) or Didar Dhillon (General Counsel) or through our confidential independent whistleblowing helpline. Please refer to our 'Speak Up' Policy.

9.2 We are committed to ensuring that we act with integrity and we always put our customers first. We will deliver training and development to our people to ensure they understand the high standards they are expected to work to. We will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

9.3 If you believe that you have suffered detrimental treatment, as a result of raising such concerns, please inform one of the contacts listed in Section 9.1. If the matter is not remedied, please raise it formally through the Grievance Procedure.

10. HELPFUL RESOURCES

Doing the Right Thing guide

Whistleblowing Policy

**Whistleblowing helpline number
Safecall: 0800 915 1571**

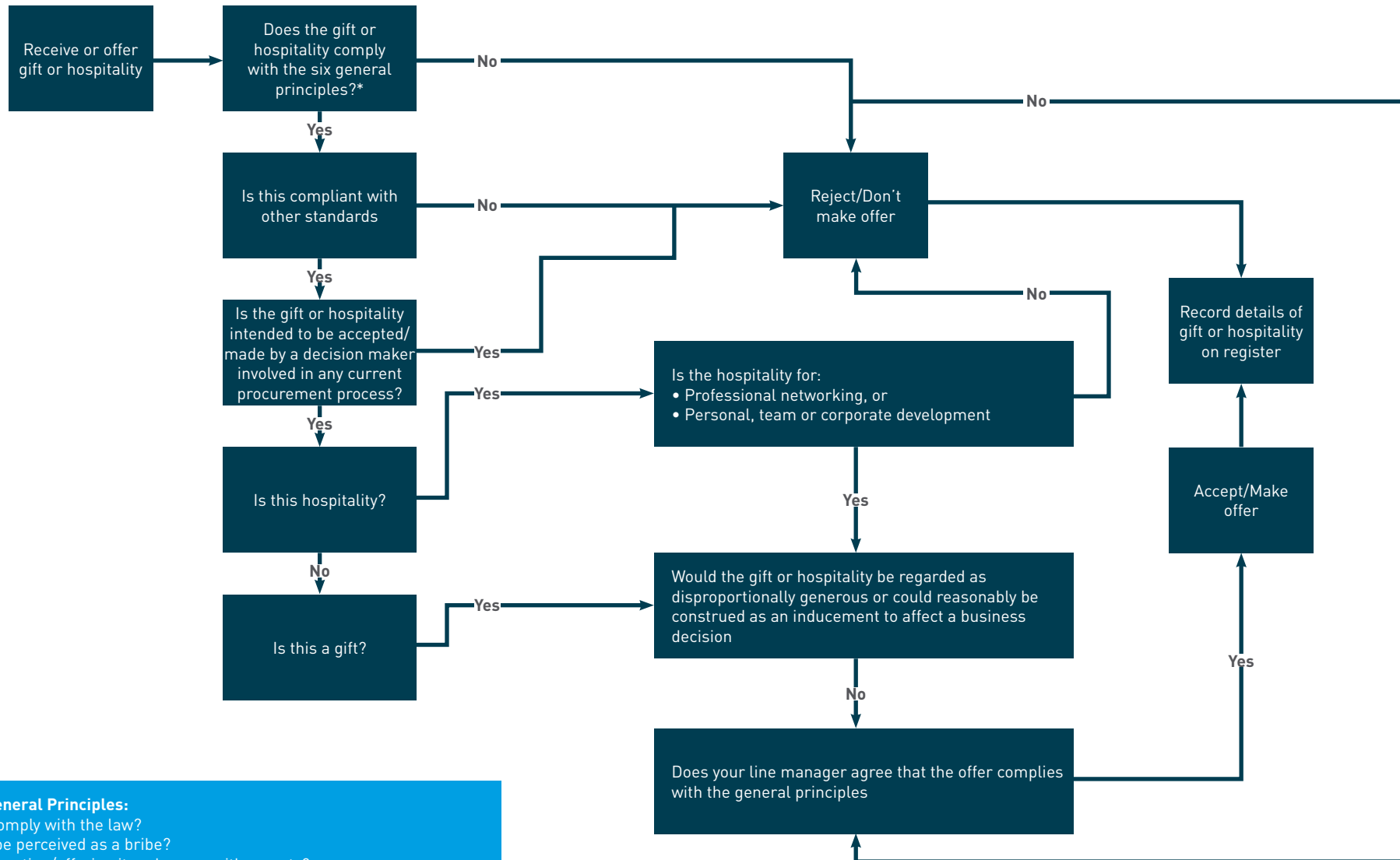
**Group Authorisation
Arrangements**

**Gifts and Hospitality Policy
and Flowchart (Appendix 1)**

**Anti-bribery and Anti-fraud
Response Plan (Appendix 2)**

**Risk of Financial Crime
Group Speak Up Policy**

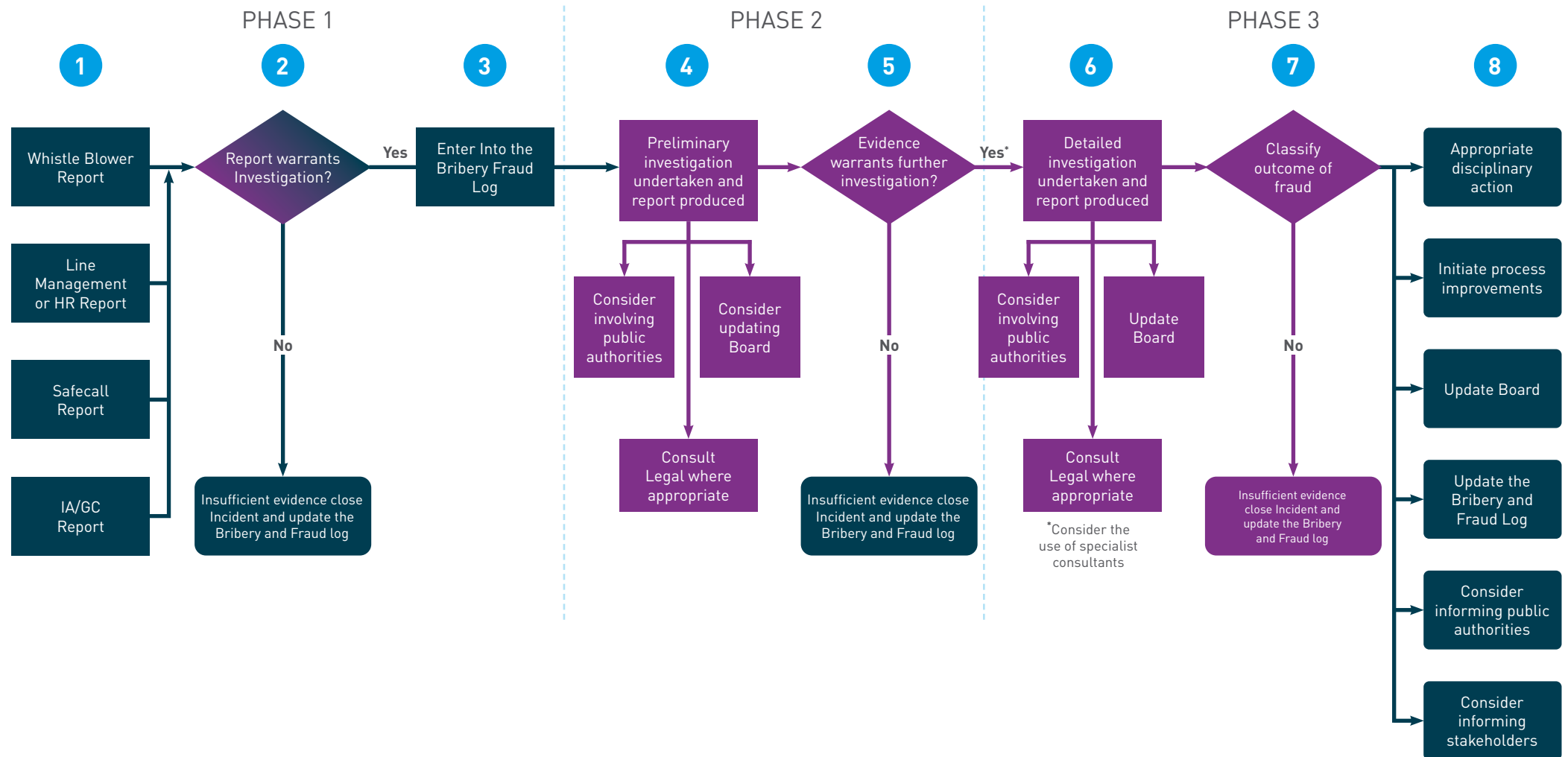
APPENDIX 1: GIFTS AND HOSPITALITY POLICY FLOWCHART



*The Six General Principles:

1. Does it comply with the law?
2. Could it be perceived as a bribe?
3. Could accepting/offering it embarrass either party?
4. Would this be consistent with 'Doing the Right Thing, the Severn Trent way'?
5. Do we have a clear and accurate paper trail?
6. Could it effect the Severn Trent brand?

APPENDIX 2: ANTI-BRIBERY AND ANTI-FRAUD RESPONSE PLAN



HR
Internal audit

Throughout the process consideration should be given as to how to ensure that the report originator (particularly when received via Safecall) is kept informed of progress at the appropriate times. This should involve consultation between IA, HR and GC as necessary.

APPENDIX 3: RISK OF FINANCIAL CRIME

| RISK OF FINANCIAL CRIME – WHAT COULD GO WRONG? | | | | |
|--|---|--|--|---|
| THEFT | BRIBERY AND CORRUPTION | MIS-USE OF SEVERN TRENT PROPERTY | MIS-REPORTING SEVERN TRENT/TATUTORY REGULATORY OR FINANCIAL INFORMATION | |
| Theft of cash Theft of Severn Trent property, goods or services Raising false invoices for payment Creating fictitious employee on payroll system False expense claim (including mileage) Abuse of standby, overtime or call out payments Inappropriate claim of sickness or other paid absence Abuse of flexible working Re-directing receipts to personal bank account Re-directing refunds to personal bank account Amending customer bills to benefit family or friends Buying items for personal use on Severn Trent purchase card Buying items for personal use on virtual card Self-authorising payments Phishing and social engineering Non-delivery of services that are paid for | Conflicts of interest Offering or accepting reward for action or information Economic extortion* Inappropriate allocation of tender in procurement Bid rigging Use of Phoenix companies** Dividing markets or customers Price fixing Failing to declare relationship with external party Entering contracts that bind ST without robust review | Intellectual property/data theft Mis-use of ST vehicle Mis-use of branded ST equipment Mis-use of ST IT or phone equipment Deception to gain employment Accessing customer information inappropriately Mis-use of company tools or equipment | Overstating performance against target Understating regulated events*** Mis-stating sample results Incomplete disclosure of information Data manipulation or falsification Irregular judgements in ST favour Management override of controls | Overstatement of assets Understatement of liabilities Irregular accounting adjustments and estimates Management override of controls Manipulation of year-end cut off Deliberate misallocation of cost for gain: opex, capex Deliberate manipulation of income / revenue for gain Understatement of outgoings Data falsification |
| EXAMPLE CONTROLS TO PREVENT OR DETECT FINANCIAL CRIME | | | | |
| Access controls to systems Authorisation of changes to bank details Budgetary control identifies ghost employees Stock management controls Absence management policies Line manager review of absence Management review of overtime & standby claims Physical security controls Purchase/fuel card reconciliations by managers Controls to confirm goods have been received Controls to confirm services have been provided Confirmation goods have been used on jobs Purchase / Fuel card reconciliations Segregation of duties: e.g. new employee and payroll Personnel security Policy and training Personal Relationships at Work Policy Second line monitoring for anomalies / outliers | Code of ethics: colleagues trained and follow Register of gifts and hospitality Competition manual and training Procurement Policy and procedures Use and adherence to standard ST contracts Supply chain Policy and procedures Segregation of duties Authorisation checks Regular conflict of interest checks undertaken between employees and contractors or suppliers Pre-employment credit checks Second line monitoring for anomalies / outliers | Access controls over sensitive or valuable data Information Security Policy and training Controlled access to live IT environments Manager review of mobile billing Pre-employment checks Vehicle telematics Tracked whereabouts of branded equipment Second line monitoring for anomalies / outliers | Accessible, clear data recording procedures Formal SOPs and PDTs for all regulated activity Independent sampling regimes 2nd & 3rd line assurance processes Data analytics: outliers, anomalies, gaps Documented judgements approved by Regulation Triangulation of data to relevant sources Spreadsheet controls Lessons learned sessions Management oversight and sign off procedures Environmental Policy and incident manual Advisory process sessions, open learning sessions Fully segregated Assurance & Performance teams Personal bonus and/or progression independent to team operational performance Low to moderate pressure on management Second and third line review and external audits | Accounting Policy Manual and Financial Regulations General IT access controls Bank and control account reconciliations Data analytics: outliers, anomalies, gaps Budgetary monitoring Documented judgements approved by management Authorisation controls Spreadsheet and modelling controls Management oversight of trial balances Review and training in required standards Personal bonus and/or progression independent to team financial performance Low to moderate pressure on management Third line review and external audit |
| Corporate culture and behaviours, including "Doing the Right Thing", supported by the Speak Up Policy, Code of Ethics, Conduct Policy and Anti-Fraud Policy Robust IT, Information Security and Personnel security controls, including access controls, training and awareness, phishing and social engineering Schemes of delegation and authorisation controls Use of relevant subject matter expertise to develop clear, documented and accessible procedures supported by appropriate, timely training | | | | |

* Economic extortion: demanding reward for decision made in a supplier or partner's favour

** The practice of carrying on the same business or trade successively through a series of companies where each becomes insolvent (can't pay their debts) in turn

*** Understating Regulated events: including breaches of environmental permits, declarations of significant health and safety breaches or data breaches.

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