



Honest and ethical behaviour policy

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1. Scope

This policy sets out the Company's commitment to conducting all aspects of its business in an honest ethical and transparent manner. Our customers, employees, supply chain and the wider community are entitled to expect us to comply fully with all our legal responsibilities, as well as our core business values and ethical principles.

This policy has been developed to safeguard the business interests of the Company and its employees.

2. Application

This policy applies to the Kemble Group of companies, including all employees, suppliers, third party contractors and partners working for and on behalf of Thames Water. It also applies to agents, consultants or trade bodies who lobby on behalf of Thames Water, or who represent us in government matters.

3. Principles and rules

Thames Water seeks to promote a culture of honesty and integrity in all its dealings and it will not tolerate acts of fraud, bribery, price fixing, theft of assets/data from the business, trafficking, slavery, mistreatment or any other forms of exploitation or dishonesty. We are also committed to ensuring that neither the Company's integrity nor reputation is put at risk.

Breaches of this policy may lead to disciplinary action, criminal prosecution and/or civil recovery proceedings.

3.1 We expect honest behaviour

Dishonesty will not be tolerated. The Company will therefore treat these issues very seriously and expects all occurrences to be reported immediately.

All persons are reminded that at dishonesty is a serious breach of Thames Water's policy and may be a criminal offence. In addition, any contravention of the Bribery Act 2010 by an individual or company associated with Thames Water may expose the Company to criminal liability, as would breaches of the Competition Act 1998



All employees are required to report suspected instances of dishonest or suspicious behaviour to Audit & Assurance immediately, who are responsible for investigations management. This will enable Thames Water to establish a consistent attitude and response which reflects the Company's ethics. It will also assist to:

- Detect and minimise incidences of fraud, bribery and other dishonesty.
- Minimise the risk of consequent losses.
- Ensure that all investigations are effective and proportionate.
- Reduce reputational risk.
- Make a clear statement that Thames Water does not tolerate dishonest behaviour.
- Enhance the climate of honesty in all of Thames Water's dealings.

Individuals must **not** conduct investigations into suspected incidents of dishonest behaviour, nor should they knowingly engage in any activities which may impede its investigation without first discussing the matter with Audit & Assurance (See Appendix A for examples of dishonest behaviour).

3.2 You must declare offers of gifts and hospitality

Bona fide gifts and hospitality are recognised as an established part of how suppliers maintain their relationships with their customers. However, ethical difficulties may arise where a past, present or future supplier offers you something which has the potential of impairing your judgement. For example, gifts or hospitality which appear lavish or overly generous may be attempted bribes, as could the provision of services that are free or are significantly less than market prices.

Should any employee consider that an offer or provision of any gift or hospitality is an inducement, bribe or in any way makes you feel uncomfortable, it must be rejected and reported immediately.

This information is intended to protect Thames Water and its employees. Failure to adhere to these requirements may result in disciplinary action.



3.3 You must declare any conflicts of interest

We understand that conflicts exist and having one does not mean you have done anything wrong. Rather, it is simply a recognition that you may be subject to competing interests, and that you need to take care to manage them with integrity and transparency.

Failing to properly declare and manage a Conflict of Interest may undermine your own reputation and credibility, while at the same time damage the financial and/or reputational interests of Thames Water.

A Conflict of Interest is any private or outside interest, relationship or appointment that you have which may come into conflict with the duties and responsibilities you have towards Thames Water.

Thames Water expects to be advised of any such relationship which might cause a conflict of interest. This includes any material interests you hold with a third party that could impair your ability to act in the best interest of Thames Water, or could be seen to undermine our ethical standards.

This information is intended to protect Thames Water and its employees. Failure to adhere to these requirements may result in disciplinary action.

If you are unsure as to whether a conflict of interest exists or might arise in the future, you should still raise it. If you believe that another employee has a possible undeclared conflict of interest, you must report it immediately (see section 3.4 about reporting concerns).

3.4 We do not tolerate modern slavery (as defined by the Modern Slavery Act)

Modern slavery (that is, slavery, servitude, forced and compulsory labour, and human trafficking) is a crime and a violation of human rights.

Thames Water has a zero tolerance approach to modern slavery and is committed to acting ethically and with integrity in all of its business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in its own business or in any of its supply chains.

The Modern Slavery Act 2015 (“The Act”) is focused on tackling human trafficking and slavery, but also introduces an obligation on Companies to be more transparent in their dealings with supply chains.

Thames Water is committed to meeting its obligations under the Act in both its business and supply chains. Going forward, Thames Water’s supplier contracts will include an explicit prohibition against the use of forced or trafficked labour. Thames Water expects its suppliers to hold their own suppliers to the same high standards.



3.5 We require and encourage you to report concerns

Thames Water is committed to maintaining the highest standards of honesty, openness and accountability. We therefore actively encourage all employees and third parties to raise concerns they have about dishonesty or malpractice. We also recognise that you may find it difficult to raise concerns so have provided the following options for you to do so:

I. Notify your line manager.

This does not necessarily have to be your immediate line manager. All managers who receive such a report must notify Audit & Assurance.

II. Notify the Audit & Assurance team directly.

The team can be contacted on **07747 640 072** or at investigations@thameswater.co.uk

III. Contact the anonymous Reporting Line run by Crimestoppers.

They can be contacted on **0800 917 6936** or at <http://www.theiline.co.uk>

IV. Write to:

The Chief Executive's Office
Thames Water Utilities Ltd
Clearwater Court
Vastern Road
Reading RG1 8DG

We would encourage you to report matters internally rather than externally in the first instance and you should use this procedure to report any breach or suspected breach of this Honest and Ethical Behaviour Policy. In particular:

- Any concern about any issue or suspicion of modern slavery (slavery, servitude, forced and compulsory labour, and human trafficking) in any part of the business or supply chain of Thames Water.
- A suspected criminal offence.



- Instances of dishonest and unethical behaviour
- A failure to comply with any legal or regulatory obligations.
- An act or omission that may endanger the health and safety of any individual.
- Damage to the environment.
- The deliberate concealment of information on any of the matters above.

This policy is not intended to replace the Company's Workplace Resolutions Policy for dealing with issues relating to matters of employment.

Thames Water has certain legal obligations to protect you from suffering any form of detriment as a consequence of raising a concern in good faith. Any disclosure made under this procedure will be treated in the strictest of confidence. (For more information, Google search 'PIDA employee').

4. Legal and regulatory obligations

- Theft Act 1968.
- Public Interest Disclosure Act (PIDA) 1998.
- Fraud Act 2006.
- Bribery Act 2010.
- Competition Act 1998.
- The Modern Slavery Act 2015.

5. Supporting documents

- Probity Form.
- Investigation Response Plan.
- Competition Compliance Manual.



Appendix A – Dishonesty: example incidents

- Falsification of expense claims.
- Forging of signatures.
- Supplying false or exaggerated invoices.
- Theft of customer data and/or company data.
- Theft of company property.
- False accounting.
- Fraudulent submission of expenses or overtime.
- Failing to disclose financial interests with suppliers, resulting in any type of personal gain.
- Bribery and corruption offences (where a payment is made or received to obtain preferential treatment).
- Dishonest manipulation of a company computer system.
- Falsifying references to secure a position of employment for yourself or another.
- Using a company credit/debit cards for personal gain.
- Failing to disclose significant gifts or hospitality from suppliers.
- Divulging procurement bids to assist competitors.
- Failing to disclose personal relationships or potential conflicts of interest when awarding contracts for work.
- Breaches of the Competition Act (See the Competition Compliance Manual).

This list is not exhaustive.

