

Introduction

This policy is designed to clarify and provide guidance on Rochester Utilities Ltd.'s position on legislation relating to anti-bribery and corruption at work and the recognition of its duty to under the Bribery Act (2010).

The Bribery Act 2010 created a single comprehensive code in relation to Bribery and Corruption. The act creates new offences and places responsibility on organisations in this case Rochester Utilities Ltd as well as the individuals. The act covers any country in the world and also includes any bribes paid by third parties on behalf of the organisation. The act also covers the acts of those acting on behalf of Rochester Utilities Ltd such as subcontractors, consultants and/or suppliers.

Offences under The Bribery Act 2010

The Act creates four offences. The first three are offences that are committed by individuals:

- Promising or offering a bribe.
- Requesting, agreeing to receive, or accepting a bribe.
- Bribing a foreign public official; and
- A corporate offence of "failure to prevent bribery" by "persons associated" with an organisation.

Rochester Utilities Ltd will also commit an offence under the Bribery Act 2010 if it fails to prevent bribery by a worker or an associated person for the purpose of obtaining business or a business advantage.

The penalties are severe with potentially unlimited fines and the possibility of imprisonment up to a maximum of 10 years for individuals.

Scope

This Anti-bribery and Corruption Policy applies to all workers, associated persons and/or third parties associated with Rochester Utilities Ltd, and any arrangements made are subject to clear contractual terms, including specific provisions that require the third party to comply with minimum standards and procedures relating to anti-bribery and corruption.

General Principles

Rochester Utilities Ltd is committed to conducting business in an ethical and honest manner and is committed to implementing and enforcing systems that ensure bribery and corruption is prevented. Rochester Utilities Ltd has a zero-tolerance for bribery and corrupt activities and will assist the relevant authorities in any criminal/civil investigations. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships and will enforce effective systems in the prevention of bribery and corruption. Rochester Utilities Ltd will also into as part of the zero-tolerance approach.

Definition

A bribe is offering, promising, giving, or accepting any financial, or other type of advantage, in order to encourage someone to perform their functions or activities improperly or to reward that person for having already done so.

Rules on Anti-Bribery & Corruption

Rochester Utilities Ltd strictly prohibits any worker or associated person from the following:

- Giving, promising to give, or offering someone:
 - A payment, gift or hospitality with the expectation or hope that they or Rochester Utilities Ltd will improperly be given a business advantage, or as a reward for a business advantage already improperly given.
 - A payment, gift or hospitality to a government official, agent or representative to facilitate or expedite a set procedure.
- Accepting payment for a third party where it is known or suspected that it is offered or given with the expectation that the third party will improperly obtain a business advantage.
- Accepting a gift or hospitality from a third party where it is known or suspected that it is offered or provided with an expectation that a business advantage will be improperly provided by Rochester Utilities Ltd in return.
- Threatening or retaliating against another worker who has refused to commit a bribery offence or who has raised concerns under this policy.
- Engaging in any activity that might lead to a breach of this policy.

Charitable Donations

Rochester Utilities Ltd may, in its discretion, support several charities and may also support fundraising events involving employees but will do so only in respect of donations which are legal and ethical under local laws and practices.

Facilitation Payments

Facilitation payments are bribes paid to facilitate routine Government action. Rochester Utilities Ltd does not make, and will not accept, facilitation payments.

Gifts and Hospitality

Any gifts, rewards or entertainment received or offered from a third party should be reported immediately. Rochester Utilities Ltd categorises gifts as follows:

Gifts and hospitality that should not be accepted – These are generally high value gifts and hospitality which might reasonably be seen to compromise personal judgement and integrity. For example, financial gifts, expensive items of clothing, holidays, membership of club(s)

Gifts and hospitality that can be accepted but will normally be shared, where applicable – These are generally lower value gifts which might be difficult to refuse. For example, flowers, books and, in the case of hospitality, an evening meal

Gifts and hospitality that can be accepted and kept by the individual – These are generally very low value gifts such as pens, mugs, key rings and, in the case of hospitality, working lunches.

If a worker wishes to provide gifts or hospitality to a third party, prior written approval from the Managing Director is required, together with details of:

- The objective of the proposed customer entertainment or expenditure
- The identity of the recipient or those who will be attending.
- The Company that they represent.
- Details of the proposed gift or hospitality

Rochester Utilities Ltd will approve the provision of gifts and hospitality only if they demonstrate a clear business objective and are appropriate for the nature of the business relationship. Rochester Utilities Ltd will not approve the provision of gifts and hospitality where it considers that a conflict of interest may arise or where it could be perceived that undue influence or an improper business advantage is being sought, e.g. prior to a tendering exercise.

Records

Workers and, where applicable, associated persons must take care prior to entering into any contract or relationship with a third party and comply with Rochester Utilities Ltd.'s procurement and risk management procedures, where available.

Records in relation to any business activities with third parties, such as contracts, financial invoices, records of hospitality and gifts offered and accepted, must be maintained in accordance with company procedures.

Communication and Training

Communication and the training on this policy, forms part of the induction process for all individuals who work for us, training will be provided as part of the Rochester Utilities Ltd induction process, with refresher training taking place annually.

Employee Responsibilities

All employees of Rochester Utilities Ltd must ensure that they have read, understood, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information given.

All employees and those under our control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this anti- bribery policy.

If you have reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, you must notify your line manager and/or the Managing Director.

If any employee is found to be in breach of this policy, they may face disciplinary action following the outcome or whilst an investigation into the circumstances takes place.

Reporting

Workers and associated persons are required to report suspicions of bribery to their Line Manager and/or Managing Director as soon as possible.

If you suspect that there is an instance of bribery or corrupt activities occurring in relation to Rochester Utilities Ltd, you are encouraged to raise your concerns as early as possible. If you are

uncertain about whether a certain action or behaviour can be considered bribery or corruption, you should speak to your line manager.

Rochester Utilities Ltd encourage all employees to familiarise themselves with the company whistleblowing procedures for further guidance on reporting any observed or personally experienced issues. Rochester Utilities Ltd. will ensure that no one suffers any detrimental treatment because of refusing to accept or offer a bribe or other corrupt activities or because they reported a concern relating to potential act(s) of bribery or corruption. Detrimental treatment refers to dismissal, disciplinary action, or unfavourable treatment in relation to the concern the individual raised.

If you have reason to believe you have been subjected to unjust treatment because of a concern or refusal to accept a bribe, you should inform your line manager or the managing director immediately.

Action by Rochester Utilities Ltd following reporting

Rochester Utilities Ltd will fully investigate any instances of alleged or suspected bribery and act as appropriate if it finds that an act of bribery has been committed.

Employees suspected of bribery may be suspended from their duties while the investigation is being carried out. Rochester Utilities Ltd will invoke its disciplinary procedures where any employee is suspected of bribery, and proven allegations may result in a finding of gross misconduct and immediate dismissal. Rochester Utilities Ltd may also report any matter to the relevant authorities, including the Financial Services Authority, the Director of Public Prosecutions, Serious Fraud Office, Revenue and Customs Prosecutions Office and the police. Rochester Utilities Ltd will provide all necessary assistance to the relevant authorities in any subsequent prosecution.

Responsibility for the Policy

Rochester Utilities Ltd 's Board of Directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it. The IMS Manager has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective.

Management, at all levels, are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training. You are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions, and queries are encouraged and should be addressed to the IMS Manager.

Complaints and Grievances

An employee who wishes to complain may discuss the matter with their line manager, and/or raise a formal grievance through the grievance procedure.

Review

Rochester Utilities Ltd will review policies and procedures periodically to reflect changes in legislation, good practice etc. This Policy shall be reviewed, at a minimum, annually as part of Rochester Utilities Ltd Management Review process, for its continuing adequacy and suitability.