

Anti-bribery and corruption

We are committed to the highest standards of ethical conduct and integrity in our business practices and adopt a zero-tolerance approach to bribery and corruption. The Company has assessed the nature and extent of its exposure to bribery and corrupt practices and, overall, considers our residual exposure to be low. To address the risk areas identified, and other risks that may arise from time to time, the Company has established procedures which are designed to prevent bribery and corrupt practices from occurring. An overview of our policies and procedures in this area is contained in the table below.

The greatest potential risk area for Derwent London is in respect of our long supply chains. Our zero-tolerance approach to any form of bribery or corruption is communicated to all of our suppliers, contractors and business partners. Before we enter into a new business relationship, our due diligence procedures determine if a third party has previous convictions under the Bribery Act. All contracts with suppliers or contractors prohibit the payment of bribes, or engaging in any corrupt practice, and we have the right to terminate agreements in the event a bribe is paid or other corrupt practices are undertaken.

Compliance training

The Group operates a compliance training programme which is mandatory for all employees and members of the Board. The Risk Committee oversees the programme, approves the topics to be covered and receives an update on completion rates. The programme covers a range of risk and compliance topics (including anti-bribery and corruption, diversity and inclusion, data protection, fraud and modern slavery).

At the launch of each training topic, an introductory email is sent to participants advising them why the training is important and providing links to further information (including Company policies and guidance notes). The topics covered over the past two years are:

- anti-money laundering;
- modern slavery transparency;
- tackling tax evasion;
- recognising sexual harassment in the workplace;
- fraud and market abuse;
- competition law;
- whistleblowing; and
- cyber security awareness.

The Committee was pleased with the level of engagement from employees with, on average, a c.99.6% completion rate for quarterly compliance training.

Procedures and controls to prevent bribery and corruption	
Corporate hospitality	Hospitality must be reasonable in value, appropriate to the occasion and provided openly and transparently. It must not compromise, nor appear to compromise, the Group nor the business judgement of our staff.
Business gifts	Generally, gifts should not be accepted unless valued at less than £50, are not cash or a cash equivalent (e.g. gift certificate), are appropriate to the circumstances and are not given with the intention of compromising or influencing the party to whom it is being given.
Hospitality and Gift Returns	All staff are required to complete quarterly Hospitality and Gift Returns which document all instances of third party hospitality or gifts (given or received) over that three-month period if the value is in excess of £50 for hospitality and £10 for gifts. The Hospitality and Gift Returns are subject to review by the Risk Committee.
Political donations	The Company strictly prohibits any political donations being made on its behalf.
Charitable donations	Charitable donations are handled by the Sponsorship and Donations Committee. 'Know your client' procedures are applied to charitable organisations to ensure we are dealing with a valid body acting in good faith and with charitable objectives.
Supply Chain Responsibility Standard	Our greatest potential risk area is in respect of our long supply chains. The Supply Chain Responsibility Standard contains the minimum standards we expect from major suppliers (further information is on page 168).
Payments and expenses	All payments made must be warranted, transparent and proper. All payments must be accurately recorded through the normal accounting and financial procedures without any deception or disguise as to the recipient's identity or the purpose of the payment in question. No one approves their own expense claim. All expense claims must be approved by a Director or senior manager.
Facilitation payments	Facilitation payments are bribes and are strictly prohibited.
Conflicts of interest	All conflicts of interest or potential conflicts of interest must be notified to the Company Secretary and a register of such notifications is maintained. The Corporate governance statement on page 124 explains our process for managing potential conflicts.
Training	We provide our employees with guidance notes and regular training on anti-bribery, corruption, fraud, ethical standards and the prevention of the facilitation of tax evasion.
'Speak up' procedures	A confidential hotline is available for staff and suppliers to report concerns anonymously (see page 124).
Fraud prevention	The Company strictly prohibits any type of fraud (see page 148).