

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. An overview of our policies and procedures in this area is contained in the table below.

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 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 & Gift Returns	All staff are required to complete quarterly Hospitality & 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 £25 for hospitality and £10 for gifts. The Hospitality & 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 Sponsorships 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.
Contractors and suppliers	Our zero-tolerance approach is communicated to all suppliers, contractors and business partners. 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. The Company has the right to terminate agreements in the event a bribe is paid or other corrupt practice undertaken.
Supply Chain Sustainability Standard	Contains the minimum standards we expect from our major suppliers (further information in the adjacent table).
Payments	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 97 explains our process for managing potential conflicts.
Training	We provide our employees with guidance notes and regular training on anti-bribery, corruption, ethical standards and the prevention of the facilitation of tax evasion.
Whistleblowing procedures	A confidential helpline is available for staff to report concerns anonymously. Further information on page 108.

Summary of the Supply Chain Sustainability Standard

All suppliers with whom we spend more than £20,000 per annum are required to comply with, and provide evidence of how, they are implementing our Supply Chain Sustainability Standard (the Standard), which includes a minimum requirement that any form of corruption, bribery or anti-competitive behaviour or actions are not tolerated within our supply chain.

A summary of the Standard is below. The complete Standard is available to download on our website.

During 2018, we requested evidence that our major suppliers were compliant with the Standard. The Executive Committee reviewed responses and agreed any follow-up actions required. A further audit of our suppliers is scheduled for 2020.

Aspect	Standards expected from our suppliers
Anti-bribery and corruption	<ul style="list-style-type: none"> Operate an ethical business policy which sets out how they govern their business and supply chains. We will not tolerate any form of corruption, bribery or anti-competitive behaviour in our supply chain.
Employment and labour practices	<ul style="list-style-type: none"> Fair pay and working time practices which ensure compliance with the National Minimum Wage and the London Living Wage together with working time legislation. No use of exclusive 'zero hours' contracts. No illegal, forced or child labour. Suppliers to have appropriate equality and diversity policies to ensure the active promotion of employment diversity.
Health and safety	<ul style="list-style-type: none"> Adequate health and safety policies and management systems appropriate to the nature and scale of their business and service provision. To comply with Derwent London's health and safety standards and procedures.
Community	<ul style="list-style-type: none"> Support us in the successful delivery of our Community Strategy. Development contractors on our larger schemes have to achieve a minimum target score, currently 38) in the Considerate Constructors Scheme, and to undertake at least one community day every year during the life of a project. Offer full and fair opportunity for local suppliers to actively participate in our supply chains. Offer local employment and apprenticeship opportunities.
Environmental	<ul style="list-style-type: none"> Suppliers are to have robust environmental management policies and procedures in place. To comply with the Derwent London Sustainability Framework for Developments and/or Assets. We expect our main contractors to have a certified environmental management system (EMS) in place, accredited to ISO14001 or EMAS (Eco-Management and Audit Scheme).
Payment practices	<ul style="list-style-type: none"> Unless otherwise stated, we aim to pay our suppliers within 30 days or otherwise will do so in accordance with specified contract conditions. We are signatories of the Prompt Payment Code. Suppliers are required to adopt similar payment practices throughout their supply chains to ensure fair and prompt payment.