

# Gifts and Hospitality Policy

#### **Purpose**

As recognised in Government guidance, giving and receiving gifts and hospitality can play an important role in developing business relationships. This Policy sets out Pennon's approach to ensure all gifts and hospitality are not made or received for an improper purpose.

### **Scope and Application**

The Group General Counsel and Company Secretary is responsible for this Policy. It has been approved by the Pennon Group Board and applies across the Pennon Group and its subsidiary companies ("**Group**"). The Policy applies to all Group colleagues and those working on our behalf.

This Policy should be read alongside the Code of Conduct and the Anti Financial Crime Policy.

### When is a Gift or hospitality not appropriate?

A good way to judge if a gift or hospitality is appropriate is to consider whether the intention of the gift or hospitality is to bring about the improper performance by another person of their role or to reward such improper performance. If so, this will be deemed a bribe and should therefore not be offered or received. Please refer to the Group Anti Financial Crime Policy for further details on the Bribery Act 2010.

The most important thing to remember is that gifts or hospitality, given or received, must have a clear relationship building business reason which is:

- not linked to a transaction or appointment; and
- not for the employee's or their family's personal enjoyment.

If you are unsure, do not provide or accept anything until you have discussed it with the Group Deputy General Counsel: <a href="mailto:bmatthews@pennon-group.co.uk">bmatthews@pennon-group.co.uk</a>.

#### Your Responsibilities

You are required to read, understand, and comply with this Policy.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this Policy.

Irrespective of monetary value, if you are contemplating offering a gift or hospitality, you must:

- ensure the proposed gift or offer of hospitality is consistent with the external organisation's Gifts and Hospitality Policy; and
- seek the prior written approval of the Group Deputy General Counsel if the proposed recipient is a public official e.g. employee of the EA, DEFRA or Ofwat.

Accepting or offering cash gifts is **not permitted** and is highly likely to be seen as a bribe.

For all other gifts or hospitality (in excess of the approval thresholds set out below) you are required to seek approval and make an entry in the Gifts and Hospitality Register which can be found here: <a href="https://swwater.sharepoint.com/sites/compliance.">https://swwater.sharepoint.com/sites/compliance.</a>

Classification: BUSINESS Classification: BUSINESS



#### **Approval Thresholds for Gifts**

Value Below £100 (corporate branded)  These are permissible and no recording or approval required unless provided by/to a public official.

Value Below £100 (unbranded) •These are permissible and no recording or approvals required unless provided by/to a public official or two or more gifts are offered or received within a six-month period in which case they should be treated as a single gift with the values aggregated.

Value £100 -

•Obtain **prior written approval** from your **Line Manager** before accepting or providing and record in Gifts and Hospitality Register.

Value over £200 and up to £500 •Obtain **prior written approval** from your **Director** before accepting or providing and record in Gifts and Hospitality Register..

Value over £500 •Obtain **prior written approval** from your **Director and Group General Counsel and Company Secretary** before accepting or providing and record in the Gifts and Hospitality Register.



#### **Approval Thresholds for Hospitality**

Attendance at **business event** (such as a conference or training) associated with your role in a Group Company or your professional status

•Obtain **prior written approval** from your **Line Manager or Director** and record the attendance in the Gifts and Hospitality Register, where the invitation **exceeds £200 per person in value.** 

Attendance at **social events** (such as sporting events, horse racing, golf days)

- •In all cases (irrespective of value) seek prior written approval from your Line Manager or Director and record in the Gifts and Hospitality Register.
- •If the value is in excess of £500 per person, prior written approval should also be obtained from your Director and the Group General Counsel and Company Secretary.

#### How to raise a concern

If you suspect that an employee has accepted or provided Gifts or Hospitality (without the requisite approval) in connection with Pennon's business, we want you to Speak Up.

You may routinely inform your manager of concerns or Pennon Legal Compliance (<a href="legalcompliance@pennongroup.co.uk">legalcompliance@pennongroup.co.uk</a>), but you also have access to our independent, anonymous and confidential Speak Up whistleblowing helpline (0800 024 118), if you are submitting a report via telephone you will need to use Pennon Group's organisation code: 12754.

Alternatively, you can raise your concerns anonymously via the online portal: SpeakUp.

We are committed to ensuring no one suffers any detrimental treatment as a result of reporting any reasonably held suspicion of any breach of this policy.

#### **Training**

Training on this Policy is to be provided to all new staff through the Code of Conduct training and annual refresher training thereafter.



## **Consequences of Breaching this Policy**

Any employee who breaches this Policy will face disciplinary action, up to and including termination of employment and/or prosecution. We may cease conducting business with individuals and organisations working on our behalf if they breach this Policy.

## Queries

Any queries regarding the Policy should be directed to the Group Deputy General Counsel: <a href="mailto:bmatthews@pennon-group.co.uk">bmatthews@pennon-group.co.uk</a>.

### **VERSION HISTORY**

VERSION	STATUS	AREA OF CHANGES	DESCRIPTION OF CHANGES	APPROVED BY	DATE OF RELEASE DD/MM/YYYY
6.2	Current	Partial	Updates to include whilsteblower platform and contact	Pennon Board	25/09/2025