

UNITED NATIONS GLOBAL COMPACT

*Severn Trent Plc
Communication on Progress 2015*

SEVERN
TRENT

CE STATEMENT OF CONTINUED SUPPORT

Since 2004, Severn Trent has been committed to supporting the 10 Principles of the United Nations Global Compact and we are pleased to reaffirm our continued support in the areas of human rights, labour, environment and anti-corruption.

The 10 principles are embedded in all that we do. It's part of our culture which starts with our Code of Conduct – 'Doing the right thing – The Severn Trent way'. This details the values we work by and reflect the Global Compact principles in the standards of behaviour we expect from our colleagues and the way we run our business.

In this Communication on Progress we describe our on-going commitments, policies and procedures we have in place to ensure the Global Compact and its principles are integrated across our business.

Liv Garfield
Chief Executive
July 2015

INTRODUCTION

The Global Compact principles covering labour relations, environment, anti-corruption and human rights are reflected in our integrated approach to corporate responsibility.

In this communication, we describe each of the Global Compact principles, our specific commitments and links to relevant communications by Severn Trent, Severn Trent Water (STW) and Severn Trent Services (STS) which explain our policies, systems of management, our performance and details about specific initiatives.

Our progress over the past year is communicated through our website and in the Severn Trent Water Annual Report and Accounts 2015.

In 2015 we launched a new set of corporate responsibility measures that comprise of core essential activity and two areas of ambition - making our region's rivers healthier and improving water efficiency. We report against these measures on a quarterly basis to our corporate responsibility committee.

We also monitor our wider business performance and for Severn Trent Water, report on a set of regulatory key performance indicators.

[Regulatory performance report](#)

Throughout this document we have provided links to the activities we undertake to uphold the Global Compact principles. Additional information includes:

[STW business plan for 2015-20](#)

[STW water resources management plan](#)

HUMAN RIGHTS

1. Business should support and respect the protection of internationally proclaimed human rights; and
2. Business should make sure they are not complicit in human rights abuses.

All our operations continue to be managed and operated to high ethical standards.

[Annual Report and Accounts 2014/15 pp 57 and 66-68](#)

We recognise that we have a responsibility to understand our potential impacts on human rights and to mitigate or eliminate these impacts. Policies addressing Human Resources, Anti Bribery and Anti Fraud, Whistleblowing and Procurement support the key human rights issues.

[Doing the Right Thing - The Severn Trent Way](#)

We work with our supply chain partners and have established a new programme across our supply chain to understand their performance in areas such as human rights.

[Annual Report and Accounts 2014/15 pp 26 and 66-68](#)

LABOUR

3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. Businesses should uphold the elimination of all forms of forced compulsory labour;
5. Businesses should uphold the effective abolition of child labour; and
6. Businesses should support the elimination of discrimination in respect of employment and occupation.

At Severn Trent we believe in treating everyone with fairness, encouragement and respect.

Doing the Right Thing - The Severn Trent Way

We recognise the right of all employees to freedom of association and collective bargaining and seek to promote cooperation between employees, our management team and recognised trade unions. We will not condone the use of child labour and forced labour under any circumstance and will not tolerate discrimination under any circumstances.

[Annual Report and Accounts 2014/15 pp 66-68](#)

[Supporting employees' rights and diversity](#)

[Staying free from bribery and corruption](#)

[Maintaining ethical and honest behaviour](#)

[Severn Trent Policies](#)

ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. Businesses should undertake initiatives to promote greater environmental responsibility; and
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.

We're committed to a cleaner, greener future, protecting and improving our environment for generations to come.

Severn Trent Policies

We have set ourselves challenges to deliver important environmental improvements, such as better river quality, over the next five years. In addition, we will continue to invest in renewable energy generation technologies such as solar PV and anaerobic digestion and participate in voluntary accreditation schemes including the Carbon Trust standard and the Carbon Disclosure project.

Annual Report and Accounts 2014/15 pp 31, 35, 37 and 66-68

Protecting our environment

Reducing our greenhouse gas emissions

ANTI-CORRUPTION

10. Businesses should work against corruption in all its forms, including extortion and bribery.

We are committed to operating fairly and with integrity and committed to enhancing ethical practices worldwide – everyone in our business plays a part in maintaining our values and principles.

[Standing up for what's right](#)
[Maintaining ethical and honest behaviour](#)

Over the past year we have refreshed our Anti Bribery and Anti Corruption mandatory training programme across our organisation.

All our employees, contractors and external parties are encouraged to raise any genuine concerns about suspected misconduct or malpractice. We have in place a confidential phone line run by an independent organisation for employees to raise concerns in confidence. The confidential phone line is available to all employees globally and a translation service is available to ensure that it is accessible. All cases are investigated and the results of investigations reported to our CR Committee or Audit Committee.

[Annual Report and Accounts 2014/15 pp 66-68](#)
[Doing the Right Thing - The Severn Trent Way](#)
[Severn Trent Policies](#)