

Corporate governance continued

AUDIT, RISK AND INTERNAL CONTROL

Audit Committee

The Audit Committee provides an independent overview of the effectiveness of the internal financial control systems and financial reporting processes.

Principal responsibilities

Financial reporting

- Reviewing the integrity of the interim and full year financial statements
- Reviewing significant financial reporting issues and judgements
- Advising the Board on whether taken as a whole, the annual report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy

Risk management and internal audit

- Monitoring and reviewing the effectiveness of internal financial controls and internal control and risk management systems
- Reviewing the effectiveness of the internal audit function
- Reviewing the effectiveness of the Group's whistleblowing procedures and arrangements

External audit

- The appointment of the external auditors including the agreement of the terms of engagement at the start of each audit, the audit scope and the external audit fee
- Reviewing and monitoring the external auditor's effectiveness, independence and objectivity including the nature and appropriateness of any non-audit fees

The terms of reference of the Audit Committee are available on the Group's website.

Dear Shareholder

I am pleased to present the 2019 Audit Committee report. This report describes the Committee's ongoing responsibilities and key tasks as well as its major activities in the period ended 30 March 2019.

Members and attendance

Member	Directors' attendance 2018/19
Nick Bray (Chairman)	5 (5)
Sabri Challah	5 (5)
Maria da Cunha	5 (5)
Andrew Stevens	5 (5)

Note:

Figures in brackets denote the maximum number of meetings that could have been attended.

Operation of the Committee

All members of the Committee are Independent Non-executive Directors. The Board is satisfied that the membership of the Audit Committee meets the requirement for relevant and recent financial experience, by virtue of my position as Chief Financial Officer of Sophos Group plc. Biographies and experience of members of the Committee can be found on pages 52 and 53.

I have continued with the practice of inviting the Chairman, Chief Executive Officer, Chief Financial Officer, General Counsel and Company Secretary, and the external and internal auditors to join meetings of the Committee. The Group Director of Security, HSE and Risk also attends Committee meetings at specific times during the year. The internal auditor and external auditors each meet the Committee without Executive Directors or other employees being present.

Committee meetings

The Committee is required, in accordance with its terms of reference, to meet at least three times a year. During the year, the Committee met five times.

Nick Bray

Chairman of the Audit Committee

Activities during the period

During the period, the Audit Committee met on five occasions and dealt with the following matters:

- Group half year results
- Group preliminary announcement and annual results
- Principal judgemental accounting matters affecting the Group based on reports from management and the external auditors
- External audit plans and reports
- Group disclosure and whistleblowing policy
- Going concern and viability assessment
- External auditor effectiveness, independence, and fees (including non-audit fee)
- Review of improvements made to the Group's Business Continuity Plan
- Risk and assurance plans and reports including:
 - Group risk profile
 - Internal audit plan
 - Internal audit reports
 - Follow up of internal audit recommendations
 - Annual review of the system of internal controls
 - Business continuity
 - Internal control self assessment review
 - HSE legal assurance and compliance audits
- Audit Committee effectiveness





Providing rigorous oversight and challenge of the Group's internal controls and risk management processes and procedures continues to be an important part of the Committee's role and an essential aspect of the Group's corporate governance framework.



Significant accounting matters

The Audit Committee is responsible for reviewing whether suitable accounting policies have been adopted and applied consistently and determining if management has made appropriate estimates and judgements in the preparation of the financial statements. During the period, the Audit Committee has also overseen the adoption of the new IFRS 15 and IFRS 9 Financial Reporting standards. In addition, the Audit Committee has reviewed and considered and challenged a number of key accounting areas and judgements as set out below.

Adoption of new Financial Reporting Standards in the period

Implementation of IFRS 15 (Revenue from contracts with customers):

During the year, the Committee oversaw the adoption of IFRS 15. A detailed assessment was undertaken, and a number of areas identified where revenue recognition is different for certain customer contracts. The Audit Committee reviewed the analysis and impact and determined that where certain contracts are to be recognised over time under IFRS 15, the establishment of the enforceable right to payment is potentially a complex judgement and has therefore concluded that this represents a critical accounting estimate. Further consideration of this is detailed below.

Implementation of IFRS 9 (Financial instruments):

The Audit Committee has reviewed the Group's assessment of the impact of IFRS 9 and concluded that it does not have a material impact to the Group. The key change resulting from IFRS 9 is the adoption of the Expected Credit Loss (ECL) model for the calculation of an allowance for future credit losses. The Audit Committee has reviewed the methodology applied by the Group for calculating the ECL and has considered both the segmentations applied to identify customers with a similar credit risk and the loss rates applied to each and considered that these are appropriate.

Revenue recognition over time: enforceable right to payment for performance completed to date

During the period, judgement has been made on certain contracts that an enforceable right to payment for performance completed to date exists, which is required to allow revenue recognition over time rather than at a point in time under IFRS 15. This represented a complex judgement considering the legal terms within the contract and required expert legal opinion from external lawyers. The Audit Committee has reviewed the assessment prepared by management and is comfortable based on the understanding of the legal terms, that the 'over time' revenue recognition criteria have been met as it can be demonstrated that an enforceable right to payment exists.

Revenue recognition

The Committee considered the Group's revenue recognition policies and procedures to ensure that they remained appropriate and that the Group's internal controls were operating effectively in this area. Feedback was also sought from the external auditors over the application of the revenue recognition policy including the adoption of IFRS 15 and a specific review of shipments pre- and post-year end. Following a review of the varied sources of information received, the Committee concluded that the accounting treatments were reasonable and appropriate.

Post-retirement benefit obligations

The Committee received and considered reports from management based on analysis prepared by independent actuaries and the external auditors in relation to the valuation of the defined benefit pension scheme and challenged the key actuarial assumptions used in calculating the scheme liabilities, especially in relation to discount rates, RPI and CPI inflation rates and mortality.

Corporate governance continued

AUDIT, RISK AND INTERNAL CONTROL

During the year, a £1.7m charge was included within exceptional items relating to the booking of an additional provision for the Guaranteed Minimum Pension (GMP). The Committee reviewed the key assumptions used by the independent actuaries in calculating the additional provision arising due to GMP and concluded that it represented a reasonable estimate of the additional liability required.

The Committee discussed the reasons for the decrease in the net pension deficit and was satisfied that the assumptions used were appropriate and were supported by independent actuarial specialists. Details of the key assumptions used are set out in note 24.

Valuation of inventory

The Committee reviewed the Group's policies and procedures over the valuation and recoverability of inventory in Currency (£24.1m). The Committee received confirmation that the valuation principles had been consistently applied and noted that the majority of inventory items were made to order rather than held for generic stock and hence the recoverability risk was low. Accordingly, the Committee concluded that the accounting treatments were reasonable and appropriate.

Estimation of accruals and provisions

The Group holds a number of provisions relating to warranties including present obligations for defective products and known claims as well as anticipated claims that had not been reported at the balance sheet date. The Committee reviewed and discussed reports from management and the external auditors concerning the significant provisions held for such matters including any provisions with notable movements. The Committee considered the background to all material accruals and provisions and challenged management over the judgements applied in determining the value of provisions required.

The Committee enquired of management and the external auditors as to the existence of other matters potentially requiring a provision to be made. The Committee concluded that it was satisfied with the value of accruals and provisions carried.

The Group currently has certain ongoing taxation assessments which are provided for where the Company considers it probable that an outflow of economic benefits will occur and the amount can be reliably measured. Where the Company considers that the chance of an outflow is remote no provision is recorded and no disclosure is given. The Committee has considered the latest available information provided by management including the latest view of external advisers and is confident with the judgements made in preparing the financial statements in the current period.

Classification of exceptional items

As part of the Committee's deliberations over whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, the Committee also considered the amounts disclosed as exceptional items. The nature of the items classified as operating exceptional items during the period is described in note 4.

The Committee considered the accounting treatment and disclosure of these items in the financial statements including seeking the views of the external auditors. On the basis of this review, the Committee concluded that the accounting treatment and disclosures in relation to these items were appropriate.

During the current year, the accounting policy for exceptional items has also been updated with regards to items related to the Group's defined benefit arrangement to include not just curtailments but also changes to the liability which are considered to be of a permanent nature and therefore recorded in the income statement. Specific examples of this include the change in GMP and the indexation change.

The Committee considered this change and concluded that such items are non-recurring and not representative of underlying business performance and consequently including them in exceptional items helps to provide users of the accounts with a more meaningful understanding of the underlying business performance.

The Committee also considered other material items in order to determine the appropriate classification in exceptional items or adjusted operating profit.

Accounting for the credit loss and revenue recognition associated with a customer in Venezuela

During the period a credit loss of £18.1m was recognised for a customer in Venezuela. Due to the material size of the credit loss and its one off nature and the fact that the customer is unable to pay due to non-UK sanctions it has been concluded that it is appropriate for the item to be classified exceptional. It has also been considered that Revenue and associated margin should remain in IFRS and adjusted operating profit as at the time of the revenue recognition, the risk to payment had not fully materialised and because the Group had fully met its obligations under the customer contract with control passing to the customer. Furthermore, there is no dispute of disagreement with the customer, rather the ability to pay is impacted by non-UK sanctions.

Update on accounting following the disposal of Portals De La Rue Limited in 2018

The Committee reviewed the updated disposal accounting for Portals De La Rue Limited. The Committee reviewed the:

- Critical accounting estimates used in the estimate of potential recompense of consideration
- Accounting treatment for the disposal group under IFRS 5
- Appropriate accounting treatment for the remaining interest De La Rue has in the Portals De La Rue

Following presentations by management and discussions with the external auditors, the Committee was satisfied with the disclosures relating to the disposal of Portals De La Rue Limited.

Independence and objectivity of external auditors

The Committee ensures that the external auditors (Ernst & Young LLP) remain independent of the Group. The Audit Committee has a detailed policy covering:

- Choosing the statutory auditors and approving the audit fee
- Commissioning non-audit work
- Defining circumstances in which it is appropriate or inappropriate for incumbent auditors to be allowed to provide or be prohibited from providing non-audit work
- De La Rue's procedures for procuring non-audit services from external sources, which specifically prohibits Ernst & Young LLP from undertaking certain types of service (including but not limited to services where it would audit its own work, where it would act in an advocacy role for the Group or where it would participate in activities normally undertaken by management)

However, it may be cost effective for Ernst & Young LLP to perform certain non-audit services, in particular where the skills and experience required make Ernst & Young LLP the most suitable supplier. Certain categories of non-audit services, including corporation tax compliance and due diligence services must be subject to competitive tender unless it is justifiable in the circumstances not to do so. Areas which would not normally be acceptable non-audit services but in exceptional circumstances may be considered appropriate, such as litigation and compliance services, require my prior approval.

The selection criteria include detailed proposals, timescales, local resource, cost and the safeguards put in place by Ernst & Young LLP to avoid conflicts of interest or loss of independence.

In addition, the Group's policy is for any individual assignment to be undertaken by Ernst & Young LLP where the fee is likely to be in excess of £50,000 to be approved by me prior to commencement of work. During 2018/19, the amount of non-audit fees paid to Ernst & Young LLP was £0.1m.

Ernst & Young LLP put safeguards in place to avoid compromising their objectivity and independence. They provide a written report to the Audit Committee on how they comply with professional and regulatory requirements and best practice designed to ensure their independence. Key members of the Ernst & Young LLP audit team rotate and the firm ensures, where appropriate, that confidentiality is maintained between different parts of the firm providing services to De La Rue.

The Audit Committee places great emphasis on the objectivity of the Company's auditors, Ernst & Young LLP, in reporting to shareholders.

The Ernst & Young LLP audit partner is present at Audit Committee meetings to ensure communication of matters relating to the audit. The Audit Committee has regular discussions with the auditors, without management being present, on the adequacy of controls and on judgemental areas and receives and reviews the auditors' highlights reports and management letters, which are one of the main outputs from the external audit.

The scope and key focus of the forthcoming year's audit is discussed with, and approved by, the Audit Committee.

During the year the Group's audit for the year ended 31 March 2018 has been subject to inspection by the FRC's Audit Quality Review team. No significant findings were identified by the regulators during the course of this inspection in respect of the audit procedures performed.

Appointment of auditors

The Audit Committee assesses annually the qualification, expertise, resources and independence of the external auditors and the effectiveness of the audit process. The Audit Committee's assessment is performed by an audit satisfaction questionnaire completed by the Chairman, relevant senior management and Audit Committee members.

Ernst & Young LLP have been the Company's auditors since June 2017, when they were appointed by the Board following the most recent tender of the external audit. They have since been re-appointed at the annual general meetings held in July 2017 and July 2018.

During the year ended 30 March 2019, the Audit Committee met privately with Ernst & Young LLP on four occasions, without executives of the Company being present.

Corporate governance continued

AUDIT, RISK AND INTERNAL CONTROL

Internal control and risk management

As noted above, the Committee is responsible for reviewing, on behalf of the Board, the effectiveness of the Group's internal financial controls and the assurance procedures relating to the Group's risk management systems. These controls and procedures are designed to manage, but not eliminate, the risk of failure of the Group to meet its business objectives and, as such, provide reasonable but not absolute assurance against material misstatement or loss. The key elements of the Group's risk management framework and procedures are set out on pages 36 to 40. The Committee reviews these topics at each meeting and considers that none of the areas identified for enhancement during the year constituted a significant failing or weakness for the Group.

Internal audit

Assurance over the design and operation of internal controls across the Group is provided through a combination of techniques. The Board, through the Audit Committee, monitors the effectiveness of internal control systems through reports received from the internal audit function during the period. The delivery of the internal audit function has been outsourced since 2009. PricewaterhouseCoopers LLP have performed this role since the start of 2013/14.

Internal audit continued to ensure that their efforts were aligned to the operational risks that the Group faces while maintaining an emphasis on reviewing the adequacy and effectiveness of general finance and IT controls across the Group on a cyclical basis. In addition to internal audit work, there is a system of self assessment internal control reviews by which management are required to detail and certify that controls are in operation to ensure the control environment in their business areas is appropriate. This self assessment process has been refreshed in the year to reflect improvements in the overall Group controls framework. Actions agreed are followed up by senior management to ensure that satisfactory control is maintained. The internal audit plan is set and reviewed by the Audit Committee. Additionally, the Audit Committee reviews reports from the external auditors on internal control matters noted as part of their audit work.

The 2019/20 Internal Audit plan was approved by the Committee in April 2019 and during the year ended 30 March 2019, the Audit Committee met privately with PricewaterhouseCoopers LLP on two occasions, without executives of the Company being present.

Fair, balanced and understandable view

At its May 2019 meeting, the Committee reviewed the content of this Annual Report and Accounts and advised the Board that, in its view, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

In making its recommendation to the Board the Committee continued its robust existing governance arrangements by:

- Comprehensive Group and subsidiary accounts process, with written confirmations provided by business unit senior management teams on the health of the financial control environment
- Reviews of the annual report undertaken at different levels of the Group and by the senior management team that aim to ensure consistency and overall balance
- External audit review
- Clear guidance and instruction of the requirement provided to contributors
- Written confirmation that information provided by executive management has been done on a fair and balanced basis
- Additional reviews by the Audit Committee Chairman of the draft annual report in advance of the final sign-off in the context of the Code provision

Final sign-off is provided by the Board, on the recommendation of the Committee.

Nick Bray

Chairman of the Audit Committee
30 May 2019

Risk Committee

The Board has delegated to the Risk Committee the responsibility for identifying, evaluating and monitoring the risks facing the Group and for deciding how these are managed.

Principal responsibilities

- Recommend the risk management policy and strategy
- Oversee development and maintenance of a Group-wide risk management framework for identifying and managing risks
- Identify and review all major risks faced by the Group and ensure that appropriate controls are in place to manage those risks
- Review the Group's ability to identify and manage new types of risks
- Promote a risk management culture and control environment
- Review the effectiveness of the Group's non-financial internal control systems in the management and reporting of risks



Dear Shareholder

On behalf of the Risk Committee, I am pleased to present the 2019 Risk Committee report. This report sets out the composition, role and activities of the Committee in the period ended 30 March 2019.

Members and attendance

Member	Members' attendance 2018/19
Edward Peppiatt (Chairman)	3 (3)
Steve Brown (ceased to be member during the year)	1 (1)
Andrew Davidson (new appointee)	2 (2)
Jo Easton	3 (3)
Bryan Gray	3 (3)
Richard Hird	3 (3)
Selva Selvaratnam	3 (3)
Martin Sutherland	3 (3)
Martin Sutton (ceased to be member during the year)	1 (1)
Helen Willis	3 (3)

Note:
Figures in brackets denote the maximum number of meetings that could have been attended.

Operation of the Committee

The Committee comprises all Executive Directors of the Board, the rest of the ELT members and the Group Director of Security, HSE and Risk. The Committee meets and reports to the Board at least annually.

Any Director may attend meetings and the Board may appoint any other individual as they determine.

Committee meetings

The Committee is required, in accordance with its terms of reference, to meet at least twice a year. During the year, the Committee met three times.

Activities during the period

During the period, the Risk Committee considered reports on:

- The principal risks of the Group (see the risk and risk management report on pages 36 to 40)
- Risks associated with Brexit, including preparedness and risk ratings under both 'Deal' and 'No Deal' scenarios
- Risk appetite
- Controls and mitigations implemented to manage banking arrangements effectively
- Improvements made to the Group's Business Continuity Plan
- Specific operational risks of concern and the mitigations in place
- Data protection requirements

The Directors acknowledge that they have overall responsibility for the Group's system of internal control for managing risks associated with the business and markets within which the Company operates. Further details relating to how the Directors maintain overall control of significant strategic, financial, operational and compliance issues are set out in the risk and risk management report on pages 36 to 40.

In addition, the Board has delegated to the Risk Committee the responsibility for identifying, evaluating and monitoring the risks facing the Group and for deciding how these are managed.

At the period end, following review by the Audit Committee of internal controls and of the processes covering these controls, the Board evaluates the effectiveness of the risk management procedures conducted by senior management.

The Committee is assisted by Group Committees, which deal with specific areas of risk, such as HSE and security.

Edward Peppiatt

Chairman of the Risk Committee
30 May 2019

Corporate governance continued

AUDIT, RISK AND INTERNAL CONTROL

Ethics Committee

The Committee is responsible, on the Board's behalf, for reviewing compliance with the Group's CBP. The Committee considers ethical matters and makes recommendations to the Board on how they should be addressed and reinforces the Group's commitment to ensuring business ethics are a fundamental and enduring part of the Group's culture.

Principal responsibilities

The main responsibilities of the Ethics Committee are to:

- Assist the Board in fulfilling its oversight responsibilities in respect of ethical matters
- Ensure that De La Rue conducts business with integrity and honesty and in accordance with relevant legislation and regulations
- Advise the Board on the development of strategy and policy on ethical matters
- Advise the Board on steps to be taken to embed a culture of integrity and honesty in all of the Group's business dealings
- Oversee the development and adoption of Group policies and procedures for the identification, assessment, management and reporting of ethical risk
- Oversee the investigation of any material irregularities of an ethical or non-financial fraudulent nature and review subsequent findings and recommendations

Dear Shareholder

I am pleased to present the 2019 Ethics Committee report.

Members and attendance

Member	Directors' attendance 2018/19
Philip Rogerson (Chairman)	2 (2)
Nick Bray	2 (2)
Sabri Challah	2 (2)
Maria da Cunha	2 (2)
Andrew Stevens	2 (2)

Note:

Figures in brackets denote the maximum number of meetings that could have been attended.

Operation of the Committee

The Committee comprises all Non-executive Directors of the Board. The Chief Executive Officer and other Board members may attend meetings at the invitation of the Committee. Members of the ELT and other employees, including Functional Heads, may be asked to attend from time to time to address specific matters.

Committee meetings

The Committee is required, in accordance with its terms of reference, to meet at least twice a year. During the year, the Committee met twice.

Activities during the period

During the period to 30 March 2019, the Committee focused on the following activities:

- Status of the restructuring of the management of TPPs programme
- CBP activity update
- Update on BnEI activities and progress
- Review of the gift register for Executive Directors
- Review of reports on issues raised through the whistleblowing hotline – CodeLine – and other channels and review of results of any investigations into ethical or compliance breaches or allegations of misconduct
- Review of business ethical risk and consideration of actions



Business ethics are a fundamental and enduring part of the Group's culture and governance framework.



Philip Rogerson

Chairman of the Ethics Committee



De La Rue's ethical framework

The Group delivers high profile security print products and services to customers across the world. It is essential that the Group conducts its business with integrity, honesty and transparency to maintain the trust and confidence of its customers, and everyone it deals with both inside and outside the Group.

The Group has clear core values and principles which govern how all employees and business partners must behave and we believe that by committing to these values the business will be well-placed to deliver its strategic objectives with the expected behaviours.

We recognise that our business is exposed to risks of unethical conduct because of the nature and value of many of our contracts and because the standards of integrity may not be consistent across all the countries in which we operate. We have a robust compliance programme in place which allows us to manage these risks effectively as explained below.

The Group's ethical framework is supported by the standards, policies, internal controls and communication as highlighted on page 73. We expect all our employees, consultants and those acting on our behalf to adopt these standards. We are participants of the UN Global Compact initiative which we are using as a guide to align our Company strategies and operations with business principles on human rights, environment and anti-corruption. We also collaborate with the International Chamber of Commerce corporate responsibility and anti-corruption committee.

Our ethics and compliance programme Code of Business Principles (CBP)

The CBP was reviewed and relaunched in 2016 and our nine core principles are regularly reviewed to ensure that they continue to underpin the way in which we conduct ourselves and work on a daily basis.

If an employee is found to have acted in breach of the CBP, the Group takes appropriate action to address that breach including disciplinary action and ultimately terminating employment in the most serious cases.

Gifts and hospitality

We have a clear approval process for gifts, entertainment and hospitality offered by or given to our employees. All employees are required to comply with the gifts and hospitality policy which requires all gifts, entertainment and hospitality above a nominal value to be recorded on a central Gift Register which is reviewed on a monthly basis. The Committee receives a report on the gifts received or given by the Executive Directors.

Banknote Ethics Initiative (BnEI)

De La Rue is one of the founding members of the BnEI which sets out a rigorous framework for promoting high ethical standards in the industry and requires members to commit to the Code of Ethical Business Practice that was developed in partnership with the Institute of Business Ethics.

The initiative was established to promote ethical business practice, with a focus on the prevention of corruption and on compliance with anti-trust law within the banknote industry. Compliance with the code is rigorously tested through an audit framework developed in conjunction with GoodCorporation, recognised worldwide as a leading company in the field of corporate responsibility assurance and business ethics.

De La Rue's re-accreditation was confirmed at Level 1 in April 2017. The audit focuses on anti-bribery and corruption and anti-trust processes, procedures and controls. The findings of the triennial BnEI audit confirm that De La Rue continues to perform strongly or above GoodCorporation benchmarks.

Third party partners (TPPs)

We recognise that it is not just our employees who could be exposed to ethics risks but also TPPs. Their conduct remains one of our most significant risks and there is a continuing requirement for TPPs to undergo our mandatory training programme and to conduct business in compliance with the standards set by the Company. Due diligence is undertaken on all our TPPs before they are engaged and this process is reviewed on a regular basis. TPPs are given regular training to ensure they remain alert to potential risks. We have risk management measures and controls in place including in relation to remuneration of TPPs and we monitor all payments to ensure that the remuneration structure does not incentivise unethical behaviour.

Corporate governance continued

AUDIT, RISK AND INTERNAL CONTROL

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The Board has core values and principles which govern how we behave and operate.
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The Committee receives regular reports on payments made to sales consultants, together with an update on the progress in moving TPPs away from the traditional commission-only model. This is part of a five year plan and reflects the Group's aim to reduce risk and manage partner performance and reflects the recommendation of the BnEI.

Ethics Champions

The Group's network of Ethics Champions ensures that each site has local support and representation for CBP matters and continues to play an integral part in ensuring that strong De La Rue values are embedded across the business. An Ethics Champions' conference was held in October 2018 and sessions included refresher training and an external speaker who presented on 'Encouraging a Speak Up Culture'.

Whistleblowing

We encourage all employees and people acting on our behalf to speak up if they have any concerns. The Audit Committee reviews our whistleblowing policy and procedures each year. Ethical questions or concerns raised by employees or third parties through the De La Rue CodeLine are investigated and all findings and remedial actions are reported in detail in periodic reports prepared for and reviewed by the Ethics Committee.

Training

The Committee attaches significant importance to regular, relevant and focused training. Training during the period included:

- Face-to-face introduction to TPP training sessions to new TPP stakeholders
- Competition law training where relevant for all new starters
- Online training modules for TPPs and relevant employees
- Senior managers, members of the Customer & Commercial team and core functional employees completed online CBP refresher training and affirmations
- Security awareness training including guiding principles on ethical behaviour for employees travelling overseas, backed up by an online e-learning course for all travellers going to high or extreme security risk destinations

Philip Rogerson

Chairman of the Ethics Committee
 30 May 2019

Code of Business Principles – 9 Topics

Bribery and corruption	Competition and anti-trust	Gifts and hospitality	HSE	Employment principles	Records and reports	Personal information	Insider trading	Conflicts of interest
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Backed up by policies

<ul style="list-style-type: none"> • Anti-bribery and corruption • Gifts and entertainment • Charitable giving 	<ul style="list-style-type: none"> • Competition and anti-trust 	<ul style="list-style-type: none"> • Gifts and entertainment • Expenses • Anti-bribery and corruption • Conflict of interests 	<ul style="list-style-type: none"> • Health and safety • Environment • Fire safety 	<ul style="list-style-type: none"> • Equal opportunities • Fairness and respect • Diversity 	<ul style="list-style-type: none"> • Group finance manual 	<ul style="list-style-type: none"> • Data protection 	<ul style="list-style-type: none"> • Share dealing, market abuse and insider trading 	<ul style="list-style-type: none"> • Conflicts of interest • Gifts and entertainment
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Supported by processes

<ul style="list-style-type: none"> • TPP • Gift register • Expenses vetting 	<ul style="list-style-type: none"> • Legal department guidelines 	<ul style="list-style-type: none"> • Gift register • Expenses vetting 	<ul style="list-style-type: none"> • Monthly reporting • Global HSE standards • ISO management systems 	<ul style="list-style-type: none"> • Grievance procedure • Disciplinary process 	<ul style="list-style-type: none"> • Compliance declarations • External monitoring • Separation of duties 	<ul style="list-style-type: none"> • Data protection officer • Annual data protection returns 	<ul style="list-style-type: none"> • Procedure for dealing with inside information • Dealing approvals 	<ul style="list-style-type: none"> • Gifts register
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Underpinned by oversight, controls and communication

Specialist audits	Benchmarking	CodeLine	Employee surveys	Ethics Committee
External audit	Internal audits	Training/induction	Risk reviews	SharePoint
BnEI accreditation		ICC CR and Anti-Corruption Committee		UN Global Compact