


<p>Radian Group</p> <p>Anti-Bribery Policy</p> <p>Version: 1</p> <p>Approved: July 2011</p>	
---	--

1. Statement of Intent

1.1 We condemn bribery in all its forms and fully support the aim of the Bribery Act 2010 in seeking to prevent this activity. Radian Group and its partner companies will not offer or accept bribes, and will ensure appropriate procedures are in place to discourage and prevent bribery, and the perception of bribery, by any persons associated with the organisation.

2. Definition

2.1 The Bribery Act 2010 is UK legislation effective from 1st July 2011.

2.2 Bribery can be defined under the Act as the offer, promise, or giving of a financial or other advantage to another person where the intention is to either bring about the improper performance of a “relevant function or activity”, or to reward that improper performance. Bribery also takes place where the person offering the advantage knows or believes that the very acceptance of the bribe would constitute the improper performance of that function.

2.3 By “relevant function or activity”, the Act refers to any function which is of a public nature, or any activity which is connected with a business, performed in the course of a person’s employment, or performed by or on behalf of a body of persons, whether corporate or not.

2.4 The Bribery Act 2010 makes it a criminal offence for an individual to bribe or receive a bribe in return for improper performance. It also creates a separate offence of bribing a foreign public official. This differs from the first offence in that it does not require proof that the official in question has performed their function improperly as a result of the bribe; only that the bribe was offered or given with that intention.

2.5 A commercial organisation carrying out business in the UK – which would include Radian Group and its partner organisations – can also commit an offence under the Act by failing to prevent a “person associated” with the organisation from bribing in order to gain an advantage for that organisation.

2.6 An associated person is defined as a person who “performs services” for or on behalf of the organisation and can be an individual, corporate, or unincorporated body. The broad scope of this definition is intended to encompass employees, contractors, suppliers, and indeed anyone connected to the organisation that might be capable of bribery on its behalf.

3. Policy

- 3.1 We have always rejected the practice of offering or receiving bribes throughout our business. We also recognise the danger posed by the perception of bribery, and the reputational damage this could cause.
- 3.2 Radian staff, contractors and associates must be aware of their duty to not only refuse bribes, or anything that is likely to be perceived as a bribe, but also to take the greatest care in their dealings with others to ensure that nothing they offer on behalf of Radian could be inadvertently perceived or even accepted by another party as a bribe.
- 3.3 This policy should be regarded as a statement of our intent to prevent real or perceived bribery within the organisation, and as a starting point for more targeted procedures appropriate to that end.
- 3.4 This policy is informed by the “six principles” identified in guidance published by the Secretary of State, under Section 9 of the Bribery Act 2010.

3.5 Principle 1: Proportionate procedures

- 3.6 We will adopt procedures to prevent bribery by persons associated with Radian Group that are proportionate to the bribery risks we face in our various areas of commercial and non-commercial activity, such as development, procurement, housing and care. These procedures will be developed and reviewed as the scale and complexity of Radian Group’s activities, and thereby our exposure to bribery risks, change over time.
- 3.7 In addition to preventing bribery itself, we will also seek to avoid situations in which bribery could be perceived as occurring within Radian Group or on the organisation’s behalf.
- 3.8 Anti-Bribery procedures will be clear and accessible, and designed to be easily implemented both within the organisation and by any contractors, suppliers, agents or other associates to whom the procedures should also apply.

3.9 Principle 2: Top-level commitment

- 3.10 The boards of Radian Group and its partner companies, including but not limited to Turnstone Support, Swaythling Housing Society, Portal Housing Association, Drum Housing Association and Windsor and District Housing Association (and any successors in title) take a firm stance against bribery and will not tolerate its practice either within the organisation, or on the organisation’s behalf.
- 3.11 The board and executive’s rejection of bribery is total. Irrespective of the law, any tolerance of bribery would be entirely incompatible with the core values of Radian Group, as encapsulated in our vision statement of “Choice, Opportunity and Trust”.
- 3.12 This Anti-Bribery Policy is one of a suite of policies promoted by the board in order to foster and maintain a culture of the highest probity and integrity throughout Radian Group, which include a Gifts and Hospitality Policy, Non-contractual Payments and

Benefits Policy, and Whistle-blowing (Confidential reporting) Procedure.

3.13 Principle 3: Risk Assessment

- 3.14 We will consider the risk of bribery as part of the risk assessment we carry out routinely on new development schemes, procurements, and other new business activity. These risk assessments will be communicated to the board and/or appropriate committee in the standard report form.
- 3.15 Bribery will also be considered as part of Radian Group's group-wide Risk Register, which is regularly reported to the audit committee and board for their scrutiny.
- 3.16 When considering the risk of bribery, either in relation to a specific venture or in the business as a whole, specific reference will be made to the commonly encountered risks identified in Appendix One to this policy (taken from the Government's Bribery Act Guidance).

3.17 Principle 4: Due Diligence

- 3.18 Bribery will be considered as a factor in any due diligence undertaken when engaging contractors, suppliers, employers' agents or other external persons to carry out tasks or perform functions on behalf of Radian Group.
- 3.19 The approach to due diligence will be practical and proportionate, and informed by the levels of risk identified in the particular activity.
- 3.20 Due diligence may also be applied during the recruitment process, where a particular post within the organisation is felt to be significantly exposed to a bribery risk.

3.21 Principle 5: Communication (Including training)

- 3.22 We will take all necessary steps to ensure that this policy is communicated to staff and contractors in a clear and appropriate way. All managers are expected to lead by informing and reminding their staff of Radian Group's zero tolerance of bribery at team meetings, one-to-one's, and inductions for new staff. Other channels include the staff intranet (where the policy will be published), staff magazine, and briefings by senior management.
- 3.23 Training on anti-bribery procedures will be provided in appropriate forms for staff and, where appropriate, contractors and other external parties who may be implementing the procedures.
- 3.24 Where we actively take additional steps to prevent bribery in a particular situation, we will document this.

3.25 Principle 6: Monitoring and Review

- 3.26 Radian Group's Audit Committee (GAC) will monitor the performance of the organisation's Anti-Bribery procedures and seek assurance on their correct operation, which they will in turn report to the board.

- 3.27 Where any incidence of bribery occurs, or is suspected, this must be reported to GAC at the earliest opportunity. If necessary, the procedure on Whistleblowing (Confidential Reporting) may be used.
- 3.28 Managers will consider any feedback from staff on the effectiveness of anti-bribery procedures and act on any concerns.
- 3.29 The board and executive recognise that procedures to combat bribery will require review as the operating environment changes, and Radian Group's corporate aims develop. Similarly, it is essential that the organisation learns from experience gained in the operation of its current procedures and any failures, or notable successes, arising from their implementation.

4. Legal & Regulatory Framework

- The Bribery Act 2010

5. Links to other Policies

- Gifts and Hospitality Policy
- Non-contractual Payments and Benefits Policy

6. Related Procedures

- Procurement procedure
- Whistleblowing (Confidential reporting) procedure
- Code of Conduct for staff and board members

7. Responsible Officer

Head of Governance

8. Review Details

Approved by (including date of approval)	Combined Group Board, 29 th July 2011
Review Cycle	3 years
Date of next review	July 2014

9. Appendices

Appendix One: Commonly encountered bribery risks

Appendix One - Commonly encountered risks

(Taken from the Bribery Act 2010 Guidance, published by the Secretary of State in accordance with Section 9 of the Act).

External Risks

Commonly encountered external risks can be categorised into five broad groups – country, sectoral, transaction, business opportunity and business partnership:

- **Country risk:** this is evidenced by perceived high levels of corruption, an absence of effectively implemented anti-bribery legislation and a failure of the foreign government, media, local business community and civil society effectively to promote transparent procurement and investment policies.
- **Sectoral risk:** some sectors are higher risk than others. Higher risk sectors include the extractive industries and the large scale infrastructure sector.
- **Transaction risk:** certain types of transaction give rise to higher risks, for example, charitable or political contributions, licences and permits, and transactions relating to public procurement.
- **Business opportunity risk:** such risks might arise in high value projects or with projects involving many contractors or intermediaries; or with projects which are not apparently undertaken at market prices, or which do not have a clear legitimate objective.
- **Business partnership risk:** certain relationships may involve higher risk, for example, the use of intermediaries in transactions with foreign public officials; consortia or joint venture partners; and relationships with politically exposed persons where the proposed business relationship involves, or is linked to, a prominent public official.

Internal Risks

Commonly encountered internal factors may include:

- deficiencies in employee training, skills and knowledge
- bonus culture that rewards excessive risk taking
- lack of clarity in the organisation's policies on, and procedures for, hospitality and promotional expenditure, and political or charitable contributions
- lack of clear financial controls
- lack of a clear anti-bribery message from the top-level management