

# Governance

## Corporate Responsibility Committee



**Dr Bernard Bulkin**  
Chairman of the Corporate  
Responsibility Committee

The purpose of the committee is to provide guidance and direction to the group's corporate responsibility (CR) programme, review the key CR risks and opportunities and to monitor progress. The full terms of reference for the committee can be found on the company's website ([www.severntrent.com](http://www.severntrent.com)) and are also available from the Company Secretary.

The committee reviews annually the group's formal whistleblowing policy that deals with allegations from employees relating to breaches of the Code of Conduct and reviews at each of its meetings the whistleblowing incident log.

We continue to integrate corporate responsibility (CR) into our core business strategies and operations for both Severn Trent Water and Severn Trent Services. We have also confirmed the structure for our CR policy and framework. This is based around the four areas of Workplace, Marketplace, Environment and Community which provide a common framework for both our businesses – regulated and non-regulated. For each of the areas, there are four goals within our CR policy which define the direction for our focus and performance.

Within our CR framework, we have identified 10 focus areas which are critical to our management of risk and reputation. These areas have been determined through stakeholder dialogue, risk assessment and benchmarking within the water industry and the FTSE 100. The 10 areas provide the focus of the forward agenda of our CR Committee.

#### **Workplace:**

**Health, safety and wellbeing. Employee skills, conduct and motivation. Diversity.**

#### **Marketplace:**

**Customer needs – including vulnerable customers. Supply chain responsibility.**

#### **Environment:**

**Environmental stewardship. Waste reduction and recycling. Climate change – mitigation and adaptation.**

#### **Community:**

**Community engagement. Working with our customers – including pollution prevention and water efficiency.**

These focus areas also determine our approach to working in collaboration with other organisations who share mutual interests and objectives. Further information is available on our corporate website [www.severntrent.com/corporateresponsibility](http://www.severntrent.com/corporateresponsibility)

To embed and track delivery against the CR focus areas, we have reviewed how we measure and report our progress. Within Severn Trent Water we already have an effective performance management system in place through 20 core business Key Performance Indicators (KPIs) and eight KSIs. These are overseen by the Severn Trent Executive Committee and the board. Many of the business KPIs relate directly to our CR focus areas and therefore contribute significantly to our CR performance.

We report internally on our performance through both our Executive Committee and our CR Committee. Externally, we report through a number of channels including our annual June Return (our regulatory submission to Ofwat), our websites, our Annual Report and Accounts and our CR Summary Report.

Our CR Summary Report for 2009/10 details our strategy and approach to CR and our performance against key issues. The report can be found at [www.severntrent.com/corporateresponsibility](http://www.severntrent.com/corporateresponsibility)

The members of the Corporate Responsibility Committee are Dr Bernard Bulkin (Chairman), Sir John Egan, Gordon Fryett and Tony Wray.

#### **Corporate Responsibility Committee attendance in 2009/10**

Sir John Egan	5/5
Dr Bernard Bulkin	5/5
Gordon Fryett	3/5
Tony Wray	5/5