

Fraud, Bribery and Corruption Policy

Policy statement

HS2 Ltd will not tolerate fraud, bribery or corruption and is committed to tackling it through a comprehensive framework of prevention, detection, investigation, and deterrence measures. Where possible and economical to do so HS2 Ltd will reduce the opportunity for fraud, bribery and corruption to occur. Where it does occur the early identification of it will reduce its impact. This policy drives HS2's Counter Fraud, Bribery and Corruption Strategy and informs the annual Action Plan.

We also aim to continuously improve our strategy and will undertake counter fraud processes including submission of quarterly performance data, annual Action Plans and metrics and compliance with the Counter Fraud Functional Standard.

The Board member responsible for managing the risk of fraud, bribery and corruption is the Chief Financial Officer. The Counter Fraud Functional Lead responsible for the day-to-day management of fraud, bribery and corruption risk is the Head of Counter Fraud and Business Ethics.

What is fraud?

Fraud is the use of deception with the intention of making a gain for oneself or others or causing loss or risk of loss to another. The gain or loss does not actually have to occur provided the intention is there.

The main fraud offences under the Fraud Act 2006:

- Section 2 - False representation
- Section 3 - Failing to disclose
- Section 4 - Abuse of position

What is bribery?

Bribery, very generally, is defined as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.

Bribes can take a variety of forms and might include cash, gifts and hospitality, a contract award or gaining inside information about upcoming work. They are given to someone with the intention of influencing them to act in a way that favours an individual or a company.

Facilitation payments, which are payments to induce officials to perform routine functions they are otherwise obligated to perform, are bribes.

It is also an offence to request, accept or agree to receive a bribe.

The main offences of the UK Bribery Act 2010:

- Section 1 - Offering, promising or giving a bribe
- Section 2 - Requesting, receiving, or agreeing to accept a bribe
- Section 7 - Failure of commercial organisations to prevent bribery

The UK Bribery Act applies to all our employees, and those working on our behalf, regardless of whether you are working in the UK or overseas. The consequences of committing offences prohibited by the UK Bribery Act could include:

- Unlimited fines for both the individual and HS2 Ltd
- Imprisonment for up to ten years
- Significant reputational damage to both the individual and HS2 Ltd

Corruption

Corruption is not a criminal offence. It is a word used to describe a range of offending that could include a criminal offence, but also a range of misconduct. Corruption can include nepotism, cronyism and patronage. It is almost a pre-cursor to an offence of bribery. If you think of corruption as a big net or web, on the edge of the net you may have patronage or cronyism or the like. They favour an individual as opposed to giving everyone a fair opportunity, but not necessarily would they be a criminal offence.

Our commitment

HS2 Ltd requires all board members, staff, industry partners and third parties who engage on our behalf to act in accordance with HS2's values and behaviours and to safeguard the public resources for which they are responsible.

To underpin our value of integrity, our objective is to create a culture where fraud, bribery and corruption are not tolerated, and everyone feels comfortable to raise any concerns.

It is also the responsibility of managers to assess fraud, bribery and corruption risk for their areas and conduct appropriate risk mitigation actions taking into account HS2's operations and business environment.

HS2 Ltd has a zero-tolerance approach when fraud, bribery or corruption is identified. We will always investigate concerns raised or brought to our attention and seek the most appropriate sanction and redress against those who commit, attempt to commit or assist anyone committing fraud or any other improper activities on our project.

Any suspicion of fraud, bribery or corruption will be investigated thoroughly and dealt with firmly and appropriately. HS2 Ltd will seek to recover any losses in proven cases and pursue criminal or disciplinary sanctions when appropriate. HS2 will also share data and intelligence with third parties as appropriate to assist in the prevention and detection of fraud.

For further details of our approach refer to HS2's Counter Fraud, Bribery and Corruption Response Plan which includes information on how suspicions of fraud, bribery and corruption can be reported and the roles and responsibilities of staff, teams and functions in responding to it.

Everyone who works for or with HS2 Ltd must ensure that they are aware of what fraud, bribery and corruption is and all managers are responsible for communicating this policy to their local teams.

HS2 will also learn lessons by identifying and recording recommendations for operational improvements when fraud, bribery and corruption is detected or following investigations.

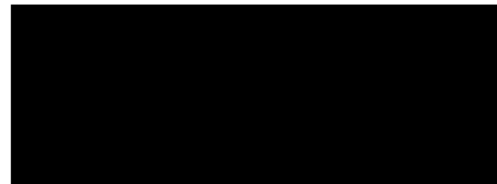
Scope

This policy applies to any irregularity, or suspected irregularity, involving employees as well as board members, consultants, vendors, contractors, and/or any other parties including supply chain with a business relationship with HS2 Ltd. Any investigative activity required will be conducted without regard to any person's relationship to this organisation, position or length of service.

You are asked to read it carefully and if you have any questions, please do not hesitate to speak to the Head of Counter Fraud & Business Ethics.

Executive Owner

The Chief Financial Officer is the Executive Owner of this policy and is responsible for maintaining the accuracy and relevance of its contents and for periodic review and update to reflect changing circumstances.



Approved on:
18.06.2025

Mark Wild
Chief Executive Officer
HS2 Ltd