

# Community Relations and Investment Policy

## 1. Introduction

- 1.1 Pennon Group recognises that it is part of, and has a responsibility towards, the communities in which it operates.
- 1.2 All subsidiary operating company boards have a responsibility to establish procedures and programmes that fulfil this Policy to deliver positive community relations and to deliver social capital gain wherever practically possible and economically reasonable.
- 1.3 This Policy is to be read in conjunction with the sustainability strategy and objectives determined from time to time as set out in the Group's latest annual report and the Group's Social and Environmental Policy and the Health and Safety Policy.

## 2. Policy

The Board's Policy is to take such action as is necessary and which is reasonably practicable to:

- Ensure that business activities have overall positive community benefits and that any potential adverse effects on society, the environment and those living or working in proximity to the Group's sites are minimised
- Undertake its activities in a way that takes account of the needs and priorities of local communities
- Conduct open and transparent engagement and consultation with local communities on matters relating to our relevant services and operations
- Make community investments through donations, sponsorship, education and outreach programmes, partnership and employee engagement which are affordable, linked to the Group's core businesses and which create a benefit both for the community and those businesses, thus delivering social capital gain
- Make community investment in a transparent way and with clear governance consistent with the Group's business plans and priority areas
- Foster an environment that encourages employee engagement with communities and provides opportunities for employee volunteering and for establishing partnerships with community organisations
- Support communities in which Group companies operate or causes relevant to Group company business
- Ensure Executive and operation-specific responsibility for community relations.

## 3. Review

This Policy is reviewed annually by the Sustainability Committee of the Pennon Group Board with a view to continuously improving the Group's focus and performance on community engagement. Operating Group companies will monitor performance against this Policy and report progress to the Sustainability Committee annually.

NAME	POSITION	SIGNATURE	DATE
Chris Loughlin	Group Chief Executive		30/03/2020