

# Anti-Modern Slavery and Human Rights Policy

## Purpose

This Policy sets out our responsibilities and of those working for and on our behalf, in preventing modern slavery or other associated human rights infringements occurring within our businesses or supply chain. This Policy will provide information and guidance on how to uphold human rights and how to recognise and deal with modern slavery and associated human rights issues.

## Scope and application

The Group General Counsel and Company Secretary is responsible for this Policy. It has been approved by the Pennon Group Board and applies across the Pennon Group and its subsidiary companies ("**Group**"). The Policy applies to all Group colleagues and those working for and on our behalf.

## Human Rights

Pennon is committed to promoting and maintaining the highest level of ethical standards in relation to how we do business. We will uphold internationally recognised human rights standards in all our operations consistently throughout the Group.

In accordance with our values, we are committed to having open and fair dialogue with all our stakeholders on Human Rights issues and commit to communicate effectively and respectfully with all parties concerned. We respect all fundamental human rights and are guided in the conduct of our business by the provisions of the United Nations Universal Declaration of Human Rights, the International Labour Organisation's (ILO) core labour standards and national legislation.

Our key actions to promote Human Rights:

**Equality and Diversity:** Our commitment is to provide a safe and inclusive working environment where all people are treated fairly and with respect. Our Code of Conduct sets out our commitment and these responsibilities. We require our suppliers and contractors to comply with any local legislation which applies to equality and diversity, as well as adhering to our values.

**Freedom of Association and Collective Bargaining:** We respect the right of our employees to join or not to join a trade union. Collective Bargaining is allowed and, for staff, delivered through negotiations with the Group's union representatives. We require our suppliers and contractors to similarly respect their employees' right to join a trade union or to partake in collective bargaining.

**Child Labour:** We operate in the UK and comply with all relevant laws, and we will not employ young persons under the age of 18 in a hazardous role or at night. We do not tolerate the use of child labour and require that our suppliers do not to use children in their operations (including in their value chain).

**Modern Slavery:** We are committed to mitigating the risk of any acts of modern slavery and any associated acts which are unlawful within Pennon and its supply chain. This commitment is set out under this policy and our Code of Conduct and Code of Conduct for Supply Chain Partners.

**Labour rights:** We provide fair working conditions for our employees including terms and conditions of employment, remuneration, working hours, resting time, holiday entitlements, maternity/paternity leave and benefits in compliance with all applicable legislation. We have policies which set out our commitment and responsibilities. Further, we expect our suppliers to comply with similar requirements.

**Remuneration:** As a Living Wage Foundation accredited employer, we are committed to ensuring that our employees are paid a real living wage and require our suppliers to comply with all applicable law and are working towards initiatives to identify and close gender and ethnicity pay gaps.

**Safe and Healthy Workplace:** We are committed to delivering high standards of health and safety management and aim to continually improve our performance, always seeking to reduce risk. We

believe in always doing the right thing and in doing it safely, without unnecessary risk to people's health and will comply with all relevant law. Our Health and Safety Policy and flagship Homesafe programme sets out our commitment and our responsibilities. It also requires our suppliers and contractors to comply with all applicable law as well as adhering to our values.

**Vulnerable Customers:** We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships. We acknowledge that the individual circumstances of some of our customers leave them significantly less able to represent their own interests and more likely to suffer harm or disadvantage. We have developed assessments to help identify our vulnerable customers and have in place tailored and flexible processes and practices to support the provision of a suitable level of service and expertise to enable the vulnerable customer to engage with us. Where relevant, we require our suppliers to adhere to these values.

**Communities:** We recognise our impact on the communities in which we operate and serve. We are committed to engaging with stakeholders in those communities to ensure that we are listening to, learning from, and taking into account their views as we conduct our business. Our commitment is demonstrated by providing economic opportunity and fostering goodwill in the communities in which we operate through innovative programmes, such as our Apprenticeship initiative.

**Environmental impact:** Conserving and protecting the environment is a principle of high importance for us and we will not engage in activities that have unacceptable risks or effects on the environment. We ensure that we minimise our impact, and that any such risks shall be identified as early as possible to facilitate timely and appropriate actions to avoid methods of operation which give rise to environmental risks where there are suitable alternatives available. Our initiatives in this area include our Upstream and Downstream Thinking programmes. We endeavour to ensure our supply chain also strive for environmentally positive options whenever possible. We are committed to being Net Zero Carbon by 2030 and have adopted planning and systems which allow the impact of our work on the environment and communities to be evaluated and considered with a view to minimising any negative impact.

## Modern Slavery

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms such as slavery, servitude, forced and compulsory labour, and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

We are dedicated to taking all the essential measures to comprehend and reduce the risk of modern slavery. We are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

Our approach to modern slavery is consistent with our Code of Conduct. Our commitment is demonstrated by being a signatory to the UN Global Compact (and its ten fundamental principles), which aims to unify worldwide business strategies and operations with universal principles on human rights, labour, environment, and anticorruption.

We will uphold all laws and are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015.

In addition to our own activities, we expect the same high standards from all our contractors, suppliers and other business partners, as set out in our Code of Conduct for Supply Chain Partners. As part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We expect that our suppliers will hold their own supply chain to the same high standards.

Our key Modern Slavery preventative measures:

## Procurement

As part of our supplier onboarding and tendering processes, we continue to require our business partners, suppliers, sub-contractors, and sub-suppliers:

- To abide by minimum wage requirements for their respective government and to state how the employees are paid.
- Where appropriate, provide sufficient living conditions.
- To state their awareness of the Modern Slavery Act 2015 and compliance with it.
- Confirm the policies they have in place to mitigate any risk specific to the use of slave labour.
- Evidence what level of auditing they undertake for their own suppliers and allow Pennon Group to conduct their own audits if required.
- State whether they have previously been involved in any human trafficking, debt bondage and other acts of employee exploitation.
- Provide evidence of their Modern Slavery Statement if obligated to do so under section 54 of the Modern Slavery Act.

## Human Resources

Pennon undertakes bank account checks for all new starters. This cross-references the name of the new employee and the name on the bank account to flag any mismatches that may require further investigation. If the names do not match, there is a thorough investigation to ensure that salary payments are not being collected by a third party.

## Pennon Power Ethical Supply Chain

A framework for dealing with the Modern Slavery risk associated with the procurement of photovoltaics ("PV") modules (specifically the risk of forced labour in Xinjiang Province, China) for Pennon Power projects has been developed. The framework includes a standard set of Contractor Employer Requirements for insertion into all EPC contracts Pennon Power enters; these include:

- a requirement to procure PV modules only from suppliers who can evidence that risks of modern slavery in the production of the PV modules have been managed and mitigated against;
- a prohibition of the procurement of PV modules which contain polysilicon or involve labour in the manufacturing process from companies based in Xinjiang Province, China; and
- a requirement to provide full traceability records for the PV modules verified by an independent thirdparty auditor.

## Your responsibilities

You must ensure that you read, understand, and comply with this Policy.

The prevention, detection and reporting of modern slavery and other forms of human rights infringement in any part of our business or supply chains is the responsibility of all those working for us or under our control.

You are required to avoid any activity that might lead to, or suggest, a breach of this Policy and support the implementation of our key actions and preventative measures set out above.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this Policy.

## How to raise a concern

You must notify either the Legal Compliance team ([legalcompliance@pennon-group.co.uk](mailto:legalcompliance@pennon-group.co.uk)) **or** the Group General Counsel and Company Secretary **or** the Deputy General Counsel **or** use the confidential SpeakUp helpline (**0800 024 118**), if you are submitting a report via telephone you will need to use Pennon Group's organisation code: 12754. Alternatively, you can raise your concerns anonymously via the online portal

(<https://pennonspeakup.speakup.report/SpeakUpPennon>), as soon as possible if you believe or suspect that a breach of this policy has occurred or may occur in the future. This includes raising concerns about any issue or suspicion of modern slavery in any parts of our business or supply chains of any supplier tier at the earliest possible stage. You should note that where appropriate, we may give support and guidance to our suppliers to help them address coercive or exploitative work practices in their own business and supply chains.

When you make a report, you have the option to leave your e-mail address if you'd like to get a notification when there is a response. We strongly encourage this as it makes it much easier to communicate and ensures that you can be kept up to date with the progress of the investigation. If you do choose to share your e-mail, it will be kept strictly confidential, and it is not accessible by the investigation team. It is only used so that you can be notified when there is a response waiting in the system.

If you choose not to provide your e-mail, it is essential to keep your Report ID and password secure and log back in to the portal regularly. This is the only way to access responses or to provide additional information related to your report.

If you are unsure about whether a particular act, the treatment of workers more generally, or their working conditions within any tier of our supply chains constitutes any of the various forms of modern slavery, raise it with the Legal Compliance team or the Deputy General Counsel or through our confidential Speak Up helpline or portal.

We are committed to ensuring no one suffers any detrimental treatment as a result of reporting any reasonably held suspicion of any breach of this Policy.

## Training

Training on Modern Slavery and the Code of Conduct forms part of the induction process for all individuals who work for us, and annual refresher training is provided thereafter.

## Consequences of breaching this policy

Any employee who breaches this Policy will face disciplinary action, up to and including termination of employment and/or prosecution. We will exercise termination rights with individuals and organisations working on our behalf if they breach this Policy.

## Queries

Any queries regarding the Policy should be directed to the Deputy General Counsel: [bmatthews@pennongroup.co.uk](mailto:bmatthews@pennongroup.co.uk)

## VERSION HISTORY

This section of the policy should be completed to detail changes made to the policy.

VERSION	STATUS	AREA OF CHANGES	DESCRIPTION OF CHANGES	APPROVED BY	DATE OF RELEASE DD/MM/YYYY
2.2	Current	Partial	Updates to hyperlinks and inclusion of whistleblower reporting directions.	Group Deputy General Counsel	05/09/2025
2.1	Retired	Partial	Updates to include new whistleblower platform and contact	Group Deputy General Counsel	07/07/2025