

Jacobs U.K. Limited ('Jacobs') was engaged by Pennon Group plc ('Pennon') to provide limited assurance on selected Environmental, Social and Governance (ESG) metrics, as detailed below and as reported in Pennon's Annual Report and Accounts 2025 (ARA 2025) and its ESG Databook 2025.

Our Conclusion

Based on the limited assurance process completed in accordance with the International Auditing and Assurance Standards Board's (IAASB) International Standard on Assurance Engagements 3000 (ISAE 3000 (Revised)), we consider the following statements to be true:

- all individuals within the internal approval process have signed off the data;
- the systems and processes relating to ESG data collation and reporting are considered to be fair and appropriate;
- the ESG data listed in the table below is competently sourced and processed and it fairly reflects the company position.

The Jacobs assurance team identified some material concerns with the ESG data during audits. These were satisfactorily addressed before forming our conclusion.

Pennon's Responsibilities

The information and presentation of data within the ARA 2025 and ESG Databook 2025 is the responsibility of Pennon. The Directors are responsible for:

- establishing relevant criteria for preparing the ESG metrics in scope;
- designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the ESG metrics in scope that are free from material misstatement, whether due to fraud or error; and
- measuring and reporting the ESG metrics in scope based on the relevant criteria.

Our Responsibilities

We are responsible for:

- conducting an engagement in accordance with ISAE 3000 (Revised) to provide limited assurance of the ESG metrics in scope, to establish whether it is free from material misstatement, whether due to fraud or error; and

- expressing an independent conclusion on the ESG metrics in scope based on our procedures.

Our Independence and Quality Management (including ISQM1)

- Jacobs has a strong multidisciplinary team with backgrounds in sustainability reporting and assurance, ESG due diligence and disclosure, and wider environmental management services. This report represents the independent opinion of the Jacobs assurance team.
- Jacobs operates a System of Quality Management (QMS) referred to as Jacobs Business Management System (BMS) which is certified to BS EN ISO 9001:2015 by Lloyd's Register Quality Assurance. The current certification is valid until 30 September 2026.

Alignment to International Ethics Standards Board for Accountants (ISBA) Code of Ethics

- Jacobs maintains a corporate Code of Conduct for Ethics and Integrity. All employees, directors and officers of the company globally are bound by this Code of Conduct. This Code of Conduct is the basis for how Jacobs does business. Every Jacobs employee has a duty to read and understand the Code of Conduct and to apply this in all engagements undertaken. There is an annual self-certification process, which is mandatory for all employees, that requires confirmation that the latest version has been read and understood. This Code of Conduct is part of an overall Compliance and Business Practices Programme operated by Jacobs. This programme also includes Jacobs' commitment to anti-bribery and corruption. All members of the Jacobs assurance team are covered by this Code of Conduct.

ESG metrics in scope

The ESG performance data in the table below was reviewed. The selection of the metrics for assurance was the responsibility of Pennon and Jacobs did not consider the selection process as part of the engagement.

ESG Metric	Reported value 2024/25	Units
Greenhouse Gas (GHG)		
Total Scope 1 emissions (market-based)	29,803	tCO2e
Total Scope 1 emissions (location-based)	29,803	tCO2e
Total Scope 2 emissions (market-based)	26,975	tCO2e
Total Scope 2 emissions (location-based)	89,432	tCO2e
Total gross Scope 1 & 2 emissions (market-based)	56,778	tCO2e
Total gross Scope 1 & 2 emissions (location-based)	119,235	tCO2e
Emissions intensity measure (market-based)	5.4	gross Scope 1+2 /£100,000 revenue
Emissions intensity measure (location-based)	11.4	gross Scope 1+2 /£100,000 revenue
Scope 3 emissions: Category 1 – Purchases goods and services	128,617	tCO2e
Scope 3 emissions: Category 2 – Capital goods	117,675	tCO2e
Scope 3 emissions: Category 3 – Fuel and energy related (not Scope 1 & 2)	32,590	tCO2e
Scope 3 emissions: Category 6 – Business travel	1,330	tCO2e
Reduction from the baseline year 2021 (Scope 2 market-based)	70.68%	%

ESG Metric	Reported value 2024/25	Units
Energy		
Total energy usage	535,621	MWh
Electricity production by energy type: Hydro	11,550	MWh
Electricity production by energy type: Solar	7,769	MWh
Electricity production by energy type: Wind	1,031	MWh
Electricity production by energy type: Other Renewables	12,145	MWh
Total energy production	32,496	MWh
Percentage Renewable Energy	7.14	%
Health & Safety		
Total, lost time injuries: Employees	17	#
Lost time injury frequency rate: Employees	0.24	# /100k hrs
Fatalities: Employees	0	#
Fatalities: Contractors	0	#
Diversity		
REACH recruitment: Applications	24	%
Men and women on the board of directors, including non-executive directors	43% M 57% F	%
Male and female employees across the Group	69% M 31% F	%
Male and female employees across the Group's senior management team	63% M 37% F	%

Standard, Scope and Criteria

This limited assurance was undertaken in accordance with the International Auditing and Assurance Standards Board's (IAASB) International Standard on Assurance Engagements 3000 (ISAE 3000 (Revised)).

The criteria used for this assurance were taken from Pennon's ESG Metric Definitions, which include a detailed definition and scope for each metric, some referring to criteria from other sources (e.g. GHG Protocol, SECR).

The assurance process was conducted by the Jacobs assurance team between April 2025 and May 2025.

The assurance consisted of undertaking process and data audits, covering four ESG metric types: GHG emissions, Energy, Health & Safety, and Diversity. Where necessary, separate audits were undertaken with recently acquired companies (Bristol Water, SES), as well as with the Pennon Group managers of the relevant departments (e.g. Health and Safety, HR).

The process audits gathered information on the processes, systems, and controls that were in place to generate and consolidate the ESG data. The audits covered a consistent set of queries, including areas such as governance, methodology, reporting checks and controls. Methodology statements were reviewed.

The data audits consisted of undertaking sample checks, in order to gain confirmation of reported values from primary data and to ensure that the stated methodologies were followed. Where issues were found, these were reported to Pennon for correction (both material and non-material) or as recommended improvements. Samples were selected based on materiality and risk, and to provide a representative overview of the different Pennon Group companies.

Inherent limitations

The assurance opinion within this document is provided to a 'limited assurance level' as defined by ISAE 3000 (Revised). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Because of the nature of the risk-based sample checks and inherent limitations of processes and systems, there remains the unavoidable risk that misstatements may not have been detected.

While the level of assurance engagement risk is higher than in a 'reasonable assurance' engagement, the nature, timing and extent of the evidence-gathering procedures used for this engagement are sufficient to provide a meaningful level of assurance.

In addition, the assurance of one metric (REACH recruitment) was limited by the nature of information kept by Pennon's systems. A check against primary data was not possible for this metric, but the systems, reports, and data provided during the assurance are considered to be sufficient to provide limited assurance of this metric.

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