

Modern Slavery Statement

September 2025



This modern slavery statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 (the “Act”) and constitutes Pennon’s anti-slavery and human trafficking statement for the financial year 2024-2025. It is made on behalf of Pennon Group plc and its Group companies, including South West Water Limited, Bristol Water Holdings UK Limited, Bournemouth Water, Sutton and East Surrey Water PLC, Pennon Power Limited, Sutton and East Surrey Water Services Limited trading as SES Business Water and Pennon Water Services Limited and was approved by the Pennon Group plc Board on 25 September 2025.

This is our ninth statement and outlines our processes and procedures to mitigate the risk of slavery and human trafficking during the financial year ending 31 March 2025. To date, we have had no instances of modern slavery, or concerns raised, however we remain committed to keeping our approach under continual review. Our previous statements can be found [here](#).

A message from our Chief Financial Officer, Laura Flowerdew:

Pennon is committed to doing its part in eradicating modern slavery. To this end, we have put in place measures to hold our operations and those of our partners to high standards of ethical conduct and respect for human rights.

The rise in global conflict has been accompanied by an increase in human trafficking across Europe. More than ever, we need to be vigilant as traffickers and organised criminal networks seek to exploit vulnerable individuals, including those within the UK. We are continuously looking for ways to enhance our practices to combat exploitation and uphold the rights and dignity of all people at Pennon and in our supply chain.

We have developed robust policies and practices to address modern slavery and to allow concerns to be reported. We engage in open and transparent dialogue with stakeholders on human rights issues and expect the same level of commitment from our partners and suppliers. Our new Code of Conduct (launched in February 2025) and our Anti-Modern Slavery and Human Rights Policy set the standards for preventing and addressing any human rights impacts associated with our business activities and relationships.

In our last financial year, we successfully implemented a modern slavery action plan, including a thorough review of all Pennon policies, employee training and procurement/payroll processes. This has led to improvements to our Supplier Onboarding Questionnaires to include a higher standard of due diligence for higher risk suppliers (e.g. those based in a jurisdiction which scores 40 or below on Transparency International's Corruption Perceptions Index) and the introduction of an annual check of all employee bank account names to identify duplicate bank accounts and mismatching names. This has enhanced our measures to detect third-party collections of salary payments which could indicate a modern slavery risk.

In this financial year, we plan to extend our new modern slavery training programme to incorporate third party contractors, including those in our new amplify engineering alliance. We will also continue to lead the Water Industry Best Practice Whistleblowing Forum we created (involving 15 water companies) aiming to ensure best practice is shared amongst peers.



A handwritten signature in dark ink, appearing to read 'Laura Flowerdew'.

Laura Flowerdew
Chief Financial Officer
Pennon Group plc

25th September 2025

About Pennon Group

Who are we?

Pennon Group was founded in 1989 with its core business being centred on the UK Water sector. Pennon and its subsidiaries serve a population of approximately 4.3 million domestic customers across England, providing over 1 billion litres of safe, clean drinking water each day.

Pennon Group companies include:

 South West Water	 BRISTOL WATER	 Bournemouth Water	 ses WATER	 Isles of Scilly Water	 Pennon Water Services	 ses BUSINESS WATER	 Pennon POWER
• c.1.8 million people served	• c.1.2 million people served	• c.0.5 million people served	• c.0.8 million people served	• c.2,100 people served	• c.95,000 business customer accounts	• c.15,000 customer accounts	• 135 GW hours of future annual power generation
• Water and wastewater	• Water only	• Water only	• Water only	• Water and wastewater	• Providing water retail services for commercial customers across England and Scotland	• Providing water retail services for commercial customers across England and Scotland	• Enough electricity to power 40% of operations
• c.480 million litres of drinking water per day	• c.280 million litres of drinking water per day	• c.160 million litres of drinking water per day	• c.160 million litres of drinking water per day	• c.700k litres of drinking water per day			
• Supplying Cornwall, the Isles of Scilly, Devon and small areas of Dorset and Somerset	• Supplying the city of Bristol, and surroundings	• Supplying parts of Dorset, Hampshire and Wiltshire	• Supplying parts of Surrey, Kent, and South London	• Assumed responsibility in 2020			• Solar farms in Aberdeenshire, Fife, Cumbria and Buckinghamshire

Pennon's businesses are all UK based.

A list of Pennon Group trading subsidiary companies can be found in our Annual Report, a copy of which is available on our website here:

<https://annualreport.pennon-group.co.uk/index.html>

Our Governance Framework



Review of Financial Year 24/25

During the Financial Year 24/25, Pennon Group plc has taken steps to mitigate and remediate potential impacts from modern slavery risks across our operations, suppliers, and beyond, through improved processes and training measures.

Management, Resources, and Engagement

We have continued the implementation of our continuous improvement action plan which has focused on minimising the risk of Modern Slavery occurring within Pennon and its subsidiaries. This has included the launch of a new refreshed Group Code of Conduct in February 2025 with a section devoted to Modern Slavery risk.

Supplier Due Diligence

We have improved our Supplier Onboarding Questionnaires to include a higher standard of due diligence for higher risk suppliers e.g. those based in a jurisdiction which scores 40 or below on Transparency International's Corruption Perceptions Index.

Pennon has become a signatory of the Solar UK's support of the Solar Stewardship Initiative ESG Standard. Following through with our commitment to the principles of the Solar Stewardship Initiative,

we will continue to seek to use PV modules from manufacturers that can demonstrate they are following the SSI Standard in future projects.

Policies and Framework

Pennon has conducted an annual review of its Legal Compliance Policies, including the Anti-Modern Slavery and Human Rights Policy, to ensure it is in line with best practice and government guidance.

SES Water has been fully integrated into the Pennon Group Whistleblowing programme, SpeakUp. In addition, all Pennon Group Legal Compliance Policies and training have been rolled out to SES Water employees, including the Anti-Modern Slavery and Human Rights Policy, and the Modern Slavery Statement.

Human Resources

We have introduced an annual check of all employee bank account names to identify duplicate bank accounts and mismatching names. This has enhanced our measures to detect third-party collections of salary payments which could indicate a modern slavery risk.

Training

We have launched a new e-learning module focusing on awareness of the risk of modern slavery. This has been rolled out as mandatory training to all employees across the Pennon Group.

Building on the new e-learning module, we have also conducted enhanced face-to-face training with

our Procurement, Human Resources and Contracts, Commercial and Estates teams in collaboration with one of Pennon Group's panel law firms.

SES Water

Following a Modern Slavery audit within the SES supply chain, the overall Supplier Management process audit, and the internal and external audits of Suppliers, all conducted, it was highlighted that SES Water needed a more robust solution to manage supply chain risk. Over the last financial year, the Health, Safety, and Security, Cyber Security, Procurement, and Compliance teams have identified RiskLedger as a suitable tool for managing SES Water's supply chain and associated risks.

Supply Chain Sustainability School

Pennon Group plc joined the Supply Chain Sustainability School ("SCSS") in March 2025. The SCSS is a virtual learning platform designed to upskill our supply chain and internal teams in sustainability and ESG topics, which includes a great deal of relevant and peer-led guidance developed around modern slavery.

Our partnership with the SCSS gives us access to training modules, leadership groups (including the Built Environment Against Slavery Group), and up to 5 training sessions we can run with colleagues or suppliers on topics of our choosing.

Plans for the Financial Year 25/26

Training

As we launch into Asset Management Plan 8 (2025 to 2030), we will be extending our modern slavery training programme to our engineering supplier alliance, amplify.

Whistleblowing

We will be looking to facilitate an in-person Water Industry Best Practice Whistleblowing Symposium. This will seek to further expand on the quarterly virtual meetings Best Practice Forum meetings we chair.

We will also be moving to a new Whistleblowing Reporting Platform. This new platform is more user-friendly for those wishing to make a report and has a streamlined back-end administrative function that will allow whistleblowing investigations to be conducted more effectively.

Policies and Framework

We will be conducting a full review of our Anti-Modern Slavery and Human Rights Policy to reflect on best practice as identified through the Whistleblowing Best Practice Forum. This will be alongside a full review of our Legal Compliance Policies.

Supplier Due Diligence

We will be conducting a review of the top legacy 100 suppliers by spend to include assurance of the new enhanced supplier due diligence questionnaire for those deemed high risk. Accompanying this, we will be beginning annual communications to high-risk suppliers listed in our Register of High Risk Associated Person's to re-confirm the supplier due-diligence onboarding questions relating to modern slavery compliance and financial crime risk.

Human Resources

Over the next financial year, we will also be introducing checks on employee addresses to identify where there are multiple individuals residing at an address.

Group Policies

Pennon Group Policy	Utility of Policy	Relevance to Modern Slavery
Code of Conduct	Applies to Pennon employees	• Details our expectation of all Pennon employees in upholding the Values that guide our behaviours. • Indicates how to report suspected human rights breaches or instances of modern slavery with direct links to Speak Up, our whistleblowing platform
Code of Conduct for Supplier Chain Partners	Applies to Suppliers and Contractors working on behalf of Pennon	• Details the behaviours expected of anyone working on behalf of Pennon • Refers to the due diligence procedures conducted when onboarding new suppliers or contractors
Anti-Modern Slavery and Human Rights Policy	Applies to all Pennon employees, suppliers, and contractors	• Details Pennon's approach to mitigating the risks of modern slavery and protecting human rights • States the minimum requirements expected of our employees, suppliers, and contractors to ensure everyone is protected
Whistleblowing Policy	Applies to all Pennon employees, suppliers, and contractors	• Details how any suspected breach of human rights, or potential occurrence of modern slavery should be reported