

Anti-Slavery and Human Trafficking Statement 2022

United Utilities Group PLC
United Utilities Water Limited

Executive summary

We are committed to tackling modern slavery, both in terms of our own business operations and within our supply chain. Our ambition is to raise awareness of the issue throughout our direct and indirect employee base, so that we can be vigilant when in the communities we serve.

We understand that the risks associated with modern slavery are constantly changing. The changes in the labour market as a result of the COVID-19 pandemic and the war in Ukraine are putting people at risk of exploitation. We will continue to engage closely with our supply chain, and anti-slavery groups, in relation to identification of increased modern slavery risk.

Last year, we said we were:

Targeting 100% of our commercial employees to have completed the elearning course

Appointing a new framework for workwear and PPE, one of our higher risk categories

Aiming to retain the CIPS Corporate ethics mark as well as gaining 100% of targeted suppliers signed up to United Supply Chain by 2025

This year, we have:

Taken 100% of commercial employees through our modern slavery elearning course
→ See page 13

Successfully appointed a new supplier aligned to the UN ‘Support the Goals’ programme
→ See page 10

Retained the CIPS Corporate Ethics mark and have 90% suppliers signed up to United Supply Chain
→ See page 13

We are committed to building on our actions and improving our processes, training and policies with a view to both eradicating the possibility of exploitation within our supply chain, but also building our capability in working towards this goal.

We have a comprehensive set of policies and procedures which are continually monitored and updated. These aim to ensure that our employment and commercial practices prevent forced, compulsory or child labour, as well as any form of human trafficking.

We have continued to address areas where we have identified a higher risk of modern slavery potentially occurring within our supply chain and have kept abreast of industry developments to highlight emerging risk areas. During the year were made aware of forced labour issues in specific solar panel component supply chains. We have taken steps to reinforce our commitments and expectations of our own suppliers and their wider supply chains.

During the past year, we have continued with targeted modern slavery awareness training for employees in key roles. We have continued to engage and collaborate with organisations and groups with an interest in addressing the risk and impact of modern slavery, including working with other utility companies through the Utilities Against Slavery group. Through collaboration with the Supply Chain Sustainability School and Utilities Against Slavery group we have delivered a series of modern slavery workshops with attendance of over 450 individuals from across the sector. We have retained our Corporate Ethics Mark (from the Chartered Institute of Procurement and Supply) for the fourth year.

While we reflect on some positive progress this year, we are committed to addressing the global issue of modern slavery, and ensuring that internally, in the communities we serve, and within our supply chains, we do the utmost to protect those that need it most. In the next 12 months, we will continue site audits on our construction sites across the North West, expand our elearning to key roles that operate within our communities and initiate enhanced due diligence in high risk procurement categories – targeting 5% of suppliers by 2025.

This statement is prepared in accordance with the Modern Slavery Act 2015 and its definition of modern slavery, including human trafficking.

Overview of our business

United Utilities provides water and wastewater services to around seven million people and 200,000 businesses in the North West of England. The group's principal subsidiary, United Utilities Water Limited (UW), operates solely in the UK.

We directly employ over 5,700 people to deliver these services – from engineers to customer service specialists; scientists to financial experts. We have an employee relations framework in place and employees can join one of four trade union bodies that we recognise and with

whom we have regular and constructive engagement through a number of forums. We also rely on over 550 agency workers, engaged through a recruitment agency, as part of our people strategy.

Our financial year, and the period covered in the statement, is from 1 April 2021 to 31 March 2022.

As Chief Executive Officer, Steve Mogford has overall responsibility for compliance with human rights and modern slavery laws and best practice, with oversight from the board corporate responsibility committee. Our Human Rights and Modern Slavery Act Compliance Group meets regularly throughout the year to assess our approach and address any issues.

Our supply chain

As well as our employees, we rely on suppliers to deliver our services. Every year we spend over £1.1 billion with up to 1,700 suppliers, from major international corporations to sole traders. While the majority of our suppliers are from the UK, we also source goods and materials from at least 27 countries around the world. In the UK alone, our research indicates that there are over 15,500 indirect jobs associated with our supply chain.

We procure works, goods and services ranging from infrastructure capital

investments, through to operational spend on chemicals and energy, to the use of professional IT services. We also have long-term robust relationships with well-regarded organisations for the engagement of agency workers.

Our approach to engaging with our supply chain is to conduct all dealings with integrity, fairness and to ensure compliance with all legal and ethical requirements in conducting our business.

Our approach to human rights and addressing modern slavery

We are committed to protecting the human rights of our employees, and those working on our behalf in our supply chain.

Our human rights policy recognises our support for all the rights and freedoms set out in the articles of the Universal Declaration of Human Rights, and the four commitments set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

Modern slavery is one of the salient risks identified in our human rights risk assessment. Our policies and procedures seeking to prevent modern slavery fall under our broader approach towards maintaining human rights.

Our focus remains on the three key ways modern slavery can occur, and where there is the greatest risk:

1

Direct employment

Through our recruitment and management of employees and engagement of agency workers.

2

By association

As a result of our operations, or as a secondary consequence of our actions.

3

Indirect employment

Within our supply chain or through the use of products, or materials, which have been produced by people under conditions of forced labour.



1 Direct employment

All new employees who join us directly, or who work on our behalf as agency workers, are subject to pre-employment checks to confirm their identity, right to work in the UK, and to verify employment history and qualifications. They are also subject to basic criminal record checks. For certain roles, such as directorships and those with financial responsibilities, we carry out additional checks.

We have a comprehensive suite of internal employment policies that support the prevention of modern slavery among all people in our employment, including:

- Agency workers
- Equality and diversity
- Esteem in the workplace
- Grievance
- Health, safety and wellbeing
- Hybrid working
- Mental wellbeing
- Safeguarding and prevent
- Whistleblowing
- Working time

We have an established governance process through our health and safety and human resources policy forum to consult on and implement employment policies. This includes consultation with our joint trade union forum, which meets monthly. These policies are published on our intranet, which is accessible to employees and agency workers.

This year, a number of policies have been reviewed and new policies introduced to reflect the changing business and social environment. New policies introduced include:

- Green fleet
- Hybrid working
- Transitioning at work

Existing policies that have been reviewed and updated are:

- Maternity, paternity and adoptive leave
- Family friendly and special leave
- Social media, internet, email and IT
- Travel, accommodation and expenses
- Safeguarding

We will continue to review and update policies to ensure they meet all legislative and business requirements.

Following a review, the agency worker tender will be issued in 2022/23.

Trade union relations

We develop effective and commercial partnerships with four main trade unions: UNISON; GMB; Unite; and Prospect. This enables effective consultation with our people on issues that affect them. There are three full-time representatives available within the company to provide employees with help and advice.

The unions also negotiate with the company collectively on behalf of employees on key issues such as pay, terms and conditions and working practices. This is done through four-monthly local forums covering the main areas of the business. Joint statements are published internally following each meeting.



Raising awareness

Following on from our previous year's events and to coincide with UK Anti-Slavery Day on 18 October 2021, we took part in Modern Slavery Awareness Week, publishing materials daily to engage and remind our employees about modern slavery.

The week was opened by our commercial, engineering and capital delivery director, with a short video encouraging participation with the week's events. On day two the Chief Executive Officer of the Sophie Hayes Foundation gave a virtual talk about survivors of trafficking and modern slavery, and provided an update on those who had shared their stories with us in 2019. The session was attended by nearly 200 colleagues from across the business and provided a real insight into the work undertaken by the foundation to give survivors of human trafficking freedom and independence. We hope over the next year to work with the foundation to understand how our colleagues can help survivors.

During the week, employees were also provided with further information on:

- our Modern Slavery Awareness eLearning and how to spot the signs;
- the impact of COVID-19 on modern slavery; and
- the work that we've been involved in with the Utilities Against Slavery Working Group, the Supply Chain Sustainability School and our supplier engagement strategy – United Supply Chain.

We will continue to raise awareness by making Modern Slavery Awareness Week an annual event.

2 By association

As a UK utility company operating with a principal footprint in the North West, our use of stringent employment checks means it is highly unlikely that modern slavery or human trafficking has occurred within the local area as a result of our operations, or as a secondary consequence of our actions.

3 Indirect employment

This is the area where we have the least control and where we have concentrated our efforts in ensuring our suppliers recognise their obligations under the legislation and are raising awareness and mitigating modern slavery risk throughout the supply chain.



Supply chain

We rely on suppliers to deliver our services and to help identify ways to make them better. All United Utilities Group procurement activity is carried out by our commercial department. Our approach is based on category management, which takes a long-term view of our demand, specifications and the external supplier market to deliver the appropriate contract strategy. We build relationships with our key partners and suppliers based on common values to achieve our goals which are monitored through our supplier relationship management process.

Launched in 2020, our United Supply Chain (USC) approach is our supply chain vision to 2025 where we will be working with our suppliers in a collaborative, proactive manner. The focus of USC is about being better together.

The USC approach is centred on ensuring that the United Utilities responsible sourcing principles are brought to life and embedded throughout our supply chain.

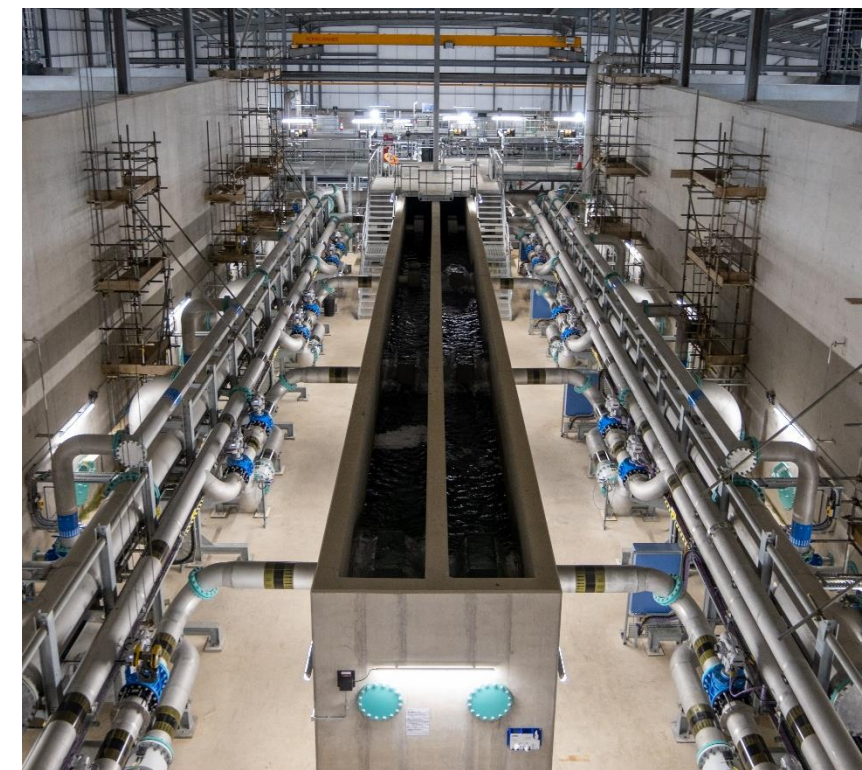
To do this, there are two levels of commitment for suppliers as part of USC, to be either a signatory or to be a leader. Building upon the good work up to 2020 via our Sustainable Supply Chain Charter, as a minimum, existing suppliers will become signatories to the responsible sourcing principles, with leader organisations representing those that we will work more closely with on key areas of risk and focus across our supply chain. Quarterly internal USC forums will connect key business stakeholders with our suppliers to collaborate through external USC forums.

Activities to address modern slavery and human trafficking are incorporated into our USC approach. Our approach is based on The British Standard for Sustainable Procurement BS8903.

We have improved our policy and governance structures to ensure USC is incorporated into contract pre-assessment, award process and ongoing relationship management. At a procurement category level we undertake heat mapping against all ten areas of the responsible sourcing principles. This enables assessment of the issues through several layers/tiers of the supply chain, allowing us to identify the key areas of impact and the control we may have.

Where there are issues of concern, the process dictates that risk analysis is incorporated in the contract assessment and award process. Once we have a contract with a supplier, the issues of concern form the basis of action and improvement through ongoing supplier relationship management. Our aim is to cover over 5% of spend by due diligence assurance by 2025. Category teams undertake sustainability risk assessments including modern slavery and human rights across our supply chain. Currently over 72% of our partner and strategic suppliers have a sustainability risk assessment in place. Our benchmark remains to ensure that all suppliers are able to demonstrate their employment and labour standards compliance, detailing their factories, people and ethical charters in each country where they operate. We also seek and encourage the promotion of the United Nations Global Compact Principles covering human rights, labour standards, environment and anti-corruption.

As partners to the Supply Chain Sustainability School, and as a part of our strong relationship with the Chartered Institute of Procurement and Supply (CIPS), which has awarded us the Corporate Ethics Mark, we are building a culture of best practice and will continue to leverage these relationships going forward. As part of the revised supply chain strategy for the next four years we intend to provide suppliers with resources and forums to share best practice to develop their own capability, continuing our collaboration with the Supply Chain Sustainability School.



Creating value for suppliers

We measure progress on delivering value for all our stakeholders and make the information available in our integrated annual report and accounts. Our key performance indicator for suppliers is 'invoices paid within 60 days', with a target of at least 95% for the period up to 2025. Other performance indicators include:

- Percentage of partner and strategic suppliers that have a sustainability risk assessment in place (2025 target 75%)
- Supplier relationship management score (2025 target 90%)
- Percentage of targeted suppliers signed up to United Supply Chain (2025 target 100%)

Responsible sourcing principles

We have been publicly committed to sustainable and responsible procurement for over 15 years. As part of our USC approach we have replaced our sustainable supply chain charter with a set of responsible sourcing principles.

The principles are structured around environmental, social and governance issues that are important to us as a business and in our approach to responsible sourcing. Considerations on modern slavery are incorporated into the wider issues of human rights and fair treatment. Specifically; 'Treat people with dignity and respect, whilst working to eradicate modern slavery in all its forms'.

The principles are available to all on our [website](#) and we have committed that 100% of targeted suppliers will be signed up to the principles by 2025.

Oversight of human rights and modern slavery

We have a cross-functional group, the Human Rights and Modern Slavery Act Compliance Group, comprising representatives from legal, human resources, commercial, corporate affairs, customer and health and safety, to ensure we are tackling issues holistically and our approach is aligned to our purpose, values and corporate policies. The group meets monthly and has continued to review and assess any potential risk areas impacting employees, customers, suppliers and communities.

Over the coming year, the group will be working on rolling out our modern slavery awareness elearning to customer/community-facing roles to raise awareness of potential modern slavery scenarios and will continue to offer support and direction to the business in identifying risks and reporting concerns.



Supply chain modern slavery risk assessment

Through our internal risk-mapping process across our entire supply chain we have identified six key category areas of our supply chain where we believe the greatest potential risk of modern slavery non-compliance lies.



1. Construction and maintenance

Every year, we spend a combined total of around £530 million on construction and maintenance, which amounts to approximately 46% of overall procurement spend. Most of our construction is undertaken by four delivery partners with whom we work on a partner basis. Many of these construction partners employ sub-contractors and as the supply chain reaches further from our business there is less visibility and control over employment practices.

In continuing the relationships with our delivery partners for the period 2020–25, we have strengthened the contractual obligations with regard to modern slavery provisions. We have set clear assurance practices with regard to our partners. This includes a stipulation that these measures must be passed down through the delivery partner supply chains to increase awareness of modern slavery issues.

Modern slavery considerations have been included as part of our construction and maintenance site audits, alongside health and safety.

This year we have completed 15 audits of active construction sites across the North West to assess the awareness and communication on modern slavery. Over the next 12 months, another 30 site audits will be undertaken – including the focus on modern slavery.

The audits include checking for site awareness and communication of modern slavery during induction and operation of the site. Auditors also look for signs of modern slavery throughout the audit.

The photo, right, taken during a site audit of work undertaken by our construction partners Advance+ at Southwaite Wastewater Treatment Works in Cumbria, demonstrates the communication, awareness and whistleblowing options for employees on site in relation to modern slavery.

Modern slavery considerations have also been incorporated within existing health and safety audits on our network partners. Collaboration with other infrastructure providers, and membership of the Supply Chain Sustainability School, provides further insight into the specific construction and maintenance sectors.





2. Chemicals

Chemicals account for 3% of our annual procurement spend, with 28 suppliers sourcing products and raw materials from 18 countries. Focusing on those chemicals most commonly used in water and wastewater treatment, as part of ongoing annual supplier verification audits, we have requested that our suppliers review their extended supply chains to source, and provide assurances that no modern slavery is evident. These checks continue to take place across the extended supply chain and we seek regular assurances and evidence from our suppliers, including access to their corporate responsibility, modern slavery and human trafficking policy statements, to support their commitment. We have conducted and encourage our partners to conduct their own supplier audits, including site visits to review working practices and conditions at suppliers' premises, to ensure expected standards are being met.

Tenders for process chemicals have been issued to the market during the year and we will continue to use a tender process over the coming year. In the responses received, our strategic suppliers have provided their most up-to-date modern slavery policies.

In addition, within the tenders, questions on modern slavery have been included in the pre-qualification questionnaire (PQQ). There is the standard United Utilities modern slavery clause included in the conformed terms and conditions. Modern slavery is discussed during supplier review meetings.

Through existing collaborative water industry forums in the chemicals area we will continue to investigate opportunities to work holistically to tackle supply chain issues including modern slavery. This is particularly relevant in the chemicals sector where there are common sector supply chains.



3. Workwear and Personal Protective Equipment (PPE)

Less than 1% of our annual procurement spend is on workwear and PPE. In October 2021, two contracts were awarded to one supplier located in the UK to supply United Utilities with PPE, workwear and uniform. As part of this re-tender we have taken into consideration the many sustainable and ethical risks in this area. We conducted extensive market engagement to understand the various risks and mitigation options available to us, and our strategy took into account the increasing importance of sustainability and ethics in our value proposition. To demonstrate the importance of sustainability and modern slavery to the awarding of these contracts, the weighting given to these topics in the pre-qualification questionnaire process was allocated at 25%, with an additional 10% based on health, safety and wellbeing.

Textiles remains a potentially high risk area within this spend category, as they are generally sourced from countries where there may be a higher inherent risk of forced or child labour in their production.

However, the current supplier has signed up to the UN 'Support the Goals' programme. This entails regular monitoring of its supply chain, many of whom have factories on the other side of the world, including Vietnam, Bangladesh, China, Sri Lanka, India and Morocco, where such monitoring is more difficult. Suppliers who have WRAP Certification or who carry out full and regular audits verified by recognised third parties, such as Ethical Trading Initiative (ETi), Sedex, Fair Wear & Wrap, are preferred. They ensure their whole supply chain operates in the expected manner, which includes ensuring their modern slavery policy is in line with the Modern Slavery Act 2015.

During monthly supplier meetings, a supplier risk matrix is reviewed and changes are discussed between us and the supplier. This consists of ensuring the suppliers in their supply chain have submitted both an ethical and a slavery statement. If there is a risk, it is categorised as either high or low, and then evaluated how the risk is to be addressed and then managed.



4. Waste management

We have seen evidence that the waste management sector is one of the emerging risk areas where modern slavery is on the rise. We work with eight suppliers for waste management across our operational sites and all are UK based. In response to this evidence we are engaging with our suppliers and are putting measures in place to reduce the likelihood of forced or bonded labour occurring at their premises and modern slavery is regularly discussed during supplier review meetings. We will continue to engage with them concerning their procedures and governance throughout the contract term. A tender for hazardous waste management and chemical cleaning services has been issued to the market with the pre-qualification questionnaire and invitation to negotiate including questions on modern slavery. Due diligence activity prior to award will include protection around modern slavery and post-award there is a requirement for suppliers to produce and maintain a risk assessment and modern slavery plan. This will be the blueprint for future waste management tenders.



5. IT hardware and equipment and offshore labour

We work with 257 suppliers located in nine countries relating to information technology (IT) hardware and equipment, accounting for around 4% of annual procurement spend. IT equipment remains a focus due to the large proportion of manufacture which takes place in South East Asia, where we continue to work with our established framework partners to ensure appropriate relationships and controls are in place with the wider supply chains in this region.

We use partners who operate out of India to provide design, implementation and ongoing application maintenance, support and development services for our digital services estate. Historically this has predominantly been with two strategic suppliers through framework agreements, with two more recently added. We have regularly visited India with digital services colleagues (most recently in late 2019 ahead of COVID-19 travel restrictions) as part of the management and assurance of the teams that provide these services. Our next visit is scheduled for late 2022 and we are looking to understand how we can expand the scope with further consideration to modern slavery and human rights legislation as part of this.





6. Network materials, mechanical, electrical and operational technology kit (mainly metal and plastics)

The category accounts for less than 3% of our annual procurement spend with 200+ suppliers located in 23 countries. These countries include America, China, France, India, Denmark, Holland, Spain, Israel, Germany, Singapore, Norway, Turkey, Italy and Slovenia. As part of the procedure for identifying supplier risk, we have reviewed the types of materials we currently buy, using framework agreements and questions as part of compliance to Utilities Contracts Regulations 2016 procedures, to assess the potential sources that could involve forced labour.

Fair treatment and labour standards form part of our ongoing risk assessment. Our suppliers continue to be evaluated on their standards in relation to human rights, modern slavery and labour standards, social value, diversity and equality as part of pre-qualification, tender assessment, subsequent framework awards and ongoing performance management.

Applicants' responses include, but are not limited to, their policy in relation to labour standards, focusing on how their workforce are treated, paid and included, and how the supplier maintains these standards throughout their supply chain. They also advise on their policy for ensuring the legality of their own and extended supply chain and compliance to the Act, in addition to whether their organisation has accreditation or has adopted any recognised standards or initiatives that they operate to (e.g. UN global compact).

Solar panel components and forced labour

In 2017, as part of our renewable energy business, we contracted four providers for installation of solar panel projects, each project being contracted under NEC 3, a recognised UK contract structure. We expect our direct supply chain to pass these terms down their extended supply chain to ensure our labour and technical standards are met with adequate audit and assurance procedures in place.

During the year, we, along with several other UK companies, were contact by a newspaper regarding forced labour issues linked to components originating in China that were contained within solar panels installed on our sites.

We can confirm that we have sourced solar panels from JA Solar and Trina Panels through our supply chain. We did not contract directly with the companies but through a procurement framework – this framework included clauses in relation to modern slavery. Our contracts stipulate conformance with the Modern Slavery Act and we expect our direct supply chain to pass these terms down their extended supply chain to ensure our labour and technical standards are met. We expect our direct suppliers to then audit and assure their supply chain accordingly.

We have not purchased any solar panels since the newspaper story in April 2021 and our operations and maintenance provider for the renewable assets on UUK sites have confirmed that they have processes in place to manage modern slavery risks.

Training



Our training programme on issues related to modern slavery has been focused on employees who are directly involved in commercial activities. We have retained the CIPS Corporate Ethics Mark and are undertaking the process to obtain it for the fourth consecutive year.

This requires all relevant commercial employees to undertake online training covering human rights and forced labour in supply chains, the implications, the risks and how to respond. To complete the training participants must reach the required pass mark. This accreditation recognises the work we have done and the level of training we have provided to our staff in support of our aim of eliminating modern slavery from our supply chain, and those of our suppliers.

To enable further awareness and training of employees we have developed a modern slavery awareness elearning course. The course covers what modern slavery is, the Modern Slavery Act, how to spot the signs and what to do if you have concerns. The course is available to all our employees on our online education platform, EdUUcate. Over the last 12 months, we targeted all of our commercial employees to have completed the elearning course and can report that, during the last year, 100% of our commercial employees have completed the training.

Our employees are operating within the communities of the North West on a daily basis. To play our part in addressing modern slavery we want to support our employees so they know what to look for, and how to respond, if they encounter situations where modern slavery may be occurring in the community. During the year, we have undertaken an assessment to identify roles which would benefit from further modern slavery awareness training. This includes roles in our water treatment, scientific services and developer services teams. We have identified over 30 roles being undertaken by over 300 employees (over 5% of our workforce) that would benefit from the training. Over the next 12 months, we expect 50% of these employees to undertake our modern slavery elearning course.



To ensure that we keep up to date with developments and best practice in addressing modern slavery in our supply chain, and to ensure consistent practice across the water and water utilities sector, we are continuing our engagement and collaboration with the

Utilities Against Slavery group. The group has members from across the utilities sector and is facilitated by Slave-Free Alliance.

Reporting of concerns

We take very seriously our responsibility to remain alert to the potential for modern slavery issues, both internally and within our supply chain. In order to maintain our vigilance, we promote our whistleblowing policy and independent hotline to our employees, so that concerns may be reported safely and that appropriate action can be taken to deal with any identified issues.

The whistleblowing service is available 24 hours a day, 365 days a year to United Utilities employees, contractors and suppliers. No issues related to modern slavery or human trafficking have been reported to the whistleblowing hotline during the last 12 months, nor previously.

This year, we have communicated further information to our employees on the steps to take if they are concerned about modern slavery. We have encouraged employees to be vigilant in spotting the signs of modern slavery within the community and whilst at work. We believe that knowing how to spot the signs and report them is a key tool in addressing modern slavery.

All issues reported to the hotline are handled in the strictest confidence by an independent operator, Safecall. When a concern is raised via the above means, the basis of that concern will be recorded, a decision made on what further actions are required and the relevant senior personnel informed so that a full investigation can be carried out. An update on the outcome of the investigation will be provided confidentially to anyone who reports a concern.

Continuous improvement

We are proud of our progress and achievements in addressing the potential risk of modern slavery, however we recognise that further work will always be required and we will not reduce our efforts. We recognise that there is further we can go within our organisation, within our supply chain and in collaboration with other organisations to raise awareness of, and mitigate against, modern slavery risk.

An essential part of this is recognising the areas for improvement and uncertainties. We accept that our current strategy is focused on our tier one supply chain with whom we have contracts for

common goods and services, however in many cases our influence and visibility is reduced beyond the first tier and into the rest of our supply chain. We also recognise the limitations that arise from global supply chains, and differences in legislation and culture across the globe. By understanding and being transparent about these challenges we have the opportunity to begin to tackle them.

During the next 12 months, our focus will be on three key ways in which modern slavery can occur, and where there is the greatest risk, as described below.

Direct employment

We will continue to maintain high standards through our recruitment and management of employees and agency workers. We will embed a culture of tackling modern slavery throughout our direct employee base through completion of our elearning course and awareness of the confidential ways for our employees to report their concerns, both at work and in the community. Over the next 12 months, we are targeting 50% of our employees operating within communities to have completed the modern slavery awareness elearning course. We will issue the tender for agency workers, incorporating checks relating to modern slavery and fair treatment.

By association

We aim to provide training to front-line staff to be vigilant in our relationship with the communities we serve, and build relationships with other organisations to collaborate on tackling modern slavery risk. We will continue to engage with the Utilities Against Slavery group and the Supply Chain Sustainability School to increase our sphere of influence and engagement.

Indirect employment

We will continue to review and improve our risk identification and mitigation through strong relationships with our supply chain and our new strategy will build on the great work we have undertaken so far with regard to United Supply Chain. This will include measurement and monitoring, assuring and reporting and investigating ways in which we can gain visibility of the supply chain beyond tier one. We will also continue to build relationships with other organisations to build a cohesive and holistic approach to mitigating modern slavery risk. We will initiate enhanced due diligence of our top ten suppliers by spend and high risk categories, with the aim of covering over 5% of spend by due diligence assurance (to include high risk sustainability areas and modern slavery) by 2025. We aim to retain the CIPS Corporate Ethics Mark as well as gaining 100% of targeted suppliers signed up to United Supply Chain.

We understand that the risks associated with modern slavery are constantly changing. The changes in the labour market as a result of the COVID-19 pandemic and the war in Ukraine are putting people at risk of exploitation. We will continue to engage closely with our supply chain, and anti-slavery groups, in relation to identification of increased modern slavery risk.

This statement sets out the steps taken by United Utilities Group PLC and United Utilities Water Limited, both companies falling within the scope of section 54(2) of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015.

It was approved by the boards of United Utilities Group PLC and United Utilities Water Limited on 26 April 2022 and signed by



Steve Mogford
Chief Executive Officer
United Utilities Group PLC