

Modern slavery and human trafficking statement 2025



Introduction

This statement highlights the steps that Anglian Water Services Limited (“Anglian Water” or the “Company”) has taken to ensure that slavery and human trafficking is not taking place in any part of its business or within the Company’s supply chain.

Anglian Water is the largest water and water recycling company in England by geographic area, serving around seven million customers across the East of England and Hartlepool. Every day, we provide around 1.2 billion litres of drinking water and recycle one billion litres of used water for our customers. Around 6,000 people are directly employed by us.

Our Purpose is to bring environmental and social prosperity to the region we serve through our commitment to Love Every Drop.

In 2019, we became the first major utility to change its company constitution – our Articles of Association – to lock public interest into the way we run our business, both for now and for future generations. We have a duty to deliver wider benefits to society above and beyond the provision of safe, clean water and effective water recycling.

We consider the long-term interests of our customers, employees, suppliers and the environment, as well as providing shareholders’ a fair return. Our directors are also required to consider the benefits of the Company maintaining a reputation for high standards of business conduct. We take a zero-tolerance approach to any form of slavery or human trafficking within our business and our supply chain.

Our procurement processes

Framework terms and conditions

We require all framework suppliers to demonstrate that they provide safe working conditions, treat workers with respect, act ethically, and comply with all applicable legal requirements.

All framework suppliers must complete a modern slavery risk assessment during the early stages of the procurement process and are required to provide information about their anti-slavery activities and implement corrective action plans where necessary. Anglian Water also uses the Achilles Utilities Vendor Database Service (UVBD) platform, a utilities industry pre-qualification system which captures and validates supplier data for existing and potential suppliers. Registered suppliers can also complete modern slavery assessments via this platform.

Anglian Water's standard Framework Terms and Conditions contain contractual provisions which allow us to terminate a contract with any supplier who fails to comply with our requirements regarding modern slavery legislation.

Alliance Partners: Our Alliance partners deliver our capital programmes. Our highest spend is with these suppliers. We work closely with our Alliance partners in an open, transparent and collaborative environment. All Alliance partners have been selected based on alignment with our purpose, values and behaviours, and we work collaboratively with our supply chain to promote our long-term vision.

High-risk suppliers: All framework suppliers are required to confirm that they and their respective supply chains are compliant with the Modern Slavery Act 2015, and to assess the risk of modern slavery within their organisation and put in place appropriate mitigation where the risk exists. The likelihood that our suppliers may be at high risk of non-compliance with the Modern Slavery Act 2015 is assessed based on their responses in relation to indicators such as the nature of the industry, country of origin for goods and services and other relevant supplier information, such as pre-employment check procedures.

By way of example, suppliers operating in the electronics or construction industries, or suppliers of solar panel components are considered likely to be high-risk.

Where a new supplier has been identified as high-risk during the initial modern slavery risk assessment process, we may conduct further due diligence at the supplier onboarding stages. This helps us to understand the potential risk of poor labour practices throughout the supply chain beyond our Tier 1 suppliers (those suppliers with whom we have a direct spend). Where necessary, a remedial action plan may be implemented which requires the supplier to take further action to mitigate the risk of modern slavery within their organisation and supply chain.



Supplier Assurance and Risk Monitoring

Our enterprise risk management framework supports the identification, assessment and effective management of business risks, both individually and collectively, across the organisation. We have identified and evaluated risks related to modern slavery, implementing associated mitigating controls. Regular reviews are conducted to assess the current risk position and the effectiveness of these controls.

In 2024, we reviewed our corporate governance structure of Board and Executive level governance committees to enhance oversight and challenge of risks. As a result of this review, we formed the Risk, Assurance and Disclosures Committee and augmented the role of the Audit and Risk Committee. We are currently updating our Principal and Top Tier risks and identifying key and material controls. This work is supported by external experts. Our Principal and Top Tier risks will be approved by members of the Executive Committee, the Audit and Risk Committee and the Board.

We use Environmental, Social and Governance (ESG) materiality heat maps during the development of sourcing strategies to highlight the potential risk of modern slavery in relation to the supply of the products, goods or services being procured. This analysis is then used in conjunction with individual supplier modern slavery risk assessments, to determine an appropriate approach and level of assessment required with potential suppliers.

Our Commercial Operations function has continued to lead a robust programme of regular desktop audits to assess compliance with the Modern Slavery Act 2015. Suppliers identified as higher risk are subject to ongoing monitoring to ensure sustained adherence to ethical standards. During the financial year ended 31 March 2025, our Commercial Assurance and Commercial Procurement teams completed 163 supplier desktop audits. The outcomes of these audits are reported monthly in our financial controls report and form part of our ongoing assurance checks to ensure the approved procurement procedure is being followed.

Procurement Assurance Enhancements

To strengthen our oversight of supplier related risk, the business has introduced a new procurement assurance contract that explicitly incorporates modern slavery compliance. Quarterly assurance checks are now in place to verify that suppliers are being appropriately assessed by the procurement teams against these requirements.

Our processes were updated to include routine monthly first-line assurance activity, designed to ensure that all suppliers have completed modern slavery risk assessment questionnaires, as well as quarterly second-line assurance checks to assess the whether the outputs of the first-line assurance process are in line with the written requirements and to allow for continuous review and process improvements.

Alliance Partner Engagement

We have completed our annual assessments of the 16 Alliance delivery partners, reviewing their procedures and policies related to modern slavery. All partners demonstrated a high level of compliance, underpinned by clear and structured methodologies. As part of our commitment to deeper engagement, we introduced in-person interviews this year to complement the desktop audits. These assessments are now fully concluded, with feedback shared across all relevant stakeholders to support continuous improvement and strengthen our combined efforts to address the risk of modern slavery in our supply chain.

As part of our ongoing commitment to reducing the risk of modern slavery across our operations and supply chain, the Commercial Procurement team and procurement colleagues from our Alliance partners completes annual training during Anti-slavery week in mid-October. This training is delivered using bespoke elements co-developed with Utilities Against Slavery (UAS) as well as tailored content specific to Anglian Water's procurement practices with a relevant industry focus e.g. modern slavery in the construction sector. The training reinforces key procedures and behaviours, including a reminder of our whistleblowing policy and appropriate channels for reporting any concerns relating to forced labour.



Supplier Code of Conduct

The Anglian Water Supplier Code of Conduct outlines expectations of our suppliers to actively minimise the risks of modern slavery and human trafficking within their organisations and supply chain. The code encourages our suppliers to report any incidences of unacceptable behaviour and to utilise the Company's whistleblowing procedure where needed (see below).

Anglian Water has adopted the Chartered Institute of Procurement & Supply (CIPS) Corporate Code of Ethics (the Code) and we require our suppliers to meet the requirements under the Code within the terms of their contract. Adoption of this Code requires suppliers to 'commit to eradicating unethical business practices including bribery, fraud, corruption and human rights abuses, such as modern slavery and child labour'.

Site Assessment: Broadholme Water Recycling Centre (WRC)

Utilities Against Slavery (UAS) was established in March 2020 to develop an industry-focused and coordinated approach to collaborate on the issue of modern slavery and drive meaningful change within the utilities sector. One of UAS's priorities is to develop an enhanced understanding of the potential risks of modern slavery across members' operational sites. They have developed specific tools, including the UAS modern slavery site assessment to help members understand the potential modern slavery risks at operational sites.

In March 2025, UAS undertook a site assessment at Broadholme Water Recycling Centre. The purpose of such assessments is to evaluate how effectively the risk of modern slavery is being addressed, to understand if company policies and procedures are upheld on the ground, and to evaluate the welfare of employees on site. Broadholme Water Recycling Centre is managed by Anglian Water employees, although representatives from one of the Company's Alliance Partners work on site, so interviews with onsite employees and contractors formed part of the assessment.

The assessment considered that the risk of modern slavery at Broadholme Water Recycling Centre was low. Nevertheless UAS put forward a number of recommendations to further mitigate the risk of modern slavery which are being considered by the business.

Key performance indicators in respect of the 2024/25 financial year:

- Number of suspected incidents of modern slavery reported: 0 (0: 2023/24 financial year)
- Number of modern slavery supplier desktop audits completed: 163 (66: 2023/24 financial year)

Internal audit

During the year the Company's internal audit function undertook an internal audit with the purpose of providing assurance that the Company's Modern Slavery and Human Trafficking Statement accurately reflects its assurance and control activities. The audit found that the controls are designed and operating effectively to mitigate the risk of modern slavery. However, whilst the Procurement team undertake training on the requirements of the Modern Slavery Act 2015 annually, the audit raised an advisory finding recommending all new employees to the Procurement team undertake this training as part of their induction process.

The results of the audit were reported to the Company's Audit and Risk Committee.



Our people

Policies and communicating with our employees

We have a comprehensive suite of employment policies that help to prevent modern slavery.

These policies cover:

- whistleblowing
- human rights
- grievances
- disciplinary matters
- recruitment
- dignity at work
- domestic abuse
- safeguarding

We have established governance processes to consult on and implement employment policies. The Policy Review Group, which comprises both union and non-union members, reviews and shapes Company policies. All employment policies are published on Lighthouse, our intranet, which is accessible to all employees, agency workers and Alliance partners.

All our people must comply with Anglian Water's policies, at all times. As part of the Company's commitment to fostering a respectful and inclusive workplace, the Inclusion (Dignity at Work) Training has recently been updated, and all employees are required to complete this mandatory training.

As an organisation, Anglian Water has a clearly articulated set of values and behaviours which underpin our Purpose – together we: build trust, do the right thing and are always exploring. We regularly engage with our employees via our three recognised trade unions and employees are invited to CEO Town Hall briefings on a regular basis. In addition, we operate an internal feedback mechanism called "Talk Back" where our people are encouraged to give feedback, raise issues and ask questions. This feedback channel is available to all employees via text messaging service, email or telephone.

Employees can also email the CEO, Mark Thurston, directly on any matter via a dedicated email address. Both of these communication channels are separate to our whistleblowing process. Under Anglian Water's Whistleblowing Policy and Procedure, individuals (including those who work for our partners and suppliers) can raise concerns via an externally facilitated helpline or confidential email address, which are managed via an independent provider SeeHearSpeakUp.



The Company's code of conduct: 'Doing the Right Thing', which was updated in March 2025, explains what we expect from our people and how we work together to maintain the highest standards of integrity, respect and accountability.

Doing the Right thing applies to all of the Company's employees and those of our Alliance Partner organisations. The purpose of the code of conduct is to illustrate how our policies work in practice. Areas covered in our code of conduct include health and safety, modern slavery, dignity at work, fraud and anti-bribery. Doing the Right Thing details the work undertaken to ensure that there is no modern slavery within the organisation or within its supply chain and explains how employees/partner employees should raise concerns should they have any.

On Anti-Slavery Day (18 October 2024), we published an internal news article which highlighted the work carried out by the Company to ensure that modern slavery and human trafficking is not taking place in any part of the business or supply chain as well as explaining how to spot and report modern slavery.

Recruitment

Anglian Water carries out pre-employment checks on all directly employed staff and issues a written contract of employment. All employees of Anglian Water are based in the UK. Information is provided to all new employees on their statutory rights including sick pay, holiday pay and any other benefits they may be entitled to.

The majority of Alliance partners employees are captured on Workday, (Anglian Water's HR administrative system), which provides us with greater visibility of our indirect workforce.

Anglian Water engages recruitment agencies to support both temporary and permanent hiring needs. We conduct thorough legal and procurement due diligence on all temporary staffing providers to ensure full compliance with relevant legislation and ethical standards. Similarly, before partnering with any permanent recruitment agency, we verify that they meet all legal and regulatory requirements. This consistent approach reflects our commitment to responsible recruitment practices across our supply chain.

Paying a fair wage

All permanent employees are paid at levels which are, at minimum, in line with those recommended by the Living Wage Foundation. Our apprentices are an exception, with other arrangements in place to ensure they are paid in line with government apprentice rates, as a minimum. The apprentice rates of pay increase every year as their skills and experience develop.

Strength in Diversity

Our Strength in Diversity (SID) initiative promotes workforce diversity, by focusing on key towns in our region. We work with schools, community groups and jobseekers to create meaningful employment pathways. Since its launch in 2022, SID has enabled us to engage with local communities at various levels, addressing the challenges that marginalised groups often face when entering the workforce. Our efforts are centred on delivering practical solutions, including work experience opportunities, interview preparation and the development of key employability skills.

This year we have expanded our SID initiative to include engaging with communities with education and employment activities. In April 2024, we participated in a jobs fair at Peterborough College, supporting young people exploring career opportunities. In October, our team contributed to a two-day Milton Keynes STEM event, where we ran interactive workshops and hosted an informational stall, inspiring the next generation of innovators.



Sector collaboration

Anglian Water is a member of the Utilities Against Slavery (UAS) industry group. The UAS includes representatives from several different utility companies and its aims include sharing best practice, lessons learnt and standardisation of documentation and a unified approach to tackling modern slavery with our common suppliers. As well as the site assessment detailed above, this year, we have been working collaboratively with the UAS network to:

- develop a common approach to engage with organisations with higher-risk of modern slavery within their value chains;
- created and shared Supply Chain best-practice guidance; and
- developed shared training resources and toolkits for the annual Anti-Slavery Week.

Next steps during 2025/26 we will be:

Conducting further due diligence exercises, including in-person assessments with framework suppliers.

Non-compliance

Any occurrence of non-compliance with the Modern Slavery Act 2015, either within our business or our supply chain, will be assessed on a case by-case basis and appropriate action will be taken, including, where appropriate, terminating the contract of the relevant supplier.



This statement

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes Anglian Water's anti-slavery and human trafficking statement for the financial year ending 31 March 2025. This statement was approved by the Board of Anglian Water on 30 September 2025.



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