

Modern Slavery Act Statement 2025

Our statement on the Modern Slavery Act

This statement is made pursuant to Section 54 (1) of the Modern Slavery Act 2015 ('the Act') and sets out the steps that we, Thames Water Utilities Limited take to ensure that slavery and human trafficking is not taking place in our supply chain or in any part of our business.

About us

Thames Water Utilities Limited ('Thames Water') is the largest supplier of water and wastewater services in the UK. We serve approximately 15 million customers and manage and maintain 31,100km of water pipes and 109,400km of sewers across London and the Thames Valley.

We focus our business on water and wastewater operations in the UK only.

Our direct supply chain includes approximately 2,187 suppliers of varying sizes and expertise levels, from major capital programme delivery and operational support to works, services and material supplies. We paid approximately £2.8 billion to our supply chain between April 2024 to March 2025.

Our policy on slavery and human trafficking

We remain fully committed to ensuring there is no slavery or human trafficking in our supply chain or in any part of our business. It is also part of our <u>Honest & Ethical Behaviour Policy</u>. This reflects our commitment to acting ethically and with integrity in all our business relationships, and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere within our business or supply chain.

Thames Water's Executive team and Board have overall responsibility for making sure our Honest & Ethical Behaviour Policy reflects our legal and ethical obligations, and that our employees and support partners adhere to it at all times.

Steps taken and our due diligence processes for slavery and human trafficking

Our employees

At Thames Water, we employ approximately 8,000 employees within the UK. To verify entitlement to work in the UK, we conduct Right to Work checks on all directly hired employees before they commence employment with us. Additionally, we use an independent third-party provider to undertake pre-employment screening, which includes identity verification and other relevant background checks.

All our employees are required to complete annual training on key policies, including the Honest & Ethical Behaviour Policy.

Our supply chain

We have systems in place to identify and assess potential risk areas within our supply chain and to mitigate any identified areas of risk. We encourage our suppliers and contractors to report

any concerns that slavery or human trafficking may be, or is, taking place via our confidential 'whistleblowing' phone line.

Our standard procurement processes include a variety of checks and reviews designed to make sure that suppliers we engage with have the capability and capacity to comply with our policies and commercial terms. We also check that our contracts undergo appropriate assessment and have appropriate contract clauses in place.

We regularly look to improve our supply chain processes. At Thames Water, all new sourcing advertisements that are subject to The Procurement Act 2023 include questions around the value chain for the products or services we're procuring. This highlights countries of origin that are considered 'high risk' in line with the US Bureau of International Labor Affairs. We also use this information in the resulting tendering assessment process.

We conduct tailored training for our purchasing team, senior category managers, category managers, sourcing managers and contract managers to help individuals identify high-risk commodities and services before ordering. We update this training every year and ask people in relevant roles to undertake annual refresher training.

We've embedded a formal process to report potential breaches in our business policies. We consider any instances of non-compliance on a case-by-case basis and take remedial action as appropriate, which may potentially include withdrawing from an existing commercial arrangement.

We require new suppliers to maintain a statement in line with the Act to minimise the risk of an offence being committed. Standard contractual provisions allow for periodic and targeted audits of compliance while using a risk-based approach.

Assurance and controls

Our risk management processes identify, assesses, monitors and reports on risks, including compliance with our obligations under the Act. We assess the effectiveness of the controls in place, the impact of these risks should they materialise and the likelihood of this happening.

We follow the established 'three lines' model to enable an effective relationship between risk, control and assurance, ensuring clear accountability and responsibility throughout. While drafting this statement, we considered the results of ongoing monitoring of controls, undertaken by the first and second lines, as well as the outcomes from our risk management process.

- First line: our business functions whose processes and procedures deliver compliance with the Act
- Second line: our business functions that oversee compliance with the Act, supporting
 the business on, and providing oversight of, the identification, assessment, monitoring
 and reporting of non-compliance and mitigation strategies
- Third line: functions that provide independent and objective assurance on compliance with the Act

Our effectiveness in combating slavery and human trafficking

We have key performance indicators ("KPIs") in place to measure our performance and effectiveness in combatting slavery and human trafficking over the next 12 months. These include:

- 1. Company-wide employee training
- 2. Role based training
- 3. Tender pre-qualification questions answered appropriately and tested
- 4. Appropriate contractual arrangements
- 5. Investigations into any potential breaches, and where appropriate, reports on any potential breaches within the defined timescale

This document constitutes Thames Water's Slavery and Human Trafficking Statement for the financial year ending 31 March 2025. The Statement has been reviewed and approved by members of the Thames Water Utilities Limited Board of Directors on 13th June 2025.

Steve Buck

Chief Financial Officer

Thames Water Utilities Limited

[24/06/2025]

