

A scenic view of a river flowing through a lush green landscape. The river is in the foreground, with green algae or moss visible on its surface. The banks are lined with dense green trees and bushes. In the background, there are several houses, including a prominent wooden cabin on the right. The sky is blue with scattered white clouds.

**Affinity**Water

**Modern Slavery and Human  
Trafficking Statement**

**2024-25**

# Affinity Water Limited

## Modern Slavery and Human Trafficking Statement

This statement sets out the steps that Affinity Water Limited ("Affinity Water" or "we") has taken during the financial year ended 31 March 2024 to ensure that slavery and human trafficking is not taking place in any part of our business or supply chain.

### About us

Affinity Water is the principal trading subsidiary of Daiwater Investment Limited and is ultimately controlled by a consortium of long-term investors comprising the Allianz Group, HICL (managed by InfraRed Capital Partners) and DIF.

Affinity Water Limited is the largest water only supply company in the United Kingdom, owning and managing the water assets and network in an area of approximately 4,515km<sup>2</sup> split over three supply regions in the southeast of England. Our company purpose, is to provide high-quality drinking water for our customers and take care of the environment, for our diverse communities now and in the future. It reflects the importance we place on our people working within and for the communities of customers we serve.

We employ 1,400 people directly and supply, on average, 900 million litres of water each day to a population of more than 3.6 million people and businesses. Our primary regulators are the Water Services Regulation Authority (Ofwat), the Drinking Water Inspectorate and the Environment Agency.

We expect our employees to operate to the highest standards of ethics and conduct. We support them to do so through the policies we have developed setting, out our expectations and through ongoing training. In particular, the following codes and policies are in place as part of our commitment to corporate responsibility in combatting modern slavery and human trafficking.

- Code of Ethics
- Modern Slavery and Human Trafficking Policy
- Health and Safety Policy
- Procurement Policy
- Recruitment Policy
- Whistleblowing Policy

### Organisational Structure

Our business is focused on water supply to our customers and is organised into two distinct activities:

- Wholesale water – abstraction, treatment and distribution of drinking water and sale of drinking water to non-household retailers
- Retail household – sale of drinking water to household customers

Our supply chain includes around 1,200 suppliers of varying size and location. This includes suppliers who provide support for major capital programme delivery, operational support as well as services and supplies.

## Our Supply Chain

As is reflective of the nature of the service we provide, our supply chain remains relatively static. It consists of suppliers with a proven track record of safety, legal and regulatory compliance with greater than 95% of the supply chain being based in the UK and the vast majority of that, from within the region we supply.

Our supplier code of conduct details our expectation that all of our suppliers take all reasonable steps to remove identified instances, and where possible prevent slavery and human trafficking within their business, and to ensure that they place the same level of obligation on their own supply chains.

Of the industries and services identified as high risk of slavery and human trafficking by the Gangmasters and Labour Abuse Authority and our own review, we have regular engagement with the following:

- Construction & ground works
- Cleaning services & building maintenance
- Car Washing & maintenance
- Recycling and Waste Disposal
- Warehousing & logistics

## Our existing and future controls

We operate within a highly regulated industry. We follow established procurement processes and set high standards by which we pre-qualify and select our suppliers. Prospective suppliers are required to complete a comprehensive pre-qualification document which includes qualifications to demonstrate their understanding of and compliance with applicable laws and controls to tackle the risk of Modern Slavery and Human Trafficking.

With much of our supply chain based and sourcing materials from within the UK, employment laws, regulations and controls do offer a degree of assurance, but we recognise that this does not guarantee preventing slavery and human trafficking. We continue therefore to assess the risk of Modern Slavery and Human Trafficking

throughout our supply chain and in 2024. We are committed to enhancing that understanding by mapping our supply chain in respect of slavery and human trafficking risks both within the UK and, where appropriate, overseas.

In the last year we have developed and implemented our new Code of Ethics, a principles based document which sets out the ethical standard of conduct we expect of ourselves, the organisation and all those who work with and for us. We all have a responsibility to foster a culture focused on doing the right thing by our customers, ourselves, our stakeholders and the communities we serve.

With regards to modern slavery, the Code sets out our commitment to upholding, protecting and promoting basic human rights of all those who work for and with us. We recognise the risk of modern slavery and are committed to complying with the requirements set out in the UK Modern Slavery Act 2015.

Similarly, we also launched our supplier code of conduct that draws attention to the significance of, and our commitment to the eradication of all forms of modern slavery. The document outlines our expectation of our supply chain to take all measures possible to ensure such practices do not enter our supply chain, and that they employ those standards to their own supply chain.

We review our Modern Slavery and Human Trafficking Policy annually and have further developed our training materials. All employees are required to complete modern slavery training to ensure they are aware of and are best placed to spot the signs and report instances of modern slavery and human trafficking.

We work with the Chartered Institute of Purchasing and Supply for annual training on Ethical Procurement and Supply. Our standard contractual clauses outline our expectations of companies and their efforts to eradicate modern slavery from their supply chains.

Going forward, we will look to consider joining the Slave-Free Alliance and explore the ways in which we may be able to work together in further developing our modern slavery framework and controls.

We will also continue to develop our employees and contractors fundamental awareness of the risks of modern slavery in all areas they encounter. We commit to look to further strengthen and improve our and our contractors' business practices in order to eradicate any risk of modern slavery in the future.

## 1. Compliance Statement

This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015 and constitutes Affinity Water's modern slavery and human trafficking statement for the financial year ending 31 March 2024. It has been approved on behalf of the Board by the Chief Executive Officer.

**Keith Haslett, Chief Executive Officer**