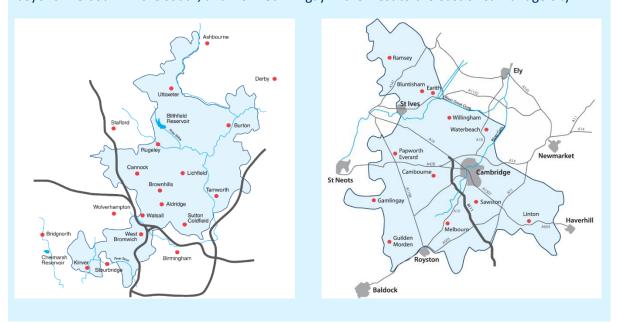
Environment policy

About South Staffs Water

We supply clean water services to around 1.7 million people and 45,000 businesses in Staffordshire, parts of the West Midlands, and in and around Cambridge. Our South Staffs region extends from Ashbourne in the north to Halesowen in the south, and from Burton-upon-Trent in the east to Kinver in the west. Our Cambridge region stretches from Ramsey in the north to beyond Melbourn in the south, and from Gamlingay in the west to the east of Cambridge city.



Our policy commitments

As the provider of an essential public service, we are very aware of our responsibilities – to our customers, the communities we serve, the local environment and our people.

We see ourselves as custodians of the environment. As such, we have a duty to ensure it is protected for future generations. So we are committed to making sure we operate in a way that reflects our customers' needs and that takes into account the effect on our business of climate change. In short, we are committed to making water count.

We recognise the impact our activities have on the environment. So, we are also committed to minimising this impact, in terms of our energy use and carbon emissions, for example. We embrace our responsibility to measure, manage and publicly report on our performance in these areas.

To ensure we operate in a way that mitigates the impact our activities have on the local environment, all our people are responsible for meeting the following commitments. Which we continue to deliver on during the Covid-19 pandemic in a covid secure way.

- We will meet all our regulatory environmental requirements and follow best practice at all times.
- We will incorporate environmental issues into all our business decisions.
- We will minimise the environmental impact of our business activities.
- We will maintain a reputation for environmental responsibility within the local community.
 We will also actively support and encourage environment-focused initiatives through our PEBBLE biodiversity fund and SPRING catchment management programme.
- We will support and measure the sustainable development of our business and use resources in an environmentally sustainable manner.
- We will assess and monitor our environmental performance against the targets we have set ourselves, and report publicly on our progress in meeting these targets.
- We will continue to promote water efficiency and energy conservation.
- We will continue to minimise the amount of single-use plastics entering the environment, both within our business and in the communities we serve.
- We will develop and promote waste minimisation, recycling and re-use initiatives, both within our business and in the communities we serve.
- We will promote wider awareness and understanding of environmental issues among our customers and our people.
- We will share our environmental progress with at our formal Environmental & Social Governance committee which include investors and independent non-executives.

Delivering our commitments

To deliver these commitments, we are focusing our attention on the following areas.

Environmental responsibility

We will take account of the environmental and social costs and benefits of our business decisions to ensure they are sustainable. All our business decisions will take account of – and be set within – the context of a changing climate.

Water management

We will continue to monitor the use of water resources from source to tap. We will manage our water resources effectively, reducing waste and minimising leakage. We will do this by working with our customers, retailers and developers, and by using innovative approaches to detect and tackle leaks on our network of pipes. We will also promote demand management to further protect supplies by reducing consumption. We have set ourselves stretching targets in this area over the period 2020 to 2025, and will publicly report on our progress in delivering these targets.

Abstracting surface and groundwater

We will work with the Environment Agency and other stakeholders to ensure our abstractions are environmentally sustainable now and in the future. We will also implement measures to protect water resources for the longer term. In delivering our commitments in this area, we will have regard to the Environment Agency's Water Industry National Environment Programme (WINEP) and Water Industry Strategic Environmental Requirements (WISER), and our long-term water resources management plans and drought plans for our South Staffs and Cambridge regions¹.

Conservation

We will manage our own land and sites so that habitats and species are protected. We will also ensure that our operational activities maintain, encourage and enhance biodiversity across our South Staffs and Cambridge regions, and endeavour for net biodiversity gain from our operations. And we will use our PEBBLE² fund to encourage projects that enhance biodiversity and conservation within our local communities.

The catchment approach

We will seek alternatives to carbon-intensive treatment solutions by working in catchments to improve raw water quality. We will actively monitor those catchments and water features that are vulnerable to pollution. We will also continue to engage with landowners and other partners to improve water quality, reduce run-off and encourage catchment-friendly land management. And we will use our SPRING³ catchment management programme to encourage sustainable farming practices.

Energy management

We will continue to actively monitor and strive to reduce our energy consumption. We will also reduce our operational emissions to 61kg of carbon per connected property by 2024/25.

¹ We produce separate 25-year water resources management plans (WRMPs) and drought plans for our South Staffs and Cambridge regions. Our South Staffs WRMP is available at www.south-staffs-water.co.uk/about-us/our-water-resources-plan, while our Cambridge WRMP is available at www.cambridge-water.co.uk/about-us/our-strategies-and-plans/our-drought-plan, while our Cambridge drought plan is available at www.cambridge-water.co.uk/about-us/our-strategies-and-plans/our-drought-plan.

² 'Projects that Explore Biodiversity Benefits in the Local Environment'.

³ 'Slug Pellets Rethink – Ideas for Nurturing Growth'.

Making our estate water efficient

We will show leadership and be water wise in our own buildings and on our land. As part of this, we will install a rainwater harvesting system at our head office. We will also install water-saving devices where they have not already been installed and educate all our people about the value of using water wisely.

Resource use and procurement

We will ensure we use our resources efficiently, and will develop procurement policies that take into account the environmental credentials of our suppliers. This is to make sure they are aware of the impact their activities have on the environment. We will use chemicals and fuels in such a way as to minimise the potential of an environmental hazard. We will also improve our waste management and monitoring programme. For example, we are carrying out a review of the resources we use with the aim of eliminating single-use plastics within our business. We have also invested in a <u>water bar</u> to encourage customers to use refillable water bottles.

Major projects

We will carry out environmental impact assessments when we design and construct new works.

Transport strategy

We will aim to minimise pollution by reducing vehicle mileage through route planning, purchasing fuel-efficient vehicles and raising awareness among our people. For example, we have already amended our car policy to encourage our people to select low-emission hybrid or electric vehicles. We will also replace 75% of the light fleet we operate with hybrid or electric vehicles by 2025, and install electric vehicle charging facilities at all offices and operational sites, making them available to our people and to visitors.

Corporate social responsibility

We take our <u>corporate social responsibility</u> seriously. We will always make sure that our customers, and the communities in which they live, are at the heart of all our environmental decision making.

Legal and regulatory compliance

We will, as a minimum, meet all our current legal and regulatory environmental requirements. We will also aim to exceed minimum requirements as described elsewhere in this policy.

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