

DRAX GROUP POLICY

# Human Rights

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# Introduction

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## Applicability

This policy applies to full-time, part-time, permanent, or fixed-term colleagues that are employed by an entity in the Drax Group (“Drax”), which are paid through any Drax payroll, and to workers who carry out services for Drax, but are not employed directly by Drax, including those working at Drax via an agency or on a contractor basis. This policy applies to all such colleagues and workers irrespective of the country in which they are based.

Any reference to a formal Drax process (e.g., disciplinary) outlined in this policy applies to colleagues paid through a Drax payroll only.

We work with several third parties outside of Drax, dependent on their risk profile, and we may also ask them to provide information on their human rights efforts.

## Contact us

If you have any comments or questions about this policy, please contact the Business Ethics team:

**Email:** [businessethics@drax.com](mailto:businessethics@drax.com)

**Phone:** +44 (0)7842 312766

## How to speak up

If you become aware of any circumstances which you believe contravene this policy or may risk contravening it, refer to the [‘How to report concerns’](#) section of the Group Business Ethics SharePoint Site.

Anyone who raises a concern in good faith will not face retaliation because of their actions, even if they turn out to be mistaken. However, failure to report may mean that you are at risk of Drax taking action against you.

When raising a concern via our confidential SpeakUp hotline, you may choose to either include your identity or remain anonymous (see Speak Up (Whistleblowing) policy for further information).

# Human Rights

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## Policy Statement

We are committed to setting high ethical standards and conducting our business with honesty, integrity and in accordance with all applicable laws and regulations. At Drax we take our legal and ethical obligations seriously. Drax is committed to respecting human rights throughout our operations, and we expect our suppliers and business partners to do the same.

Drax takes a zero-tolerance approach to behaviour that could lead to a failure to comply with human rights law or instances of modern slavery or human rights abuses. Respect for human rights is fundamental to the sustainability of our business and we care about the communities in which we operate.

We will not tolerate human rights breaches - either in our own business, or our supply chains. We are committed to working together with our suppliers to improve transparency as well as identifying, preventing, and mitigating adverse human rights impacts resulting from or caused by our business activities.

We seek to comply with the human rights and modern slavery laws in all the countries in which we operate and are committed to the respect of human rights in line with international principles encompassed in the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the European Convention on Human Rights, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

## Policy purpose

The purpose of this policy is to outline the human rights standards Drax abides by, detail our human rights efforts in line with legislation, detail our prevention and remediation approach, and provide a reference point to colleagues and non-permanent workers on how to comply with legislation in their day-to-day work and how to raise concerns related to human rights.

The policy covers multiple important areas such as:

- Safe and healthy workplace
- Dignity at work
- Work hours, wages, and benefits (fair pay)
- Diversity, equity, and inclusion
- Collective bargaining and freedom of association
- Forced labour and human trafficking
- Child labour

## Addressing human rights

We recognise that we must take steps to identify and address any actual or potential adverse impacts with which we may be involved whether directly or indirectly through our own activities or our business relationships. We raise and manage these risks by conducting due diligence, engaging with suppliers, site visits, audits/audit reports, and continual monitoring.

We understand that human rights due diligence is an ongoing process that requires particular attention at certain stages in our business activities, such as when we form new partnerships or our operating conditions change, as we know these changes may create new potential or actual impacts on human rights.

We have a Supplier Code which we seek to incorporate into relevant agreements. Our Supplier Code includes such topics as human and labour rights and requires our suppliers to cascade our standards to associated sub-contractors.

In addition, training is provided to individuals. Drax continues to train colleagues on modern slavery risks and how to spot the signs of this at times, invisible crime.

## Assessing Risk

In certain countries where Drax sources, there may be potentially high and inherent systemic risks of human rights abuses. In these cases, we undertake an enhanced due diligence exercise to assess risks in a bespoke manner. This allows Drax to have the opportunity to mitigate any known issues effectively before engaging in a commercial relationship. Ethical due diligence is an essential component of our human rights risk management. On a risk proportionate basis, Drax may obtain independent third-party assessments of selected third parties for assurance purposes or where due diligence requires further information.

Drax recognises its impact on the communities in which it operates and is committed to engaging with stakeholders in those communities to listen to, learn from, and consider their views as we conduct our business. Not only is Drax responsible for preventing and mitigating accidents and/or emergencies related to our operations, but we also collaborate to remedy potential or actual negative impacts.

We are committed to fostering goodwill in the communities in which we operate through locally relevant initiatives.

## Key areas of risk identified

Human rights breaches can occur in many ways. Below are the key areas of risk you should be aware of (although, not an exhaustive list).

### Health and Safety in the Workplace

At Drax, we are committed to each one of us going home safe and well, every day. Our vision is for OneSafeDrax - which means ensuring zero harm for our colleagues and the public, and recognising our people are at the heart of everything we do and is fundamental to our overall success. Together, we all

share responsibility for the safety, health and wellbeing of ourselves and our colleagues. We apply systematic ways to identify risks, and a hierarchy of control to mitigate them effectively. We comply with all applicable safety, health, and wellbeing requirements, legal and otherwise, wherever we conduct business and wherever we undertake work activities for Drax. We consult and seek participation from, colleagues on our risks so we can proactively look for ways to improve our performance. Drax is committed to ensuring that protective equipment is provided for all relevant roles and that working conditions are safe.

### **Dignity at work**

Drax is committed to maintaining a workplace that is free from violence, bullying, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Where a complaint of bullying or harassment is raised, prompt action will be taken to investigate the complaint, which may lead to corrective action including disciplinary action against the offender. Appropriate safeguards for colleagues will be provided as needed and will be maintained with respect for employee privacy and dignity. We have a Group-wide Dignity at Work Policy which can be found on the Drax internal SharePoint.

### **Work Hours, Wages and Benefits (Fair Pay)**

Drax compensates colleagues competitively relative to the industry and local labour market. We operate in full compliance with applicable wage, work hours, overtime, and benefits laws (including pension and health) and we expect suppliers to do likewise (as set out in our Supplier Code). In the UK, Drax pays all eligible colleagues the equivalent of the Real Living Wage (as a minimum) and encourages its suppliers operating in the UK to do the same. Outside of the UK, we pay all colleagues in accordance with the relevant statutory requirements for their work location.

Drax expects that migrant workers working for, or on behalf of the company should always have a recognised employment relationship and legitimate contract in place within the country of work.

### **Diversity, equity, and inclusion**

At Drax, we are committed to building a fair, safe and inclusive working environment where everyone has the tools to do their best work and feel they belong. We seek to ensure that our colleagues feel safe to think differently and share new ideas that take us closer to our goals and that our workplace better represents the communities and customers we serve. At Drax we are committed to promoting a diverse and inclusive workplace that supports everyone through inclusive ways of working to enable equal access to opportunities for all.

We promote a culture of self-respect, tolerance, and support for all colleagues and those with whom we work. We will not tolerate any form of discrimination, bullying or harassment and will make active efforts to protect all from unfair treatment.

## Freedom of Association and Collective Bargaining

We respect our colleagues' right to join (or not) or form a labour union without fear of reprisal, intimidation, or harassment. Where colleagues are represented by a legally recognised union, we are committed to establishing a constructive dialogue with their freely chosen representatives. Drax is committed to bargaining in good faith with such representatives.

To clarify:

- Colleagues can establish or join worker organisations of their own choosing
- Drax respects the full freedom of workers' organisations to draw up their constitutions and rules
- Drax respects the rights of workers to engage in lawful activities related to forming, joining, or assisting a workers' organisation, or to refrain from doing the same, and will not discriminate or punish colleagues for exercising these rights
- Drax negotiates with lawfully established workers' organisations and/or duly selected representatives in good faith and with the best efforts to reach a collective bargaining agreement
- Collective bargaining agreements are implemented where they exist

## Forced Labour and Human Trafficking

Drax prohibits the use of all forms of forced and compulsory labour. All employment relationships are voluntary and based on mutual consent, without the threat of a penalty.

We seek to prevent and mitigate adverse human rights impacts that are linked to our operations through our business relationships. We conduct due diligence on those we work with and expect our suppliers to do the same. Supply chains at higher risk of modern slavery are subject to additional due diligence. Our due diligence process seeks to mitigate such things as bonded labour, withholding of wages, illegal fees, restriction of movement, retention of identity documents, etc.

## Child Labour

Drax prohibits (both in its own business and its supply chain) all forms of child labour, including the hiring of individuals that are:

- Under 15 years of age, or below the minimum age as stated under national, or local laws or regulations, whichever age is higher
- Under 18 years of age for positions in which are mentally, physically, socially or morally dangerous to the child or interfere with the child's opportunity to attend school
- Except for the purpose of training within approved national laws and regulations

## Respecting the Rights of Indigenous People

We respect the rights of indigenous peoples (IPs) and have in place a dedicated IPs policy. Drax is a committed to working with indigenous communities in a manner that recognises and respects all legal and constitutional rights enshrined in the Universal Declaration of Human Rights (UNHR), the United Nations Declaration on the Rights of Indigenous People (UNDRIP) and ILO Convention 169. Drax seeks to

ensure that our projects and operations are carried out in a respectful and environmentally responsible manner.

## Remedy

We place importance on the provision of effective remedy wherever human rights impacts occur through company-based grievance mechanisms. We continue to build the awareness and knowledge of those covered by this policy, encouraging them to speak up, without retribution, about any concerns they may have, including through our grievance channels. We also promote the provision of effective grievance mechanisms by our suppliers through our [Supplier Code](#).

## Multi-Stakeholder Initiatives

Drax has a dedicated Modern Slavery Working Group, colleagues from across the business consider developing risks and Drax participates in external initiatives intended to support human rights. Drax is part of the UN Global Compact Modern Slavery Working Group and participates in the Utilities Against Slavery Working Group and the Stella Maris Working Group. We also provide financial support for the continued operation of the UK's Modern Slavery and Exploitation Helpline (operated by Unseen UK).

## Our Governance and reporting

We provide transparency on our progress on human rights in our business and our supply chains. We make public our annual Modern Slavery Statements, in accordance with the UK Modern Slavery Act. Human Rights efforts taking place within Drax are reported regularly to senior stakeholders. Work in this area is overseen by the Ethics and Business Conduct Committee, a sub-committee of the Executive Committee.

Information on Human Rights can be found within our Code of Conduct, Supplier Code, Modern Slavery Statements (Annual), Annual Reports.