Statement on the prevention of slavery and human trafficking in Drax Group plc

This is Drax Group’s first statement on slavery and human trafficking following the introduction of the Modern Slavery Act 2015 (the “Act”). Drax Group fully supports the aims of the Act and is committed to tackling slavery and human trafficking where it can.

The Group has zero tolerance of slavery and human trafficking in all its different forms. The Group is committed to acting ethically and responsibly in all business relationships and seeks to ensure that slavery and human trafficking are not present in any part of its business or in its supply chain.

This statement sets out the steps that Drax Group plc takes to ensure slavery and human trafficking is not taking place in its business or supply chain.

Governance and Culture

- Our Integrity Charter, which is available on our website, sets out our commitment to high ethical standards.
- Our online guide to ethical business conduct, which is called Doing the right thing, sets out how we expect all of our employees to behave.
- Jurisdictional policies and local business unit procedures provide additional detail on the principles set out in Doing the right thing.
- Our employment policies and processes ensure that all direct employees have the appropriate rights to work and are employed in accordance with relevant local legislation.
- Whistle blowers can report concerns internally or through an anonymous hotline provided by an independent third party.
- If we have any doubts in regards to any companies or individuals that form part of our supply chain, then the decision as to whether we work with them is escalated to our Ethics and Business Conduct Committee.

Supply Chain

- Our Corporate Social Responsibility statement outlines the standard of ethical business conduct we expect from our supply chain. We expect all businesses in our supply chain to offer a safe workplace for their employees that is free from harm, intimidation, harassment and fear.
- Where we seek to engage with a supplier in a new jurisdiction, a country assessment and approval process must be completed. Such assessments take account of human rights standards.
- Appropriate due diligence is carried out on any new supplier before we start to work with them in order to reduce modern slavery risk in our supply chain.
- Our due diligence checks are risk based, which means that for suppliers incorporated in certain countries, or where certain other risks are identified, enhanced due diligence is carried out with escalation to our Ethics and Business Conduct Committee as appropriate.
- We use a specialist third party provider to carry out continuous monitoring of our suppliers. Alerts are provided in the event of any negative media, sanctions or regulatory action taken against any of our third parties, including their associated persons.

Training and Education

- Regular training is provided to our contract managers and modern slavery awareness has been added to this programme.
- An e-learning programme is planned in 2017 to further increase awareness of the Modern Slavery Act across the Group.

Industry Association Engagement

- We are members of the not-for-profit organisation Bettercoal, which promotes the continuous improvement of corporate responsibility in coal mining.
• We are members of the not-for-profit organisation Sustainable Biomass Partnership, which has developed a certification framework to provide assurances that wood pellets are sourced from legal and sustainable sources.

We are committed to continually reviewing our policies and procedures to ensure that we are doing all that we can to operate free from enforced labour, human trafficking and slavery.

Drax Group plc: [Signature]

Date: 14th March 2017

This statement has been approved by the Drax Group plc board of directors and is made according to the requirements of section 54, part 6 of the Modern Slavery Act 2015 for the year ending 31 December 2016. This statement applies to all companies within the Drax Group that are required to have a Modern Slavery Statement.