

DRAX GROUP POLICY

# Human Rights

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# Introduction

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## Applicability

This policy applies to colleagues, officers, and directors employed by Drax (collectively ‘colleagues’) and non-permanent workers who act on behalf of Drax in commercial dealings. We work with several third parties outside of Drax, dependent on their risk profile, 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:** [drax.compliance@drax.com](mailto:drax.compliance@drax.com)

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

## How to speak up if you have concerns

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, speaking up about concerns is important, even if you turn out to be mistaken. Failure to report may mean that issues are not resolved, and you may be at risk of Drax acting against you. When raising a concern via our confidential Speak Up 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.

We have a zero tolerance of behaviour that could lead to a failure to comply with human rights law. 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 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.

Communities we engage with 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.

### **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 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**

Drax values all employees and non-permanent workers. The diversity of the people with whom we work and the contributions they make. We have a long-standing commitment to equality and intolerance of discrimination and harassment. We seek to create and maintain a working environment that is both safe and supportive of all our people and where everyone can realise their potential. Drax has Dignity at Work policy available.

We are dedicated to maintaining workplaces that are free from discrimination or harassment on the basis of race, sex, colour, national or social origin, religion, age, disability, sexual orientation, political opinion, or any other status protected by applicable law.

The basis for recruitment, hiring, placement, training, compensation, and advancement at Drax is qualifications, performance, skills, and experience.

Regardless of personal characteristics or status, Drax does not tolerate disrespectful or inappropriate behaviour, unfair treatment, or retaliation of any kind. Harassment is unacceptable in the workplace and in any work-related circumstance outside the workplace. These principles apply not only to colleagues but also to the business partners with whom we work.

### **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<sup>1</sup>

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<sup>1</sup> Except in countries where the national law or regulations permit the employment of persons between the ages of 13 to 15 years in 'light work', such employment should not interfere with schooling nor be harmful to their health or development. Notably, where children are subject to compulsory education laws, they shall work only outside of school hours during normal daytime working hours

- 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<sup>2</sup>

## Indigenous Peoples Policy

Drax has a separate Indigenous Peoples Policy from which it's interaction with indigenous people is governed. The policy also addresses Free Prior and Informed Consent (FPIC) when operating within their traditional territories.

## 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. 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.

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<sup>2</sup> Noting that no hazardous work is carried out at Drax, as risk assessments are performed, and all necessary mitigations put in place.