



2023 Modern Slavery Statement



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Introduction and statement approval

At Drax, we strive to do the right thing and make a positive contribution to society. In doing so, we work towards achieving our purpose of enabling a zero carbon, lower cost energy future through engineering, technology, and innovation. Our three strategic aims are to be a global leader in sustainable biomass pellets and in carbon removals, and to be a UK leader in dispatchable, renewable generation.

Drax is the second largest producer of sustainable biomass globally, and the UK's largest source of renewable power by output. We're also progressing options for bioenergy with carbon capture and storage (BECCS).

Our Supply Chain Human Rights ('SCHR') programme focuses on identifying the risk of human rights abuses within our own business and supply chain. This programme considers modern slavery, as well as the potential for wider abuses and welfare matters.

In this, our eighth Modern Slavery Statement, we outline the progress we've made on our SCHR programme in 2023 and describe our focus for further actions in 2024. We're making this Statement

for the financial year ended December 2023, in accordance with the requirements of:

- Section 54, part 6, of the UK Modern Slavery Act 2015
- Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act, which came into force on 1 January 2024

This Statement applies to all companies within Drax Group plc ('Drax') that are required to publish a statement. The Board has reviewed and approved this statement. I signed it on behalf of the Board of Directors of Drax Group plc, following its approval on 27 February 2024.

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed in the statement scope section. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects, for the reporting year listed above.

A handwritten signature in black ink, appearing to read 'Willard Gardiner'.

Dwight Daniel Willard Gardiner (known as Will Gardiner)
CEO, Drax Group plc

Date: 27 February 2024

I have the authority to bind Drax Group plc.

 Our progress

Section	What we said we'd do in 2023	What we did:
Governance	Continue our plan to carry out annual reviews of the Drax Code of Conduct ('Drax Code') and Supplier Code of Conduct ('Supplier Code'), submitting any amendments to the Ethics and Business Conduct Committee (EBCC) for approval.	The Drax Code of Conduct is now reviewed biannually. It was most recently reviewed in 2022 and is due for review in 2024. The Supplier Code remains on an annual review cycle. Stakeholder engagement that took place in 2023 indicated the need for diversity, equity and inclusion (DE&I) and sustainability improvements. The EBCC agreed to postpone the review to 2024 to enable the document update and to enhance wider connected activities.
	Continue to report to the EBCC on the activity of the Supply Chain Human Rights Working Group (SCHR WG).	Quarterly reporting to the EBCC on the activities of the SCHR WG continued during 2023.
	Continue to review our Supply Chain Human Rights (SCHR) programme, alongside an annual risk assessment.	Our SCHR programme was reviewed as part of an annual risk assessment, which the EBCC considered in Q3 2023.
Risk assessment	Conduct a gap analysis of the SCHR programme.	A gap analysis by Slave Free Alliance (a global anti-slavery charity) commenced in November 2023 and will conclude in Q1 2024. This will assess the programme's current performance across the business and provide the basis for improvement throughout 2024.
	Map our high-risk supply chains.	We've started to map a number of our high-risk procurement supply chains, including those of our apparel and metering suppliers. There's more work to do in mapping other high-risk sectors during 2024, which will support our reporting under the new Fighting Against Forced Labour and Child Labour in Supply Chains Act.
Due diligence	Create a first and second line of defence within ethical due diligence (EDD) in accordance with an internal audit action.	Since June 2023, we've strengthened our EDD processes and the team now comprises an EDD Manager and two EDD Analysts. The Due Diligence Assurance and Integrations Manager (DDAIM) carries out second line assurance activities on the EDD programme. The EDD Manager and DDAIM report to the Head of Business Ethics.
Ethical auditing	Consider the wider use of social audits, plus impact assessments of human rights, and environmental and social impact, across activities.	We've started to request existing third-party held/commissioned social audit reports from 'at higher risk' (of modern slavery) suppliers and will continue this work throughout 2024. The Business Ethics team has progressed a Social Audit and Human Rights Impact Assessment plan, which will be presented to the EBCC in early 2024.
Policies and procedures	Continue with our annual review cycle of the Codes of Conduct and the Human Rights policy.	See above regarding our Codes of Conduct. We also reviewed our Human Rights policy during 2023, which is available on www.drax.com .

Employment practices	Identify other Drax UK suppliers that may pay below the real Living Wage and agree milestones for when they can put it in place.	All new or renewing Drax contracts require all UK suppliers to pay the UK real Living Wage or equivalent.
Supplier contracts	Continue to integrate the Supplier Code into new agreements, and at the point of renewal/extension for existing agreements, with third parties.	New contracts with relevant third parties include the Supplier Code or suppliers' equivalent (where we consider it acceptable). Contracts undergoing renewal or extension that do not currently include the provision are amended to include it.
	The Procurement team will work towards implementing a Supplier Management Framework to support the policy.	The Procurement team made satisfactory progress in defining supplier segmentation criteria and the overall supplier management framework. The framework was subject to an internal audit in 2023 and the team will incorporate the feedback during the first half of 2024.
	Continue to incorporate standard Business Ethics clauses into relevant contracts relating to our operations in Canada.	We will continue to incorporate Business Ethics clauses into relevant new contracts during 2024. Renewals and extensions will also include updates to the standard Business Ethics clauses, as appropriate.
Training	Conduct training for colleagues 'at higher risk' of encountering modern slavery.	In 2023, we worked with UK charity Unseen to roll out Modern Slavery training to members of the SCHR WG. We're planning further training for additional departments in the first half of 2024.
Speak up culture	Continue our Speak Up awareness-raising campaign.	In 2023, we updated our Speak Up policy and guidance documentation (including for example, further clarity on how colleagues could raise their concerns and report matters). We also provided further communications about our Speak Up reporting channels. We published intranet articles and leadership newsletters and deployed a mandatory Code of Conduct eLearning refresher module focused on Speak Up. We also targeted communications to colleagues who expressed, via the 2022 My Voice Survey, a lack of confidence in speaking up. In 2023, we saw an increase in Speak Up reports compared to 2022. In 2024, we plan to develop Business Ethics video content to gain a greater reach to colleagues who don't have regular access to computers.
Working together	Continue our work with the UN Global Compact, Utilities Against Slavery, and Unseen.	During 2023, we participated in the UN Global Compact's Modern Slavery Working Group and the Utilities Against Slavery Steering and Working Groups. We've continued to provide financial support to the UK's Modern Slavery and Exploitation Helpline (operated by UK charity, Unseen) and have continued to support Mission to Seafarers in the UK.
Force for Good	Make progress on our 'Force for Good' plans, ensuring that our SCHR programme is adequately considered when engaging with Force for Good partners	We welcome the opportunity to work with partners, collaborating with them on raising standards. For example, we worked with our Vietnamese supplier in 2023 to support continuous improvements to their health and safety.

Our business



Pellet Production

Sustainably sourced biomass is a renewable, low-carbon source of energy and a key element in the road to net zero. This is at the heart of our purpose. The material we use to make pellets includes sawmill and other wood industry residues and forest residuals (which includes low grade roundwood, thinnings, branches and tops). They provide a sustainable, low-carbon fuel source that can be safely and efficiently delivered through our global supply chain.

The forests from which we source our biomass are managed in accordance with standards designed to support the health and growth of these forests over the long term. Based in the US South and in Western Canada, we have 18 operational and development sites with nameplate capacity of around 5.4Mt once expansions are complete.

We have US\$3.7 billion of long-term contracted sales to third parties across Asia and Europe. Our Generation business also uses sustainably sourced pellets from our Pellet Production sites to make flexible, renewable electricity for the UK.

We are committed to sourcing sustainable biomass that achieves both decarbonisation and positive forest outcomes.



Generation

Our portfolio of flexible, low-carbon and renewable UK power assets – biomass, hydro, and pumped storage generation – provides dispatchable, renewable power and system support services to the electricity grid.

Our dispatchable power assets – which can be turned up or down, or switched on or off, at short notice to provide (or dispatch) a flexible response to changes in electricity demand – have an important role to play in enabling the transition to more renewable energy and a more flexible energy system: generating renewable electricity when the sun doesn't shine and the wind doesn't blow.

We are the UK's largest source of renewable power by output, and Drax Power Station is the UK's largest single source of renewable electricity by output.

Our portfolio provides long-term earnings stability and opportunities to optimise returns from the transition to a low-carbon economy.

We are developing options for BECCS at Drax Power Station in the UK and exploring options for global BECCS.



Customers

Our Customers business sells renewable electricity to industrial and commercial customers in the UK.

The business also offers non-generation system support and energy management services to help customers cut costs and reduce their emissions.

This includes the provision of decarbonisation services, such as vehicle fleet electrification, implementing a charging infrastructure, or optimising electric assets. It also helps customers to sell any renewable power they generate.

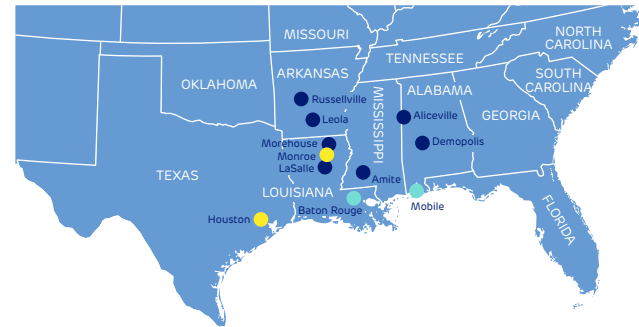
Opus Energy sells renewable electricity and gas, powering a portfolio of mainly small and medium-sized enterprise (SME) customers, as well as some larger corporate businesses, across the UK. The provision of renewable sourced electricity as standard supports customers with the achievement of their sustainability goals.

Our locations

Canada



US



18 operational and development sites, with nameplate capacity of around 5.4Mt once expansions are complete.

Five deep water ports, including one in development, accessing Asian and European markets.

- Ports
- Developments
- Operational plants
- Corporate offices

UK



Japan



Dispatchable, renewable power generation – biomass, hydro, and pumped storage – and supply to UK industry.

- Pumped storage hydro generation
- Biomass from waste
- Hydro-electric generation
- Biomass generation
- Customers business – sales and energy management services
- Corporate offices



Our people

At the end of December 2023, Drax employed around 3,550 people across the UK, US, Canada, and Japan. Our colleagues are at the heart of our success and are key enablers in delivering our business strategy and supporting an ethical, inclusive culture.



People Positive strategy

People Positive: We aim to be a responsible business partner and neighbour in the supply chains and communities in which we operate, conducting our business with honesty, integrity, and respect. We engage with stakeholders in our efforts to provide a positive impact for the workers and communities linked to our operations. Our People Positive strategy encompasses colleagues' experiences at Drax, including the systems we use, and our policies, values, and culture. More details about this strategy are in our 2023 Annual Report, available at www.drax.com.

In the UK, we pay our colleagues at least the UK real Living Wage and all new or renewing Drax contracts require all UK suppliers to pay the UK real Living Wage or equivalent. In the US, Canada, and Japan, we pay all our employees at least the minimum wage relevant to their local benchmark.

During 2023, we worked with third party 'nudge' to run seminars providing relevant information to support colleagues in managing their personal finances. This included options that might help our people deal with the higher cost of living. We also brought forward the 2023 pay review process from April 2023, with increases taking effect in January 2023.

We extended our non-financial wellbeing support to colleagues through our benefits providers and learning resources. We also provided a 'Wellbeing Day' of additional leave to all colleagues. And in the UK, we increased the number of qualified Mental Health First Aiders. In the US, we introduced new benefits that included a more comprehensive Employee Assistance Program.

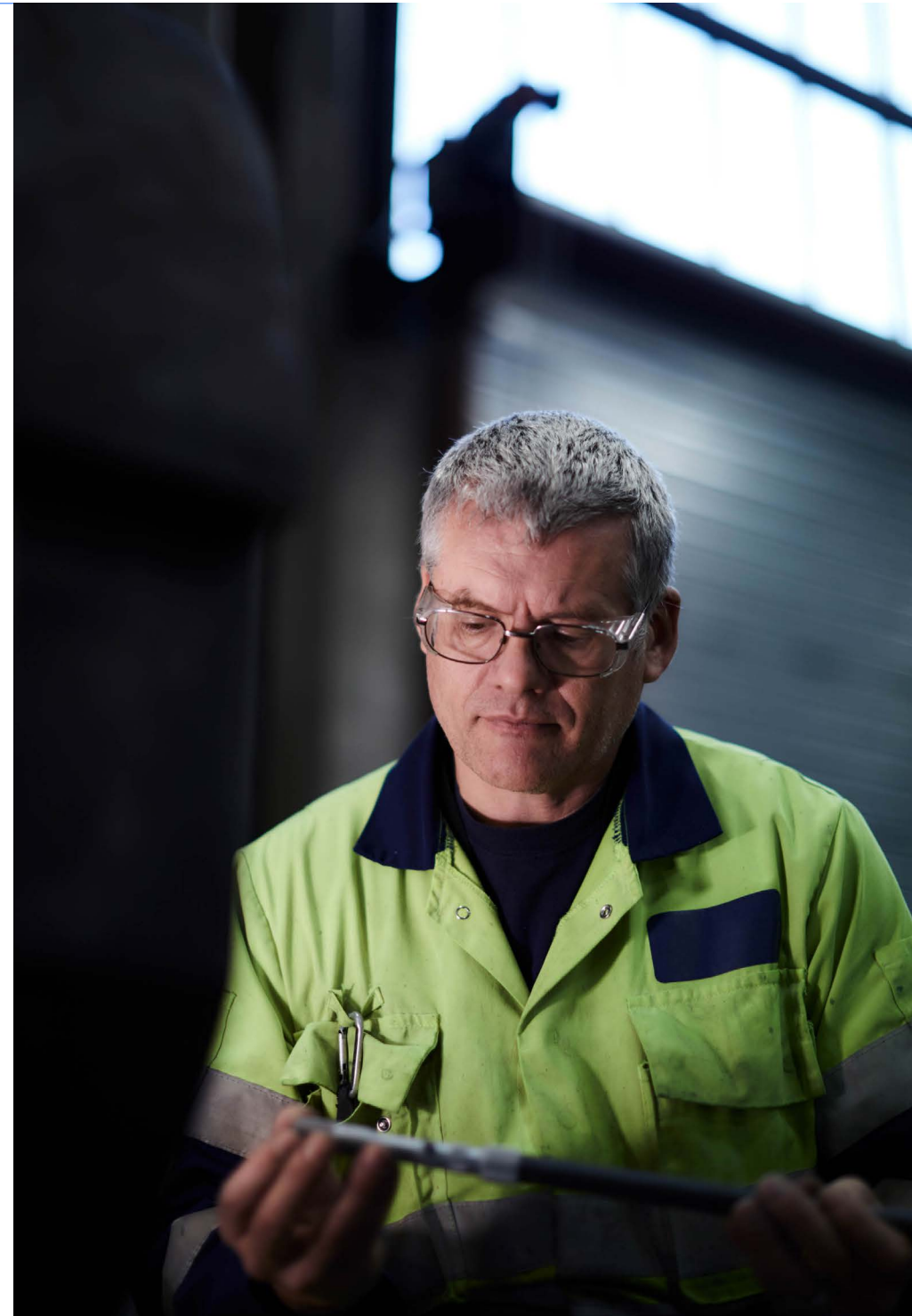
Our Resourcing strategy (for the recruitment of people) focuses on recruiting diverse talent through deploying the right advertising and candidate engagement activities. By using tools to better understand the demographics of the communities where we operate, we can attract candidates who are representative of those communities.

Each management team regularly reviews local health, safety and environmental (HSE) performance as it considers progress against key performance indicators and learns lessons based on colleagues' feedback. Each quarter, the Group HSE Committee undertakes an HSE performance review for the whole Group. The Executive Committee reviews these findings, and the CEO also reports on the results of these activities at each Board meeting.

During 2023, we implemented new dashboards on our Group-wide HSE and Quality IT reporting platform. These help us to assess trends and inform areas for action, allowing us to undertake analysis of incidents, corrective actions, hazard management, risk management and behavioural observations.

Our current values continue to provide the framework for our people behaving and acting with integrity. However, recognising our ambitious growth strategy and the enhanced focus on colleague experience, wellbeing, and performance, we've started work on reviewing those values. This is part of a wider Culture for Growth programme. Updating our values and behaviours will create an Employer Value Proposition (EVP) for the first time – with its launch due in 2024.

Workforce metrics	Result
Average age	40.05
% of non-UK	28.70%
% of UK	71.30%
% of female	32%
% of employees who participated in the 2023 My Voice survey who are likely to "recommend Drax as a place to work"	84%



Our recruitment processes

We have steps within our recruitment procedures designed to address the risks of modern slavery. These steps include:

- Carrying out “right to work” checks and requiring that the agencies we use to supply non-permanent workers carry out equivalent checks
- Completing pre-employment checks to verify the identity of prospective colleagues and that they’re over 16 years of age
- Making sure that an employment contract is in place before an individual starts employment in the Group
- Paying all our eligible/full-time equivalent colleagues at least the UK real Living Wage or equivalent in the territories in which we operate
- Providing information about our Speak Up (whistleblowing) policy, reporting channels and external service

We respect the rights of our colleagues to freedom of association and collective bargaining. Approximately 15% of our UK workforce is covered by a collective bargaining agreement and, in Canada, 4% of the workforce is covered by collective bargaining.



The Group established My Voice Forums in 2019 as part of enabling a dialogue between members of the Board of directors, the senior leadership team and colleagues. Our Board Chair and CEO attend quarterly meetings with the Forum Co-Chairs, who represent the views of colleagues in each part of the business. Their feedback forms part of the information the Board of Directors considers. We maintain regular dialogue with trade union representatives and share bi-monthly meetings to discuss matters of interest to union members, as well as the wider workforce. These exchanges may concern safety or managing change in our operations, and there’s an annual discussion about remuneration.

We invite colleagues to complete a ‘My Voice’ engagement survey, the results of which are shared with our Board, executive and management to assess the feedback. We also share the findings with the wider workforce through Group-wide and business-specific communications channels. This work includes engaging with leaders and managers to review the survey findings, and to discuss and agree action plans. The most recent survey was undertaken in November 2023, and the results shared with colleagues in January 2024.

Our Supply Chain Human Rights programme



Our governance

The Supply Chain Human Rights working group (SCHR WG) is responsible for the development of our SCHR programme. It provides a quarterly report on its activity to the EBCC, which is a sub-committee of the Drax Executive Committee (ExCom) and oversees the programme. The SCHR WG includes representation from various teams across Drax deemed 'at higher risk' of encountering modern slavery. This is assessed upon the nature of their engagement with current and potential partners in our supply chain. In 2023, we extended the working group to enable wider representation from our Canadian and US operations.

The EBCC is responsible for making sure that Drax takes appropriate steps to assess and respond to the risk of modern slavery within our own business, and across our partnerships with suppliers. Drax has a protocol and remediation plan to be followed if we discover modern slavery. An annual report on the EBCC's activity and decisions is submitted to our Audit Committee.

In 2023, no instances of modern slavery were identified for escalation to EBCC, but work continues to further our understanding of the potential risks and that oversight is effective. We also recognise that the risk of modern slavery in our supply chains may increase as we expand our operations, and also as Drax enters new territories. As a result, we're reviewing our policies and practices to ensure they reflect our changing risk profile. In November 2023, we commissioned Slave Free Alliance to commence a gap analysis of our SCHR programme. The output of this exercise will be the focus of our continuous improvement efforts in 2024.



Our policies and procedures

Our Group Policy Framework sets out our key principles (in our Codes), our mandatory and standardisation policies and supporting procedures/guidance. We summarise below the documents that link to our SCHR programme, some of which are publicly available via www.drax.com.

Policy	Summary	How it links to modern slavery
Code of Conduct	Our Code of Conduct applies to all colleagues, non-permanent workers and anyone working on behalf of Drax. It sets out our key principles and the expected standards of behaviour in relation to various important areas, including Modern Slavery.	Our Code of Conduct has multiple sections, including those covering: dignity at work; diversity, equity, and inclusion; human and labour rights. It explains that Drax will not tolerate breaches of human rights and gives details about our various Speak Up reporting channels and approach to non-retaliation.
Supplier Code	Our Supplier Code sets out the standards we expect of our suppliers and any subcontractors they use to support Drax activities. It forms part of relevant supply contracts, with provisions for termination if there's a material breach.	Our Supplier Code mandates that suppliers must: not breach any internationally adopted human rights principles; not engage underage workers or any workers subject to any form of modern slavery; comply with all applicable laws in relation to working hours and remuneration; provide a safe and healthy working environment. It also requires our UK suppliers to pay the real Living Wage and provides details of our Speak Up service.
Human Rights	This policy sets out the human rights standards that Drax abides by, and the prevention and remediation approach we adopt.	The policy incorporates key principles that are also covered separately, and in more detail, in other policies, including: a safe and healthy workplace; dignity at work; working hours; wages and benefits (fair pay); diversity, equity and inclusion; collective bargaining and freedom of association; forced labour and human trafficking; and child labour.
Indigenous People's Policy	This policy explains our commitment to effective and respectful engagement with communities in the places we already operate or seek to undertake business. It reflects ongoing activities with those communities in sharing information about our operations, projects, economic benefits, and associated risks, as well as the desire to collaborate and appropriately address their feedback.	Indigenous People have a high degree of dependence on natural resources for their traditional livelihoods. The policy highlights the Drax commitment to working with Indigenous Peoples and communities in a manner that recognises and respects their legal, constitutional, and international rights.
Responsible Sourcing	Our Responsible Sourcing Policy, published on the Drax website, outlines the criteria by which we source the biomass used at Drax Power Station. It includes principles related to climate, nature, and people, including a commitment to supporting people and communities. In 2022, we commenced an extensive review of the policy and will publish an update in 2024.	As part of our Responsible Sourcing commitment, we: <ul style="list-style-type: none"> Promote respect for human rights including safeguarding the labour rights of workers. Verify that appropriate safeguards are in place to protect health and safety in forests and pellet mills (i.e. through our due diligence processes). Use certification schemes/chain of custody processes that aim to deliver traceability on both the origin of our biomass and the associated supply chain.

Non-Fuel Global Procurement	This policy sets out clear principles, controls, and procedures relating to procuring and/or contracting with third parties. It provides resources to colleagues to ensure appropriate assessment of suppliers takes place and outlines the required approval processes to follow before we make any commitments.	Our Non-Fuel Global Procurement Policy (which references ESG credentials) was issued in Q4 2022. It was reviewed and updated during 2023, with training to support its proper use. We've developed several dashboards to support the monitoring and visibility of correct policy use. During 2024, the Procurement team will focus on further training and support for ongoing compliance with the policy.
Safety, Health and Wellbeing	Our combined Group-wide Safety, Health and Wellbeing policy outlines our OneSafeDrax vision and our commitment to everyone finishing their day of work safe and well.	Our people are at the heart of everything we do, and colleague wellbeing is important to our overall success. The Group policy, signed by the Chair of our Board and our CEO, sets out what we aim to achieve. It also emphasises how all colleagues have a key part in the safety, health and wellbeing of themselves and one another.
Speak Up (whistle-blowing)	Our Speak Up (whistleblowing) Policy – and wider programme – provides a mechanism for all colleagues, and other people associated with Drax, to raise concerns while ensuring protection from victimisation or retaliation.	The programme ensures that our colleagues, suppliers, communities, and others have a means of reporting genuine concerns (including in relation to modern slavery) regarding our own business and with those of business partners.

Our due diligence

Country approval

Global rights indices continue to contribute to our country risk assessment process. Our Ethical Due Diligence Framework stipulates that we appropriately review and approve higher risk countries before accepting any third party relationships in such country.

Supplier approval

Proportionate EDD checks are carried out on suppliers and, where appropriate, their associated persons and supply chain. Should we identify concerns during the process, we may obtain enhanced due diligence before escalation to the EBCC. The EBCC (or ExCom) will then decide whether to appoint the supplier.

Mergers and acquisitions / Strategic partners

In 2023, we updated our Ethical Due Diligence Framework – including an approach for strategic partners (i.e. joint ventures) – and the EBCC reviewed the associated proposals at the Q3 and Q4 meetings. The Framework consolidates and sets out our approach to EDD regarding country risk and the third parties with whom we work. It also references how we escalate concerns that may be found during EDD.

Due diligence systems

We use a due diligence platform that enables us to carry out EDD, as relevant, across Drax. We perform initial EDD and monitor relevant suppliers (escalating red flags to the EBCC). As applicable, we collect supply chain risk intelligence via questionnaires, allowing us to ask for further information when answers indicate a higher risk. In line with an internal audit action, in 2023 we established a dedicated EDD team comprising three new team members. This will strengthen our EDD processes.

Modern slavery instances

In 2023, our EDD processes did not identify instances of modern slavery in our supply chain.

Our risk assessment

We currently have c.7000 suppliers across our procurement activities and engage with many different industries including forestry, manufacturing, freight and logistics, engineering, construction, IT, and site services. We recognise that as our business grows into new territories and sectors, and we engage with a wider network of businesses, the potential risk that incidents of modern slavery arise also expands. Therefore, it's important that our risk assessments and our practices adapt. We continue to assess how we can most effectively evaluate new activities, create a presence in new territories, establish relationships with new partners, and implement appropriate mitigation measures to respond to potential risks.

As well as the internal steps which we've outlined, we're also aware of external resources which can help us in our work. Global rights indices also contribute to the risk assessment of potential suppliers. Where higher risks are identified during our due diligence process, we escalate and pursue enquiries more directly with the support of our dedicated EDD team.

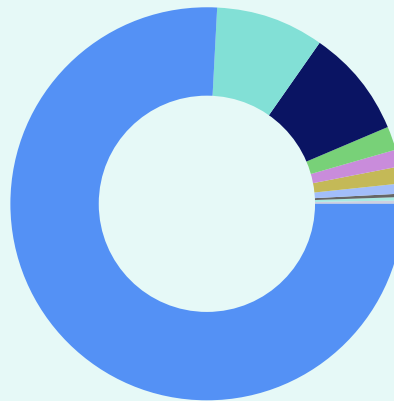




Fuel procurement

The adjacent graphic provides statistics on our global fuel procurement (for consumption and third party supply), by percentage of volume and geography, in 2023. Of those countries listed, we consider Vietnam and Brazil to be of higher risk, consistent with publicly available risk assessments. Drax colleagues visited our suppliers in both countries in 2023.

Drax Group Biomass feedstock mix by country of origin 2023 (Jan-Dec)



75.99%
USA

1.99%
Brazil

0.86%
Estonia

0.18%
UK

8.94%
Latvia

1.40%
Vietnam

0.26%
Bulgaria

0.16%
Other European

8.88%
Canada

1.15%
Portugal

0.20%
Lithuania

Fuel export - North America

Through the Sustainable Biomass Program (SBP), we're able to map the 'fuel' supply chains of our biomass production from source to delivery – known as the 'chain of custody'. The SBP certification process provides transparency of our fuel procurement activity and includes an annual audit encompassing ethical elements. In 2023, 95% of the fuel produced at our North American Pellet Production operations was sold with SBP Compliant claims. We intend to work collaboratively with SBP to seek to strengthen the social/ethical elements of its audit process (including auditor qualification requirements).



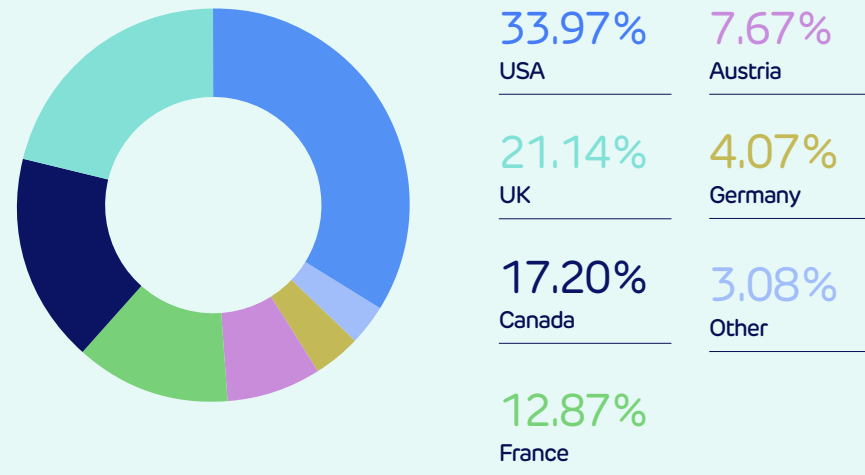


Non-fuel procurement

The below graphic provides statistics on the country of origin of our non-fuel procurement activities, by percentage of spend on our tier 1 supply. 99.43% of our spend is with tier 1 suppliers based in countries that we consider lower risk.

In 2023, through shared learnings from Slave Free Alliance’s Utilities Against Slavery Working Group, we’ve expanded our list of ‘at higher risk’ non-fuel procurement sectors. In 2024, we plan to produce a risk assessment of those sectors and will continue to map our ‘at higher risk’ supply chains (including those involving goods imported into Canada to support our pellet operations).

Top tier 1 countries of origin based on spend % of 2023 non-fuel supply spend by country



Our awareness and training

In 2023, we:



Deployed 'Modern Slavery' training (developed by UK charity, Unseen) to our SCHR WG.



Deployed 'Business Ethics for Senior Leaders' training (which included SCHR content) to the Board and ExCom (with further deployment to senior leadership planned in Q1 2024).



Deployed our third 'Code of Conduct' refresher eLearning module (which included SCHR content) to colleagues across Drax.



Marked Anti-Slavery Day (18 October 2023) with an internal communication inviting colleagues to join a live webinar on 'Collaborating to Mitigate Modern Slavery Risks' (hosted by Slave Free Alliance and the Utilities Against Slavery Working Group). Also in October, we shared a further communication with colleagues – via our intranet – that included the webinar recording and supporting materials.



Delivered multiple face-to-face Business Ethics 'Meet and Greets' (including participation of Tokyo colleagues during a UK visit), Canada and the US. We're committed to doing more of these events in 2024.



Today is anti-slavery day

 Internal Comm
Published 18/10/2023

Modern slavery, including human trafficking, still exists. It is a serious issue that causes harm to many millions of victims around the world.

Today is Anti-Slavery Day which provides an opportunity to consider our awareness of modern slavery and what we can do to help in the fight against it.

Our position as a company is set out clearly in section 5.6 of our [Code of Conduct](#) (Human and labour rights) and our [Human Rights Policy](#).





Our 'Speak up' culture

We encourage everyone who works for, or on behalf of, Drax to speak up about anything they experience or observe which might breach our Code of Conduct, our policies, or the standards expected under prevailing laws or regulations.

We seek to build a supportive environment where all genuine workplace concerns are dealt with effectively and fairly, and to provide mediation and formal resolution steps where that is appropriate.

Everyone can report concerns using our confidential, global Speak Up service (available 24 hours a day, in over 175 languages) – and do so anonymously if they choose. The Business Ethics team assesses all reports and will determine an appropriate approach to investigation and remediation.

Drax does not tolerate retaliation against anyone raising a concern and would investigate where someone experienced instances of such behaviour. As appropriate, the Drax Whistleblowing Officer maintains independent oversight of ongoing reports, and the outcomes of Speak Up concerns are reported to the EBCC, the Board, and the Audit Committee.

No concerns relating to modern slavery were reported via our Speak Up channels in 2023.





Working together

We participate in several industry working groups whose purpose is to bring about positive change (that raises awareness and seeks to address the challenges of modern slavery) on a larger scale. We also collaborate with other organisations and bodies to promote the awareness of modern slavery and other supply chain human rights issues and the role organisations play. In 2024, we hope to expand our modern slavery reach and support internationally.

Organisation	Summary of activity
Sustainable Biomass Program	In 2013, Drax co-founded – with six other energy companies – the Sustainable Biomass Program (SBP). The SBP is a certification system for woody biomass (mostly in the form of wood pellets and wood chips) used in industrial, large-scale production of biomass for electricity generation. The SBP proactively encourages the adoption of standards and due diligence processes, which include the promotion of human rights. For suppliers to be approved under the certification scheme, they must satisfy multiple requirements, including those aligned with modern slavery due diligence. Further information on this programme is available on the SBP website. We demonstrate our commitment to sustainability by complying with widely recognised industry standards. We're proud to have earned sustainability certification (including SFI, FSC and PEFC) across our relevant facilities.
UN Global Compact	Since 2018, we've been a participant in the United Nations Global Compact (UNGC), a voluntary corporate sustainability initiative that encourages businesses worldwide to adopt sustainable and socially responsible practices. There's further information about the UNGC on its website. The Drax Group plc Annual Report forms our yearly 'communication on progress', set against the UNGC's Ten Principles on human rights, labour, environment, and anti-corruption, and on actions to support the Sustainable Development Goals. As a member of the UNGC Modern Slavery Working Group, we collaborate with peers, developing and enhancing our approach to addressing the risks of Modern Slavery. Our commitment to UNGC will continue into 2024. For more information contained in our annual reports, please go to www.drax.com .
Unseen UK	Unseen UK is a charity providing independent support to those affected by trafficking and modern slavery. Unseen runs the UK Modern Slavery and Exploitation Helpline, providing free, independent information and advice 24/7 to potential victims, businesses, the public and statutory agencies. In 2023, we continued to provide financial support for the continued operation of the helpline. We also deployed Unseen's 'Modern Slavery' eLearning material to members of our Supply Chain Working Group.
Slave Free Alliance	<p>We are members of the 'Utilities Against Slavery' steering and working groups. These forums enable utility service providers to discuss areas of mutual concern and share ideas on ways to combat modern slavery. The purpose of the working group, which meets 6-weekly, is to raise awareness on the exploitation of workers. It also shares best practice amongst members and will collaborate and produce a coordinated response to reducing risks in supply chains. In 2023, Drax also led a subgroup focused on supply chains (and will continue to do so in 2024).</p> <p>In November 2023, we commissioned Slave Free Alliance to conduct a gap analysis of our Supply Chain Human Rights programme. This work will conclude in Q1 2024, and we'll incorporate the output of the associated report into our programme of work during 2024 as a means of continuous improvement.</p>
Mission to Seafarers	<p>In 2023, we supported Mission to Seafarers (through funding from Drax and several of our key logistics partners). We also provided volunteers to support the provision of Christmas parcels to seafarers at ports in Immingham and Hull.</p> <p>In 2024, we'll explore how we can better improve communication access for seafarers, as this was identified as their highest priority and biggest wellbeing issue, according to the Happiness Index of May 2023.</p>

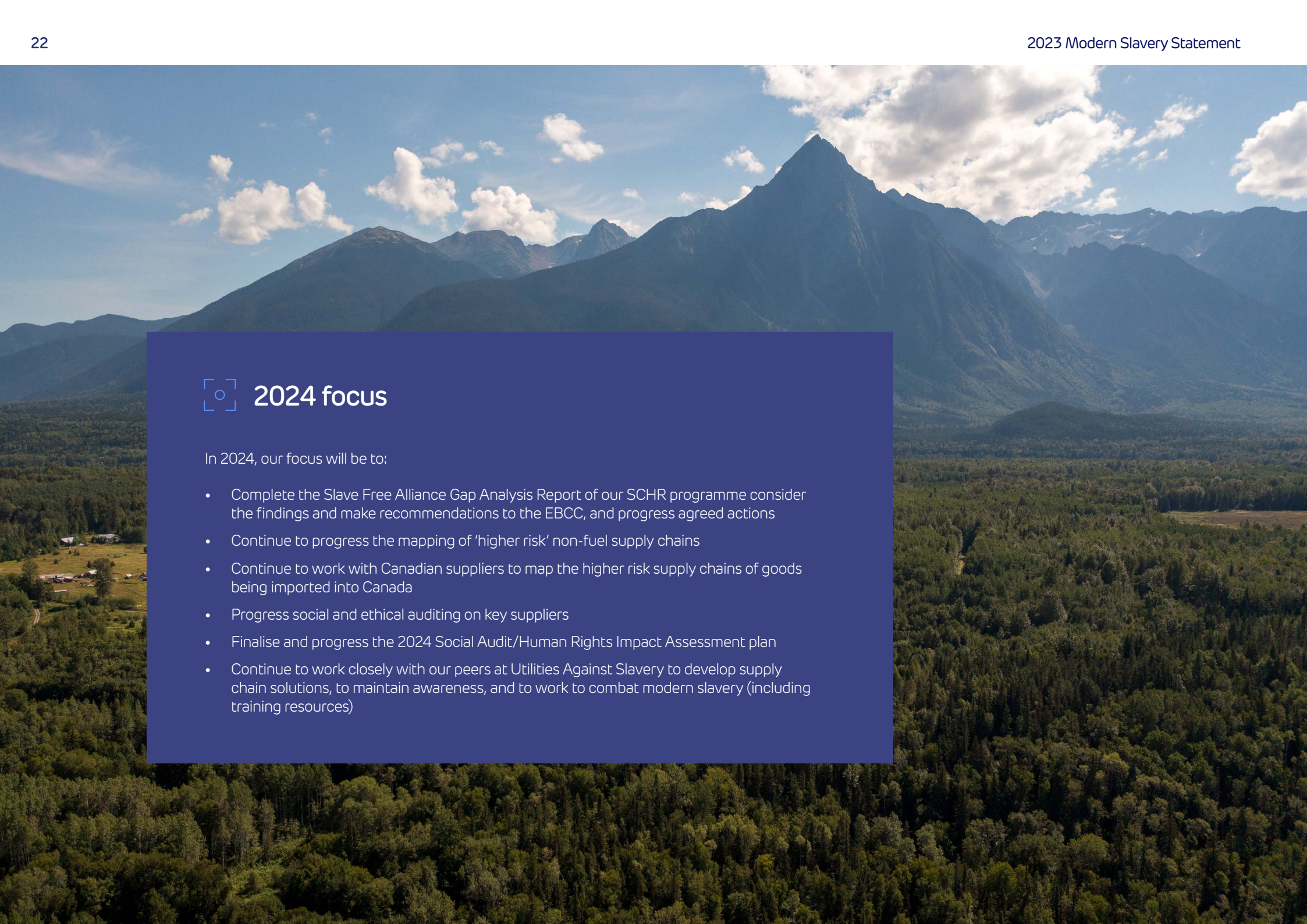


Measuring our progress

Metrics	2022	2023
<p>Provide proportionate levels of training to colleagues, including:</p> <ul style="list-style-type: none"> • New starters • Senior management • Teams considered 'at higher risk' of encountering modern slavery 	<ul style="list-style-type: none"> • Deployed Drax Code of Conduct (including embedded video on Modern Slavery) as a mandatory read to all Operations colleagues in Canada as part of integration activities • Deployed Drax Code of Conduct to all new starters in UK and US Operations • Commenced work to refresh 'Business Ethics for Senior Leaders' training materials, to be deployed in 2023 • Engaged Unseen UK to provide training to 'at higher risk teams' 	<ul style="list-style-type: none"> • Continued to deploy the Code of Conduct to new starters • Deployed Code of Conduct refresher training (including SCHR content) to existing colleagues across Drax • Deployed Unseen's Modern Slavery training to members of the SCHRWG • Deployed 'Business Ethics for Senior Leaders' refresher training (including SCHR content) to our Board and ExCom
<p>Collaborate with others to promote awareness of modern slavery</p>	<ul style="list-style-type: none"> • Continued engagement with UN Global Compact and Slave Free Alliance, subscribing to the Utilities Against Slavery group (facilitated by the Slave Free Alliance) • Maintained engagement with Unseen UK and continued to support the operation of the UK's Modern Slavery and Exploitation Helpline • The Humber Modern Slavery Partnership was part of a collaboration in 2022 to publicise the UK's Modern Slavery and Exploitation Helpline 	<ul style="list-style-type: none"> • Continued engagement with UN Global Compact and Slave Free Alliance, subscribing to the Utilities Against Slavery group (facilitated by the Slave Free Alliance) • Maintained engagement with Unseen UK and continued to support the operation of the UK's Modern Slavery and Exploitation Helpline
<p>Strengthen supply chain auditing and verification processes</p>	<ul style="list-style-type: none"> • Maintained engagement with the Sustainable Biomass Program • Implemented changes to the Due Diligence questionnaire, reflecting the findings of the Social Responsibility Alliance's Slavery and Trafficking Risk template benchmarking exercise • Third-party expert appointed to conduct an on-the-ground Sustainability and Social audit (based on Ethical Trading Initiative Base Code) in Vietnam, with a follow up visit from our Sustainability and Business Ethics teams • The Certification and Verification Working Group remit has been included in the Force for Good workstream 	<ul style="list-style-type: none"> • Continued engagement with the Sustainable Biomass Program • Conducted site visits of our suppliers in Brazil and Vietnam • Developed a Social Audit and HRIA (Human Rights Impact Assessment) plan for EBCC consideration in 2024 • Engaged with high-risk apparel suppliers to obtain existing social/ethical audit reports. For 2024, this will be rolled out to all high-risk non-fuel suppliers • Engaged with Canadian suppliers to obtain existing social/ethical audit reports and grow existing supplier data, beyond our direct suppliers

Modern Slavery investigations outstanding	Nil	Nil
Maintain up to date due diligence information on supply chains that are high risk for modern slavery	Commenced work to refresh due diligence information on relevant supply chains	Assessed that four 'at higher risk' fuel supply chains required refreshed due diligence in 2023. These refreshers commenced in 2023 and were all completed as at the date of this Statement.
% of SBP compliant biomass received at Drax Power Station (NEW for 2023)		97%
Completion of Code of Conduct refresher training (NEW for 2023)		Material deployed December 2023 and will be followed up to 100% completion
Time elapsed since completion of latest SCHR programme risk assessment (NEW for 2023)		Annual SCHR programme risk assessment last completed in October 2023 (within standard review cycle)





2024 focus

In 2024, our focus will be to:

- Complete the Slave Free Alliance Gap Analysis Report of our SCHR programme consider the findings and make recommendations to the EBCC, and progress agreed actions
- Continue to progress the mapping of 'higher risk' non-fuel supply chains
- Continue to work with Canadian suppliers to map the higher risk supply chains of goods being imported into Canada
- Progress social and ethical auditing on key suppliers
- Finalise and progress the 2024 Social Audit/Human Rights Impact Assessment plan
- Continue to work closely with our peers at Utilities Against Slavery to develop supply chain solutions, to maintain awareness, and to work to combat modern slavery (including training resources)

Statement scope

This statement applies to Drax Group plc and the following subsidiaries:

- Drax Biomass Inc
- Drax Energy Solutions Limited
- Drax Power Limited
- Drax Pumped Storage Limited
- Drax River Hydro Limited
- Opus Energy Limited
- Opus Energy (Corporate) Limited
- Opus Energy Renewables Limited
- Opus Gas Supply Limited
- Pinnacle Renewable Energy Inc

See our website (www.drax.com) for general information and our previous modern slavery statements.

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