



Environment, Social & Governance (ESG)

The Group is passionate about making a positive contribution to the environment, our clients, our people and the communities in which we live and work. Given the nature of the Group and its businesses, understanding and improving our ESG performance is a vital part of our business strategy and is reported annually.

This year we have created a strong oversight approach to help ensure we achieve our ambitions and that these are ever improving. A new ESG management group, comprised of the Group Executive Committee and senior support leaders, is now in place to set clear goals, actions and provide more rapid approvals for ESG work. This is supported by an ESG working group comprised of senior business leaders and support leads to ensure a more rapid implementation of the new approaches and initiatives agreed.

Many projects are currently ongoing, such as developing a Group ESG sub committee and a data assurance and confidence grade register, which will demonstrate our commitment to this area.

Environment

The Group is mindful of the impact of its operations on the environment and is passionate about playing its part in protecting the natural environment for the years to come. As our work is primarily in infrastructure, providing critical services or owning these assets, we are clear on our obligations as asset stewards and the support these assets provide to our natural world.

For our Environmental pillar, this includes supporting climate resilience and biodiversity as well as reducing waste, conserving water, building more resilient and lower carbon assets and sustainable supply chain sourcing. We report performance on these regularly to our teams and report this to our investors, Arjun Infrastructure Partners.

As well as our usual KPIs, the Group has committed to the creation of a full 'Net Zero 2050' plan, which will see the Group achieve net zero by no later than 2050, noting the water companies have also agreed (with the whole UK water sector) to net zero by 2030.

Some examples of environment initiatives within the year include:



Low carbon ground source heating solution for IWM

Working as a trusted partner, with others as well as our own Group businesses, to drive down environmental impact and reducing carbon emissions is a win for all. Our businesses partnered in a sector-first way, between water company and contractors, to deliver a unique solution for the Imperial War Museum in Duxford on their heating needs and effective decarbonisation via ground source heat pumps and associated network. This was recognised at the Utility Week Awards, winning ESG Initiative of the Year.

Not only did we achieve a great outcome, but we have been able to showcase this as a great example of collaboration for the wider sector.



Enhancing biodiversity at Blithfield Reservoir

Our Blithfield Reservoir is not only a precious water source for our customers but it's also an important habitat for some wonderful wildlife including wildfowl, including goosander, widgeon and a wide variety of over-wintering fowl.

We have created a welcoming place for visitors to come, enjoy countryside walks, do bird watching and take part in sailing and angling activities. Our partnership with local community groups, councils, Natural England, local Wildlife Trusts, RiverCare and the Environment Agency has ensured we continue to keep this special place open, carbon low and with a controlled impact to the natural environment.

This means we work together to protect and enhance the biodiversity of the site so that it continues to allow wildlife and plant life to flourish while we all enjoy it together.



Reducing our carbon impact across the Group

The Group continues to do small things to manage its environmental impact.

- Bug houses are regularly deployed at our offices
- Bees are kept on some of our sites
- Installed EV chargers in more locations to support electric transport
- Continued to install LED lighting in our offices
- Moved some equipment to solar power (like our new CCTV survey kit)
- Made steps to flush less urinals
- Moving to a fleet support system to reduce fuel consumption on our non-electric fleet

All of these are no regret options, which we review via our ESG working group and are building into a more sustainable plan for the way we work every day.

Social

The Group seeks to foster positive and collaborative relationships with its employees, customers, suppliers and the wider communities in which its businesses operate. This includes valuing and promoting diversity and inclusion as an employer, attracting and developing talent, having a positive community impact, ensuring customer satisfaction and providing a safe work environment for our people.

To aid this, in the year we have created a new Vision, Mission and Value set from workshops held with over 10% of our people from all across our Group, from front line team members to senior leaders. These will help badge common understanding of our purpose. We have embedded these with a new recognition approach across the Group, recognising and praising the work we do every day to deliver for our clients and customers.

The Group reports to its investor, Arjun Infrastructure Partners, on its performance in all these areas regularly, including a host of metrics such as gender pay gap information and employee engagement scores.

Inclusion, Equality and Diversity

The Group is committed to providing a positive and inclusive working environment, free from discrimination and unfair treatment. We welcome diversity and provide equal opportunities for employment, training and promotion, having regard to employees' particular aptitudes and abilities, regardless of their gender, race, age, disability or any other protected characteristics.

The Group takes steps to promote gender diversity which include aiming to attract more diverse applicants to vacancies, further developing flexible working arrangements and encouraging more diversity in engineering and technical roles. Within the year, we have launched a new group awareness calendar, supporting those from our diverse minorities with internal comms on special days, months and specific events. These also come with briefing packs for leaders to bring this to life and celebrate our diversity within individual businesses.

Human rights are not considered to be a material risk for the Group because of existing regulatory requirements in the UK and the nature of our supply chain. Working with our suppliers, our businesses have started to clearly state human rights clauses in their supplier contracts together with the expectations we demand for human rights preservation.

To show commitment to human rights, our CEO has publicly made commitments for the year ahead on how we will increase inclusion for our LGBT+ community. These will be delivered by a new employee network group set up in the coming months.



Andy, an OnSite employee, ran a marathon to raise vital funds and awareness for the charity Best Mates.

A positive community impact

During the year, the Group continued to invest in supporting local communities and causes close to the heart of the sectors we serve. We have done this through many shared initiatives.

Within the SSI Waste, Water and Infrastructure and Compliance divisions, colleagues continue to support local causes as well as those that are important to their clients through our employee volunteering scheme. This tends to be smaller, more localised community and fundraising initiatives. For example, our teams have been baking, guessing pet names and competing in charity races to raise funds for charities as well as carrying out minor repairs to fences and pathways to enhance community spaces.

South Staffs Water's community hub is located on Wednesbury high street, in the heart of one of the region's most socially deprived areas.

The vision was to provide a trusted and accessible location for our customers to interact with the business and other support agencies. This has made it easier for those most in need to seek support on help to pay, bill reductions, wider social support and accessing the help on our priority services register.

Since opening its doors on 27 April 2018, the hub has welcomed thousands of visitors and provided a venue for many community groups. The hub and its team have supported so many community initiatives, including food bank donations and school uniform swaps.



In India, Echo Managed Services has supported local community groups by spending their team building days giving something back, planting trees and litter picking in the beautiful Dhanaulti and Rishikesh regions of the Himalayas. The Echo India team also pride themselves on devoting their time and efforts to give children at a local orphanage a better life. Each year, the office hosts Santa Claus and the children are invited to come in, hear stories and have a party whilst also receiving a gift from Santa. The children are often also invited to join with festivities such as Holi, the festival of colours, and food is provided by Echo to the orphanage for other celebrations.



Health, Safety and Wellbeing

Governance for performance and oversight of significant events rests with the Group Executive team, supported by the Group Head of Health and Safety. We believe safety at work is a basic human right, and workplace conditions directly impact our employees, as well as their families and communities. Our employees should expect an unequivocal level of dedication and continual improvement, using a determined learning approach so they can go home safe every day. All senior leaders are expected to make public commitments to our team members about having an unapologetic zero tolerance for safety issues but also fostering an environment of sharing to improve health and safety for all.

Fulfilling our statutory duties is an obligation but one driven by the ethics of caring for our people. The Group's all accident performance continued to improve during 2023-24. Injury rate fell from 1.14 to 0.98. Most of the events in this banding are of low potential severity, but a reduction remains a positive marker. Our RIDDOR performance also improved, from 0.07 to 0.04. More positive indicators, such as near misses and leadership visits, remain healthy compared to the previous year and are illustrative of the value we place on an open, honest and proactive reporting culture that allows our people to share their knowledge, experience, skill and innovations.

In this year we have introduced a new Health Safety and Wellbeing (HSW) Management Group, comprised of our Executive Team and the Group Head of Health and Safety to ensure our ambitions are monitored, and actions taken swiftly. This is supported by a new HSW Working Group made up of key business leads (who lead local HSW committees from our front line team members) and all health and safety professionals from across our Group of businesses.

The Management Group has set the direction and agreed a new strategic approach, setting a common standard across the whole group, branded with one identity to help move the health and safety performance even higher. This is in the process of being delivered to the business and will help further improve our focus and reduce health and safety incidents.

We continue to work hard to transform how we think and manage health and safety, widening our view from just focusing on accidents. Following our very successful focus on our highest risks or our high potential severity events (HiPos) we have seen an increased rate, mainly from better reporting and classification. This trend is now reducing and is being monitored regularly.



We have continued to hold a Health and Safety conference each year, including formal awards, a focus on new equipment, key messages and points of critical learning. This clear commitment, alongside our regular safety standdowns, helps demonstrate our dedication to our team members.

Our people have access to specialist occupational health advisors, who provide proactive health surveillance and advice to help keep them fit and healthy. Employee assistance programmes are available across the Group, providing counselling on a variety of issues, both work-related and personal. Mental health first aiders have also been trained in many of our businesses.



A great place to work

The Group is passionate about attracting and retaining the right talent to support the delivery of excellent services to our clients and their end customers and for South Staffordshire Plc to be a great place to work. This includes a focus on employee engagement, growth and development and how we recognise the work our people do every day. Some examples of initiatives in this area within the year include:



Employee engagement

The Group continued its Groupwide employee engagement survey, increasing participation by over 40% and getting thousands of verbatim comments to review on what we do well and what we can work on together. The survey focused on the areas of basic needs at work, individual contribution, teamwork and a sense of belonging, as well as growth and progression.

The survey highlighted some key areas of strength which will be used to update the Groupwide 'People Promises' and formulate business-specific action plans. These will ensure we deliver the right outcome for everyone in South Staffordshire Plc.



Recognition through our value awards

For the first time this year, we have recognised individuals in all teams for their individual contribution against our new value set. Successful nominees (from both leaders and peers) are recognised on a monthly basis and put forward to further awards. The CEO recognises excellence across the Group via her monthly blog and, as part of the new Annual Leadership conference, we acknowledge the leaders who most positively impact our businesses and deliver for customers and clients.

We anticipate all of these steps will increase employee engagement and help towards being a great place to work.



CCO supports industry body on inclusion

Women are underrepresented in utilities, making up only 19% of the workforce across the sector, and only 1.5% of the leadership in the sector are LGBT+. The Chief Commercial Officer has been nominated as the Pipeline Industries Guild (The Guild) Deputy National Chair (taking the full Chair position in the next twelve months). The Guild actively supports all types of diversity through its sector-wide initiatives, both client and contractor sides. South Staffordshire Plc is proud to visibly support this work and show our commitment to improving the whole sector, not just our businesses, as a great place to work.



Governance

Good governance, compliance and business ethics are fundamental to the Group and its operations. This influences the makeup of our Board and how it operates alongside procedures such as anti-bribery, modern whistleblowing and cyber security and data performance.

During the year a full refresh of the corporate governance policies has been undertaken and re-briefed to ensure our approaches are as up to date as possible, and the commitments we make to our people and they make to us are clear.

We report regularly in all these areas to our investor, Arjun Infrastructure Partners. More information on this can be found within the Governance section of this report.



South Staffordshire Plc

To help create a world where essential services and
infrastructure deliver for customers, clients and our planet

south-staffordshire.com