A close-up photograph of a young child with blonde hair and green eyes, drinking water from a clear glass. The child is wearing a red and white floral patterned dress. The background is a soft, out-of-focus green, suggesting an outdoor setting. The text 'Our social purpose commitments' is overlaid on the right side of the image.

Our social purpose commitments

WONDERFUL ON TAP

SEVERN
TRENT

A close-up photograph of a hand holding a clear glass under a running faucet. Water is pouring from the faucet into the glass, creating bubbles. The background is blurred, showing a kitchen setting. The text "Our social purpose" is overlaid in white, bold, sans-serif font.

**Our
social
purpose**

Severn Trent is proud to be a pathfinder for a new breed of long-term, socially purposeful companies working to improve our country's infrastructure.

The idea is simple. We combine a strong public service ethos with the benefits of private investment and independent leadership to deliver world class water services.

Our social purpose is at the heart of all we do. Our commitment is this: every decision we make is based on delivering world class water services at a fair price. We also aim to maximise our contribution to wider society and improve the environment.

When engaging with our customers, this ethos has gone to the heart of what they want to see from a forward-thinking Company, and we are certain our efforts will serve this and many generations of customers to come.

We are a business that thinks, plans and invests for the long term. Significant progress has been made over the last 25 years, creating a solid foundation on which to progress over the next 25. This will be accomplished through a combination of careful stewardship and sensible long-term investment.

We have played a leading role in developing a sector-wide Public Interest Commitment that sets out a series of five collective pledges for water companies in England.

These pledges state that by 2030 the sector as a whole will:

- have eliminated water poverty;
- be operationally carbon neutral;
- have tripled the rate of leakage reduction;
- have prevented the equivalent of four billion plastic bottles ending up as waste through our Refill scheme; and
- committed to signing the Social Mobility Pledge – an important step for the sector as a whole.

Driven by our core social purpose mindset, Severn Trent's own commitments go wider and further.

These pages highlight what our social purpose mindset is delivering for customers, the environment and wider society, colleagues and investors.



One moment
of inspiration;
a lifetime of
water saving



Our social purpose for

Our Customers

Our commitment to our social purpose is what drives our mission to deliver world class services at fair prices.

We are very proud of our recent achievements, including:

- Delivering on Outcome Delivery Incentives ('ODIs'), the basket of measures that are most important to customers – we have delivered an industry-leading position;
- 85% customer satisfaction rating;
- Average combined bills remain the lowest in the UK; and
- Leaders in encouraging the water sector as a whole to make a number of clear public interest commitments.

In our business plan for 2020-25 we commit to reducing bills by another 5%, investing in improving more than 2,000km+ of our local rivers, and increasing support to vulnerable customers by nearly 50%.

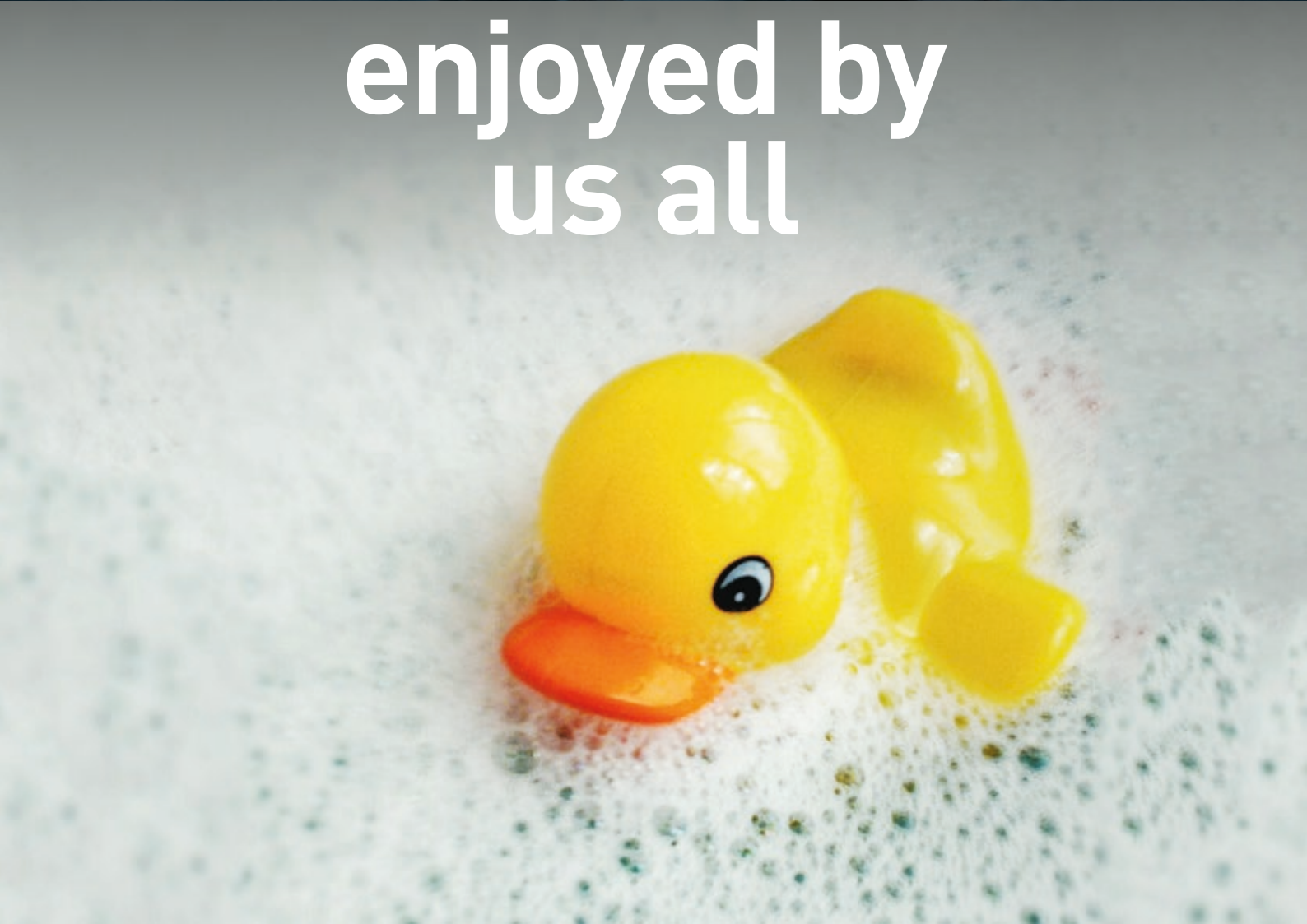
Our plan, built on our social purpose, was one of the very few to receive Fast-Track status from Ofwat.



32,000 of our customers had a direct say in development of our AMP7 business plans and a further 1.9 million views were considered in its creation. Our absolute priority is to improve services for all of our customers in areas that matter most to them.



**Custodians of a
precious resource
enjoyed by
us all**



Our social purpose for

The environment and wider society

Our social purpose means maximising the benefits to the environment and wider society

Our commitments include:

- Through our new community dividend, we will invest 1% of our profits in community projects – a really exciting opportunity to make a positive impact in our region;
- Planting the equivalent of one tree for every three households we serve by 2030, to help reduce flooding and improve water quality;
- Reducing use of single use plastic by 2020 and helping to prevent the equivalent of four billion plastic bottles ending up as waste by 2030;
- Signing the Social Mobility Pledge and recruiting people from disadvantaged backgrounds across our region, seeking to provide opportunities to all;
- Encouraging every employee to spend at least two days a year of Company time volunteering in their local community – over 30% of our people have done so this year;

- Supporting charities like WaterAid (which we helped to set up) working in poorer countries; and
- Offering every primary school in our region a visit from our Wonderful Water Tour – an innovative educational roadshow to inspire tomorrow's generation.

In addition we're one of a few companies in the UK to have signed up to the triple pledge of:

- Net zero carbon emissions by 2030
- 100% renewable energy use by 2030; and
- 100% electric vehicles by 2030.

We are determined to do even more. That is why we have created the World Water Innovation Fund. We've joined forces with like-minded companies across the globe to find new ways of working – pooling resources and ideas to develop and accelerate new technologies. Our £5 million investment in the Fund will make a real difference to people's lives across the world and we're excited about what we can achieve by working together.



Our people make an amazing contribution to the communities they work and live in through our dedicated volunteering scheme, Community Champions – working alongside partners such as the Canal and River Trust to improve riverside environments.



**Our expert minds
delivering
investments for
the future**



Our social purpose for **Our Colleagues**

We believe that an expert, highly motivated workforce is the key enabler for delivering world class services at fair prices. And we also believe that a true measure of a socially purposeful Company is how it treats its workforce.

Our goals are to enable all Severn Trent colleagues to succeed, to fairly reward people's contributions and to be a Company everyone is inspired to work for.

We will accomplish these goals by:

- Investing in the best, most relevant apprentice and graduate recruitment schemes in the regions we serve;
- Establishing a £10 million technical academy in Coventry to help us prepare future generations for rewarding careers;
- Encouraging everyone to be themselves at work, through our commitment to diversity and inclusion in all its forms. We were placed in the top four among FTSE100 companies by the 2018 Hampton-Alexander Review;

- Championing physical and mental wellbeing;
- Paying fair wages, with an all employee bonus scheme linked to our performance for customers – Glassdoor reports that 74% of our people would recommend us to a friend; and
- Giving all employees an opportunity to be part-owners of the company (and an amazing 77% already are).



As part of our continued focus on providing a more inclusive working environment for all, we launched our LGBT+ Ally Programme this year – an opportunity for all employees to challenge behaviour and actively support their LGBT+ colleagues.

A photograph of a modern water treatment plant under a blue sky with scattered white clouds. The facility includes large black cylindrical storage tanks, a complex network of metal pipes and walkways, and a large green industrial building with a red fire hose reel. The text "Decades of sustainable investment" is overlaid in white, bold, sans-serif font.

**Decades of
sustainable
investment**

A photograph of an elderly couple sitting at a dining table. The woman on the left has short white hair and is wearing a blue top. The man on the right is older with white hair and is wearing a blue shirt. They are both smiling and holding up crystal wine glasses filled with water, clinking them together in a toast. The table is set with a glass pitcher of water, lit candles, and plates of food including a salad and lemons. The text "positive effects for all" is overlaid in white, bold, sans-serif font.

**positive effects
for all**

Our social purpose for

Our Investors

A business that wants to be financially sustainable over the long-term first needs to be socially and environmentally sustainable.

We believe focusing on social purpose is the right thing on its own merits, and we also believe it enhances our long-term financial sustainability. This in turn helps us deliver more for customers, wider society and the environment – a virtuous circle.

We believe this long-term, holistic approach will ultimately deliver sustainable returns for like-minded investors whose investment horizon is in tune with our ethos. An added benefit of our social purpose is our commitment to the highest standards of transparency and corporate governance.



Our commitment to the Social Mobility Pledge will help people from disadvantaged backgrounds across our region become part of the Severn Trent family and succeed within the business.

**We welcome your views and feedback.
You can talk to our team at:**

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