

SECTION 172(1) STATEMENT

Section 172 of the Companies Act 2006 requires a Director of a company to act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to: the likely consequences of any decision in the long term; the interests of the company's employees; the need to foster the company's business relationships with suppliers, clients, joint arrangement partners and others; the impact of the company's operations on the community and the environment; the desirability of the company maintaining a reputation for high standards of business conduct; and the need to act fairly with members of the company.

The Directors give careful consideration to the factors set out above in discharging their duties under section 172. The stakeholders we consider in this regard are the people who work for us, our clients and those in the supply chain with whom we engage, our owners, joint arrangement partners, regulatory bodies and those that live in the societies within which we operate. The Directors recognise that building strong relationships with our stakeholders will help us to deliver our strategy in line with our long-term values and operate the business in a sustainable way. We are committed to doing business responsibly and thinking for the long term.

The Directors regularly receive reports from management on issues concerning clients, the environment, suppliers, employees, joint operation partners and other stakeholders which it takes into account in its discussions and in its decision-making process under section 172.

Employees

Directors receive monthly updates on various staff metrics. The Directors are committed to the Group's People Plan that includes promoting a healthy workforce with focus on mental health and wellbeing, developing a culture of inclusion, ensuring training and development opportunities are provided and keeping staff informed of key issues through our communications network. We look to attract and retain staff via our recruitment and development strategies.

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Clients

As well as the Directors receiving updates from senior management on the Company's interaction with clients, members of the Board of Directors regularly meet client representatives to maintain relationships and understand the specific needs of the client.

Suppliers

We have consistent standards and procedures for the onboarding and use of external suppliers. We require suppliers to meet our compliance and financial stability requirements, as well as to meet our requirements around health and safety where appropriate. Payment on time is of paramount importance, and we are a member of the Prompt Payment Code in the UK.

Joint arrangement partners

A member of the senior management team is a member of the board for each of our joint arrangements. All key decisions taken at joint arrangement board level are aligned with the objectives of our joint arrangement partners and all significant decisions are discussed with the Company's Directors prior to final approval.

Community and the environment

We continue to embed community and volunteering within our business, supporting local communities and larger charities.

The company fully recognises the importance of its environmental responsibilities, monitors and controls its impact on the environment and implements policies aimed at reducing any damage that might be caused by the group's activities. MWH Treatment Limited operates fully in accordance with these policies.