

SLAVERY AND HUMAN TRAFFICKING STATEMENT

1.0 This statement is published to meet the obligation imposed on UK Power Networks' companies by section 54 Modern Slavery Act 2015

- 1.1 This statement has been approved by the Board of UK Power Networks Holdings Limited at its meeting on 6 July 2020. It sets out the steps taken by UK Power Networks Holdings Limited and the UK Power Networks group of companies (together "UK Power Networks") during the year ending 5 April 2020 to prevent modern slavery and human trafficking in its business and supply chain.
- 1.2 UK Power Networks is opposed to slavery and human trafficking and will not knowingly conduct business with those engaged in those activities or knowingly permit them to be carried out in a part of its business.
- 1.3 In the financial year 6 April 2019 – 5 April 2020, UK Power Networks has taken the following steps to ensure that slavery and human trafficking is not taking place in its business and in its supply chain:
 - 1.3.1 UK Power Networks has given refresher training to the procurement team to ensure a high level of understanding of the risk of modern slavery in UK Power Networks' supply chain.

2.0 UK Power Networks has chosen to include in this statement the following information:

2.1 UK Power Networks' structure, its business and its supply chain

UK Power Networks Holdings Limited owns the UK Power Networks group of companies.

UK Power Networks' business is of two types: regulated and unregulated.

The regulated business is the distribution of electricity pursuant to three electricity distribution licenses issued under section 6(1)(c) Electricity Act 1989 and held by, respectively Eastern Power Networks plc, London Power Networks plc and South Eastern Power Networks plc, each a wholly owned subsidiary of UK Power Networks Holdings Limited. UK Power Networks (Operations) Limited is the operating name of the company which acts on behalf of the three distribution licensees.

This business is a geographical monopoly regulated by Ofgem and carried on in the east of England, London and the south-east of England.

The unregulated business is an electrical contracting business, concerned principally with the construction, operation and maintenance of privately owned electricity distribution systems. This business is carried out predominantly in the south east of England through trading companies that are subsidiaries of UK

Power Networks Services Holdings Limited (itself a subsidiary of UK Power Networks Holdings Limited). Those trading companies are UK Power Networks Services (Contracting) Limited and UK Power Networks Services (Commercial) Limited.

This statement covers all of the above companies.

2.2 UK Power Networks' policies in relation to slavery and human trafficking

Slavery and human trafficking, whether in our supply chains or in a part of our business, are not consistent with our six values: unity, integrity, respect, responsibility, continuous improvement, diversity and inclusiveness.

It is UK Power Networks' policy to not knowingly conduct business with those engaged in slavery and human trafficking and to cooperate with the Police in relation to investigations carried by them in relation to slavery and human trafficking when required to do so.

UK Power Networks Code of Conduct policy provides internal awareness of UK Power Networks' Slavery and Human Trafficking Statement and of its approach to Slavery and Human Trafficking.

UK Power Networks Sustainable Procurement Policy also provides internal awareness of the Modern Slavery Act 2015.

UK Power Networks pro forma tender documentation draws tenderers' attention to the existence of the Modern Slavery Act 2015 and requires tenderers to ensure that slavery and human trafficking are not taking place in their business and supply chain.

UK Power Networks "Working with UK Power Networks" booklet for UK Power Networks' suppliers brings the supplier's attention to UK Power Networks' approach to Modern Slavery.

2.3 Due diligence processes in relation to slavery and human trafficking in its business and supply chains

Most of UK Power Networks' procurement is subject to the provisions of the Utilities Contracts Regulations 2016 and its own processes to achieve objective selection of tenderers. It is a pre-condition of submitting a bid that the tenderer takes all necessary steps to prevent the commission of offences under the Modern Slavery Act 2015. On receipt of strong *prima facie* evidence of slavery and human trafficking taking place in its supply chain UK Power Networks may refer the matter to the Police.

2.4 The parts of UK Power Networks' business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk

UK Power Networks' supply chain is significant because of the size of its regulated business of owning, operating, replacing and extending its distribution systems. We expect that our suppliers and contractors will take reasonable steps to:

- Not use slave labour, illegal child labour or forced labour;
- Ensure that the overall terms of employment are voluntary;
- Follow all local applicable laws pertaining to minimum age requirements, wages, the number of hours worked in a seven (7) day week, overtime and benefits; and
- Ensure that all materials incorporated into their products comply with the laws regarding human trafficking and slavery in the country or countries in which they carry on business and be able to demonstrate compliance with this requirement when requested to do so.

2.5 Effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate

Effectiveness is judged by reference to the information that reasonably could have been obtained on written enquiry and the content of calls received on the Confidential Reporting Hotline.

The effectiveness of our statement and the steps we have taken to ensure that slavery and human trafficking is not taken place is a recurring item in board meetings, where a Board Paper is presented.

2.6 The training about slavery and human trafficking available to its staff

Because it is illegal, slavery and human trafficking are likely to be conducted in some secrecy and will be difficult to detect. The information made available to employees concerning indicators will be made via internal briefings. Specifically training has taken place in the procurement team to ensure a high level of understanding of the risk of modern slavery in UK Power Networks' supply chain.



BASIL SCARSELLA
SIGNATURE OF DIRECTOR:

Date: 9/7/2020

