

Utilita Group Limited Response to the Modern Slavery Act.

Statement for the year ending **March 2019**

This modern slavery statement for financial year ending March 2019 is made pursuant to section 54(1) of the Modern Slavery Act 2015.

It sets out the steps that Utilita Group Limited and its subsidiaries (Utilita Energy Limited, Utilita Field Services Limited, Utilita Services Limited and Utilita Telesales Limited) have taken towards ensuring that there is no slavery or human trafficking in their supply chain.

Utilita Group Limited and its subsidiaries, hereafter known as Utilita, are committed to understanding the modern slavery risks and are continually working to ensure that there is no modern slavery within their supply chain.

Utilita is reliant on its supply chain and expects its suppliers to be compliant with the Modern Slavery Act. Utilita recognises that there is a risk that modern slavery and human trafficking may occur within its supply chains.

> About us

Utilita installed Britain's first ever smart meter back in 2008 and has since become the country's leading Pay As You Go Smart Energy supplier.

Around 90% of its 790,000 customers* now have a smart meter – the highest percentage of any UK supplier – with more than 95% on Pay As You Go.

In 2018, Utilita continued to innovate, launching an ambitious rollout of 'High Street Hubs' – offering energy advice and engaging with communities across the UK. Headquartered in Chandler's Ford, Hants, Utilita estimates it has saved its customers – many of whom are among the most vulnerable in Britain – at least £500m since 2010.

The Modern Slavery statement was reviewed and approved by the Board of Directors on 24 September, 2019.

Signed



W. N. Bullen
CEO, Utilita Group Limited

*As of September, 2019

➤ During the financial year 2018/19, Utilita continued to strengthen its supply chain by ensuring that all policies and procedures were followed and implemented. The following actions were successfully implemented:

Utilita Preferred Supplier List and Due Diligence

Utilita continued to make improvements to the supplier assessment and onboarding process during financial year 2018/19. All new suppliers are required to complete minimum due diligence during the onboarding process which is review by both the Supply Chain Admins and designated Buyer.

Mandatory questions on modern slavery and human trafficking are included in the onboarding process to ensure that all suppliers are compliant before being accepted into the Utilita Preferred Supplier List (PSL).

Modern Slavery Statements are requested from the suppliers that are obligated to publish one, as well as backing documentation to support their statement.

Utilita continues to risk assess suppliers by applying Low, Medium or High status and bespoke action plans are drafted for potentially high-risk suppliers to ensure full transparency.

The Utilita Standard Purchase Order Terms and Conditions, which include the standard business conduct relating to Anti-Bribery and Anti-Corruption, are issued and attached to all purchase orders submitted to any third-party supplier, regardless of whether they are on the Utilita PSL.

Standard Modern Slavery and Anti-Bribery clauses are included in all relevant commercial contracts and agreements with third-party suppliers with any of the Utilita Group companies.

Full Supplier Review

Due to continued business growth, the supplier base and PSL have grown by more than 50% to approximately 1,500 suppliers*. Utilita is committed to streamlining its supplier base and PSL to ensure that it can monitor its suppliers effectively. Utilita has set itself a target of reducing its supplier base by at least 10% by the end of 2019/20 financial year. It will continue to reduce and rationalise the supplier base each year.

The Purchasing Team is working on a project where all suppliers are currently being evaluated. This will include re-assessing the risk of the supplier, reviewing spend, monitoring performance and ensuring compliance with the Modern Slavery Act. This review is due to be completed by the end of 2019.

Whistleblowing

In 2019, an outsourced whistleblowing hotline was made available for Utilita employees to confidentially disclose any wrongdoing, including malpractice and unlawful or unethical behaviour. By outsourcing the whistleblowing hotline, it builds trust by increasing confidence in employees, making them more likely to report wrongdoing due to anonymity. The whistleblowing hotline forms part of the Whistleblowing Policy.

Training

Modern Slavery e-learning is available and compulsory for all teams with direct involvement in the supply chain, including refresher learning.

*As of September, 2019

> The Policies

The following policies are reviewed and amended accordingly each year to ensure continued suitability to the organisation and that Utilita maintains and upholds its ethical values:

- ✓ **Anti-Slavery & Human Trafficking Policy** sets out Utilita's commitment to acting ethically and with integrity with all business dealings, and its zero-tolerance approach to modern slavery and human trafficking.
- ✓ **Whistleblowing Policy** encourages the reporting of suspected wrongdoing or dangers, including modern slavery & human trafficking.
- ✓ **Procurement & Corporate Responsibility Policy** sets out the internal policy for purchasing goods and services as well as issues including business ethics.
- ✓ **Anti-Bribery Policy** outlines Utilita's position on preventing and prohibiting bribery.

> The Future

Utilita will continue to raise awareness about modern slavery, both internally and to its suppliers, with the following actions planned during the financial year 2019/20:

- ✓ Review the full supply chain annually.
- ✓ Review the Whistleblowing, Anti-Bribery, Procurement & Corporate Responsibility and Anti-Slavery & Human Trafficking Policies annually.
- ✓ Continue to monitor and engage with high risk suppliers.
- ✓ Produce a Code of Conduct for Suppliers explaining how Utilita expects its suppliers to operate to avoid labour exploitation.