

Utilita Group Limited Response to the Modern Slavery Act

Statement for the year ending **March 2020**

This modern slavery statement for financial year ending March 2020 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.

The Modern Slavery statement was reviewed and approved by the Board of Directors on 16th September 2020.

Signed



W. N. Bullen
CEO, Utilita Group Limited

> About us

Life with power

The UK's first and only specialist Pay As You Go smart energy supplier was founded in 2003 when our CEO, Bill Bullen, sat around his kitchen table with three colleagues and decided to challenge the Big 6.

It was a gutsy thing to do – we were David to their Goliath – but the reasons were right and just. We wanted to help those households who were being badly served and overcharged – primarily the prepay market.

Today, we are the energy company of choice for 800,000 households and have diversified to offer a complete digital utilities package – in addition to bringing back face-to-face dialogue with our customers through our high street Energy Hubs.

When you can see, you can save

Utilita is the only energy company created to help households use and waste less energy – meaning we're good for your pocket and the planet.

Since installing Britain's first-ever smart meter in 2008, we have used the latest and most reliable technology – including our award-winning My Utilita app (Uswitch Awards best app 2020 and 2018) – to give customers more visibility and control of their energy usage than ever before. This allows them to make informed decisions about their usage and, in turn, their spend.

And thanks to having better control, Utilita customers use about 20% less energy than the average bill-paying household – equating to savings of more than £500m since 2010!

- During the financial year 2019/20, Utilita continued to strengthen its supply chain by ensuring that all policies and procedures were followed and implemented. The following were successfully implemented:

New Finance System

A new finance system, Microsoft D365, was implemented to improve and streamline the end to end purchase to pay process.

A full supplier rationalisation project was undertaken to ensure that only active and approved suppliers with all the correct due diligence documents were being migrated to the new system. Where a supplier had been removed from the Utilita approved supplier list, they would be required to complete a new supplier request form to ensure the correct due diligence had been achieved before they could be reinstated. This ensures that Utilita has all the correct documentation recorded for all suppliers. The new system gives better visibility of suppliers and allows more information to be held in the system relating to the supplier.

In FY 2018/19, there were approximately 1,500 suppliers, and this reduced by 46% to approximately 800 suppliers in FY 2019/20. This exceeds the target of reducing the supplier base by at least 10% set for FY 2019/20.

Utilita Supplier Onboarding

Utilita are continually looking at ways of improving the supplier onboarding process to ensure that new and existing suppliers are being vetted in line with up to date modern slavery requirements.

As part of the implementation of the new finance system, three new supplier forms were created in December 2019 – One-Time Supplier Form, New Supplier Request Form and New Supplier Questionnaire – to ensure that all suppliers are going via Procurement for vetting and approval prior to being set up on the finance system or any payment being made.

One-Time Supplier Form: an internal form used for a "one-off" payment to an unapproved supplier. These suppliers are not set up on the system for future use.

New Supplier Request Form: an internal form for requesting a new supplier which is completed by the person requesting the new goods and services. The form contains the process steps and requires approval by the line manager and the Procurement Specialist in order for the supplier to be accepted.

New Supplier Questionnaire: an external form to be completed by the potential new supplier, which includes a specific section relating to Modern Slavery and details of the measures the supplier has in place. The supplier is also required to confirm their acceptance of Utilita's T&Cs. This form is reviewed by the Procurement team prior to being added to the preferred supplier list.

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Purchasing to Procurement

In November 2019, the Utilita Purchasing team transitioned to a Procurement team with the aim to reflect a more strategic approach and embrace sourcing activities and due diligence prior to the establishment of a contract, such as identifying and evaluating potential suppliers. In addition, post contract activities such as contract and supplier relationship management across the Utilita group were implemented.

New Policy

An updated Utilita Procurement & Corporate Responsibility Policy has been published on the Utilita Intranet to further streamline Procurement processes, with extra controls surrounding supplier selection and payment. The policy explains the supplier forms, different types of spend and payment and enhanced supplier business ethics, linking with the Anti-Slavery & Human Trafficking Policy.

Other

Utilita continue to offer an outsourced whistleblowing hotline service 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.

Modern slavery e-training is available to Utilita employees to ensure its employees are knowledgeable about up to date modern slavery requirements.

> 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 2020/21:

- ✓ Conduct a full supplier review in early 2021.
- ✓ Create an annual supplier review procedure and checklist.
- ✓ Produce a Code of Conduct for Suppliers explaining how Utilita expects its suppliers to operate to avoid labour exploitation.
- ✓ Continue to review the Whistleblowing, Anti-Bribery, Procurement & Corporate Responsibility and Anti-Slavery & Human Trafficking Policies annually.