



ENGIE UK & Ireland

Modern Slavery Statement



Our Commitment

The Modern Slavery Act 2015 requires certain businesses to set out the steps they have taken to ensure slavery is not taking place in their operations and supply chain. We, as ENGIE UK & Ireland, are fully committed to playing our part in eradicating modern slavery.

In line with this commitment, this statement is being made by ENGIE Services Holdings UK Limited on behalf of itself and its subsidiaries, East London Energy Limited and by International Power Limited and its subsidiaries operating and established in the UK & Ireland.

In May 2017, Keepmoat Regeneration Limited (now ENGIE Regeneration Limited) together with its subsidiaries ("Regeneration Business") was purchased by ENGIE UK & Ireland. While this statement covers the Regeneration Business, there are steps that we have taken in 2017 in the remainder of ENGIE UK & Ireland which have not been taken in the Regeneration Business given the limited period since its acquisition. We will be seeking to implement all of the practices described in this statement into the Regeneration Business during 2018.

What is Modern Slavery?

Modern slavery is an international crime that affects an estimated 40 million people around the world. It includes victims trafficked from overseas and vulnerable people in the UK who are forced to work against their will or are exploited. This disturbing issue transcends age, gender and ethnicity.



ENGIE UK & Ireland in Numbers



£3.3BN

TURNOVER



65,000

ENERGY SUPPLY CUSTOMERS (HOMES & BUSINESSES)



No. 1

IN DISTRICT & INDUSTRIAL HEATING



32,000

CUSTOMER SITES



17,000

EMPLOYEES



6,100

SUPPLIERS/SUB-CONTRACTORS



170

PARTNERSHIPS WITH COUNCILS



15

COUNTRIES FROM WHICH WE SOURCE GOODS & SERVICES

ENGIE UK & Ireland

We are an Energy, Services and Regeneration business. We have a bold Purpose at ENGIE
“to improve lives through better living and working environments”

This statement underpins all that we do and helps our customers and employees balance performance with responsibility; enabling progress in a harmonious way.

We comprise a number of different ENGIE companies, which we have organised into four distinct operating divisions:

For Homes

We offer customers the opportunity to buy energy plans (electricity & gas) backed by a commitment to clear communication and excellent customer service. The home energy business has been designed to provide an outstanding experience to customers at every stage of the customer journey.

We are the first UK & Ireland supplier to commit to rolling customers onto the cheapest available tariff at the end of a contract term. We also make connected and smart technologies available to consumers and wider communities.

To support the rise in electric vehicle (EV) ownership, we provide home charging infrastructure and a green EV Home tariff. All of our plans offer 100% renewable electricity at no extra cost.

For Business

We are a leading provider of energy and services to thousands of UK & Ireland businesses. Our extensive capabilities are designed to serve both public and private organisations, from SMEs to large blue chip companies and from industrial environments to corporate locations, along with some of the country's most iconic buildings.

We work in partnership with our business customers, helping them to optimise the efficiency of their buildings and operational processes. By integrating energy supply, efficiency, facilities management and business support services, we can provide customers with guaranteed savings, combined with improved efficiency and sustainability.

For Places

We are committed to improving and regenerating the environment we live in. We work as a strategic partner to provide bespoke, outcome-based solutions that address each town, city or region's most pressing needs. From local authorities, housing associations, healthcare and education institutions to transport, we help customers to develop sustainably for the future.

We enable communities across the UK & Ireland to realise their full potential through place making and place shaping. Not only do we create these communities, but we also have the expertise to maintain and support them - ensuring that sustainable initiatives deliver a lifelong impact. We also operate multiple low carbon district energy schemes across the UK & Ireland and are the market leader in this field by the amount of power generated.

For Energy Infrastructure

We are proud to be a key low carbon power producer in the UK & Ireland with interests in over 2 GW of generation including the UK's foremost pumped storage facility (First Hydro) and a well-established renewables development business (onshore/offshore wind and solar).

We operate multi customer sites with large-scale embedded generation with the ability to export to the grid. Trading Services are provided to both internal and external clients enabling the market interface for our generation portfolio in the UK & Ireland, in order to manage the commodity price exposures of the assets within the wholesale energy market. We also have a pipeline of renewable projects in development.

As well as our Divisions, to ensure our organisation remains efficient, that our processes are consistent and that standards are both set and maintained, there are a number of corporate functions at our UK & Ireland Head Office in Canary Wharf, London. These functions exist to ensure that risks are mitigated and that there is strong internal compliance/control. The corporate functions include IT, Legal & Ethics, Procurement, Health & Safety, Environment, HR, Finance and Corporate Responsibility and are supported by our Shared Services Centre in Newcastle.

Our Supply Chain

Our supply chain involves an estimated:



3,300
Suppliers



5,900
Subcontractors

The majority of our supply chain is based in the UK or Republic of Ireland. In line with the diverse nature of our business endeavours, the competencies of our supply chain and the industries in which they operate vary greatly. For example, our supply chain provides equipment installation and maintenance, cleaning services, security services (including manned guarding), construction work, the wholesale of plumbing appliances, grounds maintenance services, IT software, the supply of general building materials and plant hire.

Our supply chain also provides subcontracted services including individuals working as bricklayers, groundworkers, joiners, plumbers and electricians.

We assess risk in our supply chain based on physical, business and volume related risks. On that basis, we review the areas of our supply chain where potential modern slavery risks may arise and develop targeted approaches to mitigating any risks.

The areas identified within our supply chain, as a result of our risk assessment, where we are initially focusing our attention in relation to the potential issue of modern slavery, are:



- **Cleaning**
- **Manned guarding**
- **Construction workers**
- **Contingency and agency workers (including our sub-contractors where appropriate)**
- **Waste management**
- **Pest control**

The Regeneration Business will be focusing on addressing modern slavery issues in its key supplier partners who account for over 80% of its expenditure on materials and plant hire.

Our Policies & Practices in Relation to Modern Slavery

ENGIE Group's **Ethics Charter** and **Practical Guide to Ethics** set out expected behaviours in relation to ethical requirements for all employees. The Charter requires every employee to take seriously their role in building and protecting our reputation, by acting in full compliance with the applicable laws and our values and ethical principles, in all of our activities.

Alongside our Ethics Charter and Policy we have in place a set of policies, processes and procedures which seek to ensure that slavery and human trafficking is not taking place in our supply chain or our operations. We will be seeking to embed these into the Regeneration Business in 2018. These include:

- being a signatory to the Prompt Payment code.
 - having Code of Conduct (December 2016) in Supplier Relations which includes the principles we follow when dealing with suppliers.
 - encouraging our suppliers to share in the 10 principles of the Global Compact in the field of human rights, labour law, the environment and anti-corruption through the Supplier Charter.
 - including specific clauses based on complying with the Modern Slavery Act 2015, included within our standard agreement with suppliers.
 - outlining in our new Responsible Procurement Policy and Supplier Charter our expectations of our supply chain
- and our approach to a range of issues including modern slavery and ethical conduct of our supply chain.
 - setting out in our UK & Ireland Procurement 2020 Strategy responsible procurement as one of the six levers for the business.
 - basing our supplier selection on objective and transparent criteria that include a consideration of environmental, social and ethical performance.
 - using a self-assessment questionnaire for key suppliers; this includes questions on Modern Slavery and Human Trafficking.
 - including an Ethics hotline number within the Supplier Charter for suppliers to be able to report any issues/grievances

Non-Compliance

We assess instances of non-compliance of which we become aware, taking appropriate remedial action in a timely manner and as expeditiously as possible.

We are committed to ceasing trading with suppliers showing persistent disregard for important elements of environmental, social and ethical performance.



Our Due Diligence and Risk Assessment Process

In our own operations

We have developed an internal “Ethics and Compliance UK & Ireland” reporting system. This reporting system provides a place where acts of unethical or non-compliant behaviour, which would include modern slavery or human trafficking, can be reported for escalation. This reporting system comprises a clear mechanism for reporting of any issues to an ethics mailbox or ethics hotline.

Any matters raised are assessed through a formal investigation procedure and considered by a committee of the ENGIE UK & Ireland Board.

Our people are subject to various appropriate pre-screening checks across the business during recruitment. This includes robust right to work checks pre-employment and throughout employment for those individuals whose right to work is not permanent.

We have worked to consolidate the agencies we work with and these agencies are subject to the same procurement due diligence process. Where we seek temporary labour this is usually sourced via a managed service partner that is subject to their own obligations under the Modern Slavery Act 2015.

In our Supply Chain

Our suppliers are required to notify us of any breach or potential breach of the Modern Slavery Act 2015. Our agreements with our suppliers also contain requirements for them to implement due diligence for their own suppliers and subcontractors to ensure there is no slavery or human trafficking in their supply chain.

In 2017 we launched a new self-assessment questionnaire which includes questions on Modern Slavery, Human Trafficking and Ethics within our supply chain. An audit process is also in place to check on compliance with critical items in the questionnaire.

We have re-defined and launched our Supplier Relationship Management Programme with critical suppliers. The process helps us to work with suppliers on where improvements can be made to their environmental, social and ethical performance. Our Supplier Engagement Survey issued in 2018 helps us to measure our engagement with our suppliers as part of our continuous improvement strategy.

We are working to introduce the above steps into the Regeneration Business. In the meantime, Regeneration Business subcontractors are required to complete a declaration confirming their compliance with the Modern Slavery Act 2015.

Training our Employees and Suppliers

In 2017 the Supply Chain Sustainability School carried out a Modern Slavery supplier day with 30 of our suppliers in attendance. Those invited were from the categories on which we have initially decided to focus our attention, as set out earlier in this statement.

We also hosted a Modern Slavery Act training workshop delivered by Supply Chain Sustainability School for the procurement team (excluding the Regeneration Business) and representatives from some of our suppliers.

Our managers have undertaken mandatory ethics training and our plan is to deliver ethics training to all of our staff in 2018. Procurement focused ethics training was also delivered to our procurement team (excluding the Regeneration Business) in addition to the mandatory ethics training.

All new management starters and starters working in procurement agree to comply with the ENGIE Codes of conduct governing our business ethics and our policies and standards.

Our future plan

In 2018 we are setting up a cross functional Modern Slavery Working Group which will meet on a quarterly basis to review our approach and action plan to ensure our business and supply chain are slavery free. The Working Group will consist of representatives from various departments including Human Resources, Procurement, Corporate Responsibility and Legal.

In 2018 we will also be:

- Working to align policies and processes in the Regeneration Business with the approach of the wider ENGIE UK & Ireland business.
- Engaging with employees to raise awareness of Modern Slavery, including targeted training with operational and human resources managers and a poster educational campaign targeting on-site personnel with no online access.
- Launching a supplier portal to better communicate with our suppliers.

Measurement of our Progress

We have developed a set of key performance indicators (KPIs) to report our performance.

This list includes:

- Management level employees having been trained with regards to the Ethics Charter and guidelines.
- Incoming employees having been provided with a copy of the Ethics Charter and guidelines.
- Critical suppliers being mandated to complete the Supply Chain Sustainability Chain School Modern Slavery Training modules.
- Procurement team completed Modern Slavery Training and Ethics Training.

Wilfrid Petrié
CEO ENGIE UK & Ireland



Date:

18 July 2018

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2017.



www.engie.co.uk

ENGie

