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generations

## Electricity Supply Board Statement on the Prevention of Slavery and Human Trafficking – June 2023

### INTRODUCTION

Electricity Supply Board ('ESB') has a zero-tolerance approach to modern slavery and is committed to acting ethically and with integrity in all its business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in its own business or in any of its supply chains.

ESB is committed to ensuring there is transparency in its own business and in its approach to tackling modern slavery throughout its supply chains and expects the same standards from all its contractors, suppliers and other business partners.

This is ESB's seventh statement on the prevention of slavery and human trafficking in response to the UK Modern Slavery Act 2015 ('the Act') and this statement sets out the steps taken by ESB during 2022 to prevent slavery and human trafficking in its business and supply chains.

This statement is made pursuant to section 54 of the Act and constitutes the ESB statement for its financial year ended 31 December 2022.

### ESB'S BUSINESS AND SUPPLY CHAIN

ESB is a vertically integrated utility whose business activities include the generation, transmission, distribution and supply of electricity in Ireland and the United Kingdom.

As the majority of ESB's operations are undertaken in the Republic of Ireland, Northern Ireland and the UK, ESB considers that the risk of modern slavery is more likely to arise in its supply chains rather than from its own business operations.

Excluding fuel, the company's annual procurement spend is approx. €1.6B across approx. 4000 vendors.

Further details of ESB business operations can be found at [www.esb.ie](http://www.esb.ie).

### STEPS TAKEN

ESB seeks at all times to comply with employment law applicable to the jurisdictions in which it operates and puts in place contractual arrangements with providers of agency staff requiring that they achieve the same level of compliance.

Following on from its previous statements on the prevention of slavery and human trafficking, ESB has, during 2022, taken the following steps to prevent acts of modern slavery from occurring within its supply chains:

- Under a framework agreement that was awarded in 2021 to British Standards Institute (BSI), questionnaires issued in 2022 to 188 of ESB's key suppliers seeking information on a range of Corporate Social Responsibility related areas including, Company

Human Rights practices, steps taken to prevent Child and Forced Labour, Wage and Benefits, Disciplinary and Environmental practices

- 129 suppliers responded to these questionnaires and 24 suppliers have been identified as having an elevated risk rating, with 3 suppliers identified as high risk based on this assessment
- A range of actions, including on-site audits, covering suppliers who failed to respond to the questionnaire and for respondents with an elevated and high-risk rating are currently being progressed
- During 2022, 74 Contractor Employment Standards Audits were also conducted on ESB managed sites throughout the Republic of Ireland
- We continued to engage with our major coal suppliers to ensure that they are aware of ESB's commitment to the Bettercoal Organisation and the Bettercoal Code, including ESB's commitment to the use of Bettercoal tools in its due diligence and continuous improvement processes for the supply of coal. Mines are audited against the principles in the Bettercoal Code. The current version (2.0) of the Bettercoal Code incorporates the UN Guiding Principles on Business and Human Rights and the UN and International Labour Organisation's instruments on the rights of indigenous peoples
- We ensured that all tenderers and suppliers were aware of and signed-up to ESB's 3rd Party Requirements Document, which establishes clear contractual obligations on ESB's zero tolerance approach to Modern Slavery in our Supply Chains
- We continued to provide bespoke training to the ESB Procurement Team on Modern Slavery Risks and 13 members of the ESB Procurement Team completed the Chartered Institute of Purchasing & Supply's (CIPs) Practitioner Programme, which includes training on ESG related issues and Corporate Social Responsibility, and
- ESB was assigned an A- leadership rating for Supplier Engagement by the Carbon Disclosure Project (CDP) in 2022.

Mandatory training via ESB's online learning portal on ESB's Staff Employee Code of Ethics must be completed by all ESB staff. This training includes guidance on ethical business practices that apply to all ESB employees and contracting parties, see ESB's website, [www.esb.ie](http://www.esb.ie) → Who We Are → Corporate Governance → Governance Codes and Group Policies.

In addition, ESB's Human Rights Policy sets out company policy on human rights, spanning areas including health & safety, environment & sustainability, cultural diversity, equal opportunities & diversity, anti-bribery, corruption & fraud, whistleblowing and modern slavery.

ESB's Policy on Modern Slavery (available at [www.esb.ie](http://www.esb.ie)) which was adopted by the ESB Board in 2016 and updated in May 2019 continues to be communicated to all employees. This policy and its subsequent amendments detail the actions that ESB will take to ensure the prevention of modern slavery, the roles and responsibilities from Board level down to each individual employee and the means by which any suspected incidences of modern slavery should be reported. Employees are encouraged to report any suspected wrongdoing, and ESB's Policies sets out the protections for employees in reporting serious malpractice at work.

To understand how effective these controls are to ensure that modern slavery does not exist within our supply chain, external audits are conducted, where appropriate, on the activities of suppliers considered to operate in high-risk regions or industries. No incidents of modern slavery have been found to-date. The specific work outlined above will be complemented by a further programme of work for 2023.

**APPROVAL**

This statement was approved by the Board of Directors of ESB on 20th June 2023.



**Chief Executive,  
Electricity Supply Board.  
26<sup>th</sup> June 2023.**

