



Energy for
generations

Electricity Supply Board

Statement on the Prevention of Slavery and Human Trafficking - 2019

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.

In April 2017, ESB published its first statement on the prevention of slavery and human trafficking in response to the UK Modern Slavery Act 2015 ('the Act'). This is ESB's third statement and sets out the steps taken by ESB during 2018 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 2018.

ESB'S BUSINESS AND SUPPLY CHAIN

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

As the majority of ESB's operations are undertaken in 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. €930m across almost 4800 vendors.

Further details of ESB business operations can be found at 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 first & second statement on the prevention of slavery and human trafficking, ESB has, during 2018, taken the following steps to prevent acts of modern slavery from occurring within its supply chains:

- Conducted a risk assessment of all its vendors with annual spend of greater than €250,000 based on their geographical location & industry sector
- Issued questionnaires to vendors identified as being potentially high risk based on this assessment
- Assessed these returns and identified a number of vendors for further investigation & 3rd party audit
- Retained a third party with extensive expertise in the area of modern slavery and forced labour to undertake these audits & to provide support to ESB's programme to prevent modern slavery in its supply chains during 2018
- Ensured that all vendor pre-qualification processes, tender documents and contracts make explicit reference to ESB's Supplier Charter & Requirements for Agents, Suppliers, Contractors, Advisers and other Third Parties, which incorporate appropriate anti-slavery and human trafficking obligations into all ESB procurement agreements and contractual processes. These documents are also available on ESB's external website for viewing by prospective vendors and interested parties alike
- Developed and rolled out an on-line training module on Modern Slavery for all ESB staff in the relevant to enhance awareness of the risks of modern slavery across ESB's business and what steps to take if a violation is suspected.

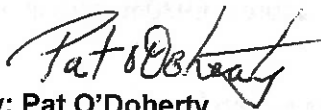
ESB's Policy on Modern Slavery (available at www.esb.ie) was adopted by the ESB Board in 2016 and updated in May 2019, and was also communicated to employees. This policy and its subsequent amendments sets out the actions that ESB will take to ensure the prevention of modern slavery, the roles and responsibilities 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.

In order to understand how effective these controls are to ensure that modern slavery does not exist within our supply chain, two external audits were conducted during 2018 on the activities of suppliers considered to operate in high risk regions or industries. No incidents of modern slavery were found during the course of these audits.

The specific work outlined above will be complemented by a further programme of work for 2019, including the launch of an on-line training module on modern slavery for all ESB staff.

APPROVAL

This statement was approved by the Board of Directors of ESB on May 22nd, 2019.



Signed by: Pat O'Doherty

Chief Executive,
Electricity Supply Board.

May 2019