



Energy for
generations

Electricity Supply Board

Statement on the Prevention of Slavery and Human Trafficking - 2020

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 fourth statement on the prevention of slavery and human trafficking in response to the UK Modern Slavery Act 2015 ('the Act') and sets out the steps taken by ESB during 2019 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 2019.

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. €860m across approx. 4600 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 previous statements on the prevention of slavery and human trafficking, ESB has, during 2019, taken the following steps to prevent acts of modern slavery from occurring within its supply chains:

- Risk assessed all vendors with an annual spend of greater than €250,000 based on their geographical location & industry sector (415 vendors in total)
- Issued questionnaires to vendors identified as being potentially high risk based on this assessment and the previous year's review
- Assessed these returns and identified three vendors for external audit

- Appointed a third party with extensive expertise in the area of modern slavery and forced labour (BSI – British Standards Institute) to undertake these audits. These audits were conducted in February & March 2020 and no incidents of modern slavery or forced labour were found during these assessments
- Engaged with our major coal suppliers to ensure that they are aware of ESB's commitment to the Bettercoal organisation. This engagement included ESB's commitment to implementing the Bettercoal Code and making use of the Bettercoal tools in its due diligence processes, and to ensure that our suppliers acknowledge the Bettercoal Code as a standard for continuous improvement in ESB's coal supply chain
- Updated ESB's Request for Tenders Template to capture ESB's Modern Slavery requirements, which require all tenderers to formally confirm their acceptance of these requirements from the outset of each tender process
- Provided bespoke training on modern slavery to ESB Procurement Staff, and Continued to host on ESB's Intranet an on-line training module on the Prevention of Modern Slavery in ESB's Supply Chains. This training module, which was co-developed with BSI, is available to all ESB staff, and is primarily focused on staff in procurement, supply-chain and sustainability roles. To-date 138 staff have completed this training module.

ESB's Policy on Modern Slavery (available at 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 set 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, 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 2020, including the outsourcing of ESB's internal risk assessment process to a suitably qualified third party.

APPROVAL

This statement was approved by the Board of Directors of ESB on May 19th 2020.



**Chief Executive,
Electricity Supply Board.**

May 2020