

Utilita Group Limited Response to the Modern Slavery Act.

Statement for the year ending **31 March 2017**

Why?

This statement, relating to the financial year ending on the 31st March 2017, is pursuant to Section 54 (1) of the Modern Slavery Act 2015, and constitutes our Groups Slavery and Human Trafficking Statement for the financial year ending 31st March 2017, recognising as a commercial organization that it is the right thing to do.

The Response to the Modern Slavery Act statement details the organisational steps, that are being taken at all levels in the organisation to ensure that Utilita Group Limited and its subsidiaries, hereafter known as Utilita, are fully committed to transparency within the supply chain, by conducting business ethically, consistently and responsibly. The published Modern Slavery Statement is the commitment to the aims of the Modern Slavery Act 2015 and associated standards.

The key organisational areas documented in the statement and agreed by the organisation at the highest level are underpinned by the values held by Utilita and the continued efforts tackling Modern Slavery and Human Trafficking.

Who We Are

About Us

Utilita are the leading provider of Smart Pay As You Go energy in Great Britain, installing every customer we supply a free smart meter and a highly competitive tariff.

Utilita specialise in supplying gas and electricity to Domestic and Commercial customers. With over 10 years of experience, we put an emphasis on excellent Customer Care, supporting all our customers with specialist advisors who are experienced in handling any enquiry.

The group continues to experience continued growth and, during the period, re-located its headquarters to new offices, and acquired new business opportunities, all of which have been assessed for compliance with the published Modern Slavery Statement.

The Modern Slavery Statement was reviewed and approved by the Board of Directors on the **10 August 2017**.

The Business Values

Why the Business Values?

Utilita reviewed its corporate practice, against expanding teams and departments, to ensure our key values are known to every employee, supplier and business partner that works with or for Utilita.

Our values were determined in collaboration with the entire organisation from customers, suppliers, senior managers and engineers. The collaboration effort allowed Utilita to compare its practices with the written mission, and vision statements.

Our values align with everything we do, demanding ethical behavior that is compliant with all laws and regulations. Our values are underpinned through the day to day business activities and in all business reviews.



Our Values

Our values have been adopted by Utilita since March 2017 and are incorporated into the branding and displays around the organisation. Our values are as follows:

Boldness
Excellence
Respect
Smart
Supportive
Agility
Trust
Fairness

The Roll Out of Our Values

The mission and vision statements are published in documentation, presentations and are displayed on the walls in Utilita since April 2017. Our values are there to support and strengthen Utilita while it continues to grow.

Utilita supports open communication, and has strengthened that communication through development of the U-Magazine, intranet, digital screens and by introducing staff forums with senior management and staff, coordinated by HR.

During **July 2017**, our values will be developed with the introduction of value champions who will drive those values in the day to day activities. This will include Utilita's extended supply chain, further embedding the mission and vision of Utilita expectations.



The Future

Utilita is growing from strength to strength, but this does not come without additional challenges. The supply chain has grown to meet the demand and increased complexity, adding risk into the operational and business supply chain with regards to Modern Slavery and Human Trafficking.

In May 2017 a compliance review of the supply chain current working practices was commissioned to ensure the integrity and ethical values of the business were also applied.

The following actions were identified by Utilita, which is actively committed to improving the supply chain practices.

Supply Chain Management Review

The Supply Chain Review was instigated in June 2017 and there are areas where opportunities can be applied; These have been summarised below:

- Mandatory contractual obligations through standard purchase order terms and conditions;
- Risk categorisation of the active supplier base for Utilita;
- Publish Anti-Slavery and Whistleblowing Policies;
- Improve supplier validation and assessment both on and off site, during onboarding and throughout the usage period of that contract; and
- Create supply chain communications.

Contract Review

One of the main ways Utilita ensures requirements and expectations are visible to the supplier base at the earliest stages, is through standard terms and conditions and contract negotiations. The standard terms and conditions have been updated in July 2017, to mandate the requirements and expectations on Modern Slavery and Human Trafficking.

"comply with any ethics, anti-bribery and anti-corruption and anti-slavery policies of Utilita (whether or not referred to in the Mandatory Policies), as Utilita may update them from time to time (Relevant Policies)"

The Timeline

The standard purchase order terms and conditions have been sent out to the active supplier base for acknowledgement, with specific inclusion of a Breach of Business conduct clause: failure to comply with anti-bribery and anti-corruption policies shall be deemed a material breach under termination clause. Challenges shall result in formal business reviews with the supplier. All contracts shall be reviewed against the risk categorisation.

Supply Chain Risk Review

Utilita supply chain has grown from 330 suppliers to over 600+ suppliers in the last 18 months. It is critical to maintain the integrity and ethical standing that Utilita prides itself on. Therefore, the supplier risk reviews ensure that the criticality of the supplier is understood and Modern Slavery and Human Trafficking, business criticality and financial positioning are all considered.

It is expected that by December 2017 all the supplier reviews will be undertaken and a documented action plan for future business shall be drafted for any supplier with a high risk.

The Policies

Anti-Slavery and Whistleblowing Policy

Utilita has a zero-tolerance approach to modern slavery and human trafficking and is committed to acting ethically and with integrity in all its business dealings, by implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in the business or within its supply chains.

The Anti-Slavery Policy and the Whistle Blowing Policies have been formalised and accepted in line with this statement.

It is expected that the supply chain recognises the importance of protecting the rights of people. Through the Procurement and Corporate Responsibility procedure and standard terms and conditions, Utilita have restated the need for the supply chain to validate its supply chain in relation to the products and services provided.

The policies will be reviewed at least annually to ensure the continued suitability to the organisation. The Whistleblower Policy also includes protection for those that stand up. This ensures that Utilita maintains and upholds its ethical values.

Supplier Connects

Utilita has recognized the need to ensure that the supply chain remains engaged. Utilita has provided a central depository for the relevant supplier documentation and corporate messages,

Utilita has a web page for Utilita supply chain that went active in July 2017 and can be found at www.utilita.co.uk/content/supplier-content

The plan is to develop this platform communication to provide full visibility against the expectations of the extended supplier base.

Supplier Validation and Assessment

Utilita have implemented a risk management based system in which the suppliers are evaluated against on a risk basis. The focus on risk will be in place in the strategic supplier base from September 2017, and assist to develop a tactical and risk managed supplier base that is working to eliminate supply chain risk through spend, management strategies and associated controls.

During the implementation period from June to September 2017, the risk management based system, shall ensure that the right supplier base is implemented and controlled for Utilita, and the significant controls shall be further applied during this period.



This statement was approved by the Board of Utilita Group Limited

Signed

W. N. Bullen
CEO, Utilita Group Limited