



MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 (“the Act”) and sets out the steps that we, South East Water Limited (“SEW”) have taken (and are taking) to ensure that slavery and human trafficking is not taking place in our supply chain or in any part of our business.

Our Business and Supply Chain

SEW is a regulated water supply company in England and Wales, whose shareholders comprise pension funds and other long term investors, and our business predominately focuses on the operation and maintenance of c.15,000km of water pipes supplying c. 530 million litres of drinking water every day to 2.2 million customers in Kent, Surrey, Sussex, Hampshire and Berkshire, who depend on us to deliver safe, high quality drinking water 24 hours a day, 365 days a year.

Our supply chains include a wide range of suppliers across all our requirements for example, everything from the supply of stationery for the offices to our major capital delivery programme and the supply of goods and services as required.

Our Policy on Slavery and Human Trafficking (Ethical Purchasing Policy)

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our anti-slavery policy contained within our ‘Ethical Purchasing Policy’ reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

Our Due Diligence processes regarding Slavery and Human Trafficking

We have zero tolerance to slavery and human trafficking. As part of our initiative to identify and mitigate risk we have in place systems to identify and assess potential risk areas in our supply chains. We operate a ‘whistle blowing’ policy so that any staff can raise any concerns confidentially and anonymously.

Our Employees

We employ approximately c.1,000 employees and we use an independent third party provider to undertake pre-employment checks before they commence their employment with us, which includes identity checks and confirmation of their entitlement to work in the UK. We carry out activities in compliance with law and we ensure that all our employees are paid at the Living Wage. We require that our supply chain carry out similar due diligence checks and adhere to similar standards.

All our employees are required to complete annual training on a number of key policies, and they have a specific e-learning on Modern Slavery to complete each year. We also undertake a review of the content of the E-learning every other year to confirm suitability.

Our Supply Chain

Our procurement processes include a number of checks and reviews to ensure that any suppliers that we engage with can meet the requirements of our Ethical Purchasing Policy, or that they have an equivalent policy themselves that we will also review. Where the contract value is over £100,000 we will generally engage our suppliers through a pre-qualification procurement system (Achilles) where suppliers are pre-qualified in relation to the modern slavery act requirements.

Where we are entering into new contracting arrangements which are subject to the Utility Contract Regulations 2016 we have questions relating to their compliance with the Modern Slavery Act and we ask them to confirm that they have a documented policy to ensure that neither slavery nor human trafficking takes place within their organisation; and whether they have had any convictions or breaches of any slavery laws in any countries that the company operates in over the last 5 years.

The majority of our supply chain is subject to contractual obligations to comply with our Ethical Purchasing Policy and to inform us of any potential or actual breaches that they may be aware of immediately. We also have standard contractual provisions to allow for periodic and targeted audits of compliance while using a risk-based approach.

Steps we took last year

Last year, and in order to ensure compliance with the Act, we:

1. reviewed those of our supply chain which could pose a risk in relation to modern slavery. For example we look for any suppliers from high risk countries; labour heavy contracts and suppliers providing certain high risk raw materials and also the type of industry, for example, construction and fabric production. We then undertook a remote audit and are pleased to confirm that we have found no concerns on those suppliers we have audited.
2. continued an ongoing e-learning programme to train all staff when they join the company and thereafter on an annual basis on Modern Slavery.
3. Updated our new 'Speaking Up Policy'.
4. We have been exploring other ways to conduct modern slavery remotes audits and engaged an external resource to consider outsourcing the audits
5. We have updated the modern slavery audit form and have now cascaded to contract managers to expand the number of people in the business who are able to undertake such audits.

Further Steps

We are continuing to explore a way to conduct an initial modern slavery audit using technology such as video tour to allow for visits to be carried out remotely due to travel and Covid-19 related restrictions. So far we have not found a solution that will allow for unplanned interactions. We are also still looking at ways we can enhance remote audits for example by using other available information such as Glassdoor to look for potential red flags to investigate further. If this is achievable we will consider rolling it out as training for all contract managers.

We are continuing to undertake a review of our key contractors to look at the quality of the modern slavery training they undertake to see if we can recommend any improvements.

Now we are encouraging more face to face working and site visits we will include specific training for all those staff who undertake health and safety site visits to be crossed trained on how to undertake a Modern Slavery audit at the same time.

We will consider whether there is any improvement to our investors or lenders due diligence process in relation to modern slavery that could be made.

This statement constitutes South East Water's slavery and human trafficking statement for the financial year ending 31st March 2021.

This statement has been approved by the Board of South East Water at the Board meeting 23rd September 2021.

Signed

A handwritten signature in black ink, appearing to read 'D Hinton', with a horizontal line extending from the end of the signature.

David Hinton
Chief Executive Officer
South East Water