SELCHP Modern Slavery & Human Trafficking Statement 2023

At South East London Combined Heat and Power Limited (SELCHP), we recognise the importance of ensuring that our business is conducted responsibly. We welcome the Modern Slavery Act and the transparency it encourages.

Introduction

Modern slavery affects millions of victims worldwide. SELCHP recognises modern slavery as a growing global and local issue, and the important role we can all play in helping to eradicate it. The identification and prevention of modern slavery are a core part of our responsible business strategy, which we continue to build upon.

This statement sets out the measures that SELCHP has in place in the UK, and the actions we have taken during 2022. It also outlines our plans to continually improve the way in which we work to identify risk and advance initiatives to raise awareness.

Our Structure, Business and Supply Chains

SELCHP owns an Energy Recovery Facility (the Facility) in South East London. SELCHP has engaged Veolia ES SELCHPLimited to operate the Facility on its behalf. Veolia ES SELCHP Limited is itself part of the Veolia Environnement group of companies (Veolia). As such, Veolia manages a large number of the relevant supply chains, and its Modern Slavery Act compliance is necessarily a key focus for SELCHP and of this statement.

SELCHP follows a supplier assessment process for other suppliers and contractors which are not otherwise managed by Veolia, to ensure modern slavery compliance and seeks to contract with third parties on terms which specifically require such compliance. SELCHP itself has no employees. Its only indirect labour is provided by a consultancy firm, which was required to complete the supplier assessment process before the engagement was put in place.

Supplier due diligence processes in relation to modern slavery and human trafficking - Veolia

In order to ensure that SELCHP's business and supply chains are slavery free, we routinely carry out due diligence on the steps taken by Veolia in order to ensure that slavery and human trafficking are not taking place in its own business or the supply chains which serve SELCHP.

Veolia operates primarily in the waste recycling, green power generation, industrial cleaning, water and wastewater treatment sectors. They spend around **£1 billion** annually in the UK across all **suppliers**, the majority of which are based in the UK (2022 spend with suppliers based in the UK was over 97%). SELCHP and Veolia recognise that the volume and complexity of Veolia's supply base can present a higher risk of undetected modern slavery. In order to spot potential risks in the supply chain, Veolia perform an annual modern slavery risk assessment.. Where risks are identified, internal and external audits are performed by Veolia to drive the identification and rectification of potential issues.

Veolia's commitment to prevent Modern Slavery is outlined in its Modern Slavery and Human Trafficking Policy which is available at:

https://www.veolia.co.uk/modern-slavery-human-trafficking

Further details of the practices which Veolia has put in place to drive this commitment are described below:

Supplier Assessment

Prior to onboarding, new goods and service providers (including subcontracted works providers) are required to answer a series of questions in order to evaluate their compliance standards across health and safety, environmental impact, human rights (including modern slavery), and business ethics. Where standards are deemed to be insufficient, supplier applications are subject to further review, in consultation with the appropriate Veolia subject matter experts. Suppliers are also required to sign Veolia's Supplier Charter in order to demonstrate their commitment to operating according to Veolia's vision and values. Any suppliers who do

not meet the requirements of the UK Modern Slavery Act or the Veolia Supplier Charter will not be allowed to trade with Veolia until they satisfy, or actively work with Veolia, to satisfy, these requirements.

Terms & Conditions

Veolia uses several sets of standard terms and conditions to trade with suppliers. Their conditions oblige the supplier to comply with the Modern Slavery Act, and give Veolia the power to require evidence as to how they take steps to mitigate the risk of modern slavery. While their aim is always to support and work with suppliers to address any modern slavery issues, they retain the ultimate sanction of contract termination where necessary.

Temporary labour & agency workers

Veolia partners with two Contingent Labour Service Providers (CLSPs) to provide its agency and temporary worker requirements. The CLSPs are contractually required to ensure both they and their suppliers comply with the Modern Slavery Act. Veolia work with their CLSPs to enhance processes to increase their ability to detect potential cases of modern slavery.

Policy and Process

As noted above, Veolia's commitment to prevent Modern Slavery is outlined in its Modern Slavery and Human Trafficking Policy.

During 2022, Veolia launched their Modern Slavery Escalation Policy and Procedure outlining the process that their employees should follow if Modern Slavery is suspected.

Training & Awareness within Veolia

Modern Slavery eLearning was initially launched to all staff in 2019. The eLearning module contains a scored test in order to support the level of understanding following completion. It is part of the induction process for all new staff joining Veolia, and is actively promoted to all staff annually as part of the annual anti-slavery awareness campaign in October.

For operational staff, two types of posters are displayed across their operational sites, one relating to "spot the signs" is displayed in communal areas at sites and the second regarding "how to seek support for victims" is displayed in private areas. Both posters signpost their employees on how to raise concerns and to seek help.

In December 2022 a new operational briefing was launched to operational managers for delivery to frontline teams. The briefing provides clear signposting to their new Escalation Policy and Procedure.

Face to Face training for their Human Resources and Risk and Assurance teams was delivered in November 2022.

Measuring Effectiveness in Combating Slavery And Human Trafficking

SELCHP has assessed the effectiveness of the measures being taken by Veolia.

Veolia monitors its own effectiveness via its internal Modern Slavery and Human Trafficking working group, which is responsible for assessing, enhancing and monitoring steps taken by Veolia and its supppliers to meet compliance standards and to identify and manage risk.

Veolia internally implements key performance indicators to drive and track training delivery and completion, drive awareness campaigns, and record supplier audits and resulting actions.

Board Approval

This statement was approved on 20 November 2023 by the sub-committee appointed on behalf of the SELCHP Board, who will review and update it on a regular basis to ensure it remains compliant with the Modern Slavery Act 2015 and current SELCHP strategy.

This statement is made pursuant to section 54(1) Modern Slavery Act 2015 and constitutes SELCHP's Modern Slavery and Human Trafficking statement for the financial year ended 31 December 2022.



Andy Pike
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