



enfinium Group Limited – Approval of Modern Slavery and Human Trafficking Statement 2023

Meeting date: 18 July 2023

Owner: General Counsel

Purpose: Request approval to publish the enfinium Modern Slavery and Human Trafficking Statement for 2023

1. Background

The Modern Slavery Act 2015 (the “Act”) requires large businesses to produce an annual statement which sets out the steps taken by the business to ensure that its supply chain and operations are slavery free. enfinium Group Limited and its subsidiaries constitute a ‘large business’ for the purpose of the Act and the company is therefore required to publish a modern slavery and human trafficking statement on its website, as well as in the modern slavery register.

A number of changes are proposed to the statement published in 2022. We are now halfway through the construction phase of the Skelton Grange and Kelvin projects and will have higher volumes of subcontracted labour, including a number of foreign workers, on the projects which poses an increased risk of modern slavery and human trafficking in our supply chain compared to our normal operational activities.

In this year’s statement, we have included commentary on how we are working with our EPC contractors to ensure continued monitoring of their compliance with policies and legislation to ensure any such risks are mitigated as far as possible. We have also highlighted the fact that our organisation introduced a Learning Management System during 2022, with the purpose being to deliver training to all of our employees on this issue and the new system will enable us to record completion of the training by all employees.

Continued strengthening of the organisation’s approach to managing modern slavery risks is also one of the objectives within the Governance workstream in the 2023 enfinium ESG Strategy.

2. Request

A copy of the proposed enfinium Modern Slavery and Human Trafficking statement 2023 is attached to this paper. This statement is required to be published on the company’s website and in the modern slavery register. The Board is requested to approve the statement and to authorise the Chief Executive Officer to sign the statement. This will then be uploaded to the enfinium website.



Modern Slavery Act 2015

enfinium Group Limited Slavery and Human Trafficking Statement 2023

Introduction

enfinium Group Limited (**enfinium**) is committed to improving our understanding of, and our practices to combat slavery and human trafficking.

This statement outlines the actions we have taken and continue to take to ensure that our business and our supply chain are slavery free.

For the purposes of this statement, “enfinium” refers to enfinium Group Limited and its subsidiaries, each of which has separately recognised and adopted this statement.

enfinium, and all key support functions, including procurement and human resources adopt and implement the same policies, standards and procedures across enfinium and its subsidiaries.

Organisation structure and business

enfinium is the fourth largest UK energy from waste business and is an industry leader in the conversion of everyday residential and commercial waste into partially renewable electricity. enfinium is owned by infrastructure funds managed by Igneo Infrastructure Partners.

enfinium has 4 operational energy from waste facilities in the UK. These sites represent a total annual waste processing capacity of over 2.3 million tonnes with a total combined electrical generating capacity of 247MW (gross). enfinium has approximately 275 employees in the UK and engages with customers across the UK and with suppliers in the UK and overseas. enfinium’s procurement team regularly review the supply chain which exists outside of the UK to ensure that no suppliers fall within any sanctioned countries. enfinium also has 2 new projects under construction, which are due to be operational in 2025.

Risk assessment

Since the date of enfinium’s last Slavery and Human Trafficking Statement:

- enfinium continues to monitor compliance with our anti-slavery policy across the business;
- enfinium is halfway through construction on 2 new energy from waste facilities at Kelvin, West Bromwich and Skelton Grange, Leeds. Our assessment is that these activities can potentially present a higher risk in relation to modern slavery and human trafficking compared to our operational business and we are taking the necessary steps to reduce this risk as set out below;
- enfinium revised its standard terms and conditions with suppliers. Our revised conditions oblige suppliers to comply with the Modern Slavery Act, as well as enfinium’s policies relating to modern slavery;
- enfinium carries out due diligence on all new suppliers, including the risk of goods or services being provided from countries deemed to have a high risk of modern slavery according to the Global Slavery Index; and



- no incidents of modern slavery or human trafficking were reported across the enfinium business during 2022.

Procurement and Supply Chain

enfinium's procurement and supply chain department plays a key role in the identification and management of slavery and human trafficking risk within the organisation.

enfinium has a dedicated internal procurement and supply chain department that is responsible for the process of procuring goods and/or services for the enfinium facilities in order to fulfil its business model. This centralised team oversees all procurement across enfinium's business and is responsible for sourcing all supplies required for the day-to-day running of the business. The consistency of personnel and approach allows a proactive and rigorous evaluation process for all new suppliers, requiring them to demonstrate compliance with all relevant legislation and codes of practice including, but not limited to, health and safety of employees and contractors, non-discrimination, bribery and corruption and modern slavery.

Compliance is also addressed in the enfinium standard terms and conditions which govern the majority of enfinium's supplier contracts. These standard terms and conditions require our suppliers to comply with the requirements of the Modern Slavery Act 2015 and enfinium has the right to terminate a supply contract should a supplier be in breach of these requirements.

Managing Construction Activities

We are working closely with our construction EPC contractors to ensure their supply chains comply with our modern slavery policy to minimise the risk of any breach. In particular, we recognise that these projects will require a large volume of labour at certain stages of the construction programme, and we must ensure that our contractors pro-actively manage their workforce and the workforce of their supply chain.

enfinium's procurement team regularly meets with our construction EPC contractors to discuss their approach and governance of anti-slavery risk in their business and supply chains. We have audited their procurement compliance and their ESG Reports, which include both EPC contractors' assessment of the risks in their supply chain. Our EPC contractors have satisfied enfinium that they monitor anti-slavery in their supply chains proactively and they have agreed to an open book approach whereby enfinium has the right to audit their procedures and performance every six months.

Our policies on slavery and human trafficking

enfinium has a full suite of standards, policies and procedures to manage its day-to-day business, which are adhered to throughout the enfinium organisation and its supply chain.

enfinium's anti-slavery policy reflects our commitment to acting ethically and with integrity in all of 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. All employees are made aware of the policy through our policy hub and internal communications.

enfinium also has a whistleblowing policy and independent reporting helpline so that all employees are able to raise concerns about practices within our business or supply chain without fear of reprisals.

Our Employee Assistance Programme also provides a confidential support service whereby employees can seek advice and information which covers a wide range of topics, including modern slavery and human trafficking.



Training

In order to raise awareness and to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we have developed training for our managers, site-based staff and supply chain management staff.

This training includes:

- introduction to modern slavery;
- definitions of modern slavery; and
- what to do if they spot signs of modern slavery in the UK or abroad.

In 2022, we launched a new Learning Management System which enabled us to deliver compulsory Modern Slavery training and other compliance training online and to monitor more easily completion and refresh training on all required training modules.

In 2023, we will aim to improve our modern slavery assessment protocol for onboarding new suppliers. We will also look at becoming a member of an accredited body which will assist us in identifying potential areas of risk and measures to mitigate these risks in our supply chain.

Declaration

This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015 and constitutes the enfinium anti-slavery and human trafficking statement for the financial year ending 31st December 2022.

Signed by

Mike Maudsley

Chief Executive Officer

on behalf of enfinium Group Limited

18 July 2023