



Modern Slavery and Human Trafficking Statement

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and sets out the steps that Sutton and East Surrey Water plc, trading as SES Water, has taken to ensure that its business as well as its supply chains are free from slavery and human trafficking during the financial year which ended on 31/03/19.

Introduction

SES Water, which is the trading name of Sutton and East Surrey Water plc, is committed to preventing slavery and human trafficking occurring in any of its corporate activities, as well as seeking to ensure that our supply chains are also free from such practices. We have responsibility under the Modern Slavery Act 2015 to ensure transparency in the provision of all our goods and services.

Our organisational structure and operations

SES Water is a UK water supply company to its designated area of east Surrey, West Sussex, west Kent and south London serving in excess of 286,000 homes and businesses and a population of approximately 707,000 people, and provides retail services to residential customers.

SES Water are a part of the East Surrey Holdings Group and are owned jointly by the Japanese businesses Sumitomo Corporation and Osaka Gas. Each has a 50 per cent stake in the UK-based holding company Sumisho Osaka Gas Water UK Ltd. These shareholders head offices are in Japan. At SES Water we employ 298 people and operate only in the UK. SES Water has a total turnover of £66.8 million per annum.

Nature of our supply chains

SES Water procures a variety of works, supply and service contracts to ensure we provide a reliable and sufficient supply of safe, high quality drinking water and deliver our vision, values and aims. Our suppliers are diverse and range from engineering construction and maintenance to energy, chemicals, fleet, materials and professional consultancy services. Support services are provided by specialist suppliers in facilities management, IT and telecommunications.

Policies relating to slavery and human trafficking

Our policies, including our Modern Slavery Policy, reflect our commitment to implementing and enforcing effective procedures and controls to minimise the risks of human trafficking and other modern slavery practices infiltrating our business operations or supply chains, and to acting ethically and with integrity in all our business activities and relationships.

We aim to take appropriate measures to ensure that our suppliers adhere to the same high standards.

During the year, we have delivered training to all purchasers of goods and services on the principles of the Modern Slavery Act and researched the level of compliance of 98% of all SES Water qualifying suppliers, 89% of which have either demonstrated compliance with Part 6 of the Modern Slavery Act by publishing a statement or confirmed that it does not apply.

We have zero tolerance of any threat of physical or sexual violence, harassment or intimidation against employees and their families, or close associates.

Employees do not suffer any detriment to their salary or benefits unless it falls under our terms and conditions of service.

All our employees are treated fairly and in accordance with our policy on equality, within the employee handbook. As part of our recruitment process, we undertake rigorous checks to ensure that all staff have the right to work in the UK. Salary payments are made directly to employees and will not be delayed, deferred or withheld. Only deductions, advances or loans authorised in law are permitted with the full consent of the employee. This is reflected in information provided to all employees, including contracts of employment and the employee handbook which provides clear and transparent information about hours worked, rates of pay and details of other benefits.

Our employees are not forced to work in excess of the number of hours permitted in law. Normal working hours and overtime do not exceed 48 hours per week average over a 17 week period unless in the event of emergency and with the agreement of the employee.

Due diligence processes for slavery and human trafficking

As part of our initiative to identify, monitor and mitigate risk, we are reviewing our processes to make certain that slavery does not take place in our supply chain. Pertaining to our due diligence our:

- Supplier assessment process requires qualifying suppliers to outline the controls they have in place to combat slavery and human trafficking. This is achieved through the completion of a supplier assessment which is monitored and controlled as part of our quality management system and externally assured against the ISO9001 Quality Standard.
- Senior Managers continually monitor our processes to provide appropriate levels of control.
- Monitoring of compliance is regularly reported to our Board.

We also utilize the Achilles Utility Vendor Database (UVDB) which is a third party provided qualification tool enabling SES Water to provide a fair, open and transparent supplier selection process for potential tender opportunities. The UVDB tool supports compliance with EU procurement legislation and provides a facility for supply chain management.

In addition, we include specific questions relating to the Modern Slavery Act in our pre-qualification process when inviting new suppliers to tender for goods or services and include a clause within our Standard Terms and Conditions of Purchase which details the obligations required of our suppliers in relation to the Modern Slavery Act.

In the coming year, we will continue to engage with our remaining suppliers in ensuring compliance. We will also develop our supplier assurance processes to identify the extent to which our suppliers meet our required organisational standards and identify and assess the potential risk areas in our supply chains.

We have zero tolerance to slavery and human trafficking and we do not knowingly support or deal with any business involved in slavery or human trafficking. Modern Slavery prevention is part of our terms and conditions.

In implementing the above systems, we endeavour to ensure employees and workers are not subject to any form of forced, compulsory or bonded labour in our supply chains. Employees to our

suppliers should have freedom to terminate their employment at any time without penalty, giving reasonable notice.

Instances of non-compliance would be considered on a case-by-case basis, taking remedial action as appropriate, potentially including withdrawing from an existing commercial arrangement.

Employee training

We have suitable awareness in the Procurement, Human Resources and Compliance departments and provide training to all purchases of goods and service on the principles of the Modern Slavery Act. In the coming year, we are committed to delivering awareness to all employees which will ensure that they understand the risks of modern slavery and human trafficking infiltrating our business or supply chains and effectively operate our policies and procedures aimed at mitigating this risk.

Monitoring of our anti-slavery policy

Our Board and Senior Management have responsibility for implementing this statement and its objectives. They ensure adequate resources (training and administration etc.) and investment to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains, against the following commitments in our policy:

SES Water will:

- Ensure we have no acts of Modern Day Slavery within our business and employees are not subject to any form of forced, compulsory or bonded labour
- Ensure clear and transparent information is provided to employees about hours worked, rates of pay and the calculation of legal deductions.
- Ensure employees do not suffer any detriment to their salary or benefits unless it falls under our terms and conditions of service.
- Produce an annual statement on our website, including details of our activities and supply chain and actions we are taking to support Government.
- Provide a compliant procurement process and suitable procedures for supplier assessment, using our influence to improve transparency and accountability in our supply chain

SES Water will not:

- Expect employees to work in excess of the hours permitted in law unless the employee agrees.
- Delay, defer or withhold salary payments made directly to employees. The only exception to this will be deductions, advances or loans which are either authorised in law or permitted with the full consent of the employee.
- Use suppliers found to be involved in modern slavery or human trafficking

This policy statement was approved by the Board for SES Water on 4 June 2019 and will be reviewed annually.



Anthony Ferrar
Managing Director

11 June 2019