

Modern Slavery Policy

SmartestEnergy Ltd

FY 2019-2020



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Foreword

As Chief Executive Officer of SmartestEnergy Ltd I would like to endorse our Company belief that we aim to act in a way that is responsible. As a subsidiary of Marubeni Corporation which is one of Japan's oldest and leading 'sogo susha' (or general trading companies) founded in 1858, we want to make a positive impact, not only for our shareholders, clients and employees, but for all the people who are touched by our organisation.

SmartestEnergy Ltd was established in 2001 and is now one of the UK's leading energy trading Companies operating in the independent power sector aiming to provide customers with flexible energy trading solutions. We are a value creating Company and through our employees we will continue our efforts to make a significant contribution to the growth and stability of the global company.

We have defined our Modern Slavery Policy as the use of ethical business practices with a strong ethos concerning the rights of the individual. We operate at all times in accordance with the legislation contained within the Modern Slavery Act 2015 and maintain a commitment to comparable ethics.

A handwritten signature in black ink, appearing to read 'R. Groves', with a large, stylized initial 'R'.

Robert Groves
Chief Executive Officer

Modern Slavery Policy Statement

Introduction

Modern slavery is a fundamental violation of basic human rights and a crime. It takes various forms including slavery, servitude, forced or compulsory labour and human trafficking. These offences are closely related but legally distinct:

- Slavery is where ownership is exercised over a person;
- Servitude involves the obligation to provide services imposed by coercion;
- Forced or compulsory labour involves work or service exacted from any person under the menace of a penalty and for which the person has not offered himself or herself voluntarily;
- Human trafficking involves arranging or facilitating the travel of another with a view to exploiting them.

While recognising the important differences between these offences, for the remainder of this Policy the collective description of "modern slavery" will be used to describe any or all of them.

In all cases, some of the most vulnerable people in society are stripped of their dignity and basic freedoms and forced to work for someone else's gain or benefit. The most common forms of modern slavery are sexual exploitation, labour exploitation including child labour, and domestic servitude.

Purpose of this Policy

This Policy expresses the Company's commitment to the fight against modern slavery. The specific steps taken by the Company on an annual basis in the implementation of this Policy are recorded in the Company's annual Slavery and Human Trafficking Statement, published in accordance with the requirements of the Modern Slavery Act 2015 and accessible on our website at <http://smartestenergy.com/about-us/modern-slavery>

For information only, we refer to the Ethical Code for Partners Policy which declares our support for both the ILO's IPEC and the Forced Labour Convention, 1930 (No. 29).

Policy statement

The Company is committed to taking steps where reasonably practicable to ensure that modern slavery is not taking place:

- In any part of its own business; and
- In any of its supply chains.

The Company expects all its employees and directors ("members of staff") to try to ensure that they are in no way connected with modern slavery either through the commission of a criminal offence or through actions or omissions that might bring themselves and/or the Company into disrepute.

Although it is not practical to have a direct relationship with all links in our supply chains and although we do not have the ability to control the conduct of such individuals and organisations, the Company has the same expectations of its supply chains as it does for its members of staff.

Since the legislation came into force, the Company has conducted numerous reviews of its business partners and supply line and has sought to gain assurance of their compliance with the Modern Slavery Act 2015.

Moving forward, the Company will continue to assess and review the risk that modern slavery may be occurring in any part of its own business and in any of its supply chains. In light of any such risk assessments, it may seek specific and further reassurances from its contractors, suppliers and other business partners; and seek to carry out or procure due diligence or specific audits either itself or through group companies or third parties to satisfy itself that modern slavery is not occurring.

Where possible, we build long standing relationships with contractors, suppliers and other business partners and make clear our expectations of business behaviour. We believe that doing so helps reduce the risk of modern slavery, as both parties should have a better knowledge and understanding of each other's operations and policies. The Company is committed to transparency in its approach to tackling modern slavery, consistent with its disclosure obligations under section 54 of the Modern Slavery Act 2015.

Application of this Policy

This Policy applies to all members of staff employed by the Company. All members of staff are expected to:

- Read, understand and, so far as reasonably possible, work with the Company to assist with the aims of this Policy;
- Raise concerns at the earliest possible opportunity with their manager or in the manner set out in section 27 of the Company's Business Conduct Policy about any suspicion that modern slavery might be occurring in any part of the Company's business or in any of the Company's supply chains

Persons who are not members of staff of the Company are equally encouraged to raise any concern, issue or suspicion of modern slavery in any part of our business or in any of the Company's supply chains, by contacting the Company via email at: compliance@smartestenergy.com

The Company wishes to encourage openness and will support anyone who raises a genuine concern that modern slavery might be taking place in any part of the Company's business or in any of the Company's supply chains, even if that concern ultimately turns out to be mistaken.

Responsibility for this Policy

The Company's board of directors has overall responsibility for this Policy, including ensuring that it complies with legal and ethical obligations. All members of staff are responsible for following this Policy to the extent that it affects their day-to-day work and in respect of the reporting requirements.

The Regulatory Risk Team is primarily responsible for the day-to-day implementation of this Policy - including monitoring its effectiveness and ensuring that all members of staff are aware of and understand this Policy. The Head of Industry Regulatory Risk welcomes any questions or comments on this Policy and suggestions for ways in which it (or procedures relating to the eradication of modern slavery) may be adopted, adapted or improved. They can also be contacted via email at: compliance@smartestenergy.com

Sanctions

This Policy is not designed to be contractual in respect of members of staff. Any breach of this Policy by any member of staff that is deemed by the Company to be wilful or negligent, including in respect of their responsibilities, shall be investigated. Any remedial action that ensues will be taken in accordance with the Company's disciplinary processes. If, after investigation and due process, a breach is deemed by the Company to be serious, it could lead to sanctions, up to and including summary dismissal.

In the event that the Company has a reasonable belief that modern slavery is occurring in its supply chains, the Company:

A) Will expect the appropriate member of the supply chain:

- To be fully cooperative and transparent and supply such information as the Company may reasonably request in relation to the issue;
- To put in place remedial action as soon as reasonably practical with a view to ensuring that such modern slavery ceases to occur and that the victims of that modern slavery are appropriately safeguarded;
- To monitor the effectiveness of the remedial action taken including the actions taken to safeguard the victims;
- To report to the Company at reasonable intervals on the effectiveness of that remedial action and safeguarding and any further steps taken to ensure that such modern slavery ceases to occur

B) May (depending on the circumstances and the terms of the contract) terminate or suspend the relationship or otherwise cease, reduce or minimise business contact with the appropriate member of the supply chain.

In the event that the Company has a reasonable belief that modern slavery is occurring in any part of its own business the Company will:

- As soon as reasonably practical and so far as is reasonably possible, put in place or recommend remedial action with a view to ensuring that such modern slavery ceases to occur and that the victims of that modern slavery are appropriately safeguarded;
- Monitor the effectiveness of the remedial action taken;
- As appropriate, deal with the matter under its disciplinary procedures (see section 19 above).

Training

The Regulatory Risk and Compliance Team has received training to assist them in being able to identify modern slavery and to understand the contents and purpose of this Policy and the Company's procedures relating to combating modern slavery. As part of the Company's ongoing annual compliance programme, all staff at SmartestEnergy Limited receive Modern Slavery training.

The Company expects its contractors, suppliers, other business partners and members of its supply chains to provide appropriate training to their members of staff and, if and when requested, evidence that they have done so.

Amendments to this Policy

This Policy expresses the will of the Company and its commitment to the issues addressed. This Policy may be amended by the Company at its discretion at any time.

This Policy will be reviewed by the Regulatory Risk Team and the Company's board of directors on an annual basis, in conjunction with reviewing the Company's annual Slavery and Human Trafficking Statement.