

WEBSITE

Modern Slavery Act Statement 2017

Portsmouth Water Limited has a zero tolerance approach to slavery in all its forms.

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

Our Structure

Portsmouth Water supplies high quality public water supplies to households and businesses in South East Hampshire and West Sussex from the River Meon in the West to the River Arun in the east, encompassing 868 square kilometres. We serve a domestic population of 698,000, maintaining a 3,297 kilometres of water pipes and 18 water treatment works. We employ 250 staff, all based in the UK. The ultimate Parent Company is South Downs Capital Limited whose major and controlling shareholder is an Employee Benefit Trust.

Our Supply Chain

We use approximately 600 suppliers across a range of activities from major capital programmes of several million pounds to component parts and low value services. Some suppliers are on major long term contracts, while others provide goods and services as required. In 2015/16 we paid £20m to our supply chain.

Our Policy on Slavery and Human Trafficking

Slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person’s liberty by another in order to exploit them for personal or commercial gain.

We have a zero-tolerance approach to slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships. We are also committed to implementing and enforcing effective systems and controls to ensure slavery is not taking place anywhere in our own business and those that supply goods and services to us.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling slavery which is consistent with our disclosure obligations under the Modern Slavery Act 2015.

We believe as an organisation we do not employ people that have arrived in our workplace as a result of human trafficking. We employ solely within the UK and all staff under both an agreed procedure agreement and set of terms and conditions of employment. These are both agreed with the Trade Unions under the ‘collective agreement’ principle and as such any changes to these must be agreed with the recognised Trade Unions. The recognised Trade Unions are GMB and Unison. Three meetings are set up each year between Management Representatives and Trade Union Representatives to discuss matters contained within the procedure agreement and the set of terms and conditions of employment.

We expect the same high standards from all of our contractors, suppliers and other business partners. As part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, agents, contractors, external consultants, third-party representatives and business partners.

A copy of our full policy can be found at www.portsmouthwater.co.uk

Our Due Diligence Processes for Slavery and Human Trafficking

In order to identify and mitigate the risk of slavery and human trafficking taking place, we will conduct annual reviews of the supply chain to assess the risk of non-compliance. This will form part of our risk management reviews by the Board. We have a whistleblowing policy in place and encourage all of our employees, suppliers and contractors to notify us if they have any concerns that slavery or human trafficking is taking place.

We have taken the following steps to ensure that our contractors and suppliers comply with the Act:

- Our standard supplier contractual terms and conditions have been amended to include a provision requiring suppliers and their sub-contractors to comply with the provisions of the act
- We have written to all suppliers asking that they provide evidence that they have a policy for slavery and human trafficking and the steps they are taking to ensure compliance for them and their supply chain
- We will identify those suppliers who we consider to be most at risk and conduct and where we consider there to be significant risk, will require further evidence to ensure compliance.

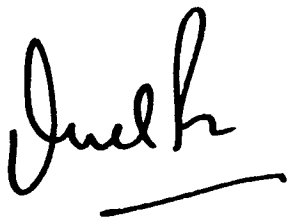
Our effectiveness in combating slavery and Human Trafficking

We will develop a set of performance indicators (KPIs) which will be reviewed by the Board to assess how effective we have been in ensuring that slavery and human trafficking is not taking place in our business or supply chain.

Training of Staff

Training on this policy, and on the risk our business faces from slavery forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.

This statement constitutes Portsmouth Water's Slavery and Human Trafficking Statement for the financial year ending 31 March 2016.

A handwritten signature in black ink, appearing to read 'Mike Kirk', with a horizontal line underneath.

MIKE KIRK
Chairman