

Modern Slavery Act Statement 2020

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 kilometers. We serve a domestic population of 698,000, maintaining a 3,297 kilometres of water pipes and 18 water treatment works. We employ 257 staff, all based in the UK. It is the primary trading partner in Portsmouth Water holdings which is a regulatory ring-fenced business. In turn this reports through Brockhampton Holdings & South Downs Capital to the ultimate parent company Ancala Fornia Holdco which is managed by Ancala Partners LLP, a UK based infrastructure fund manager.

Our Supply Chain

We use approximately 680 suppliers across a range of activities from major capital programs of several million pounds, through operational spends on pipes and fittings, energy and chemicals to subcontractors, professional services and lower value services and items. Some suppliers are on major long term contracts, while others provide goods and services as required. In 2018/19 we paid £29m to our supply chain.

Our Policies relating to and on Slavery and Human Trafficking

We have a comprehensive suite of internal employment policies that help support the elimination of modern slavery among all people in our employment including:

Health and Safety
Family Friendly
Whistle Blowing

Stress/ Wellbeing– including Mental Health Champions
Equal Opportunities
Business Ethics, Bribery

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 organization 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 recognized Trade Unions. The recognized 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 them to provide evidence that they have a policy for slavery and human trafficking and identify 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 use Achilles who are an independent 3rd party Utility sector specific provider for the pre-qualification and ongoing verification of our primary and key Operational suppliers. They enable us to manage our Supply chain risk through their detailed questionnaires and as required verification audits. These include Supplier Modern Slavery compliance, policies and statements; validation of which is undertaken annually as a minimum. We are re-reviewing our Supply base on the basis of Commodities, identifying those which are more susceptible to Modern Slavery and to then to undertaking a more in depth review of the Risks associated with them, including audits potentially labour practices and value chain mapping. We already have the later for our Chemicals Supply chain. This is through both the use of our internal resources and external professional advice and collaborative approaches. In order to ensure that we have an industry best practice roadmap for future ongoing improvements

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 2020.

This statement has been approved by the Board of Portsmouth water and will have the support of Bob Taylor as the Board level sponsor to ensure ongoing compliance and improvement.



MIKE KIRK
Chairman
January 2020