



BRISTOL
WATER

Modern Slavery Statement Pursuant to section 54 of the Modern Slavery Act 2015

April 2020



This statement is made by Bristol Water Group Limited (07671099) and its wholly owned subsidiaries, including:

Bristol Water Holdings UK Limited (047895566)
Bristol Water Holdings Limited (02630760)
Bristol Water Core Holdings Limited (04637554)
and Bristol Water plc (02662226)

References to 'we', 'our', and 'Bristol Water' refer to all these companies.



About Bristol Water

Bristol Water was founded in 1846 by people who were passionate about the wellbeing of society and serving our community. This is manifested in our culture and values. We expect to be accountable for our contribution to social wellbeing and this is an essential element of our corporate governance.

We are a water supply company operating in the Bristol and West of England region. Our supply area extends from Tetbury in the north, to Glastonbury and Street in the south, and from Weston-super-Mare in the west to Frome in the east. We serve a population of **1.2 million people** in an area of **2,400 km²** (1,000 miles²).

In addition to our water supply business, we also have a fisheries and recreations team operating at Chew Valley Lake and Blagdon Lake.

We employ over **500 people** and rely on many suppliers to help deliver our services. Most of our operations and activities are year-round and we rarely engage seasonal employees, contractors, or suppliers.

As a regulated business that provides an essential service, we understand the higher standards expected of us by the public in relation to our business ethics, conduct, and corporate compliance. For this reason we aim to go beyond the requirements of the Modern Slavery Act 2015, to actively promote the issues, and join initiatives to tackle modern slavery in our supply chains and in our communities.

- **Our Values**
- We believe in being and are empowered to be:
- **Proud** of our part in the community and serving our customers;
- **Respectful** of each other's wellbeing. We are inclusive and do not tolerate disrespectful behaviour;
- **Supportive** of each other to build a strong team;
- **Accountable** for our actions and consequences;
- **Professional** in our work and operate transparently;
- **Ambitious** to be more than a small water company, we will always challenge ourselves to be and do better; and
- **Trustworthy** to conduct our business with the highest integrity.



SUPPLY CHAINS

This year we produced a Benchmarking Report, through Achilles, analysing suppliers we have used in the last 12 months who are on the Achilles system. The results provided an insight into Modern Slavery and Corporate Social Responsibility (CSR).

Most of our suppliers are based in the UK, with a few based in Europe, of these, the majority are based in the following industries:

- Manufacturing (over 30%)
- Professional, scientific, and technical activities (over 15%)
- Construction (over 15%)
- Wholesale and retail trade (over 10%)
- Administrative and support services activities (over 10%)

81 of our suppliers on the Achilles system are required to publish a Modern Slavery Statement. 96.3% have published their statement and 91.4% have a policy addressing their supply chains. In addition, 83.8% of all suppliers have CSR policies most of which apply extraterritorially or to their supply chains.

Bristol Water is currently in the middle of a new initiative in the Procurement Team 'Procurement for Good' which aims to strengthen supplier management and corporate accountability.

POLICIES

This statement is supported by a range of policies and procedures that are all aimed to ensure we operate responsibly and ethically in all aspects of our business, including:

- Business Conduct and Ethics Policy
- Human Resources Corporate Policy Statement
- Recruitment, Selection, & Appointment Policy (updated 2019)
- Procurement Policy (updated 2019)
- Anti-Fraud, Bribery and Corruption Policy
- Raising a Concern at Work Policy (whistleblowing)

All policies are approved by the Executive Management Team or Bristol Water plc's Board. Over the next year we will be reviewing the Anti-fraud, Bribery, and Corruption Policy.



DUE DILIGENCE

All suppliers sourced through our procurement team must answer a questionnaire, including anti-modern slavery commitments. In particular, in 2019 Bristol Water engaged new contractors for our Network Maintenance Supply Chain (NMSC). As part of the tendering, evaluation, and on-boarding processes all suppliers were requested to provide details on the Modern Slavery policies.

Due to the work involved in NMSC, we were unable to develop the five-year plan or conduct due diligence assessments against existing suppliers in the last year. We are still committed to delivering this and will be part of the 'Procurement for Good' initiative. The new five-year plan will be aligned to the AMP 7 Business Plan period starting April 2020.

RISK ASSESSMENT

Bristol Water revised its risk assessment in the last year. We adopted a new methodology, developed by the Social Responsibility Alliance, which assesses our inherent risk and the adequacy of our controls.

Inherent risk score: 10/25 (medium)

Risk control score: 36.5/100 (medium)

The inherent risk is largely due to the types of industries in our supply chain. A set of actions have been developed to improve the risk control score, mainly focused on delivering due diligence assessments in our existing supply chain.

EFFECTIVE ACTION

There were 0 instances of modern slavery reported on our Raising a Concern at Work procedure.

Our standard terms and conditions contain a modern slavery clause and all suppliers and contractors are asked to confirm their compliance with the Modern Slavery Act both during the Invitation to Tender (ITT) and as a condition to their contract.

Where possible we try to limit the use of temporary workers and hire permanent member of staff. However, where we do hire a temporary worker and engage an external recruitment agency we



will use an approved list of preferred suppliers, all of whom have signed up to our terms and conditions.

Bristol Water pays fair wages; the majority of employees receive over the living wage. Where agency workers are used they will receive favourable pay comparable to a full-time equivalent for the entirety of their employment.

Bristol Water has continued to engage in the Anti-Slavery Partnership. In addition, we have recently started working with the Slave-Free Alliance to form a Utilities Sector Modern Slavery Working Group. The aim of the group is to reduce the risk of modern slavery in the utilities sector by working in partnership on challenges, sharing best practice, raising awareness, and exploring potential cross-sector initiatives.

TRAINING

All employees received modern slavery awareness training, at time of writing 82% had completed this training.

All new starters receive training on our Raising a Concern at Work Policy. Posters advertising this policy are displayed at all our major sites.

Steps Taken in 19/20	Further Actions for 20/21
Engaged with multiple departments to create this statement and ensure it is a true reflection of this business, our policies, and priorities.	Continue to develop the 'Procurement for Good' Initiative. We are still trying to create a formal process to regularly review our plans throughout the year.
Implemented a new risk assessment methodology.	Review the risk assessment in early 2021 to see if risk control score has improved.
Update the Procurement Policy.	Review the Anti-Fraud, Bribery, and Corruption Policy. Create an investigation procedure that includes responding to reports of modern slavery.



Reviewed our supply chain through a bench-marking exercise.	Further analysis into higher-risk suppliers, including due diligence assessments for selected suppliers. Develop a 5 Year Plan to conduct due diligence across our suppliers.
Continue to work with the Partnership and support multi-agency work to tackle modern slavery in the Avon and Somerset area.	Explore opportunities to tackle modern slavery across the utilities sector.
Updated the e-learning course on modern slavery and distribute it to all staff.	Detailed training for Procurement teams and key contract managers.

This policy is approved by Bristol Water plc's Board of Directors. Responsibility for compliance with this statement is company-wide and the Legal, Property, and Compliance team monitor compliance.

This statement has been created with input from the Legal, Property, and Compliance team, Procurement, HR, and Resourcing.

This statement was approved by the Board of Bristol Water Group Limited on
26 March 2020



Paul Malan

Director - Bristol Water Group Limited