

Modern Slavery Act

Transparency Statement 2017

Introduction

Calon Energy and its subsidiaries (Calon Energy) aim to identify and mitigate the risk of modern slavery and human trafficking occurring within its supply chain or business operations. Calon Energy has established a set of policies and procedures that govern the way it operates including:

- ❖ Code of Conduct for Suppliers;
- ❖ Recruitment Policy;
- ❖ Equal Employment Opportunity;
- ❖ Anti-bribery Policy; and
- ❖ Whistle-blower Policy and Staff Hotline.

Calon Energy is a power generator capable of providing 6 per cent of the UK's average energy demand through the following three operational sites:

- ❖ Baglan Bay Power station, Port Talbot
- ❖ Sutton Bridge Power Station, Lincolnshire
- ❖ Severn Power Station, Newport

The Head Office is at Severn Power Station, where most employees are based.

As a matter of good practice Calon Energy is choosing to make this statement at the group level even though this approach is not required by the UK Modern Slavery Act (the "Act"). This statement covers Calon Energy subsidiary entities that are within the scope of the Act.

Employees

Calon Energy supports fundamental human rights as set out in the Universal Declaration of Human Rights and core International Labour Organisation Conventions. Calon Energy is committed to a safe workplace that values equal opportunity, is free from discrimination, harassment and victimisation.

Suppliers

Calon Energy staff are primarily office-based with comprehensive operations and maintenance contracts with the Original Equipment Manufacturer. Outside of these arrangements the main supply chain categories comprise of technology, premises, professional services, financial services and business travel. Based on sector and supply chain profile the risk of modern slavery is considered to be relatively limited.

Suppliers will be expected to address their compliance with human rights; safe, fair and ethical working conditions; environmental performance; and supplier diversity in accordance with the published Supplier Code of Conduct

In 2016 Calon Energy developed the Supplier Code of Conduct and Procurement Policy that will provide the framework for future supplier management

Training and capacity

Calon Energy is actively progressing Supplier Management (including the Modern Slavery Act) training material in preparation of awareness training to Asset Managers and relevant staff members this will include potential risks within the supply chain of forced labour and unfair working conditions.

Continuous improvement

Calon Energy will review and enhance its approach to addressing modern slavery risks within its supply chain and parts of its business operations by:

- ❖ Rolling out Supplier Code of Conduct, starting with its principle suppliers;
- ❖ Delivering tailored supplier management awareness training including modern slavery risk in relevant supply chains to our Asset Managers and relevant staff; and
- ❖ Engaging with relevant suppliers regarding the Modern Slavery Act requirements.

Governance

This Modern Slavery Act Transparency Statement was approved by the Calon Energy Limited Board and will be updated annually.



Signed _____

Andrew Mackintosh

Director of Governmental and Regulatory Affairs