

Modern Slavery Act

Transparency Statement 2020

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 and our employee base of 125 FTE is split almost equally across the three operational sites.

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 and is free from discrimination, harassment and victimisation.

Suppliers

Calon Energy staff operate, maintain and provide supporting administrative services for two of our three power stations. Severn Power station is operated and maintained by the Original Equipment Manufacturer. 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 2019 Calon Energy:

- ❖ Maintained training and awareness of Modern Slavery to all direct employees, irrespective of their contact with the supply chain.
- ❖ Continued to undertake supply chain audits with our operations and maintenance provider at Severn Power station
- ❖ Completed due diligence which included supply chain auditing during the insourcing activity for Sutton Bridge Power Station and Baglan Bay Power Station which comes under full control in March 2020
- ❖ Implemented an independent verification process of new suppliers using an external accredited database.
- ❖ Introduced a confidential, external Employee Assistance service which provides advice and support to all our employees
- ❖ Had no suspected or confirmed cases of Modern Slavery

Training and capacity

All employees and directly engaged contractors are required to, and have completed, annual mandatory Modern Slavery awareness training.

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 and will:

1. Assure our business processes against the Compliance Framework to identify control gaps, issues or risks which are to be addressed.
2. Extend the culture and awareness of the Modern Slavery Act and our annual statement to employees who will be transferring into Calon Energy as a result of the insourcing at Baglan Bay in March 2020.

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