

Modern Slavery Statement

For the year ended
31 March 2023

Published August 2023



YorkshireWater

1. Board Statement

At Yorkshire Water Services Limited (“Yorkshire Water”), we aim to conduct all our activities with the highest standards of ethics. We will not permit any form of modern slavery activity within our business or our supply chain.

Our approach to tackling the risk of modern slavery is underpinned by working collaboratively with our suppliers and other external organisations. Through raising awareness, maturing our processes and controls, and sharing best practices, we can work together to help combat this risk.

We recognise that the challenge is extensive and our steps to identify, prevent, and mitigate against the risk of modern slavery must continue to strengthen and develop in future.

This statement covers the activities of Yorkshire Water during the financial year ended 31 March 2023 and is published in accordance with the requirements of the Modern Slavery Act 2015.



Vanda Murray, Chair

Signed and approved by the Board of Yorkshire Water Services Limited on 4 July 2023.



2. About Us

Yorkshire Water is a subsidiary of Kelda Group Limited and we are one of 11 regulated water and wastewater businesses in England and Wales. We supply water and wastewater services to around five million people and 140,000 businesses across Yorkshire, playing a key role in the region's health, wellbeing, and prosperity.

Over the last year, we have worked to enhance our approach to managing the risk of modern slavery in our operations and supply chain. As part of this, we are a proud member of Utilities Against Slavery, a group that aims to strengthen the utility sector's shared approach to modern slavery risk management.

Modern slavery is an evolving risk. We know that we cannot be complacent, and therefore we continue to monitor and develop our response to this challenge accordingly.



Collecting, treating, and supplying around **1.3bn litres** of water every day



Investing over £1m every day to maintain and enhance Yorkshire's network of pipes, pumps, and networks



Collecting, treating, and safely returning to the environment **1bn litres** of wastewater every day



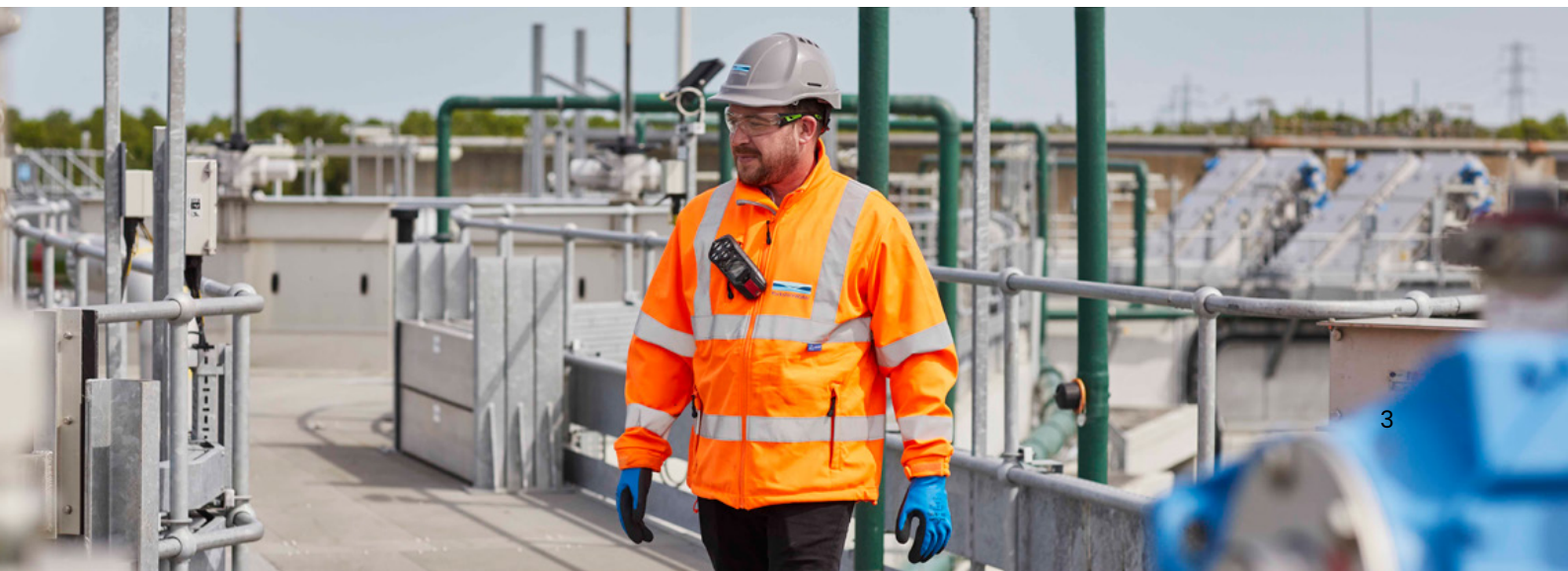
Employing over **3,600 colleagues** across the region



Managing **£1bn of water bills** every year and providing customer service when it's needed



Spending £900m on goods and services from over 1,200 suppliers each year





Utilities Against Slavery

Yorkshire Water is a member of Utilities Against Slavery, a group with representatives from 19 utility companies across the UK that works collaboratively to identify modern slavery risks and share best practice among its members.



Over the next year the group will focus on the following areas:

1.

Supply chain

Developing best practice that can be aligned across utilities to create a common approach to identifying and mitigating modern slavery risk in higher risk commodities and sectors.

2.

Training

Identifying shared training needs to create effective learning solutions, sharing knowledge and resources across the group.

3.

Engagement

Building a robust, consistent programme of internal engagement and maintaining awareness of Utilities Against Slavery with external stakeholders. Yorkshire Water are leading this workstream.

3. Supply Chain

Yorkshire Water has a large and varied supply chain. This year we spent over £900m across 1,200 suppliers, ranging from small local businesses to global corporations.

We believe conducting our procurement activities in a sustainable and ethical manner can help to reduce risks in our supply chain, including the risk of modern slavery.

Over the last year we have taken the following steps to reduce the risk of modern slavery in our supply chain and support our approach to responsible procurement:

1. We partnered with a third-party specialist to undertake ethical business audits of 21 of our higher risk suppliers.

Where areas for improvement were noted, these have been identified and communicated to the supplier to support the creation of action plans to address these areas.

2. We improved the information we hold on our suppliers

through the use of third-party verification and accreditation services.

3. We have incorporated modern slavery and other sustainability-related issues

into our **Sustainable Procurement Code**, which details the expectations and requirements on our suppliers.

4. We have continued to build modern slavery questions into our pre-qualification due diligence process for new suppliers,

including an assessment of their awareness and compliance with the Modern Slavery Act 2015, leading to a pass or fail outcome. Yorkshire Water supplier contracts emphasise, where relevant, the requirement for compliance with the Modern Slavery Act 2015 and include an associated right to audit.



4. Our Policies

Yorkshire Water's Modern Slavery Policy sets out our stance on modern slavery and explains how we will address incidents of modern slavery within our business. It also provides information on how we expect our colleagues and supply chain to be vigilant in recognising and reporting the signs of modern slavery.

Our Modern Slavery Policy applies to all our colleagues and extends to anyone working on our sites regardless of their employer. It is supported by our Code of Ethics, which has a specific section on modern slavery to reinforce the behaviours and standards we expect.

Further related policies include our Human Rights Policy, which recognises international human rights as set out in the Bill of Human Rights and the principles described in the UN Global Compact, and our 'Speak Up' Whistleblowing Policy, which provides an anonymous reporting mechanism and encourages colleagues to report matters of concern including ethical and moral issues.

Kelda Group, of which Yorkshire Water is part, is a Living Wage employer accredited by the Living Wage Foundation, which means we ensure all direct employees (excluding apprentices) are paid a wage that meets their everyday needs and is above the statutory living wage levels set by the UK government.

We also include a clause in all relevant supplier contracts to ensure that qualifying contractors (as defined in the Living Wage legislation) also receive at least the National Living Wage¹, including where working for a subcontractor.

1. Note: the National Living Wage set by the UK Government is lower than the living wage set by the Living Wage Foundation (sometimes known as the real living wage).



5. Measuring our progress

We have established Key Performance Indicators (KPIs) to allow us to monitor and report on the effectiveness of our actions to mitigate the risk of modern slavery.

In the following table we provide an overview of our performance for each KPI over the past year, as well as further supporting commentary.

Focus	KPI	Performance	Commentary
Internal	Incidents of modern slavery reported within Yorkshire Water's own operations.	0	This year there have been no incidents of modern slavery reported in Yorkshire Water's own operations through our Speak Up whistleblowing hotline or any other internal communication channels.
	Relevant colleagues trained on preventing and identifying modern slavery.	71%	Over two thirds of our 3,674 colleagues have now completed our Code of Ethics Training, which contains a dedicated section on how to identify and prevent the occurrence of modern slavery.
Internal	Suppliers aware of the Modern Slavery Act 2015 and its requirements.	99%	We surveyed our suppliers to gauge their awareness of the Modern Slavery Act 2015 and its requirements. Approximately half of all our suppliers responded to our survey, and of these 99% responded in the affirmative. We recognise that our survey response rate was not as high as it could have been and therefore the performance of this KPI may differ once non-respondents are accounted for. In response, we will be targeting engagement with our supply chain as an area for improvement over the next year (see Section 7 for further details).
	Suppliers who have recently published a modern slavery statement or policy.	68%	Of those suppliers who responded to our survey, 68% have recently published a modern slavery statement or policy. For suppliers defined as relevant commercial organisations by the Modern Slavery Act 2015 (i.e., those with a turnover greater than £36m), this figure increased to 88%.
	Incidents of modern slavery reported in our supply chain.	0	This year, no incidents of modern slavery within our supply chain have been reported to us by suppliers as part of their contractual obligations.

6. Next Year's KPIs

As we develop and strengthen our approach to addressing the risk of modern slavery, we have refreshed our KPIs for the 2023/2024 financial year as detailed below.

Focus	KPI	Unit	Details
Internal	Incidents of suspected modern slavery reported within Yorkshire Water's own operations.	Number	All incidents of modern slavery reported within Yorkshire Water's own operations, including both confirmed incidents and incidents that were reported and on investigation proved to be unsubstantiated.
	Colleagues who have completed training relevant to modern slavery identification and prevention.	%	The percentage of currently employed colleagues who have completed our Code of Ethics training, which includes information on modern slavery.
	Colleagues who have completed enhanced training in modern slavery identification and prevention.	Number	The number of currently employed colleagues who have completed enhanced training relevant to their area of the business. Enhanced training may include, for example, supply chain risk management for procurement colleagues and enhanced identification training for operational colleagues.
External	Incidents of modern slavery identified in our supply chain.	Number	The number of substantiated incidents of modern slavery identified in our supply chain, based on incidents reported by our suppliers and also from information acquired from wider monitoring (e.g., media reports; due diligence checks)
	Percentage of supplier audit non-compliances with corrective actions implemented.	%	The number of non-compliances identified by modern slavery supplier audits with corrective actions implemented, as a percentage of the total number of non-compliances identified by audits carried out in the reporting year ending 31 March 2023.

7. Future areas of focus

We will continue to develop our strategic approach and report on our progress to minimise the risk of modern slavery in our organisation and supply chain. Over the next year, we aim to build on our improvements to date and will focus on the following priority areas:

Action plans for suppliers



We will work with our suppliers to monitor and support progress to completing their action plans resulting from ethical business audits carried out earlier this year.

Onboarding due diligence



We will improve our supplier onboarding due diligence process through the implementation of checks to identify commodities, services, and locations associated with a higher risk of modern slavery.

Supply chain engagement



We will maintain and strengthen engagement with our supply chain. Through our membership of the Supply Chain Sustainability School, we will hold further workshop sessions with our higher risk suppliers to share knowledge, raise awareness, and help our suppliers strengthen their approach to modern slavery risk management. We will also develop our use of third-party supplier monitoring systems to enhance our understanding of modern slavery risks within our supply chain.

Colleague Training and Development



We will provide training on modern slavery to all new starters and will use our membership of the Supply Chain Sustainability School to provide enhanced training to relevant colleagues. We will also develop our programme of engagement with colleagues, linking in with anti-slavery week to help spread awareness of modern slavery and how to spot the signs and respond accordingly.

Partnerships



Through our ongoing engagement with Utilities Against Slavery we will work towards a united approach to modern slavery risk management across the utility sector.

yorkshirewater.com

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