

Modern Slavery Report

2020/21

Published September 2021



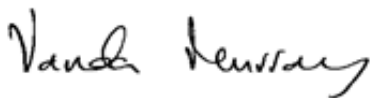
YorkshireWater

1. Board Statement

Modern slavery is a serious humanitarian crime that is happening across the world, including the UK. Victims are often targeted and abused by criminals. Slavery can happen in many forms, through the trafficking of people, to forced labour. At Yorkshire Water we put people at the heart of everything we do. We know that modern slavery affects those involved in lasting ways and believe no one should suffer this physical and mental abuse. We understand we must do more to help eradicate the serious crime of modern slavery.

Yorkshire Water recognises that modern slavery poses a risk to our business and stakeholders and we cannot be complacent. We strongly oppose any form of slavery or human trafficking activity within our business, and that extends to our supply chain.

We are committed to raising awareness of this issue across our business and supply chain and strengthening our processes to help us identify and address any activity that is not in line with our standards.



Vanda Murray

Chair

Signed and approved by the Board of Yorkshire Water Services on
29 September 2021



2. About Us

Yorkshire Water, a subsidiary of Kelda group, is one of 11 regulated water and wastewater businesses in England and Wales, employing over 3,500 employees to support providing essential water and wastewater services to around five million people and 140,000 businesses in the Yorkshire and Humberside region.

We are proud to play water's role in making Yorkshire a great place to be – now and always. Throughout 2021, we have continued to embed our Big Ambition to put people at the heart of everything that we do, including tackling the challenges that modern slavery continues to bring.

We are continuing to learn and understand about how we can do more in our approach to modern slavery to minimise the risk to our business. We also know that collaborating with others is necessary to resolve the challenges that modern slavery brings to our industry.

During 2021, Yorkshire Water have continued to be a part of the Utility Working Group that brings together other UK water companies, wider utilities, and The Slave Free Alliance. The group is still relatively new; however, it has strong ambitions to shape best practices to manage modern slavery risks across the utility sector.



3. Our Supply Chain

Yorkshire Water operates solely within the UK. However, whilst we purchase a large proportion of our goods and services locally, many of our supply chains extend throughout the world. Each year we spend over £700m through our supply chains, utilising over 1,100 suppliers to keep Yorkshire's water flowing.

Our supply chains are complex: we procure a wide variety of goods and services across the business, ranging from services of small local suppliers through to capital projects from large multi-national organisations. Yorkshire Water supplier contracts specifically reference compliance with the Modern Slavery Act 2015 and include an associated right to audit.

During the 2020/21 financial year we have continued to meet our supply chain commitments on modern slavery and human trafficking through the following steps:

- We have continued to include specific pass or fail criteria linked to obligations under the Modern Slavery Act 2015 for all procurement-led tender processes and new vendor requests. This builds on our previous work in this area.
- We have engaged the Wilberforce Institute to undertake a further 300 risk assessments of our direct supply chain. This brings the total risk assessments completed to over 800 and covers all annual spend value with suppliers to as little as £14,000 per year. We have refreshed our tender process to ensure that we can identify areas of high risk early.
- We have engaged the Wilberforce Institute to undertake proactive audits on higher risk elements of our supply chain. Audits have been completed across the following categories: chemicals, fleet, waste, recruitment, land management, audit / technical, and IT hardware.
- We have instructed a law firm to review our approach to modern slavery to ensure we are compliant with the Act and highlight any areas for improvement.



4. Our Policies

Yorkshire Water has a suite of policies and procedures available to all colleagues in the company, which have been reviewed and updated to consider the Modern Slavery Act 2015. All colleagues are expected to be familiar with, and to comply with, our Code of Ethics. This covers the standards and behaviours that we expect from our people and the way in which we want to do business. Yorkshire Water has an employee guidance document on human trafficking, modern slavery and forced marriage, to ensure our colleagues have access to the information and support they need.

This guidance is underpinned by our:

Human Rights Policy – recognising international human rights as set out in the Bill of Human Rights and the principles described in the UN Global Compact.

'Speak Up' Whistleblowing Policy – this aims to encourage all colleagues and contractors to 'speak up' and raise matters of serious concern including any ethical or moral issues in any part of our business.

Kelda Group, of which Yorkshire Water is part, has a Living Wage accreditation, which means that we ensure all direct employees are paid a wage that is above the statutory wage levels set by the UK government. We also include a Living Wage clause in all our supplier contracts, to ensure that qualifying contractors also receive at least the Living Wage, including where working for a subcontractor. Any breach of these clauses can lead to termination of the contract.



5. Measuring Our Progress

We understand we cannot be complacent when it comes to our commitments around modern slavery. The progress we make is regularly shared with our Board ensuring that the commitments we make are documented and reported on.

During the 2021/22 financial year we will introduce the following Key Performance Indicators (KPIs) to monitor and report on the effectiveness of our actions to mitigate against modern slavery. The group will continue to develop and refine the KPIs to ensure they remain relevant and informative. We will report on our KPI progress in our 2021/22 modern slavery statement.

Focus area	Key Performance Indicator	Unit
Internal	Incidences of modern slavery reported within Yorkshire Water's own operations	Number/year
	Relevant employees trained on preventing modern slavery and trafficking	%
External	Suppliers aware of the Modern Slavery Act and its requirements	%
	Suppliers who have a Modern Slavery Policy	%
	Incidences of modern slavery reported in the supply chain.	Number/year

6. Areas of focus for 2021/22

We recognise that we are on a journey of continuous improvement to address the potential risk of modern slavery within our business and supply chain. We have identified several areas of focus for the next 12 months to raise awareness of, and mitigate against, modern slavery risk.

Communication

Yorkshire Water will communicate the individual risk assessment findings (see Section 3. Our Supply Chain) with our suppliers to ensure that they understand the issues highlighted and the grading of their company performance.

Developing traceability of key supply chains

Yorkshire Water will work with its highlighted higher-risk suppliers to develop traceability in our supply chain.

On-site assessments

Yorkshire Water will instigate a programme of on-site assessments and consultations with higher-risk suppliers identified. This will ensure that all higher-risk suppliers are visited at least once every two years.

Awareness raising

As well as our existing Speak Up policy, Yorkshire Water will work with experts to create a guide for our operational colleagues that highlights risk factors and tell-tale signs of modern slavery and provide a dedicated mechanism for them to raise concerns for investigation.



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