

# OVO GROUP LTD STATEMENT ON MODERN SLAVERY AND HUMAN TRAFFICKING MAY 2019

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## Introduction

This Statement has been published in accordance with the Modern Slavery Act 2015 (the “Act”). It sets out the steps taken by OVO Group Ltd (“OVO”) to prevent modern slavery and human trafficking in its operations and supply chains during the financial year ending 31 December 2018.

OVO fully supports the aims of the Act and recognises that slavery and human trafficking is a global issue which needs to be addressed by all companies within all industries.

## OVO’s Structure and Business

Founded in 2009, OVO is the UK’s largest independent energy technology company and supplier with a mission to bring affordable, clean energy to everyone.

OVO’s businesses are organised into two primary areas: Retail and Kaluza.

### Retail

Across a number of Retail brands, we serve 1.5 million customers with intelligent energy services. OVO Retail’s core business is supplying electricity and gas, and related products and services, to domestic customers within the UK.

### Kaluza

Our intelligent grid technology company is leading the digital transformation of the electricity system. We provide software and hardware solutions as well as in-home installation services to a range of B2B partners.

This statement covers all OVO subsidiaries required to provide a statement under the Act, and includes:

OVO Energy Ltd (trading as “OVO Energy”, “Boost”, and “Lumo”)  
Spark Energy Ltd  
Corgi HomePlan Ltd  
Intelligent Energy Technology Ltd (trading as “Kaluza”)  
Hybrid Energy Solutions Ltd (trading as “ChargedEV”)

## OVO’s Workforce

As of 31 December 2018, OVO employed approximately 2,000 direct employees. Some services (e.g. facilities management, customer call centre, IT services, meter and device installations, debt collection and the manufacture of intelligent energy technology devices) are partly outsourced to third parties. Additionally, the trader network used by Corgi to perform boiler installation and other in-home maintenance services comprises independent trade professionals that are not directly employed by OVO.

## **OVO's Supply Chains**

During the 2018 financial year, OVO had approximately 1,230 Tier 1 suppliers.

OVO's main 2018 supplier spend related to:

- the procurement of electricity and gas from our wholesale commodity provider;
- the manufacture, supply and installation of smart gas and electricity meters by third parties
- the procurement and installation of energy technology products such as electric vehicle chargers, domestic storage heaters and smart thermostats; and
- the provision of software and technology platforms.

Over 99% of OVO's 2018 Tier 1 supplier spend was with suppliers based in European countries that are considered to have a low prevalence of slavery according to the Global Slavery Index.

## **Policies in Relation to Slavery and Human Trafficking**

OVO has, and is further developing, several policies that are relevant to the prevention of slavery and human trafficking, both across our own business and within our supply chain.

### **Policies relevant to our own business**

Internal policies include the OVO Code of Ethics, setting out the core values and principles underpinning how we operate, and a Whistleblowing Policy, outlining our process for escalating and handling concerns and potential wrongdoing. In 2018, we initiated a review of the OVO Code of Ethics to enhance its requirements and make it more relevant to our business operations. The revised Code of Ethics, which includes an explicit commitment to eradicating modern slavery and human trafficking, will be implemented in 2019.

### **Policies relevant to our suppliers**

In 2018, OVO initiated the development of a Supplier Code of Conduct to set out the standards, principles and values to which OVO expects its suppliers to adhere, including a commitment to eradicating modern slavery and human trafficking. The Supplier Code of Conduct will be implemented in 2019 and will require suppliers to cascade these commitments through their supply chain.

## **Risk Assessment**

The manifestations of Modern Slavery are complex and hidden. We are developing our risk assessment process for both our own business operations and our supply chain including by focussing on countries and activities where modern slavery and forced labour concerns may exist.

These include:

- Outsourced operations in certain countries considered to be higher-risk in terms of labour and human rights issues.
- Upstream raw materials sourcing for the manufacture of energy technology products such as electric vehicle chargers, domestic storage heaters and smart thermostats.

## **Due Diligence Processes**

We are committed to the highest standards of social and environmental responsibility and to conducting business in a lawful and responsible manner, including engaging with suppliers who uphold the same standards.

We are continuing to strengthen our procedures for onboarding new suppliers and monitoring and engaging suppliers in-life.

## **Assessment of Effectiveness**

We recognise the need not only to tackle modern slavery but also to assess the effectiveness of the measures we have taken. During 2019 we will develop reporting mechanisms to gather data and to develop KPIs to monitor performance in this regard.

## **Training and Capacity Building**

Targeted training on the revised Code of Ethics, Supplier Code of Conduct and slavery and human trafficking risks will be delivered to all relevant employees during the 2019 financial year.

## **Looking Ahead**

We recognise that the eradication of modern slavery and human trafficking is a continuing, collaborative and evolving process.

Our priorities for the year ahead are:

- Implementing a revised OVO Code of Ethics and a new Supplier Code of Conduct.
- Extending our risk mapping and analysis to focus on key risk areas.
- Developing our supplier due diligence processes.
- Continuing to strengthen employee awareness of modern slavery and forced labour, including through training programmes.
- Developing monitoring and reporting mechanisms.

Vinny Casey  
CFO, OVO Group