



VITAL HOLDINGS LIMITED

ANNUAL MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT 2021

INTRODUCTION

This statement covers the activities of Vital Holdings Limited and its subsidiaries (including Vital Energi Utilities, Vital Solutions, Vital Residential EScO Limited) and sets out the actions the group is taking to understand all potential modern slavery risks related to its business and the steps it is taking to ensure there are no slavery or human trafficking in its businesses and supply chain.

The Company is committed to preventing slavery and human trafficking in its corporate activities, and to ensure its supply chains are free from slavery and human trafficking.

This statement relates to actions and activities during the financial year ended 30th June 2021.

DEFINITIONS

The Organisation considers that modern slavery encompasses:

- human trafficking
- forced work, through mental or physical threat
- being owned or controlled by an employer through mental or physical abuse or the threat of abuse
- being dehumanised, treated as a commodity or being bought or sold as the property
- being physically constrained or to have a restriction placed on freedom of movement.

COMMITMENT

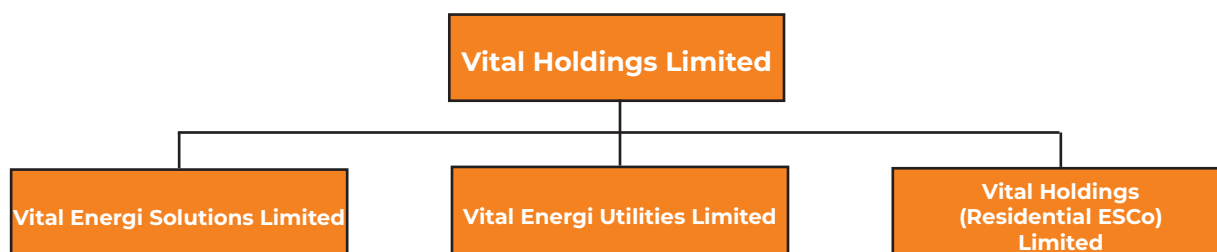
Vital acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions in the Modern Slavery Act 2015. Vital understands that this requires an ongoing review of both its internal practices in relation to its labour force and, additionally, its supply chains.

Vital does not enter into business with any other organisation, in the United Kingdom or abroad, which knowingly supports or is found to involve itself in slavery, servitude and forced or compulsory labour.

No labour provided to Vital in the pursuance of the provision of its services is obtained by means of slavery or human trafficking.

OUR STRUCTURE

A subsidiary business of Vital Holdings Limited; UK based and operating in the construction field across a large variety of sectors including healthcare, education, industrial, residential, justice, and defense. Vital Energi Utilities Limited together with its sister businesses Vital Energi Solutions Limited and Vital Holdings (Residential EScO) Limited and any subsidiaries provide and maintain on customers behalf, community energy generation and distribution solutions for public and private sector projects.



We employ over 300 highly trained and qualified Engineers, Surveyors and Skilled site personnel and approximately 150 head office support staff, all based primarily in the UK. Our Head office, which is in Blackburn, North West, where the majority of our support staff, along with a large amount of our Design, Commercial and Metering & Billing Department are based. We have two other offices; one in Glasgow and the other in London. Our operational workforce (i.e our project managers, engineers, surveyors and site support staff) are based on various sites throughout the UK, in line with contract awards and client's requirements.

Our main activities whilst **on site** are to plan, execute, and finalise projects (including design, installation and routine maintenance of client's assets) within strict deadlines and budget; acquiring resources and coordinating the efforts of team members and third-party contractors/ consultants to deliver projects according to required/ agreed plan. Once the design and build stages have been completed, where appropriate our Operations functions will undertake Planned Preventative and Reactive Maintenance in accordance with Site Procedures, Rules and Line Management Instructions to ensure the longevity and sustainability of the energy centres meet the contractual demands and obligations agreed with the clients.

Whilst working from the **Head office or one of our subsidiary offices**, the main duties from the various support functions are to assist with:

- the production of design information for specific projects; taking concept designs and producing a fully detailed design for the projects team to install. This includes initial project conceptual work, site investigations and surveys, client meetings and input into project submissions and presentations.
- the commercial management of Contracts, in partnership with the Contracts Managers and/ or Project Managers.
- providing essential management in the areas of Safety, Health, Environmental and Quality, Human Resources and financial management to ensure we meet the necessary standards required

SUPPLY CHAIN

The majority of our suppliers are UK based, with one exception from a provider of Pipework in Denmark and Poland. We do, however, recognise that our supply chains may extend at specific times, beyond the UK, presenting a different level of risk.

Our supply chain includes approximately 551 contract companies and suppliers of varying size and expertise including services, and material supply of goods.

RESPONSIBILITY

Responsibility for the Company's anti-slavery initiatives are as follows:

- HR Manager – Employment policies, vetting of candidates and the employee awareness/training.
- Commercial Directors – Supply chain policies, vetting & monitoring
- SHEQ Director – Oversight of risk assessment & internal assurance

PROCESSES AND DUE DILEGENCE MADE IN THE PREVIOUS 12 MONTHS

We are committed to implementing and maintaining effective systems and controls to prevent, detect and eradicate modern slavery within our business and that of our suppliers. Previously and during the last 12 months, we:

1. Made updates to our Modern Slavery Policy, Sustainable Procurement Policy and Whistle Blowing Policy. Collectively, these provide guidance on how to spot the signs of possible slavery, how to raise, and deal with concerns without fear of reprisal as well as how concerns will be investigated
2. Ensure that our supply chain partners declare they comply with the Modern Slavery Act as part of our pre-qualification process.
3. Encourage all of our employees to report any concerns related to its activities or supply chains. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The Company's whistleblowing procedure is designed to make it easy for workers to make disclosures without fear of retaliation.
4. Are assessed and audited annually by Achilles (external auditors). This enables us to ensure compliance with legal requirements and the best practice in respect of the management of our supply chain.
5. Only use specified, reputable employment agencies to source labour and verifies the practices of any new agency it is using before accepting workers from that agency.

FURTHER STEPS TO BE UNDERTAKEN DURING OUR FINANCIAL YEAR 2021-22

- Continue to undertake due diligence when considering appointing new and existing key contractors, through our pre-qualification process.
- Develop, trial and launch a third-party pre-qualification process when considering new and existing key suppliers. Talks are already in place with a third-party. Key suppliers will be put through a screening process to check they meet our ethical standards and values and we will conduct regular reviews of our existing suppliers. We aim to take additional steps to further develop our supply chain vetting processes in line with our commitment to continuous improvement; this will be done via annual audits and risk assessments.
- In tender processes, we will ensure the prequalification criteria of suppliers incorporates a requirement to confirm compliance with the Act together with the requirement to maintain a Modern Slavery Act Statement.
- Further develop links with external (independent) authorities such as the Gang-masters and Labour Abuse Authority with a view to becoming a member and advocate of their Construction Protocol.
- Continue communicate to our key suppliers advising them of our commitment to ensuring that modern slavery is not taking place within our business or supply chain and setting out our expectations that they hold the same high standards. We fully expect that our suppliers will share our zero-tolerance approach and will hold their suppliers to the same standards.
- Roll out new modern slavery training to all employees and track completion. Policy and relevant website links will be distributed to all employees with responsibility for recruitment and purchasing to raise awareness and respond to any slavery and, or human trafficking risks
- Continue to promote awareness and engagement on modern slavery as part of our supply chain communications, events and annual reviews.
- Continue to monitor, review and address the impact of the COVID-19 pandemic on our business, including our supply chain, in changing worlds and global market.
- Continue to monitor and assess the ongoing impact of Brexit on the labour forces coming to work on our sites and assess whether this will have an impact on the risk of modern slavery relating to the provision of labour and the procurement of materials.
- Share examples and case studies (through our website and social media channel, and through industry groups of what we're doing, what we've learnt, risks and areas for improvement.
- Continue to review and evolve our anti-slavery and Human Trafficking policies and procedure to ensure they remain relevant and clear.

TRAINING AND ENGAGEMENT

We have identified communications, training and engagement on modern slavery as a priority for Vital. During 2020 our plans have been affected by COVID-19, particularly due to the fact that, many of our staff were furloughed or working from home for large parts of the year and therefore we have regrettably not progressed as quickly as planned in areas such as the further roll out of training and tracking the communication and engagement we do on our construction sites.

The organisation requires all supply chain managers and HR professionals within the Company to confirm they have read and understood the Company's policy statement on Modern Slavery and the following guide: [Transparency in Supply Chains etc.: a practical guide](#) as part of their continuous professional development and to comply with our policy commitment.

AWARENESS PROGRAMME

As well as training relevant employees, the Company raises awareness of modern slavery issues by publishing its statement on the Company's Home Page of its Intranet and its external website.

BOARD APPROVAL

This statement has been approved by the Chairman, Chief Executive Officer and SHEQ Director, who will review and ensure it is updated annually.



Gary Fielding

Chairman

Date: November 2021



Ian Whitelock

Chief Executive Officer

Date: November 2021



Sean Black

SHEQ Director

Date: November 2021

The original signed copy of this document is retained by the SHEQ Department: Date Reviewed: 3rd November 2021