

Northern Ireland Electricity Networks Limited Statement on the Prevention of Slavery and Human Trafficking – 2023

ABOUT THIS STATEMENT

This is Northern Ireland Electricity Networks Limited's ('NIE Networks' or the 'Company') eighth Modern Slavery Statement in accordance with section 54 of the Modern Slavery Act 2015 which applies for the financial year ending 31 December 2023, and was approved by the NIE Networks Board of Directors on 7 March 2024.

NIE Networks is committed to the highest level of ethical standards and sound governance arrangements and has a responsibility to understand the risks within its own business and supply chain, to reduce those risks, and ensure that there is transparency in its own business and in its approach to tackling modern slavery throughout its business and supply chain, and expects the same high standards from all of its contractors, suppliers and other business partners. The Company considers the measures highlighted within this Statement, together with NIE Networks' overall approach to ethics and employee and supplier engagement, are helping to reduce the risk of modern slavery and human trafficking in its business and supply chain.

ORGANISATIONAL STRUCTURE

NIE Networks is part of the Electricity Supply Board (ESB), the vertically integrated group of companies based in the Republic of Ireland. NIE Networks is an independent business within ESB with its own Board of Directors, management and staff.

NIE NETWORKS' BUSINESS AND SUPPLY CHAIN

NIE Networks is the owner of the electricity transmission and distribution networks in Northern Ireland and the operator of the distribution network, which serves over 910,000 connected customers.

All of NIE Networks' operations and its 1,506 employees are based in Northern Ireland, and the Company invests in excess of £150m annually in the electricity infrastructure in Northern Ireland.

The Company's annual procurement spend is approximately £188m across circa 900 suppliers. As all of its business is undertaken within Northern Ireland, NIE Networks considers that the risk of modern slavery is more likely to arise from its supply chain than from its own business operations.

Further details on NIE Networks can be found at www.nienetworks.co.uk.

POLICIES AND PROCEDURES

NIE Networks has a zero tolerance approach to modern slavery and is committed to acting ethically and with integrity in all its business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in its own business or in any of its supply chains.

The Policy on Modern Slavery reflects the Company's commitment to prevent modern slavery including the roles and responsibilities from Board level down to each individual employee and the means by which any suspected incidences of modern slavery should be reported.

Some of the other NIE Networks policies which are considered relevant to the management of modern slavery risks faced by the Company include:

[Code of Ethics](#) – the Code of Ethics details the high standards of behaviour expected from employees, and the underlying principle of the Code of Ethics is that those within the scope of the Code will strive to perform their duties in accordance with the highest standards of safety, integrity, loyalty, fairness and confidentiality and that they will comply with all legal and regulatory requirements. The Code details the protections for employees in reporting serious malpractice at work. Further information about the Code is available in the “Staff Education and Awareness” section below.

[Whistleblowing Policy](#) – this Policy details how an employee, agency staff member, contractor, consultant or trainee may raise a concern about wrongdoing in the workplace.

[Requirements for Contractors – Business Ethics](#) – this details the requirements for contractors in relation to business ethics matters including compliance with legislation and policies including the Modern Slavery Act 2015.

Health and Safety Policy Statement – this reflects the Company’s commitment to protecting the health and safety of employees, contractors and customers.

DUE DILIGENCE PROCEDURES

Procurement Processes

Following on from its previous statements on the prevention of slavery and human trafficking, published each year since 2017, NIE Networks has continued, during 2023, to take the following steps to prevent acts of modern slavery from occurring within its supply chains:

In terms of managing the risk of modern slavery existing within its supply chains, NIE Networks continued to implement the measures adopted in previous years. NIE Networks uses the Achilles Utilities Vendor Data Base (UVDB), a portal for suppliers in the utilities industry, to pre-select suitable suppliers. A question set is included which enables NIE Networks (and other utilities) to assess the procedures a supplier has in relation to the prevention of slavery and human trafficking in its own organisation and supply chain. A similar set of questions is included in NIE Networks’ E-Sourcing procurement system in order to capture those suppliers not using the UVDB portal. For those suppliers that NIE Networks enters into contracts with, provisions in respect of modern slavery are included in standard form contracts as part of contractors’ ongoing obligations to comply with a number of ethical requirements set out in NIE Networks’ [‘Requirements for Contractors – Business Ethics’](#) document.

Health, Safety and Wellbeing

NIE Networks’ aim is to make sure everyone gets home safely and the Company has very high safety standards for both employees and contractors, and throughout 2023 regular Health, Safety and Wellbeing updates were presented to the Board and Executive Committee so that they could monitor safety performance. Further detail on health and safety performance for 2023 can be found on pages 18 and 19 of NIE Networks’ 2023 Annual Report and Financial Statements. During 2023, the total number of incidents which resulted in lost time injury to employees and contractors combined was twelve, compared to four during 2022.

In 2020, the Company developed an enabling action plan to improve adherence to its safety value, reduce the risk of harm and improve the wellbeing of staff. The “Safer Together – Our Pathway to Zero Harm” journey is a continuing priority for NIE Networks which was further

progressed during 2023 when 'Being Safer Together' workshops were scheduled and all employees were invited to attend. The purpose of these workshops was to continue the Safer Together Cultural Transformation journey.

STAFF EDUCATION AND AWARENESS

NIE Networks also launched an updated [Code of Ethics](#) in September 2023, which includes guidance on ethical business practices. On its launch, this Code was accompanied by a series of internal communications and e-learning intended to raise awareness and educate staff on the content of the Code.

During the year, refresher training was also provided on the identification and prevention of slavery and human trafficking to all employees in the Procurement Department.

MEASURING EFFECTIVENESS

During 2023, in order to understand how effective the controls set out within this Statement are, and to ensure that modern slavery does not exist within NIE Networks' supply chains, following the completion of a successful procurement exercise, an external auditor was appointed to undertake an audit of suppliers in high risk industries and/or countries.

The audit concluded during 2023 identified no significant issues or incidents of modern slavery, with further audits planned for completion in 2024.

Signed by:



**Derek Hynes
Managing Director
Northern Ireland Electricity Networks Limited**

26 March 2024