

Modern Slavery and Human Trafficking

1. Introduction

Smarta Energy is committed to maintaining the highest standards of ethics and integrity in all our business practices. We recognise that modern slavery, human trafficking, forced labour, and exploitation are global issues affecting all sectors, and we are committed to identifying and preventing these practices within our business operations and supply chain.

This statement is made as part of our company's commitment to eliminating the exploitation of people under the Modern Slavery Act 2015 (the Act). It summarises how our company (Smarta Energy) operates, the policies and processes in place to minimise the possibility of any problems, any risks we have identified and how we monitor them and remain knowledgeable and abreast of changes in legislation or best practice.

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and constitutes Smarta Energy's slavery and human trafficking statement in respect of its current financial year.

Modern slavery is a complex crime that covers all forms of slavery, trafficking and exploitation. Trafficking includes transporting, recruiting or harbouring an individual with a view to them being exploited. Modern slavery crimes may involve, or take place alongside, a wide range of abuses and other criminal offences such as grievous bodily harm, assault, rape or child sexual abuse.

2. Purpose

The purpose of this policy is to set out Smarta Energy's approach to preventing modern slavery and human trafficking in our operations and supply chains. We aim to ensure that our business and supply partners act ethically, with respect for human rights and compliance with all applicable laws.



3. Scope

This policy applies to all individuals working for Smarta Energy, including employees, contractors, suppliers, and third-party representatives. We expect all parties within our supply chain to adhere to the standards outlined in this policy.

This statement sets out Smarta Energy's expectations of its staff, and leaders, as well as their responsibilities in relation to Modern Slavery and Human Trafficking. This statement applies to all employees and directs our work with key stakeholders, subcontractors, suppliers and visitors.

4. Definitions

Modern Slavery: Encompasses slavery, servitude, human trafficking, and forced or compulsory labour.

Human Trafficking: The act of recruiting, transporting, transferring, or receiving individuals through force, coercion, or deception for exploitation.

There are **five main types of exploitation** that victims of modern slavery may experience:

1. **Labour exploitation:** victims are forced to work for nothing, low wages or a wage that is kept by their owner; work is involuntary, forced and/or under the threat of a penalty, and the working conditions can be poor
2. **Sexual exploitation:** victims are exploited through non-consensual abuse or another person's sexuality for the purpose of sexual gratification, financial gain, personal benefit or advantage, or any other non-legitimate purpose
3. **Domestic servitude:** victims are domestic workers who perform a range of household tasks (for example, cooking and cleaning); some live with their employers and have low pay, if any at all
4. **Criminal exploitation:** victims are forced to work under the control of criminals in activities such as forced begging, shoplifting, pickpocketing, cannabis cultivation, drug dealing and financial exploitation
5. **Organ harvesting** living or deceased victims are recruited, transported or transferred, by threat or force for money, for their organs.

5. Modern Slavery Facts

£193 billion made each year from modern slavery, that's over £5,500 every second. Women and girls make up 54% of all victims worldwide and are 78% of victims of forced commercial sexual exploitation.

Victims of modern slavery can be men, women and children of any age across the world. There is an assumption that victims of modern slavery are often trafficked to the UK from other countries, but residents of the UK are also among the victims that are exploited in the UK and other countries. The crime is often hidden from the authorities and the general public. Victims may struggle to leave their situation because of threats, punishment, violence, coercion and deception, and some may believe that they are not in a situation of exploitation.

The Palermo Protocol, the internationally recognised process for defining human trafficking, includes three aspects:

1. **The action:** recruitment, transportation, transfer, harbouring or receipt of persons
2. **The means:** threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person
3. **The purpose:** the definition of exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude, or the removal of organs.

All these aspects must be present for a trafficking crime to have been committed. However, for those under the age of 18 years, only the *“action”* and *“purpose”* are required, as children cannot give consent to being exploited regardless of whether they are aware and agree. Victims of modern slavery may be trafficked, but this is not always the case because the *“action”* may simply involve recruitment.

7. Our Commitment

Smarta Energy is committed to acting with transparency, integrity, and accountability to prevent any form of slavery or trafficking in our operations. We commit to:

- Taking proactive steps to ensure ethical business practices.
- Assessing risks of modern slavery in our operations and supply chains.
- Engaging with our employees, suppliers, and partners to uphold high ethical standards.

[The UK Government's guidance on modern slavery provides essential resources](#) for organisations to identify, prevent, and address modern slavery risks in their operations and supply chains.

It includes specific support for small businesses, with an emphasis on fulfilling compliance obligations and taking a proactive approach to combatting forced labour, human trafficking, and exploitation.

8. Risk Assessment and Due Diligence

To mitigate the risk of modern slavery within our operations, Smarta Energy will:

- Conduct risk assessments to identify areas of our business and supply chain that may be susceptible to modern slavery.
- Implement due diligence processes when engaging new suppliers, including assessing their policies on modern slavery.
- Regularly review and monitor suppliers, particularly those in high-risk sectors or geographical areas, for compliance with modern slavery regulations.

The implementation of our policies and procedures includes due diligence on suppliers that we engage with, in accordance with our procurement policy.

When we onboard a new subcontractor, a thorough due diligence process takes place to ensure that the firm has a good reputation with appropriate practices in a number of areas including people and culture.

We have appropriate processes and policies in place to mitigate the risk of modern slavery and human trafficking in our organisation and supply chains. Our Board reviews and approves these policies every year.

Our procurement process requires all suppliers and contractors to comply with the Modern Slavery Act 2015, and we expect them to demonstrate a zero-tolerance approach to exploitation. Our standard terms and conditions for the purchase of goods and services allow for termination in the event of non-compliance.

In order to assess the risk of modern slavery, we use the following processes with our suppliers we review the potential for risk at regular intervals, including the possibility of re-auditing a supplier or conducting spot checks.

- We reserve the right to conduct due diligence as part of any onboarding and carry out spot-checks of the businesses who supply us, in order to investigate any complaints
- We are open to collaborating with our suppliers in order to improve standards and transparency across our supply chain
- We ensure our suppliers are members of appropriate industry bodies and/or working groups.
- We provide a confidential, independent whistleblowing process for employees to report any concerns.

Smarta Energy has established a zero-tolerance position on violations to the UK's anti-human trafficking and anti-modern slavery laws. If we find breaches of these laws within our supply chain, we will look to support companies in their efforts to comply with the legislation.

As part of monitoring our performance we track the following general key performance indicators:

- The percentage of suppliers who sign up to an appropriate code / provide their own modern slavery statements
- The effectiveness of enforcement against suppliers who breach policies
- The amount of time spent on audits, re-audits, spot checks, and related due diligence.

9. Supplier Expectations

Smarta Energy holds our suppliers to high ethical standards. We expect all suppliers to:

- Comply with the Modern Slavery Act 2015 and relevant international labour standards.
- Ensure their employees work freely and are not subjected to forced or compulsory labour.
- Provide fair wages, reasonable working hours, and safe working conditions.
- Implement their own policies on modern slavery and communicate these to their employees and suppliers.

Report any suspicions or incidents of modern slavery within their operations to Smarta Energy.

10. Employee Awareness and Training

All Smarta Energy employees are expected to be vigilant, and report concerns about modern slavery. As part of our ongoing commitment to understanding modern slavery and learning to spot the signs we regularly review UK Government resources.

We commit to:

- Providing training to our employees on recognizing the signs of modern slavery and human trafficking.
- Ensuring that all employees understand this policy, their role in upholding it, and the channels available for reporting concerns.

Additional training courses include:

- **Modern Slavery E-Learning Modules:** Free online courses help educate staff and management about spotting signs of exploitation and understanding reporting mechanisms.
- **Anti-Slavery Partnerships and Networks:** Resources encourage small businesses to collaborate with industry groups and local authorities to address modern slavery collectively.
- **Transparency in Supply Chains Guidance:** Free templates and case studies support businesses in drafting their own modern slavery statements and conducting transparent audits. For Smarta Energy, these resources provide a framework for voluntary reporting, showcasing ethical commitment in its operations and energy supply chain.

11. Reporting and Whistleblowing

Smarta Energy encourages all employees, suppliers, and stakeholders to report concerns related to modern slavery. Any concerns can be reported confidentially and without fear of retaliation through our whistleblowing policy. Reports can be made anonymously and will be thoroughly investigated.

12. Performance Indicators

To evaluate the effectiveness of our efforts, Smarta Energy will monitor:

- The number of audits conducted on suppliers for modern slavery compliance.
- Training completion rates among employees on modern slavery awareness.
- Any reported incidents and responses within our supply chain.

13. Policy Review

This policy will be reviewed annually to ensure it reflects any changes in law or best practices and continues to meet our organizational goals for ethical conduct and compliance.

14. Approval and Communication

This policy is endorsed by Smarta Energy's leadership team and will be made available to all employees and relevant stakeholders. We will also communicate this policy to our suppliers to ensure alignment and encourage compliance throughout our supply chain. Smarta reserves the right to amend and/or withdraw this policy from time to time for any reason, including without limitation, to take account of changes in the law, best practice and/or business requirements.