

Anti-slavery statement FY20

This is the fifth anti-slavery statement published in relation to the activities of the Infinis group of companies in accordance with section 54 of the Modern Slavery Act 2015 (the “**Act**”). It sets out the steps that the Infinis group has taken in the period 1 April 2019 to 31 March 2020 (inclusive) (“**FY20**”) to build on the progress made in previous financial years and to further develop its ongoing work in relation to eradicating the risk of modern slavery and human trafficking (**modern slavery**) from its business and supply chains.

In this statement, references to **we**, **us**, **Infinis** and **the Infinis group** relate to each of the Infinis group companies that are listed in our Annual Report. Our Annual Report is available on our website: <https://www.infinis.com/knowledge-centre>

In FY20 two Infinis group companies, Infinis Energy Management Limited and its subsidiary, Infinis Limited, satisfied the criteria set out in section 54 of the Act and are therefore required under the Act to publish an anti-slavery statement for the FY20 period. Notwithstanding this, the steps that are described in this statement apply equally to all Infinis group companies.

Details of the steps that Infinis has taken in previous financial years can be found in its previous anti-slavery statements which we published for financial years ending 31 March 2016, 2017, 2018 and 2019. These are available on our website: <https://www.infinis.com/knowledge-centre>

Infinis continues to conduct all of its business in an honest and ethical manner. Corporate social responsibility, including ensuring that we only purchase from responsible supply chains, remains a cornerstone of our business and we maintain our zero-tolerance approach to modern slavery.

Infinis' structure, business and supply chains

Infinis is the UK's leading generator of low carbon power from captured methane. In FY20 the Infinis group operated three business divisions from sites across the UK: captured landfill methane (**CLM**); captured mineral methane (**CMM**); and power response (**PR**), under our ultimate parent company Infinis Energy Group Holdings Limited and its subsidiary, Infinis Energy Management Limited, which oversees group governance.

Significant progress has been made in the year developing a number of subsidy free solar sites which will operate on existing CLM sites. Operational solar sites are planned for FY22.

Infinis Limited, Alkane Energy Limited, Infinis Alternative Energies Limited and Infinis Solar Developments Limited together with their subsidiaries (as applicable), operate the CLM, CMM, PR and solar divisions, respectively.

The Infinis group continued to be the largest generator of electricity from CLM in the UK during FY20 with 245MW of installed CLM capacity exporting 1,179GWh of power in total from 108 sites. Infinis is also the largest CMM operator in the UK in FY20 with 42MW of installed capacity across 16 sites exporting a total of 151GWh of power. The PR division which generates power from 30 sites using mains natural gas or liquefied fuel operates 185MW of installed capacity and exported 152GWh of power in FY20.

The nature of our supply chain and arrangements with our suppliers have not changed significantly compared to the position reported in our previous statement. It remains the case that a number of our suppliers provide goods and services to all business divisions and as previously, group

procurement is managed by our group services company, Infinis Energy Services Limited. We do not anticipate significant changes as a result of the planned activities of our solar development division.

In FY20 we have worked with over 550 direct suppliers of goods and services; slightly less than in previous years and all of whom have been subject to our annual risk assessment where their use was ongoing. We continue to apply our detailed due diligence process (as described below) to all new suppliers.

In FY20 the principal goods and services procured by the business continue to be almost exclusively supplied by the developed economies of Europe or North America. Little of our supply chain spend is outside of these economies. Our suppliers largely operate in the engineering (including industrial parts and component manufacturing and servicing), construction, consumables and professional services sectors.

In FY20 we concluded the exercise of mapping our second tier supply chain which confirmed that our suppliers predominantly source their own goods and services from within the UK and Europe and nearly one quarter of the suppliers assessed identifying a global supply chain; these suppliers who source globally are predominantly multinational businesses and operate in a range of business sectors including industrial parts and component manufacturing and servicing, engineering services, consumables manufacturing and supply, construction (including raw materials), textiles, IT/software, electronics, travel providers and professional services.

Written policies and procedures

Our **anti-slavery policy** reflects our commitment to acting ethically and with integrity across our business relationships throughout our supply chains. We reviewed this policy in FY20 as part of our annual review and were satisfied that it accurately reflects our current processes and procedures.

Risk assessment

We continue to build on the framework of risk assessment of our supply base carried out in previous years, to help prioritise and target the delivery of our supplier and risk management initiatives with regard to modern slavery and corporate social responsibility matters. We updated our risk assessment in FY20 in order to include all direct suppliers with whom we traded in the FY20 period. As in previous years, our risk assessment considers the length of our relationship with our suppliers, the business sectors and geographical locations in which they operate (using the Walk Free Foundation Global Slavery Index), any known issues identified by our Procurement Team in the course of the year (of which there were none) and any measures that those suppliers have implemented to tackle modern slavery in their own supply chains. We are satisfied that this continues to provide a valuable tool to inform our assessment of and improve our understanding of our supply base.

We are pleased to report that, again, we have identified no high risk suppliers.

Due diligence processes

New suppliers

Our robust process for onboarding new suppliers continues to be applied, including the issue of a comprehensive due diligence questionnaire for completion by new suppliers. In FY20 we supplemented this by the introduction of a requirement that our larger, predominantly strategic new

suppliers attain Achilles UVBD accreditation which provides an independent due diligence risk management platform.

In FY21 we will further reviewing our new supplier onboarding process to utilise the risk management functions of the Achilles UVBD and to ensure that due diligence of our smaller suppliers is tailored so as to continue to improve efficiency and effectiveness and to ensure we continue to apply a robust due diligence process to all new suppliers.

Existing suppliers

In FY20 we also introduced the requirement that our larger, predominantly strategic suppliers attain Achilles UVBD accreditation.

We continue to take the opportunity on contract renewals to require our suppliers to complete updated due diligence questionnaires and/or to attain Achilles UVBD accreditation as appropriate. We believe this, along with specific research into supplier initiatives where appropriate remains the most proportionate and effective way of ensuring our due diligence on our existing suppliers remains current.

As we stated above, in FY20 we completed the mapping of the second tier of our supply chain and we consider any additional risks posed by the second-tier supply chain when prioritising our risk management initiatives. We will keep the conclusions drawn from this exercise under review in light of any changes to our supply chain in FY21.

Based on the information obtained through our due diligence processes no issues have been identified with regard to our supply chain and we are comfortable that our suppliers have appropriate policies and procedures in place relating to modern slavery risks.

Supply contracts and KPIs

Our standard form supply agreement includes specific contractual obligations requiring our suppliers to take steps to ensure that there is no modern slavery in their own business or their supply chains. The majority of the new supply contracts entered into in FY20 have continued to include these or appropriate equivalent provisions. As contracts with existing suppliers come up for renewal, we continue to seek to incorporate appropriate modern slavery provisions in those new contracts.

In our previous modern slavery statement (which applied to the financial year ending 31 March 2019) we stated that we intended to implement measurable and proportionate supplier KPIs to encourage proactive engagement by our direct suppliers in our risk management processes and the timely response to due diligence requests. We reviewed this proposal during FY20 and delayed the introduction of KPI's due to the introduction of the requirement that selected suppliers achieve Achilles accreditation.

Supplier awareness

In FY20 we continued to roll out our ethical awareness initiative aimed at our suppliers which involved the inclusion of modern slavery awareness briefings in contract review sessions held through the year with our suppliers.

Staff training and awareness

All of our procurement staff have again received anti-slavery training as well as guidance as required to assist their identification of issues during the supplier due diligence process. New staff continue to receive anti-slavery training as standard, as part of their induction process. Rather than delivering annual training to all existing staff in FY20 we empowered our new staff, through their induction training to raise awareness within their new teams.

Towards the end of FY20 we had planned to launch an ethical awareness initiative aimed at our staff to reinforce their awareness of the impact and warning signs of modern slavery and related issues. The emergence of Covid-19 resulted in that initiative being deferred as staff communications were necessarily focused on Covid-19 risk management.

Progress on last year's objectives

In last year's statement we confirmed that our efforts in FY20 would be concentrated on raising the awareness of our direct suppliers in relation to modern slavery to improve supplier engagement on the subject and encourage the efforts of our suppliers in ensuring that there is no modern slavery in their supply chains. We highlighted the following planned actions:

- continuing to raise awareness within our own business by launching our ethical awareness initiative to publicize guidance on the impact and warning signs of modern slavery and related issues and annual training;
- modern slavery awareness briefings in contract review sessions;
- the implementation of measurable and proportionate supplier KPIs to encourage proactive engagement by our direct suppliers in our risk management processes and the timely response to due diligence requests;
- the continued mapping of our second tier supply chain;
- the evaluation and implementation of a new corporate social responsibility support provider to support our CSR due diligence processes.

We have explained in the previous sections of this statement how the implementation of these measures has been adapted and has evolved in the course of the year due to changing circumstances. In implementing the use of Achilles UBVD to support our due diligence processes, continuing our supplier ethical awareness initiative and completing the mapping of our second tier supply chain, we have however achieved more in these areas than we had anticipated. We consider that overall we have successfully progressed our objectives for FY20.

Our plans for the next financial year

Next year we intend to concentrate our efforts on reinforcing staff awareness of modern slavery issues and fully reviewing and implementing a revised end to end supplier onboarding process to further improve both our robust due diligence process and supplier awareness so as to encourage the efforts of our suppliers in ensuring that there is no modern slavery in their supply chains. This includes the following planned actions:

- the introduction of automated data reporting to inform and improve our annual risk assessment
- the review and roll out of an improved new supplier onboarding process to further improve due diligence and the prioritisation of other risk management initiatives
- roll out of our internal ethical awareness initiative to maintain staff awareness
- review and update of conclusions from our FY20 supply chain mapping exercise to maintain transparency and understanding of our wider supply chain

This statement has been approved by the board of directors of Infinis Energy Management Limited.

S. Pickering

Shane Pickering, Chief Executive Officer

27 July 2020