

Castle Water Anti-Slavery and Human Trafficking Statement 2024/2025

Opening Statement from Senior Management

Castle Water Limited, who have our registered address at 1 Boat Brae, Rattray, Blairgowrie, Scotland, PH10 7BH with Company Number SC475583, is committed to preventing acts of modern slavery and human trafficking from occurring within its business and supply chain and imposes the same high standards on its suppliers.

Castle Water Limited has a zero-tolerance approach to modern slavery within our business and supply chains. At all times, the company is committed to acting ethically and with integrity in our business dealings and relationships. We actively implement, enforce and maintain effective systems and controls to ensure modern slavery is not taking place in our own business or in our supply chains. A discussion of our systems and controls to ensure compliance with the Modern Slavery Act 2015 (“**the Act**”) is described below at section 4.

This is Castle Water Limited’s Anti-Slavery and Human Trafficking statement for the year ending 31 March 2024 and is made pursuant to s54(6) of the 2015 Act. Castle Water Limited aims to be increasingly transparent about its approach to modern slavery and this statement outlines our approach to tackling slavery and human trafficking so far.

This statement has been discussed at a Board Meeting where our Directors considered at length whether this statement complies with s54 of the 2015 Act. The company Directors have approved the statement and have signed the Statement indicating Castle Water Limited’s compliance.

1. Structure of Castle Water Limited

Castle Water Limited is a licensed provider of water and waste services to businesses throughout Scotland, England and Wales. Our business activities in Scotland are regulated by the Water Industry Commission for Scotland (WICS). In contrast, OFWAT regulate our activities in England and Wales. Unlike many water suppliers, we are not associated with any of the UK’s traditional Water Network Owners.

Our decision to trade as an independent retailer has facilitated us working proactively with our suppliers to provide a quality service to our customers. Our customer base is diverse and ranges from supplying services to large to small businesses. The company currently employs approximately 500 employees throughout the UK.

The company has three offices in Blairgowrie in addition to an office in Ayr and one office in London.

Castle Water Limited generated a turnover of in excess of £36 million during the financial year 2023/2024, and therefore is required to publish an annual modern slavery statement in accordance with the legislation.

In order to supply water to our customers, we work with a range of suppliers from the water industry.

To find out more about the nature of our business, please visit our website: <https://www.castlewater.co.uk/>

2. Policies

As part of commitment to combating modern slavery, we implemented our Anti-Slavery and Human Trafficking Policy. This policy was created on 28 June 2019 and is reviewed annually. The policy can be accessed under the useful resources section on the company's website.

We also ensure our suppliers are aware of our policy, and that they adhere to the same high standards during their business dealings.

Our policy was developed by directors, managers and colleagues all of whom have responsibility to ensure our employees are safeguarded, treated fairly and with dignity. Equally, the same individuals ensure that our suppliers conform to the same standards. This policy will be reviewed and amended as necessary.

3. Due Diligence

As part of our efforts to monitor and reduce the risk of slavery and human trafficking occurring within our supply chains, we have adopted the following due diligence procedures to identify any modern slavery risk:

- We expect **ALL** of our suppliers to adhere to and satisfy our anti-modern slavery policy;
- We do not tolerate slavery and human trafficking within our supply chains;
- To the extent that we are reasonably able to do so, we take all reasonable steps to ensure that **ALL** of our supplier contracts contain an anti-slavery clause. This clause prohibits suppliers and their employees from engaging in slavery or human trafficking in any form.
- Lastly, to the extent that we are reasonably able to do so, we take all reasonable steps to account for each step of the supply process, so we are aware who is providing goods and services to us.

As our company develops and grows over the forthcoming years our due diligence procedures will become more robust.

The following mechanisms and processes have been implemented to check the supply processes:

- supplier mapping;
- risk assessing suppliers; and
- auditing suppliers.

Castle Water Limited's commitment to monitoring and eradicating slavery and human trafficking extends to Agency Recruitment and General Recruitment.

Procedures that are in place to ensure that we mitigate the risk of modern slavery and human trafficking, as far as possible, when recruiting staff from agencies include:

- conducting background checks;
- investigating the agency's reputation;
- ensuring the agency staff provide us with appropriate paperwork (e.g., visas); and
- ensuring the agency provides assurances that appropriate checks have been performed on the person they are supplying.

Procedures that are in place to ensure that we mitigate the risk of modern slavery and human trafficking, as far as possible, when Castle Water recruit staff include:

- providing staff with a written contract of employment;
- providing information to all new staff on their statutory rights including sick pay, holiday pay and other benefits that they are legally entitled to during their employment;
- an internal check that all staff are legally entitled to work in the UK;
- an internal check on the names and addresses of our staff (numerous people listing the same address may indicate high shared occupancy, often a factor for those being exploited); and
- our Human Resources department will follow the appropriate reporting procedures if the company suspects an individual is being exploited during our recruitment process.

Castle Water Limited have a cleaning contract with Gordons of Perth (“GoP”). Under this contract GoP clean Castle Water’s Blairgowrie offices. To protect GoP’s employees from the potential risk of slavery or human trafficking Castle Water Limited have ensured that the cleaning company comply with Castle Water’s Anti-Slavery and Human Trafficking Policy.

Similarly, Castle Water has ensured that IT Suppliers comply with our policy and we apply the same checks on these parties as we do on our Suppliers and Agency Recruiters.

Our procedures, which have been designed by senior management, are designed to:

- establish and assess areas of potential risk in our business and supply chains;
- monitor potential risk areas in our business and supply chains;
- reduce the risk of slavery and human trafficking occurring in our business and supply chains; and
- provide adequate protection for whistle-blowers.

4. Risk and Compliance

Castle Water Limited regularly evaluates the nature and extent of its exposure to the risk of modern slavery occurring in its supply chain by:

- supplier mapping;
- auditing suppliers; and
- risk assessing suppliers.

We do not consider ourselves to operate in a high-risk sector or location because we work with established suppliers, each of whom is a responsible business and who are equally committed to acting ethically and with integrity in their business dealings.

Despite not operating in either a high-risk sector or location, as a responsible employer Castle Water pay close attention to the following, including but not limited to the following:

- our supply chain;
- any outsourced activities, particularly to jurisdictions that may not have adequate safeguards;
- cleaning suppliers;
- information technology suppliers; and
- any other relevant business partners, contractors and third parties who we may have business dealings with from time to time.

We expect **ALL** of our suppliers to adhere to our Anti-Slavery and Human Trafficking Policy. We enforce a strict code of compliance and do not tolerate slavery and human trafficking within our supply chains. At the time of publishing this Statement, we are unaware of any potential risk, however if one is subsequently identified then we will investigate the risk and where possible, implement steps to ensure the risk is eliminated and will not occur again. Such steps will include further due diligence activities, improved procurement practices or industry collaboration. If, however, we find evidence of a failure to comply with our policy and the supplier does not rectify the identified risk to our satisfaction we will immediately seek to terminate our relationship with the relevant supplier.

5. Effectiveness and KPIs

Castle Water has used key performance indicators (KPIs) to measure how successful we have been in ensuring, to the extent that we can reasonably be held responsible, that slavery and human trafficking is not taking place in any part of our business or supply chains. These are as follows:

1. ensure **ALL** staff are aware of our Anti- Slavery and Human Trafficking Policy.
2. ensure **ALL** suppliers are aware of our Anti-Slavery and Human Trafficking Policy.
3. ensure we have contractual re-course under most standard supply contracts if modern slavery issues are subsequently identified.

Having reflected on where the company currently is at in meeting our responsibilities as a responsible employer in preparing this Statement, we expect to build upon these KPIs in the forthcoming year. We have identified ways in which we can improve our monitoring and due diligence activities (see section 9 below).

6. How Castle Water has monitored threats of Slavery and Human Trafficking in Supply Chain in the last Financial Year

To monitor the threats of slavery and/or human trafficking in our supply chain the company undertook the below tasks.

First, the company contacted parties in our supply chain which we identified as being a risk to our compliance with the Act. We contacted:

- our cleaners GoP;
- recruitment agencies (including IT recruitment agencies);
- Wholesalers;
- our IT equipment suppliers;
- our key marketing supplier; and
- Contracted meter readers

we have used within the last 3 years. All the suppliers we contacted were asked to complete and return a Modern Slavery Checklist to us. This checklist was compiled by Legal and our Head of Quality and Health & Safety. The checklist asked our suppliers to answer 10 questions and to provide evidence. The checklist allowed the company to audit our suppliers internally and review their practices on modern slavery and human trafficking.

Out of 37 suppliers who were sent our audit checklist for completion, 12 returned completed checklists. In addition, 25 suppliers simply did not provide a response.

Out of the 12 suppliers, the all suppliers directed Castle Water to a copy of their Anti-Slavery and Human Trafficking Policies and/or their Anti-Slavery and Human Trafficking Statement.

Secondly, Legal and our Head of Quality and Health and Safety reviewed all of the completed audit checklists received from Suppliers to ensure they were compliant with the legislation. The review identified no sign of modern slavery or human trafficking occurring in our supply chain. All the completed checklists, policies and statements were saved to the company's IT systems so we can monitor compliance going forwards.

Next, Legal and our Head of Quality and Health and Safety reviewed our Anti-Slavery and Human Trafficking Policy to ensure it was fit for purpose.

Fourthly, the company's Human Resources department were contacted to disclose if our employees or managers had reported concerns about Modern Slavery or Human Trafficking within the company in the last financial year. Human Resources confirmed no instances were reported.

Lastly, all company employees were made aware of our Anti-Slavery and Human Trafficking Policy through an internal company email that was circulated in September 2024. The email requested that all employees familiarised themselves with the policy so they could understand their specific responsibilities. The email lastly, emphasised our commitment to adopting a zero-tolerance approach to modern slavery within our business and supply chains.

7. Training

We recognise the need to invest in educating our staff about the risks of modern slavery and human trafficking in our business and supply chains. Through our training programmes, employees are encouraged to identify and report any potential breaches of our anti-slavery and human trafficking policy. Employees are taught the benefits of stringent measures to tackle slavery and human trafficking, as well as the consequences of failing to eradicate slavery and human trafficking from our business and supply chains.

Specialist training on this subject matter is provided to staff members involved in management recruitment and supplier recruitments.

We are committed to upskilling our staff and have rolled out refresher training to **ALL** employees during the forthcoming financial year. This training's core aim was to inform colleagues that Modern Slavery and Human Trafficking can occur across our supply chain and therefore, everyone must remain vigilant. Additionally, if necessary, we will roll out training to **ALL** staff when an issue presents itself that may impact their daily work.

At the time of publication 67% of Castle Water's employees had completed the Modern Slavery and Human Trafficking training module.

8. Further actions and sign-off

Following our review of our actions this financial year to prevent slavery or human trafficking from occurring in our business or supply chains, we intend to take the following further steps to tackle slavery and human trafficking:

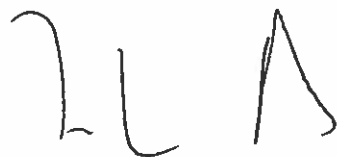
1. Regularly review and update our internal policy to ensure it can achieve the aims it is intended for. We will report on why changes, if any, have taken place.
2. Continued oversight and governance of Castle Water Limited's approach to Modern Slavery and Human Trafficking. This duty will similarly apply to **ALL** of our suppliers.

3. Report on how many employees undertook the mandatory training session and how this was delivered.
4. Ensure management and staff working in procurement undertake bespoke training so they are aware of the risks posed by Modern Slavery and Human Trafficking.
5. Monitor the effect of the Nationality and Borders Act 2022 and the findings of the House of Lords Modern Slavery Committee on Castle Water's Anti-Slavery and Human Trafficking Policy.
6. Audit incoming contracted customers on their Modern Slavery and Human Trafficking policies.
7. Report on how our completed Castle Water audit checklists from suppliers that were sent out during August 2024 informed our work going forward. We aim to contact all major suppliers in the next financial year.
8. **ALL** of our suppliers will be contacted annually to request information on their organisation's approach to Modern Slavery and Human Trafficking.
9. Maintain direct contact details for all suppliers where possible to maximise engagement in future audits.
10. Contact our main suppliers to request information on their employee rights, awareness training procedure or employment contracts.
11. Report on how we have monitored our suppliers.
12. Work collaboratively with suppliers to identify and eliminate potential Modern Slavery and Human Trafficking risks.
13. Report on the frequency that Modern Slavery and/or Human Trafficking concerns have been reported by Castle Water Limited employees to management or our Human Resources Department.

This Statement is made in accordance with section 54(1) of the 2015 Act and constitutes Castle Water Limited's Anti-Slavery and Human Trafficking Statement for the financial year commencing 31 March 2023 and ending 31 March 2024. This Statement will be placed on the company's website for stakeholders to view at <https://www.castlewater.co.uk/help-support/useful-resources> and will remain on the website permanently so that stakeholders can chart Castle Water Limited's progress against the above KPIs in future years.

After due and careful consideration this Statement was approved by Castle Water Limited's Board of Directors on 26 September 2024.

Signature:



John Reynolds, Director

Castle Water Limited

Date: 10/10/24