

# Modern Slavery Statement

EFT MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR ENDED 2018

ISSUED PURSUANT TO SECTION 54 OF THE MODERN SLAVERY ACT 2015

## OUR BUSINESS, STRUCTURE AND SUPPLY CHAINS

Established in 2000, the EFT Group is the premier electricity trading and investment group in south-east Europe. In the last decade, the Group has accounted for the majority of cross-border electricity trading and electricity deliveries in the countries lying between Austria and Turkey and as far north as Poland.

Complementing its trading operation, EFT has developed the 300 MW Stanari thermal power plant with its lignite mine and is currently developing the 35 MW Ulog hydro power plant, both in Bosnia and Herzegovina. Commercial operation of TPP Stanari began in 2016 while HPP Ulog is scheduled to commence operation in 2023.

The EFT Group comprises 18 companies with its holding company based in the UK and subsidiary companies based in central and south-east Europe.

EFT employs around 100 people in electricity trading activities. Approximately 800 staff are employed in Bosnia & Herzegovina and are engaged in mining and power plant operation and maintenance activities.

EFT operates to the highest ethical standards. The management of EFT works closely with the trade unions in Bosnia and Herzegovina to ensure excellent working conditions and remuneration for all employees.

EFT works closely with Chinese suppliers on the engineering, procurement and construction of its power plants. EFT only works with major Chinese suppliers. EFT has a strict code of conduct, business ethics training and support, anti-money laundering policies and training, whistle-blower procedures and rigorous compliance and new-counterparty screening policies.

## OUR POLICIES

- Environmental policies, adhering to EU standards, despite our major investments being outside the EU.
- Anti-bribery and corruption policy — strict rules for all employees
- Business Ethics manual and training, whistle-blowing procedures with independent legal company
- Rigorous health and safety policies in all offices and production facilities. Excellent health and safety record throughout construction and operation of all production facilities.
- All new investments subject to corporate and social responsibility assessments.

## DUE DILIGENCE PROCESSES

- Strict due diligence and compliance procedures applied to all new counterparties including assessment of geographical and political risk.
- Review of supply chain — our own engineers visit and monitor all overseas suppliers, including downstream suppliers.
- Continuous monitoring of all local and international suppliers to ensure that the highest ethical standards are maintained.

## STEPS TO ASSESS AND MANAGE RISKS

It is our assessment that there is minimal risk of slavery or human trafficking in our business. Employees come almost exclusively from the region in which they are employed and are protected by local laws, EFT's policies as well as trade union membership and support.

Over the course of the next financial year we will continue to enhance our procedures to help us identify, prevent and mitigate any risks of modern slavery or human trafficking in relation to new and existing suppliers.

## TRAINING

As part of our Business Ethics training for all management staff, issues relating to modern slavery and human trafficking are discussed. There is both an internal and external (whistleblowing) procedure in place for reporting any activity that could be considered to be a risk in this area.

## OUR EFFECTIVENESS IN ELIMINATING MODERN SLAVERY

The board of directors are confident that no modern slavery or human trafficking activities are taking place in the EFT Group or its supply chains.