



**SPIRIT ENERGY LIMITED
MODERN SLAVERY
STATEMENT**



This statement, relating to the financial year ending 31 December 2018, is made pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”) and outlines the steps we have taken as an organisation to assess our operations and supply chains, and mitigate any risk of slavery and human trafficking. Spirit Energy Limited (“Spirit Energy”) and its subsidiaries is committed to conducting business ethically and responsibly, and fully supports the aims of the Act and associated standards such as UN Guiding Principles on Business and Human Rights. We are committed to tackling slavery and human rights wherever we can.

Our Organisation

Spirit Energy is a new joint venture company, formed in December 2017 by combining Bayerngas Norge AS (“Bayerngas”) and Centrica plc’s (“Centrica”) Exploration and Production business. Centrica owns 69% of the joint venture, with the remaining 31% owned by Bayerngas’ former shareholders, led by Stadtwerke München and Bayerngas GmbH.

Spirit Energy is an independent exploration and production company, headquartered in the UK and has teams based across the UK, Norway, Netherlands and Denmark, overseeing operations in Morecambe Bay, the North Sea and the Norwegian Sea.

Our Approach

Spirit Energy has a zero-tolerance approach to slavery and human trafficking, which is underpinned by the following internal and external policies that are available to every individual and entity working for Spirit Energy:

- **Our Code** – Our Code applies to all Spirit Energy employees, subsidiaries, affiliate companies, agency staff and consultants. Our Code sets out what we stand for and defines our obligations, which include respecting human rights and requiring everyone we work with to operate responsibly.
- **Good Repute Policy** – This is directed at HR personnel and line managers and sets out the standards of recruitment that the organisation, including contractors, agents and outsourced arrangements, should adhere to.
- **Procurement and Corporate Responsibility Policy for Suppliers** – Covering third parties that operate for or on behalf of Spirit Energy and sets out our requirements that suppliers will respect human rights, will not use child labour or forced labour in any form and do not or have not contributed directly or indirectly to human rights abuses.
- **Speak Up Policy** – Spirit Energy is committed to dealing with concerns about the company in an open and responsible manner, empowering those that raise concerns and protecting them from retaliation; employees are encouraged to report via our confidential Speak Up helpline and online reporting tool.

We live the values of Care, Delivery, Collaboration, Agility and Courage in everything we do.





Training

People are Spirit Energy's most valuable asset and we recognise that appropriate modern slavery and human trafficking training will increase awareness as well as mitigate risk within the business and supply chains. Enhanced training is being delivered to higher risk personnel. Our Procurement staff have had classroom training covering supply chain risk with specific reference given to modern slavery. We will design a mandatory online supply chain risk learning module for new starters in the Procurement function that will be launched during 2019. We will encourage awareness of modern slavery via the publication of internal news items and will consider the development of a dedicated intranet space where relevant resources can be published.

Governance

The compliance function will set up a Compliance Steering Group comprised of representatives from other functions including Legal & Compliance, HR and Communications, which shall convene on a regular basis to review and oversee implementation of the modern slavery strategy. It will set the standards for modern slavery compliance by our colleagues across the business and, where relevant, in the functions. The Compliance Steering Group will manage the composition and publication of our annual statement and will provide updates to executive management as well as the Board.



Risk Assessments and Supplier Due Diligence

Spirit Energy's operations are considered to be lower risk from the supply chain perspective on account of the nature and jurisdiction of our operations.

In the UK, our people are subject to various HR processes to ensure a right to work in the UK. Where we use external agencies to provide staff, these agencies are subject to the same procurement due diligence process as any other supplier, and where we seek temporary labour, this is sourced via a managed service partner that is subject to their own obligations under the Act. Where Spirit Energy operates outside of the UK, we comply with local rules and regulations to ensure that our employees have the right to work in these countries and, where permissible by local laws, apply the same standards as we do in the UK. Where we rely on third parties to provide temporary labour, we ensure that they are bound by stringent contractual obligations that require them to support our objectives under the Act.

The Spirit Energy supply chain operates across a variety of industries and jurisdictions and we work with over 1,800 suppliers with the majority of activity centralised and managed by Procurement.

New procurement-managed suppliers to Spirit Energy are risk rated using a third-party country and sector risk segmentation tool that considers the product or service being offered and any slavery risk. Suppliers that are identified by the tool as high risk are subject to a further, enhanced risk assessment which takes into account their corporate responsibility standards, including labour and workers' rights. Suppliers falling within the high-risk category will receive site visits from a third party assessor and, where appropriate, our own Procurement team. During 2019 we will form a preliminary list of high risk suppliers; a subsequent assessment of our supplier base will be performed with jurisdictional, product and spend risk reviewed to ensure any changes to risk profile are identified.

The Compliance Steering Group will be responsible for the creation and oversight of suitable response and escalation plans for both the supply chain and operations, ensuring that in the event of an identified or suspected modern slavery incident Spirit Energy responds in an appropriate and effective manner with a clear governance structure and longer-term strategy.

This statement has been approved by the Spirit Energy Limited Board of Directors.

For and on behalf of Spirit Energy Limited and its subsidiaries

A handwritten signature in black ink, appearing to read 'Chris Cox', written in a cursive style.

Chris Cox

Chief Executive Officer