



**SPIRIT ENERGY LIMITED
MODERN SLAVERY
STATEMENT**



This statement, relating to the financial year ending 31 December 2021, 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 joint venture company, owned by Centrica plc (69%) (“**Centrica**”) and Stadtwerke München (31%). Spirit Energy is an independent exploration and production company, headquartered in the UK and during 2021 had teams in the UK, Norway, the Netherlands, overseeing operations in Morecambe Bay, the North Sea and the Norwegian Sea. In December 2021 Spirit Energy announced it had agreed to divest its Norwegian business with completion of this sale expected in 2022.

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** – is mandated for all Spirit Energy employees, subsidiaries, affiliate companies, agency staff and consultants. It represents a high-level summary of our policies and standards, providing a framework to ensure our people, and those we work with follow Our Code. Our commitments include respecting human rights and requiring everyone we work with to operate responsibly;
- **Good Repute Policy** – This is directed at Human Resources 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; and
- **Speak Up Policy** – Spirit Energy is committed to dealing with concerns in an open and responsible manner, empowering those that raise concerns and ensuring they are protected from retaliation. We have an online and phone based confidential Speak Up helpline and reporting tool which we encourage the use of.

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



Governance

2021 was a challenging year during which we adapted our ways of working in light of the impact of Covid 19, as well as identifying areas of potential risk. During 2021, the Compliance Workgroup, comprising representatives from Legal & Compliance, HR, Procurement and Communications, convened to discuss, review and oversee Spirit Energy's Modern Slavery strategy.

Recruitment and Fair Pay

In the UK, our people are subject to various processes to ensure a right to work in the UK. During the 2020/2021 global pandemic, we continued to carry out our own right to work checks for our UK-based employees prior to employment commencing. This included e-right to work checks via video

conference. Spirit Energy will keep the right to work check process under review to ensure ongoing compliance with legal requirements.

During 2020, Spirit Energy proactively engaged with external counsel to identify the risks and uncertainties of Brexit and communicated with EU employees working in the UK to ensure they had the correct documentation in place following the Brexit transition period. Following on from that, during 2021 Spirit Energy continued to assess the impact immigration rules may have on Modern Slavery risks within Spirit Energy.

The Spirit Energy recruitment team is committed to assisting with the prevention of Modern Slavery and during 2021 finalised their work on updating internal resourcing policies and processes to alleviate risks of Modern Slavery. These are now published on Spirit Energy's internal systems.

We ensure that our employees are rewarded fairly. In 2021, we provided our employees with greater transparency on how annual bonus payments are funded and the determination of individual bonus awards. We also provided further transparency on how we determine and manage pay budgets and the setting of individual pay against external industry benchmarking.



Training

People are Spirit Energy's most valuable asset and we recognise that appropriate anti-Modern Slavery and human trafficking training will increase awareness as well as mitigate risk within the business and supply chains.

Spirit Energy raised awareness of Modern Slavery by including a module on Modern Slavery in our 2021 Annual Compliance Training.

Risk Assessments & Supplier Due Diligence

Spirit Energy continues to monitor its supply chains. 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 the Procurement function.

Spirit Energy implemented a new due diligence tool during 2020 to assess all new third party suppliers. The tool assesses for any negative or adverse reporting on Labour, Ethical/Regulatory Non-Compliance issues, and Spirit

Energy is notified of such updates as issues arise. During the year we continued to risk assess our suppliers, old and new, for instances of Modern Slavery.

Our Performance - During 2021 Spirit Energy

- rolled out a Modern Slavery training module;
- identified and updated policies to assist in tackling instances of Modern Slavery including a new Resourcing Policy;
- launched 'Spirit Reward' to ensure all employees can access reward information and support based on the three pillars of wellbeing – physical, financial and mental health;
- created and rolled out a process to ensure any instances of Modern Slavery are investigated and reported to the Executive Committee; and
- registered with and included our statement on the Modern Slavery Statement Registry.

Next Steps

Spirit Energy will continue to monitor risks in respect of Covid-19. In 2022 we aim to:

- provide appropriate training on the new Resourcing Policy;
- raise greater awareness of Speak Up to ensure everyone is aware of the tool and how to use it;
- include our statement on the Modern Slavery Statement Registry again; and
- continue to review and update our policies where they may help to identify or tackle instances of Modern Slavery.

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

For and on behalf of Spirit Energy Limited and its subsidiaries



Neil McCulloch

Chief Executive Officer

Approved on 22 March 2022

This statement covers the following subsidiary companies:

Spirit Energy North Sea Limited, Spirit Energy North Sea Oil Limited, Spirit Energy Resources Limited, Spirit Energy Production UK Limited, Spirit Energy Southern North Sea Limited and Spirit Production (Services) Limited