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1. Modern Slavery

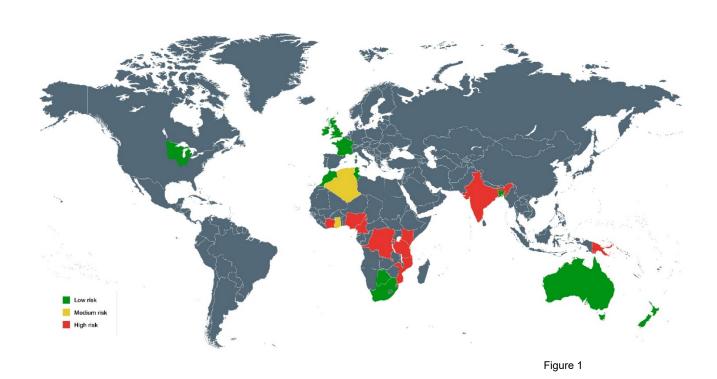
Modern Slavery is an umbrella term that encompasses slavery, forced labour, servitude and human trafficking. It is a crime and a violation of fundamental human rights. Under the UK Modern Slavery Act, businesses are required to report on what actions they have taken to ensure there is no modern slavery within its supply chain and business operations.

Clarke Energy has a zero tolerance approach to slavery and human trafficking and all forms of human rights abuse. We are committed to ensuring there is transparency within our business and throughout our supply chain, and will only conduct business with suppliers who share that commitment.

2. Our Business

Clarke Energy is a multinational specialist in distributed power generation solutions. Our international headquarters are located in Knowsley, near Liverpool in the United Kingdom. Our capabilities range from the supply of a gas fuelled power generation engine, through to the turnkey installation of a multi-engine power plant. Clarke Energy is an authorised distributor and service provider for INNIO Jenbacher (formerly GE Jenbacher) reciprocating gas engines with a strong focus on aftersales support. Clarke Energy's relationship with Jenbacher and in-country resources gives us an ability to provide unparalleled service and maintenance, along with local supply of original equipment manufacturer approved spare parts.

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Our UK operations have the largest store of Jenbacher approved spare parts located outside of Austria. The store is located with ready access to the motorway network for rapid dispatch around the country and, if need be, the wider world. Clarke Energy's service facilities have a Jenbacher authorised engine overhaul capable of rapidly refurbishing a number of used engines in parallel and a cylinder head refurbishment line. The company also stocks a number of engine short blocks and is able to provide swing engines in order to minimise the downtime of generation assets at the point of overhaul.

3. Due Diligence

We consider comprehensive and robust internal and external due diligence a key part of our modern slavery risk assessment framework in helping us to understand, identify and manage potential modern slavery risks for our business.

3.1. Labour Force

Clarke Energy employs circa 370 people in the UK and Ireland and over 1100 people globally. We understand that the risk of modern slavery in labour forces are high. Our



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human resources team ensure that all our employees are subject to various and stringent human resources processes to ensure a right to work. We treat all our employees with equality and respect and ensure, among other things that: (i) working hours comply with relevant national laws; (ii) our employees are remunerated with wages and benefits set at or above local minimum wage requirements; and (iii) our working conditions meet the standards of the International Labour Organisation (ILO) and the Universal Declaration of Human Rights (UDHR). We therefore expect and require our suppliers to demonstrate the same level of commitment with the existence of processes and procedures to ensure our high standards are met.

3.2. Our Business Operations & Supply Chains

We operate in c. 27 countries around the world and have conducted a risk assessment of every country we operate in or source our goods from. We found that whilst we operate in countries which are deemed to be high risk countries of modern slavery and human rights abuses as our risk map (Figure 1) highlights, we do not manufacture or distribute goods which according to the Global Slavery Index 2018 are at risk of modern slavery. We do however source high risk goods from suppliers such as laptops, computers and mobile phones, along with garments in the form of workwear for our employees and business needs. We have therefore conducted audits and assessed our suppliers to satisfy ourselves that they meet our strict criteria and that they are taking a proactive approach to ensure there is no modern slavery occurring in any part of their supply chain. Clarke Energy is therefore satisfied that, at the present time, we are of low risk to modern slavery.

4. Our Policies

All our employees, suppliers, contractors and sub-contractors must adhere to all our policies relevant to modern slavery, including our Ethical Procurement Policy, HR Policies, and our Anti-Slavery and Human Trafficking Policy. All of our company policies are reviewed annually or when there are changes in legislation, regulations or best practice guidelines to ensure they are effective.



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5. Training

In 2018 Clarke Energy provided employees with training specific to modern slavery. All new employees are trained with respect to modern slavery on induction to the company. By equipping our purchasing department with training to enable them to make informed buying decisions we hope to ensure that any potential risk of slavery within our supply chain is eradicated.

We actively encourage our employees, in line with our whistleblowing policy, that should they have any genuine concerns of modern slavery or human rights abuses within our supply chain or our labour force, they should report their suspicions immediately for further investigation. Even if an employee is mistaken with their suspicions, we are fully committed to supporting our employees and ensuring they are treated fairly with no repercussions.

6. Forward Looking

We are committed to fighting modern slavery and ensuring our supply chain and labour force is free from any form of human rights abuses. We will continue to take a proactive approach in mitigating any potential risks of modern slavery or human trafficking year on year. We have undertaken a gap analysis and identified areas which we believe can be improved and what steps we need to take to achieve this. Therefore, in 2019 we will:

- (i) strengthen our employee training by offering more in-depth training to relevant employees;
- (ii) provide bespoke training to all our suppliers; and
- (iii) strengthen our supplier audit process in relation to modern slavery by introducing a toolkit to all our suppliers.



Date: 1st November 2019

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7. Reports of Modern Slavery

We have not received any complaints or reports in relation to modern slavery within our business operations or throughout our supply chain.

This statement has been approved by Clarke Energy's senior leadership team, Clarke Energy Limited together with all of its parent and subsidiary undertakings from time to time and is made pursuant to section 54(1) of the Modern Slavery Act 2015, section 16(1) of the Australian Modern Slavery Act 2018 and constitutes the Clarke Energy Group's Slavery and Human Trafficking Statement for the financial year ended 31st December 2018.

Jamie Clarke | Chief Executive Officer
Clarke Energy

V3 KQ Final