

Our modern slavery and human trafficking statement 2021

Sellafield Ltd has published this statement in accordance with the Modern Slavery Act 2015.

The Modern Slavery Act (MSA) requires any organisation with a global turnover of £36m or above and that is operating in the United Kingdom to produce an annual statement. This statement builds on previous Sellafield Ltd statements and details the steps that have been taken during the financial year, ended 31st March 2021 to ensure that modern slavery isn't taking place within any part of the organisations business or within its supply chain.

This statement is made on behalf of Sellafield Ltd who are a subsidiary of the Nuclear Decommissioning Authority (NDA), who own the Sellafield site, its liabilities and assets and who work in partnership with Sellafield Ltd. The NDA are a government led department controlled via the Department for Business, Energy and Industrial Strategy.

Our Key Performance Indicator

“During this financial year, we have not identified any evidence of modern slavery occurring within Sellafield Ltd or its extended supply chain”

Our commitment

Modern slavery is a criminal offence and a violation of fundamental human rights. This will not be tolerated by Sellafield Ltd and as such, we are committed to doing business in a fully transparent and responsible way. This level of commitment cascades through our own organisation and into our supply chain, where we expect the same level of commitment from suppliers.

Our organisational structure, our business and our supply chain

From cleaning-up the country's highest nuclear risks and hazards to safeguarding nuclear fuel, materials and waste, our mission is of national importance. Our purpose is to keep Sellafield safe and secure, cleaning-up the site to a defined end state.

We work in value streams and directorates, focusing on our mission and prioritising delivery and value. We currently have four value streams:

- Retrievals: we are retrieving nuclear waste, fuel and sludge that are stored inside our legacy ponds and silos, the highest risks and hazards at Sellafield
- Remediation: beyond the legacy ponds and silos, we have hundreds of nuclear and non-nuclear facilities at Sellafield that need to be cleaned-up
- Spent nuclear fuel management: we currently reprocess spent nuclear fuel. That means taking the fuel that has been used inside a nuclear power station and extracting the individual component parts of plutonium, uranium and waste.
- Special nuclear materials: we have the facilities and expertise to provide safe, secure and appropriate storage for special nuclear materials

Sellafield Ltd employs circa 10,500 staff supplemented with ~ 500 agency workers. A high proportion of staff are based on the Sellafield site and are also working from other significant off-site offices local to Sellafield and other locations in the Warrington area.

Work at Sellafield is subject to permitting by the Office for Nuclear Regulation, the Environment Agency and under scrutiny by the National Audit Office and Public Accounts Committee.

During this challenging year, we have maximised home working opportunities to safeguard our staff and ensure that we have followed government guidelines in covid-19 risk mitigation. Our operating programme during the year was affected by the pandemic and the company did successfully manage demand and supply fluctuations, whilst always maintaining the required level of risk management aligned to the MSA.

During the Financial Year, Sellafield Ltd incurred costs of £2082.4million (2020: £2,083.3million). This expenditure was recoverable from the NDA, and represents the operational costs of Sellafield Ltd including expenditure on:

- Risk and hazard reduction, including decommissioning legacy ponds and silos buildings
- Commercial operations, including spent fuel management and associated operations with UK and foreign customers
- The safe treatment of low level, intermediate and high-level waste
- Asset care and maintenance – some of the facilities at Sellafield are over 50 years old so significant investment is required to ensure that they remain operational and in a safe state prior to decommissioning

We class our supply chain network as an extension of our own organisation, who are extremely important delivery partners and form our one team approach. We spend approximately £1.2Bn per annum with suppliers. Across the business, suppliers can generally be categorised as:

Category Descriptor	Category Descriptor
materials (raw and commodity)	construction
plant and equipment	R&D activities
IT services	sub-contracting
labour and hire	decommissioning
business costs	professional services

As part of our obligation to the Act, our organisational culture, ethics and professionalism continues to be instilled within our workforce via our manifesto, this is further cascaded as an expectation to our supply chain.

Aligned MSA best practice and Home Office guidance supports all our procurement practices and policies in order to ensure that there shall be no modern slavery anywhere in our own operations or those of our supply chain.

In recognition of the importance of the MSA, our Sellafield supply chain directorate continues to have a nominated modern slavery champion who provides guidance, assurance and a reporting line, if required to the directors. Our focus continues in ensuring that we are doing all that we can to avoid modern slavery occurring.

To find out more about Sellafield Ltd please go to:
<https://www.gov.uk/government/organisations/sellafield-ltd>

Our approach to risk management and the prevention of modern slavery

During what has been a very challenging year for everyone due to the covid-19 pandemic, Sellafield Ltd as a business has continued to concentrate on its clear accountabilities and responsibility covering modern slavery. We have continued to exercise our attention towards vigilance and embedding processes that drive a commitment to continuous improvement, whilst gaining guidance from Home Office publications and other areas of MSA best practice.

These expectations continue to be cascaded through our own organisation and through to our extended supply chain in a joint commitment and a collective focus on collaborative, mutual and behavioural relationships that fully embrace the eradication of any forms of modern-day slavery.

Transparency is central to our collaborative approach, as we look to build on previous year's annual statements and differing platforms of improvements. Our aim, year on year is to report against MSA progress explaining how Sellafield Ltd has continued to embed practices, processes and tools that minimise risk to our business, but more importantly, the risk to those individuals that may potentially be caught in the grip of modern slavery.

Our policies and manuals relating to modern slavery

In recognition of the MSA and our ethical commitment, we gain support and expertise from several Sellafield Ltd business areas:

- Ethics
- Contracts and Procurement
- Legal
- Sustainability
- HR

Our commitment is further reinforced throughout our company policies and guides:

- Sellafield Code of Responsible Business Conduct
[Code of Responsible Business Conduct EXTERNAL .pdf](#)
- Supply Chain Management Policy
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/799024/SLCP_4.06.01.pdf
- Fraud Prevention and Anti-Bribery and Corruption Policy
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/807186/SLCP_4.04.02.pdf
- Sellafield Anti-Slavery and Human Trafficking Policy
<https://www.gov.uk/government/publications/anti-slavery-and-human-trafficking-policy>
- Reporting of Concerns (Whistleblowing) Policy
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/628134/SLCP-4.01.01.Whistleblowing_Policy.pdf
- Conduct and Compliance Policy

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/628162/SLCP-3.05.02.Conduct_and_Compliance.pdf

- Sellafield Ltd Human Resource Policy
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/628542/SLCP-4.01.02.pdf
- Sellafield Ltd Supplier Code of Conduct
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/755265/Supplier Code of Conduct 2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/755265/Supplier_Code_of_Conduct_2018.pdf)

Our procurement contract terms and conditions require suppliers to comply with the MSA, in addition to the policies and guides detailed above.

We also require our suppliers to:

- Implement due diligence procedures for their own supply chains
- Use reasonable endeavours not to purchase raw materials, resources and/or products from organisations using forced labour

Sellafield Ltd continue to operate an open-door approach allowing individuals from within the company or supply chain to raise concerns relating to modern slavery with the confidence of anonymity and without fear of reprisal. We work with suppliers through our Supplier Relationship Management (SRM) programmes and contract management meetings offering support to them, whilst ensuring that any reports featuring any aspect concerning or including modern slavery are fully investigated with appropriate remedial actions being taken.

Our management and risk-based approach

Sellafield Ltd recognises the importance of observing the United Nations Guiding Principles on Business and Human Rights, (UNGPs) and UK Government Home Office Guidance, all of which provide direction to due diligence activities recognising a risk-based approach to combating slavery and trafficking.

During 2020, Sellafield Ltd revisited its modern slavery risk assessment programme to allow itself a health check of current MSA practices and measures of effectiveness, noting any potential supplier changes. The approach once again used the globally recognised HMG MSA Areas of Concern Identifiers.

Our areas of focus and risk management centred on the following:

- Personal protective equipment (PPE) and clothing manufacture
- Raw products (used in manufacture e.g. laptops, mobile phones, radiometrics)
- Labour (specifically supply chain labour terms)

In these areas of worldwide concern there was no evidence of heightened risk within our business, however we continue to embed due diligence reviews as part of our post contract management processes and SRM programme.

Improved, targeted, in depth discussions were driven by our need to reassure ourselves that our suppliers are continuing to manage and mitigate risk effectively. The process allows us to build stronger mutual relationships with our suppliers and provides the opportunity to have those open, honest discussions.

Due diligence processes

During 2020, Sellafield Ltd Corporate Internal Audit and our central teams have continued to monitor risk performance, with no evidence of non-compliance. During this financial year we have:

- Observed and responded to Cabinet Office Procurement Policies – Tackling Modern Slavery in Government Supply Chains
- Delivered yearly mandatory training modules to Sellafield Ltd commercial staff which includes specific programmes covering modern slavery and ethical procurement
- Used industry wide modern slavery knowledge to complete our own self health checks within the business
- Completed contract and SRM governance meetings with suppliers to further reassure ourselves that we consistently act within the MSA laws
- Provided guidance and mentoring to business teams and Trade Unions
- Used available market knowledge to continue to assess MSA trends and themes
- Initiated legal checks on the current terms and conditions within contractual provisions and procurement processes to ensure proportionality and clarity of obligations
- Worked with the wider NDA team to cross check estate wide MSA alignment

As we look forward, Sellafield Ltd will continue to strengthen its approach to managing the risks of modern-day slavery occurring within its direct business and within its supply chain.

We intend to carry out work in the following specific areas:

- Fully embed the results of the updated legal checks of the terms and conditions within contractual provisions and procurement processes to ensure proportionality and clarity of MSA obligations
- Continue to explore the position of imposing sanctions on suppliers who have been found to have modern slavery act issues/challenges – as aligned with Cabinet Office directives
- Make further improvements to organisational/management/procurement systems and procedures if gaps, risks and opportunities arise
- Continue to provide coaching and mandatory training programmes to our staff
- Support and implement supplier corrective action plans if required
- Complete a programme risk review with Sellafield Ltd Corporate Internal Audit

This statement refers to the financial year ending 31st March 2021 and has been approved by the organisations board of directors.

Signed by:



Martin Chown, Chief Executive Officer
Sellafield Ltd

Dated:

15 June 2021