

## **LUCY GROUP SLAVERY AND HUMAN TRAFFICKING STATEMENT FOR 2018**

### **INTRODUCTION**

Lucy Group Limited is a relevant commercial organisation within section 54 of the Modern Slavery Act 2015. This transparency in supply chain statement is made by Lucy Group Ltd as parent company on behalf of all group companies including Lucy Electric UK Limited which is itself a relevant commercial organisation within section 54 of the Modern Slavery Act 2015.

### **THE GROUP'S STRUCTURE**

We are a global manufacturing and property business operating through four diverse business units as explained below. Lucy Group Limited is the parent company of several companies based in the UK and abroad (together the "Group"). In 2018 the Group had 1468 employees worldwide operating in the UK, India, the Middle East, Africa, Asia and South America. In 2018 Lucy Electric UK Ltd had 118 employees. The Group's global annual turnover in 2018 was £172 million. Lucy Electric UK's annual turnover in 2018 was £45 million.

### **THE GROUP'S BUSINESSES**

The Group's business is organised into four diverse business units: Lucy Electric, Lucy Controls, Lucy Castings and Lucy Real Estate, supported by head office in Oxford. Lucy Electric and Lucy Controls both operate domestically and internationally with Lucy Castings and Lucy Real Estate operating only in the UK. Lucy Electric manufactures and sells high-performance medium voltage switchgear for utility, industrial and commercial applications. Lucy Controls has two distinct UK-based businesses: Lucy Zodium which manufactures and sells street lighting control systems and Lawson Fuses Ltd, acquired late 2018, which manufactures high-rupturing capacity (HRC) low voltage fuses. Lucy Castings runs two foundries providing iron and aluminium castings to a wide range of domestic customers. Lucy Real Estate owns, lets and manages a substantial property portfolio and develops residential property for sale in Oxfordshire.

### **THE GROUP'S SUPPLY CHAINS**

Lucy Electric's supply chain is partly internal as various group companies supply goods and services to each other. Lucy Electric also has a significant domestic and international supply chain with most suppliers located near its manufacturing locations in the UK, Saudi Arabia, UAE, India, Thailand and Brazil. Within Lucy Controls, Lucy Zodium's supply chain is mainly domestic situated near its factory in Sowerby Bridge with suppliers in Asia Pacific and Europe as well as internal group suppliers. Lawson Fuses Ltd's supply chain is largely European with an Indian subsidiary acting as its supplier. Lucy Castings' supply chain is UK-based. Lucy Real Estate's supply chain is all UK-based too with the majority based in Oxfordshire.

### **THE GROUP'S POLICY ON SLAVERY AND HUMAN TRAFFICKING, RELATED PROCESSES AND SUPPLIER DUE DILIGENCE**

We remain committed to improving our practices to combat slavery and human trafficking as set out in our Anti-slavery Policy: <http://lucygroup.com/files/2814/9061/4908/Lucy-slavery-doc.pdf>. As part of our on-going efforts to identify and mitigate risk our steering committee, set up in 2016, comprised of representatives from each business unit and Lucy Group Ltd, continues to meet regularly to oversee the Group's continuing compliance with the Modern Slavery Act. The main focus of the committee is to ensure there are systems in place in all business units to identify, assess and monitor potential risk areas in our supply chains and that all businesses continue to improve their supplier vetting processes. We encourage a culture of continuous improvement. Our business units have improved supplier vetting

processes including processes for existing suppliers to ensure we are sensibly addressing the risks within our supply chain. We have especially engaged with Lucy Real Estate this year because this business unit is involved in various construction projects. Lucy Real Estate has published a new Code of Conduct for actual and prospective suppliers and contractors which mandates them to comply with our modern slavery requirements in addition to such provisions being included in their relevant contracts. We will continue to engage with all our suppliers across all business units to ensure their compliance with the Modern Slavery Act. We also have a robust whistleblowing policy for staff to raise any concerns they may have, supported by an external confidential helpline.

## **TRAINING**

Having previously rolled out training to purchasing and supply chain staff in all group companies we further promoted awareness by extending training to other relevant staff in all group companies including staff within Lucy Electric UK Ltd. We have also published modern slavery guidance on our websites to assist the Group's suppliers and contractors.

## **NEW GROUP COMPANY**

We shared our enhanced processes with our new subsidiary in Brazil, Lucy Equipamentos Elétricos Ltda, to ensure it is aligned with the rest of the Group. There is now a high level of understanding within our Brazilian operation of the risks of modern slavery and human trafficking and their staff are equipped to deal with any concerns in their supply chains.

## **NEXT STEPS**

We believe the various efforts outlined above should help reduce the risk of modern slavery and human trafficking occurring within our businesses and that of our supply chains. During the 2019 financial year we intend to take the following further steps to further reduce the risks of slavery and human trafficking occurring within our businesses and that of our supply chains:

- Although the UK's Modern Slavery legislation has been in place some time now and we note the growing global trend for modern slavery legislation we appreciate fully that we cannot be complacent as, unfortunately, slavery and human trafficking continue to be real problems globally including in the UK. This is why we have asked the Steering Committee to remain in place to continue to meet, oversee and co-ordinate the Group's on-going compliance with the Modern Slavery Act.
- We will share our processes and best practice with our new subsidiary Lawson Fuses Ltd to ensure it is fully aligned with the rest of the Group. We will also have a representative from Lawson Fuses join our Steering Committee.

This statement is approved by the Board of Lucy Group Ltd and is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement of Lucy Group Ltd on behalf of all group companies including Lucy Electric UK Limited for the financial year ending 31 December 2018.



**RICHARD DICK, EXECUTIVE CHAIRMAN  
LUCY GROUP LTD**

Date: 5 June 2019