Wheelabrator Technologies Inc. Slavery and Human Trafficking Statement 2019

Introduction

Wheelabrator Technologies Inc. (Wheelabrator) is committed to improving our understanding of, and our practices to combat, slavery and human trafficking.

This statement outlines the actions that we have taken and continue to take to ensure that our business and our supply chain are slavery free.

In this statement “Wheelabrator” refers to Wheelabrator Technologies Inc. and its subsidiaries in both the United States of America and United Kingdom, each of which has separately recognized and adopted this statement.

Organization structure and business

Wheelabrator is the second largest US energy-from-waste business, and is an industry leader in the conversion of everyday residential and business waste into clean energy. The company is indirectly owned by Macquarie Infrastructure Partners IV, an infrastructure fund managed by Macquarie Infrastructure and Real Assets.

Wheelabrator has 25 strategically located waste facilities in the US and UK

- 16 operating waste-to-energy facilities in the US and UK. 12 of these facilities are owned by the company, 3 are operated by the company but owned by a third party, and 1 is owned under a joint venture arrangement
- 3 waste-to-energy facilities under construction in the UK
- 2 waste fuel facilities in the US
- 4 ash monofills in the US

These sites represent a total annual waste processing capacity of over 8 million tons (equivalent to 7.2 million tonnes) with a combined electric generating capacity of 732 MW—enough energy to power more than 671,100 homes.

Wheelabrator has approximately 1060 employees across the US and UK, and engages with suppliers and customers worldwide.

Risk Assessment

Since the date of Wheelabrator’s last Slavery and Human Trafficking Statement, an internal risk-mapping exercise has been undertaken by a cross-functional team comprising senior managers across the legal, procurement and supply chain and construction and engineering departments.
The purpose of this exercise was to split the overall supply chain activity of the business into distinct categories based on the types of services or goods procured or provided. Once the relevant categories had been determined, each was then assessed in turn to identify the areas where risks of slavery and human trafficking may arise.

A summary of this risk mapping exercise is shown below:

<table>
<thead>
<tr>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
<th>Category 4</th>
<th>Category 5</th>
<th>Category 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Scale Construction Projects</td>
<td>Operating Equipment</td>
<td>Operating Supplies</td>
<td>Waste / Fuel</td>
<td>General Purchasing</td>
<td>Advisory Services</td>
</tr>
</tbody>
</table>

**Examples**
- Construction and engineering costs;
- Site clearance and remediation
- Replacement parts for outages and non-outages
- Diesel standby generators
- Small mobile equipment
- Demineralized trailers
- Chemicals
- Diesel Fuel
- PPE
- Water Treatment
- MRO
- Small Tools
- Welding supplies
- Supply of fuel into operational facilities
- Office supplies
- Catering
- Furniture
- IT equipment
- Facility services
- Hazardous Waste Removal
- Professional services – technical / legal etc.
- Recruitment consultants
- Engineering consultants

**Country locations of Suppliers**
- France
- Poland
- Switzerland
- UK
- US
- China
- Japan
- UK
- US
- China
- Japan
- UK
- US
- None identified

**Risk Areas**
- Use of migrant labor
- Lack of visibility for WTI due to multiple contracting ‘layers’
- Limited worker rights in some supplier locations
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- Lack of visibility for WTI due to multiple contracting ‘layers’
- None identified

**Risk Assessment**
- Moderate
- Moderate
- Moderate
- Low
- Moderate
- Very Low

In a number of areas, a moderate risk was identified.

In supply categories managed by the procurement and supply chain department, the risk of worker exploitation in jurisdictions without robust employment protections was highlighted, along with the challenges presented by ‘long’ supply chains without clear visibility of working conditions all the way ‘down the chain’.

On large scale construction projects such as our 3 waste-to-energy facilities under construction in the UK, the use of some foreign labor on site was listed as a potential area of risk. Lack of
visibility of off-site working conditions was also raised as a potential concern. On the construction site these potential risk are significantly mitigated by systems and procedures already in place to monitor the safety and welfare of construction workers. Senior Wheelabrator employees take an active interest in the workforce throughout the construction site, and raise concerns promptly with supply chain management where required.

The procurement of waste to fuel our operational facilities was assessed as low risk. While some temporary labor was anticipated to be present in this supply chain, the nature of the contracting arrangements is considered to provide good visibility, thereby mitigating risk.

No specific risk areas were identified for the procurement of advisory services. This category was assessed to be very low risk.

**Procurement and Supply Chain**

A key outcome of the risk assessment exercise was to confirm the lead role played by Wheelabrator’s procurement and supply chain department in the identification and management of slavery and human trafficking risk within the company.

Wheelabrator has a dedicated internal procurement and supply chain department that is responsible for the process of procuring the goods and/or services to the WTI facilities in order fulfill its business model. This centralized team oversees all procurement across Wheelabrator’s business and are responsible for sourcing all supplies which fall within Categories 2, 3, 5 and 6 above. This consistency of personnel and approach allows a proactive rigorous evaluation process for all new suppliers, requiring them to demonstrate compliance with all relevant legislation and codes of practice including, but not limited to, health and safety of employees and suppliers, non-discrimination, bribery and corruption and modern slavery.

Once ‘preferred suppliers’ are appointed, Wheelabrator continues to monitor potential risk areas across our supply chain on a proactive and ongoing basis. The process through which this occurs is the preferred supplier scorecard which is internally audited for full compliance with communication to the facility on any preferred supplier concerns.

**Our policies on slavery and human trafficking**

Wheelabrator’s Anti-Slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. All employees are made aware of the policy, and must confirm that they have read and understood its content.

Wheelabrator also has a whistleblowing policy so that all employees are able to raise concerns about practices within our business or supply chain, without fear of reprisals.
Training

In order to raise awareness of, and to ensure a high level of understanding of, the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our senior managers and all procurement and supply chain management staff.

This training includes:

- Introduction to Modern Slavery;
- Definitions of Modern Slavery;
- What to do if they spot signs of Modern Slavery in the UK or abroad.

In light of the outcome of our recent risk assessment, we plan to extend this training to all Wheelabrator construction site staff shortly.

This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015 and constitutes the Wheelabrator anti-slavery and human trafficking statement for the financial year ending 31st December 2018.

This statement was approved by the board of directors of Wheelabrator Technologies Inc. on 29th March 2019.

Paul Mitchener
Director, Wheelabrator Technologies Inc.

Neil Gillies
Director, Wheelabrator Technologies Inc.