

LUCY GROUP SLAVERY AND HUMAN TRAFFICKING STATEMENT

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"). The Group has over 1300 employees worldwide and operates in the UK, India, the Middle East, Africa and Asia. In 2016 Lucy Electric UK Ltd employed 135 employees.

The Group's global annual turnover in 2016 was £192 million. Lucy Electric UK's annual turnover in 2016 was £38 million.

THE GROUP'S BUSINESSES

The Group's business is organised into four diverse business units: Lucy Electric, Lucy Castings, Lucy Zodium and Lucy Real Estate, supported by head office in Oxford. Lucy Electric manufactures and sells high-performance medium voltage switchgear for utility, industrial and commercial applications. Lucy Zodium manufactures and sells street lighting control systems. Lucy Real Estate owns, lets and manages a substantial property portfolio and develops residential property for sale in Oxfordshire. Lucy Castings runs two foundries providing iron and aluminium castings to a wide range of customers.

THE GROUP'S SUPPLY CHAINS

Lucy Electric has a significant domestic and international supply chain with most suppliers located near its manufacturing locations in the UK, Saudi Arabia, UAE, India and Thailand. Lucy Electric also has a large internal supply chain as various group companies supply goods and services to each other. Lucy Castings' supply chain is all UK-based. Lucy Zodium's supply chain is mainly domestic situated near its locations in Sowerby Bridge and Milton Keynes and it also has suppliers in Asia Pacific and Europe, and internal group suppliers. Lucy Real Estate's supply chain is all UK-based with the majority based in Oxfordshire.

All four business units and Lucy Group Ltd contacted a selection of key external suppliers, based upon criteria set by the Group's steering committee, which was established to oversee compliance with the Modern Slavery Act, requesting them to complete questionnaires on their compliance with the Modern Slavery Act 2015. We received 88% supplier response and will continue to work with suppliers to ensure their compliance with the Act.

THE GROUP'S POLICY ON SLAVERY AND HUMAN TRAFFICKING

We are 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>

Our Anti-slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships in seeking to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk we have set up a steering committee made up of representatives from each business unit and Lucy Group Ltd, to oversee the Group's on-going compliance with the Modern Slavery Act.

We have in place systems to:

Identify and assess potential risk areas in our supply chains.

Monitor potential risk areas in our supply chains.

Protect whistle blowers.

NEXT STEPS

We intend to take the following further steps to combat slavery and human trafficking:

- The Steering Committee will continue to oversee and co-ordinate the Group's on-going compliance with the Modern Slavery Act.
- We plan to provide training to relevant staff in all group companies including staff within Lucy Electric UK Ltd to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our businesses. We are seeking to source the right training product suitable for a global business operating in the UK, India, the Middle East, Africa and Asia.
- We will review our supplier base using the same criteria and ensure that all relevant suppliers are asked to complete questionnaires. We will continue to appraise the risk factors that we use, and may consider changing these in future to ensure we are addressing the risks within our supply chain.

This statement 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 2016.



RICHARD DICK
GROUP EXECUTIVE CHAIRMAN
LUCY GROUP LTD

Date: 26 May 2017