

## **Modern Slavery Act 2015 – Slavery and Human Trafficking Statement – Consolidates actions for the financial period ending December 2019**

### **Introduction**

Modern Slavery is a crime and a violation of fundamental human rights. It can take various forms, including slavery, servitude, forced and compulsory labour, child labour and human trafficking, all of which have in common the deprivation of a person's liberty and freedom by another in order to exploit them for personal or commercial gain.

The Angel Trains Group (**ATG**) has a zero-tolerance approach to Modern Slavery. We believe in acting ethically and with integrity in all our business dealings and relationships. We are committed to implementing and maintaining effective systems and controls to ensure Modern Slavery is not taking place anywhere in our own business and to combat the risk of Modern Slavery taking place in our supply chains.

We are also committed to ensuring that there is transparency in our own business and in our approach to tackling Modern Slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015 (**Act**). We expect the same high standards from all of our contractors, suppliers and other business partners.

This statement is made on behalf of Angel Trains Limited (**ATL**), The Great Rolling Stock Company PLC (**TGRSC**) and the companies that are part of the ATG for the purposes of the Act.

### **Overview of ATG organisation and operations**

ATG is committed to the principles underpinning the Anti-Slavery and Human Trafficking Policy issued by ATL, and the approach that has been adopted to further its objectives. The steps taken as part of this statement relate to ATG's core operational entities, which include ATL, TGRSC and other subsidiaries (Angel Leasing Company Limited, Angel Locomotive Leasing Limited). Other relevant ATG companies for the purposes of the Act include Angel Trains Group Limited and Willow Rolling Stock UK Limited which operate solely as holding companies. Accordingly, the steps taken by our operational entities, as set out in this Statement, enable these holding companies to meet applicable obligations (and/or support the intention of the Act more generally).

ATL was formed in 1994 as one of three rolling stock companies in preparation for the privatisation of the UK rail industry and is one of the UK's leading train leasing specialists, leasing rolling stock to 17 franchised operators and 2 open access operators in the UK.

The company has invested £5 billion in new rolling stock and refurbishment programmes since 1994 and is one of the largest private investors in the UK rail industry. Each of ATL and TGRSC has an annual turnover in excess of £36m, the financial threshold under the Act.

The business of ATL is organised into 3 main business areas:

- procurement, commercial and customer support which report to the Chief Operating Officer (**COO**);

- fleet, projects, safety and products which report to the Technical Director; and
- finance, legal, company secretariat, operational risk and IT services which report to the Chief Financial Officer (**CFO**).

TGRSC is the holding company of the majority of ATL's passenger rolling stock, excluding vehicles purchased since 2008.

The COO, CFO, Technical Director and Human Resources business areas all report to the Chief Executive Officer (**CEO**). TGRSC and ATL operate through a unified management structure.

### **Our Approach**

To properly and transparently address the risks of Modern Slavery, ATL has developed a risk-based approach to identify and assess the risk of Modern Slavery within our business and supply chains. Our focus has been on the operations of ATL in England, which is where our offices and staff are located and its business and turnover is generated.

Since the Act came into effect on 31 March 2016 we have:

- made the ATL Board aware of the requirements of the Act; and
- established a dedicated internal multi-disciplinary compliance team and working group to review and support the implementation of our approach.

As a major investor in the railway industry in the UK, ATL participates in various industry groups and has action plans to tackle many of the topics and issues that impact today's railway.

In the context of Modern Slavery, our Anti-Slavery and Human Trafficking Policy is applicable to our core operating company, ATL and its employees, and ATL's relationships with its customers, suppliers and business partners. This policy details ATL's high ethical standards and seeks to support achieving impact and change by clearly communicating the expectation that our suppliers hold their own supply chain to those same standards.

### **Our Business**

ATL employs over 130 professional, technical and support staff at its headquarters in Victoria, London and its second office in Derby. Our primary business operations and direct supply chain relationships are based in the UK.

- ATL has a robust hiring process; our Human Resources Department uses reputable recruitment agencies and avoids the use of casual labour to minimise risks to ATL's internal operations.
- Our Code of Conduct details the whistleblowing procedure, providing a channel of communication for staff who have concerns.
- We have a Health & Safety Policy in place which ensures employees are working in a safe environment.

- Our Anti-Slavery and Human Trafficking Policy was launched through an internal communication and a statement from our CEO. As part of our induction process, new members of staff are provided with a copy of our Anti-Slavery and Human Trafficking Policy and required to confirm their receipt and understanding of it.

### **Our operations and supply chain**

We implemented our risk based approach to identify and assess the risk of Modern Slavery by reviewing ATL's core business operations and its direct supply chain. As part of our approach, we constituted a multi-disciplinary team and conducted an initial risk analysis of our customers and direct supply chain which informed our assessment of relevant risks in conjunction with our overall assessment of Modern Slavery risks in the context of our business.

TGRSC forms a significant part of ATL's supply chain. Whilst we focus on ATL as the primary operating entity of ATG, TGRSC's operations have been taken account of in the establishment, and review, of our approach to Modern Slavery.

ATL's other direct supply chain relationships include direct key supply chains comprising manufacturers and maintainers of rolling stock, suppliers of parts and technical consultancy service companies. The initial risk analysis helped us to identify twenty key suppliers who might pose a risk, albeit low.

The key suppliers were identified based on their ability to support and assist in the delivery of ATL's core business objectives. These suppliers are proven within the UK rail industry and have track records for treating employees fairly.

Details of the steps we have taken following such analysis, and the steps we will take in the year ahead, are set out in the next section.

We will not engage suppliers who knowingly participate in the crime of Modern Slavery, and are committed to assessing any instances of non-compliance.

### **Our effectiveness in combating Modern Slavery and Human Trafficking**

Over the last financial period ending December 2019, ATL has taken the following steps:

- written to twenty key suppliers, informing them of ATG's zero-tolerance approach to Modern Slavery and the high ethical standards we expect from our contractors, suppliers and business partners. We provided a copy of our Anti-Slavery and Human Trafficking Policy and information on the UK Government's Guidance on 'Transparency in Supply Chains' and its contact database for Modern Slavery reporting. We also invited suppliers to contact us with feedback on how we could better work with them to address the risk of Modern Slavery. We received a 95% response rate;
- committed to annual review of our Anti-Slavery and Human Trafficking Policy to ensure best practice;
- confirmed that over the course of this period (and to date) no concerns related to Modern Slavery have been reported to ATL;


- committed to annual engagement with key suppliers on Modern Slavery matters;
- met with strategic suppliers across all levels of the businesses, maintained a strong presence at strategic supplier facilities, and conducted routine contract/project reviews;
- at an Executive level, met with suppliers to share strategies, promote alignment of the businesses and raise any concerns with respect to performance and staff issues;
- committed to engaging with new suppliers who are credible and have a track record of treating employees fairly;
- drafted standard Anti-Slavery and Human Trafficking clauses for inclusion in supplier contracts;
- commenced a programme of including Anti-Slavery and Human Trafficking clauses in new supplier contracts;
- obtained confirmation from all staff that they have received and understood our Anti-Slavery and Human Trafficking Policy; and
- conducted Modern Slavery training for our staff to develop a better understanding of Modern Slavery risks in the context of our business.

In the financial year ahead, we will use the following next steps as key performance indicators (KPIs) to measure our effectiveness:

- establish a dedicated channel of communication for reporting of any concerns related to Modern Slavery, monitored by members of the ATL senior leadership team;
- update our Anti-Slavery and Human Trafficking Policy to include reference to our dedicated email address for reporting of any concerns related to Modern Slavery;
- write to our key suppliers, providing a copy of the revised Anti-Slavery and Human Trafficking Policy, advising the new dedicated email address for reporting any concerns, and reiterating our commitment to tackling Modern Slavery throughout our supply chain, and seek formal acknowledgment of our approach;
- continue to include Anti-Slavery and Human Trafficking provisions in new supplier contracts;
- consider engagement with other counterparts, such as customers and business partners, similar to that performed with key suppliers;
- seek to include Anti-Slavery and Human Trafficking provisions in new contracts with other counterparts, such as customers and business partners;
- continue to seek staff confirmation they have read and understood our Anti-Slavery and Human Trafficking Policy;

- consolidate staff awareness and understanding of modern slavery risks and our risk management approach, including through an internal communications initiative;
- raise awareness of our new dedicated reporting mechanism as part of our internal communications initiative;
- monitor our dedicated email address for reporting of any concerns related to Modern Slavery;
- report queries, issues or concerns raised to our compliance team through our dedicated reporting mechanism (or other routes) to our Board; and
- support and/or participate in, as appropriate, business or transport industry initiatives to combat Modern Slavery.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement.



**Kevin Tribley**  
**Chief Executive Officer**  
**of ATGL, TGRSC, ATL and Willow Rolling Stock UK Limited**  
**19 February 2020**