

Arriva plc

Slavery and Human Trafficking Statement

Introduction

The Modern Slavery Act 2015 (“the Act”) came into effect on 29th October 2015. This statement is made pursuant to section 54(1) of the Act and constitutes Arriva’s slavery and human trafficking statement for the financial year ending 31 December 2019. This is Arriva’s fourth annual statement.

As an ethical company, we respect every individuals’ human rights. Arriva has zero tolerance to slavery and human trafficking in all its business dealings and is committed to the prevention of slavery and human trafficking in all its forms and will not tolerate or condone it within any part of its business or supply chains. Arriva expects the same high standards from our business partners.

Organisation and Structure

Arriva (part of the Deutsche Bahn (“DB”) group) is one of the leading providers of passenger transport in Europe, employing 46,000 people and delivering 2.1 billion passenger journeys across 14 European countries each year.

Arriva is responsible for DB’s regional passenger transport services outside Germany, operating a wide range of services including local buses, regional and national train services, trams and light rail, water buses, demand response, non-emergency patient transport and airport related transport services within four separate operating divisions:

- UK Bus;
- UK Trains;
- Mainland Europe – Emerging Markets;
- Mainland Europe – Developing Markets;

This statement applies to all UK subsidiaries of Arriva plc and their global supply chains including:

Arriva Durham County Limited, Arriva Kent & Surrey Limited; Arriva Kent Thameside Limited; Arriva London North Limited; Arriva London South Limited; Arriva Merseyside Limited; Arriva Midlands Limited; Arriva North West Limited; Arriva Rail London Limited; Arriva Rail North Limited; Arriva The Shires Limited; Arriva Yorkshire Limited; London and North Western Railway Company Limited; Chiltern Railway Company Limited; XC Trains Limited; Grand Central Railway Company Limited.

Supply Chains

Arriva's supply chains comprise the provision of goods and services for the provision of passenger transport operations. Procurement activities take place in the UK and our suppliers are predominantly UK-based. Arriva Plc spend for the year ended 31 December 2019 amounted to over £1,600 million in its UK Bus and UK Trains operating divisions and Group Head Office functions, across more than 7000 suppliers.

Our major areas of supplier spend are rail infrastructure costs, and train and bus operating costs including fuel, maintenance and spare parts. A risk assessment has been conducted based on 2019 spend. No significant modern slavery risks have been identified.

Arriva's Group Anti-Slavery and Human Trafficking Policy reflects its continuing commitment to respect the human rights of those who work on our behalf. Arriva's Whistleblowing Policy ensures that both employees and non-employees can raise concerns about malpractice or wrongdoing, including in respect of slavery and human trafficking.

Arriva's Responsible Procurement Policy and its Code of Conduct for Business Partners form part of Arriva's commitment to ethical social, economic and environmental performance. We have reviewed our Responsible Procurement Policy and Code of Conduct for Business Partners and consider that these remain fit for purpose in the context of Arriva's exposure to modern slavery risks.

Our Standards of Business Conduct, which has been distributed to all Arriva employees in various formats and translated into local languages promoted our values including our position in respect of human rights including 'forced labour' and modern slavery

Due Diligence and Risk Management

Due diligence in assessing modern slavery or human rights risk in operations or supply chains is not a legal requirement of the Act, but it is good business practice and as an ethical company, Arriva is committed to improving its procedures in a manner that is proportionate to the identified risk.

In 2019 a new Group Procurement Policy and standards have been implemented strengthening our requirement only to source from suppliers who meet our criteria for fitness to trade. Within this work we have focused on supplier due diligence, with a new risk-based approach to assess potential suppliers, we will start deployment in 2020.

UK Bus have introduced a formal supplier contract management programme targeting top 25 key suppliers covering the majority of addressable spend. One area of focus is health safety and environment which includes modern slavery.

UK Trains have amended the contract database to include a modern slavery field for each supplier, this will enable the capture of any relevant audits, or risks by supplier.

In September 2018 Arriva signed a three-year partnership with Slave Free Alliance, part of the charity Hope for Justice. The relationship provides Arriva access to a range of services and will support our maturity in the area of modern slavery these include:

- Educational resources
- Practical toolkits
- Skilled investigators
- Crisis response

Slave Free Alliance worked with the business in 2020 to carry out an updated assessment. The outcome of the assessment will form the basis of Arriva's approach to reduce risk and improve maturity in the area of Modern Slavery.

Key areas of focus for 2020 are:

- Review and update Arriva's Human Trafficking and Modern Slavery Policy
- Continue to progress the vendor due diligence activity incorporating a risk categorisation for modern slavery.

Effectiveness

Our standard contracts impose obligations on our vendors to comply with all applicable anti-slavery and human trafficking laws, including the Modern Slavery Act 2015; and to have and maintain policies and procedures to ensure continuing compliance; and to not engage in any activity, practice or conduct that would constitute an offence under the 2015 Act if such activity, practice or conduct were carried out in the UK. These obligations have not been amended since our first statement.

Training

- 2019 saw the launch of the Standards of Business Conduct company wide training programme which includes awareness of modern slavery.
- Members of UK Bus procurement team have completed the Chartered Institute of Procurement and Supply ethics & sustainability exam.

Board Sign-Off

Arriva remains dedicated to strengthening its practices to continuously reduce its exposure to slavery and human trafficking risks. This statement as been endorsed and signed off by the Arriva Management Board.



Dr Manfred Rudhart
Chief Executive

May 2020