

Arriva Plc

Slavery and Human Trafficking Statement

Introduction

The UK 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 2020 and is applicable to all Arriva businesses operating in the UK. This is Arriva’s fourth annual statement.

As an ethical company, we respect every individual’s human rights. Arriva has zero tolerance to slavery and human trafficking in all its business dealings, 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 is a leading provider of passenger transport in Europe, employing around 46,000 people and, in 2020, delivered around 1.2 billion passenger journeys across 14 European countries. We are part of Deutsche Bahn (DB), one of the world’s leading passenger and logistics companies.

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 responsive transport, 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;

The Modern Slavery Act and its subsequent reporting requirements are UK legislation, and require any business registered in the UK, with a turnover of over £36m, to produce an annual statement. This Arriva statement applies to all UK subsidiaries of Arriva plc and their global supply chains, including the entities below which meet the £36m threshold:

Arriva London North Limited; Arriva London South Limited; Arriva Yorkshire Limited; Arriva Merseyside Limited; Arriva Kent Thameside Limited; The Chiltern Railway Company Limited; XC Trains Limited; Arriva Rail North Limited; Arriva Rail London Limited; London and North Western 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 suppliers to our UK Businesses are

predominantly UK-based. Arriva Plc spend for the year ended 31 December 2020 amounted to £1,860 million in its UK Bus and UK Trains operating divisions and Group Head Office functions, across more than 5,000 suppliers.

Our major areas of supplier spend are rail franchise and infrastructure costs and train and bus operating costs including fuel, maintenance, spare parts and policing. A risk assessment has been conducted based on the spend in 2020, and 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 promote 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 2020 a new Group Procurement Policy and supplier due diligence programme was launched, with a new risk-based approach to assessing potential suppliers, this will be fully deployed in 2021 and supported with colleague training.

Arriva UK Bus division

Arriva UK Bus continued with their supplier contract management programme covering 25 high spend and business critical suppliers. Modern slavery risk is covered in regular meetings within the Health, Safety & Environment agenda. Additionally, UK Bus collaborated with Arriva Plc's Group Procurement team on a project to improve management of risk associated with modern slavery.

In 2021, UK Bus will continue to work on the Arriva Group project to mitigate procurement risk.

Arriva UK Train division

The Arriva UK Trains Procurement Policy will also be updated in 2021. Clear references will be made as part of this review to modern slavery and the process to follow if there are any concerns with existing Arriva UK Train suppliers. This updated message and policy will reach a wider audience in 2021.

In September 2018 Arriva signed a 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 will work with the business in 2021 on 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 2021 are:

- Review and update Arriva's Human Trafficking and Modern Slavery Policy.
- Continue to progress the Supplier 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

- In 2020, and continuing into 2021, procurement colleagues received training on the new supplier due diligence process, and the risk-based approach to assessing new suppliers.
- Modern slavery continues to be covered in Arriva's Standards of Business Conduct training. In 2020 an annual refresher module was launched and completed by over 5,000 colleagues.

Board Sign-Off

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



Mike Cooper
Chief Executive

April 2021