

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking. FirstGroup plc is committed to the prevention of modern slavery and human trafficking in all its forms, and will not tolerate or condone the abuse of human rights within any part of our business or supply chains.

In accordance with Section 54(1) of the Modern Slavery Act 2015, this statement sets out our policies in relation to modern slavery and human trafficking and the steps we have taken in the financial year ending 31 March 2017 to address these risks in our business and our supply chains.

### **Our business and our supply chains**

FirstGroup plc is a leading transport operator, with operations during 2016/17 in the UK, Ireland, the United States, Canada, Mexico, Panama and India. The Group's turnover in 2016/17 was in excess of £5.7 billion in revenue. During the same financial year, the Group had more than 100,000 employees, and transported around two billion passengers.

The Group has five operating divisions:

- **First Student** – The largest provider of student transportation in North America.
- **First Transit** – One of the largest private sector providers of public transit management and contracting in North America.
- **Greyhound** – The only national operator of scheduled intercity coach transportation with services in the US, Canada and Mexico.
- **First Bus** – One of the largest bus operators in the UK, with a fifth of the market outside London.
- **First Rail** – One of the UK's most experienced rail operators, carrying around 130m passengers across our franchises and open access operation.

Our supply chain comprises 51,000 tier one suppliers, primarily from Europe and North America. Further information on the Group can be found on our website at [www.firstgroupplc.com/about-firstgroup](http://www.firstgroupplc.com/about-firstgroup).

We are committed to conducting our business with integrity, high ethical and moral standards, and professionalism in all our activities. Furthermore, we recognise that our position in the marketplace provides us with a platform with our suppliers to require commitment to the prevention of modern slavery, human trafficking and abuses of human rights in all forms. In line with these core values, FirstGroup has a zero-tolerance approach to slavery and human trafficking, which extends to all business dealings and transactions in which we are involved.

**Our approach to human rights issues for employees in our business:**

**Employee Engagement:** ensuring employees have channels through which to express opinions or grievances.

- With more than 100,000 employees, our people are at the heart of our success. We are proud of our long history in bringing the voice of our colleagues into the boardroom through our Employee Directors. Our Employee Directors are voted for by employees to represent them on many of FirstGroup's UK operating company boards and the FirstGroup plc Board. Such a role received significant focus during 2016/17, in particular following the launch of the UK Government's consultation on corporate governance reform. Whether or not it becomes a requirement for all companies to have employee representation on the board, in our experience, the perspectives and input of Employee Directors aid decision-making and demonstrate the Company's desire to hear from our workforce.

Our working practices include building communication and engagement with trade unions and the wider workforce. Examples of this engagement include regular leadership conferences, employee surveys and the presence of Employee Directors. Our annual Your Voice survey measures employees' satisfaction with the way they are managed, the pride they feel in working for the business, and how likely they are to recommend us to others as a great place to work. All five of our divisions conducted Your Voice surveys during the year – a summary of the survey results can be found in our Annual Report and Accounts 2017.

**Vulnerable employees:** protecting groups who are particularly vulnerable to exploitation, such as migrant workers.

- In keeping with our values, we are supportive of each other, and committed to a working environment where everyone is treated with dignity and respect. Bullying and harassment, victimisation and discrimination are not acceptable and will not be tolerated. Employees are encouraged to use the FirstGroup Ethics and Compliance Hotline to report instances of harassment, discrimination, fraud or theft; issues related to safety and security; human rights and policy violations; or any other workplace concerns.

**Our Codes and Policies**

During 2015/16, we implemented our *Code of Conduct on Anti-slavery and Human Trafficking Prevention* across the Group's businesses in the UK and Ireland. In 2016/17 we extended the Code's implementation to the rest of our business globally. The Code, which applies to all persons working for us, or on our behalf, in any capacity and sets out our commitment to the prevention of modern slavery, was also added to our online policy compliance system. This system, which was introduced in 2016/17 for senior managers across the Group, enables us to monitor awareness and request confirmation of adherence to policies, and to drive leadership commitment on key ethical and compliance issues, including modern slavery.

Importantly, our Code places responsibility on employees at all levels to combat modern slavery, ensuring employees recognise the importance of this issue. Furthermore, the Code provides multiple ways in which employees can report concerns relating to modern slavery and human trafficking, including our Ethics and Compliance Hotline.

Our Code is integral in ensuring all our employees appreciate that combatting modern slavery is a shared responsibility, and are fully aware of how to report any incidents or concerns.

### **Due Diligence and Specific Risks**

In 2015/16, we established a Modern Slavery working group composed of representatives from our legal, procurement, and corporate responsibility functions, with representatives from both the UK and North America. The working group undertook an internal risk assessment exercise with each division and with the central procurement function to evaluate risks and identify best practices around the prevention of slavery and trafficking in our business and supply chains.

During 2016/17 the working group reviewed the results of the risk assessments, identifying a range of areas in which we could further develop our practices. This analysis has deepened our understanding and helped sharpen our focus on issues of relevance to our business, and we have started work to address these in our business and across our supply chains.

Of note at a divisional level, we identified Greyhound as the area of our core business most at risk of human trafficking as an intercity and cross-border bus transportation provider across North America. Greyhound is at risk of being used to transport individuals across state lines and internationally for illegal purposes. This poses a challenge to Greyhound in particular, due to the lack of identifying documents necessary to travel or purchase tickets for travel within the US. Our actions in response to this risk are discussed below.

#### **Case Study: Greyhound**

We have worked with the United States Department of Homeland Security to combat trafficking, assisting in the development of training for use by the intercity bus industry aimed at spotting potential incidents. Today, all Greyhound employees in those relevant roles, and our security personnel, receive training on identifying and helping to prevent human trafficking. The purchasing of large numbers of tickets by an individual is also prohibited without further investigation, as this is a means for transporting victims of human trafficking. Identification documents are required for all international travel.

During the month of January, which is designated as Human Trafficking Awareness Month by the US Federal Government, we put up additional posters and informational material relating to human trafficking in our Greyhound bus terminals. This aims to raise awareness of the issues of modern slavery and encourage societal responsibility for preventing such crimes. Our Home Free program, which provides free tickets on Greyhound to runaway youths, has also been extended to victims of human trafficking. As a result, we have been able to help young victims of sexual exploitation, trafficking and labour exploitation get home safely.

In 2017/18, the Modern Slavery working group will continue to review how we manage these issues and continue to develop and implement effective programmes to address them.

### **Information and Training about Slavery and Human Trafficking**

As part of the implementation of our *Code of Conduct on Anti-slavery and Human Trafficking Prevention*, communications have now been sent to all the Group's senior managers worldwide, informing them of the Code and emphasising the Group's zero tolerance approach to modern slavery.

As described above, the Code is also distributed via our new online policy management platform used for key company policies, requiring our senior managers to read and confirm their understanding of each of these policies, as well as committing to ensuring that they and their reports will comply with the policies in the coming year. This ensures that all our senior employees are fully aware of the Code, and can access it whenever necessary. In addition to this, the Code has also been made available to our employees via our internal employee intranet, alongside resources and materials on modern slavery and human trafficking.

Finally, in compliance with the Modern Slavery Act, the 2015/16 statement was published and displayed on our relevant UK public-facing websites.

### **Board-level sign off of this statement**

The FirstGroup plc Board recognises the importance of the provisions of the Modern Slavery Act 2015 and the Directors aim to ensure that slavery and human trafficking have no part in the Group's operations and supply chain.

The Group has always been vigilant about employee welfare and aims to be transparent in its practices. The Board welcomes the opportunity to state its firm commitment to a zero-tolerance approach to modern slavery and human trafficking.

A handwritten signature in blue ink, appearing to read "T O'TOOLE".

Tim O'Toole  
CEO, FirstGroup plc