

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 for the financial year ending 31 March 2016.

1 Our structure, business and supply chains

FirstGroup plc is a leading transport operator, with operations in the UK, Ireland, the United States, Canada, Mexico, Panama and India. The Group's turnover in 2015/16 was in excess of £5 billion. During the same financial year, the Group had 110,000 employees and around 2.2 billion customers used our services.

The Group has five operating divisions:

- **First Student** - The largest provider of student transportation in North America; more than twice the size of the next largest competitor.
- **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 services in the US and Canada.
- **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 140m passengers across our two franchises and our open access operation.

FirstGroup's supply chain is comprised of 51,000 tier one suppliers, primarily from Europe and North America. Further information about the Group can be found on our website at www.firstgroupplc.com/about-firstgroup.

2 Our policies in relation to modern slavery and human trafficking

At FirstGroup we are committed to business integrity, high ethical and moral standards and professionalism in all our activities. 'Doing the right thing' forms a central part of our values. In line with these values, the Group has a zero-tolerance approach to slavery and human trafficking, which extends to all business dealings and transactions in which we are involved, regardless of location or sector. We remain committed to strengthening our practices in this area, both within our own business and across our supply chains. This statement sets out the steps we have taken during the financial year 2015/16.

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, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

FirstGroup 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.

During the course of 2015/16, we implemented a *Code of Conduct on Anti-slavery and Human Trafficking Prevention*, which applies to all persons working for us or on our behalf in any capacity across the Group's businesses in the UK and Ireland, and we intend to implement it

across the rest of the Group during the course of 2016/17. As set out in this code of conduct, we are committed to:

- acting ethically and with integrity in all our business dealings and relationships.
- implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.
- ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains.

We expect high standards from all of our contractors, suppliers and other business partners, and our *Supplier Code of Conduct* includes specific provisions against the use of forced, compulsory or trafficked labour, or any child labour. We expect that our suppliers will hold their own suppliers accountable to the same high standards.

More broadly in terms of human rights, our commitments as stated in our *Corporate Responsibility Policy and Code of Business Ethics*, and our *Code of Business Conduct (North America)*, are that:

- we will conduct every aspect of our business with honesty, integrity and openness, respecting human rights and the interests of our employees, customers and third parties, as detailed in our Code of Business Ethics.
- we are committed to creating and maintaining a safe and healthy working environment for our employees, customers and the community. We recognise our employees' rights to freedom of association and have a high degree of unionisation across our businesses both in the UK and North America.
- our procurement processes and policies, and relationships with our suppliers, are key to ensuring our awareness of impacts through our supply chain. We aim to ensure that goods and services are from sources that do not jeopardise human rights, safety, or the environment, and expect our suppliers to observe business principles consistent with our own.

3 Due diligence, specific risks and supplier adherence to our values

In 2015/16 we established a Modern Slavery working group with representatives from our legal, procurement and corporate responsibility functions. The working group undertook an internal risk assessment exercise with each division and with the central procurement function to evaluate the Group's risks, and identify best practices, around the prevention of slavery and human trafficking within our supply chains or any part of our business. While the full results of this process, and any resulting actions, will be summarised in next year's statement, there are a number of actions that we have already been able to implement.

For example, as part of our ongoing effort to identify and mitigate risk we have updated the standard procurement contract terms used by our UK businesses to seek to ensure suppliers and, in turn, their suppliers, will comply with all laws, regulations and codes relating to slavery and human trafficking. During the course of 2016/17, we will also update the standard contract templates used elsewhere in the Group.

Of note at the divisional level, as an intercity bus transportation provider across North America, Greyhound acknowledges that it is at risk of being used to transport individuals across state lines and internationally for illegal purposes. Greyhound is particularly vulnerable due to the

lack of identifying documents necessary to travel or purchase tickets for travel. See section six below for more information.

4 Our effectiveness in combatting slavery and human trafficking

In addition to the review outlined above, part of the working group's role is to identify and monitor our effectiveness in combatting slavery and human trafficking. The working group will continue to perform this task and an update on this area will be included in next year's statement.

5 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 in 2015/16, communications were sent to all of the Group's senior managers in the UK and Ireland, informing them of the new Code and emphasising the Group's zero tolerance approach to modern slavery throughout our own business and our supply chains. We will continue our communications and engagement activities as we implement the Code across the rest of the Group in 2016/17.

Further training and communications will also be considered during the course of 2016/17 and an update on this area will be included in next year's statement.

Of note at the divisional level, Greyhound is working with the United States Department of Homeland Security to combat human trafficking. Greyhound assisted in the development of training for use by the intercity bus industry aimed at spotting incidents of human trafficking. Today, all Greyhound employees and security personnel receive training on identifying and helping to prevent human trafficking. Greyhound also prohibits the purchase of large numbers of tickets by one person without further inquiry as this practice was identified by the government as a means for transporting victims of human trafficking. Greyhound has also partnered with local transit providers to aid in public awareness of human trafficking.

6 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.



Tim O'Toole
CEO, FirstGroup plc

4 October 2016