FirstGroup plc Modern Slavery Statement 2021

Our commitment to preventing modern slavery

At FirstGroup we are committed to conducting our relationships to the highest ethical and moral standards and acting with integrity and professionalism in all our activities. This is in line with our corporate values and the expectations of our colleagues, customers and other stakeholders. It includes the prevention of modern slavery and human trafficking in all its forms and extends to all business dealings and transactions in which we are involved, regardless of location or sector.

Scope and coverage of this statement

This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 (the "Act") and sets out the steps taken by FirstGroup plc and relevant subsidiaries during the financial year ending 31 March 2021 to prevent modern slavery and human trafficking in our business and supply chains.

Under the Act, a legal obligation to publish a statement applies to organisations that carry on business in the UK and which have a total annual turnover in excess of £36m. This statement has therefore been approved and adopted by the Board of FirstGroup plc, as well as each of the Group's subsidiaries that meet this requirement under the Act (as set out in the Appendix). This statement also extends to our businesses which are not legally required to make a statement under the Act, regardless of their location, size or turnover.

Organisation and structure

FirstGroup plc is a market leader in public transport in the UK through our First Bus and First Rail divisions. We also operate Greyhound in North America. While we have recently completed the sale of our First Transit and First Student divisions in North America, these divisions remain in scope for this statement, as they were part of the Group throughout FY21. For more information on our business structure, please see our website at www.firstgroupplc.com.

Policies in relation to slavery and human trafficking

Our Group-wide **Code of Conduct on Anti-Slavery and Human Trafficking Prevention** sets out our commitment to the prevention of modern slavery in our business and supply chains. We also have a Whistleblowing Policy to encourage and protect those who come forward, supported by a reporting hotline, which is run independently of FirstGroup and is completely confidential. There were no reports relating to modern slavery or human trafficking to the hotline during FY21.

Our **Supplier Code of Conduct** incorporates prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. The Supplier Code of Conduct applies to all suppliers and partners who supply products or services to FirstGroup and its subsidiaries.

Risk management and due diligence

We assess, monitor and mitigate risks relating to slavery and human trafficking on a Group-wide basis, with individual divisions and operating companies taking specific actions where appropriate to the level of risk. In addition to the policies summarised above, our **Modern Slavery Working Group** meets regularly to review the steps being taken by the Group to detect and remedy modern slavery within our own organisation and our supply chain.

We undertook a review of modern slavery risks across the Group towards the end of FY20. While no significant risks were identified, the assessment highlighted two areas for improvement which were relevant to each of the divisions – more regular employee training and raising awareness of the Group's policies and procedures relating to modern slavery. The "Employee training and policy awareness" section sets out further details of how these have been addressed in FY21.

Supply chain

We have supplier due diligence processes in place to help identify and address potential risks of modern slavery. These processes are supported by our Group Procurement Policy. In addition, we screen strategic suppliers to assess the level of associated social risk, conduct audits and follow up issues identified where necessary.

We investigate any concern within our supply chain thoroughly. In FY21 we followed up on two allegations of forced labour. In both cases, after due diligence, we were satisfied that the allegations did not relate to the FirstGroup supply chain. We have nonetheless continued to work with both suppliers to ensure that we and they continue to follow best practice.

Our standard contracting terms incorporate our Supplier Code of Conduct, as well as specific obligations on our suppliers to comply with applicable anti-slavery and human trafficking laws, including the Act. No breaches of our Supplier Code of Conduct relating to modern slavery were identified in FY21. During FY21, we contacted all of the active suppliers to our UK businesses, to highlight and reiterate the standards that we require relating to modern slavery.

Employee protection

We pay a fair wage reflecting local market demands and conditions. Within First Rail, TPE and Tram Operations are both accredited Living Wage Employers, and pay the Real Living Wage ("RLW") to employees and to third-party contractors working directly for them in accordance with the Living Wage Foundation rates of pay. GWR, SWR and Avanti also pay the RLW to directly employed staff in line with the Living Wage Foundation rates of pay, and over 97% of employees in First Bus are paid at or over the RLW.

Employee training & policy awareness

Raising colleagues' awareness of trafficking and modern slavery is key to identifying and helping to prevent modern slavery and human trafficking. In FY21, in response to the risk assessment findings, all Group function employees were required to complete a mandatory, dedicated online training module and to read and attest to the Group Modern Slavery Code of Conduct. They will be required to repeat both actions annually.

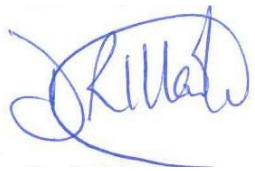
In addition, the Board mandated that equivalent online training was to be carried out annually by higher risk individuals within each of the divisions, including all members of the procurement teams, and that non-frontline colleagues were required to complete the annual Code of Conduct attestation. Implementation of these new, mandatory requirements was completed in four out of five divisions prior to the end of the year, with completion across the Group expected by the end of calendar year 2021.

From FY22, each of the divisions will be required to report on rates of compliance with the mandatory training and attestation requirements. This will provide a clear indicator of how we are progressing against the two areas for improvement which were identified by the risk assessment exercise.

Board approval

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 the welfare of our colleagues, customers, suppliers and other stakeholders 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.

This statement has been approved by the Board of Directors of FirstGroup plc for the financial year ended 31 March 2021. This statement has also been approved by the Boards of Directors of relevant UK subsidiaries, as set out in the Appendix.



David Martin
Executive Chairman
FirstGroup plc
13th September 2021

Appendix

First Beeline Buses Limited

First Cymru Buses Limited

First Eastern Counties Buses Limited

First Essex Buses Limited

First Glasgow (No.1) Limited

First Glasgow (No.2) Limited

First Greater Western Limited

First Hampshire & Dorset Limited

First Rail Holdings Limited

First South Yorkshire Limited

First South West Limited

First TransPennine Express Limited

First Trenitalia West Coast Rail Limited (70%)

First West Yorkshire Limited

First MTR South Western Trains Limited (70%)

First West of England Limited