

Modern Slavery and Human Trafficking Statement Corporate Policy

Introduction:

Modern slavery is a crime and a violation of our fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking.

Being responsible in business is embedded through our values and behaviours; our leadership, management and operations. We understand that trust and transparency are key to successfully delivering the HS2 programme.

HS2 Ltd is committed to promoting inclusive and rewarding experiences of employment for everyone working on the HS2 programme. That commitment includes our responsibility for ensuring taxpayers' money does not inadvertently fund criminal activity and to protect any vulnerable workers in our supply chains from exploitation. It also extends to operating responsibly and with high ethical standards, particularly regarding human rights issues, and we will not tolerate human trafficking and other kinds of slavery within our operations. We demand equally high standards from our supply chain.

This statement sets out our approach to prevent slavery and human trafficking in every part of our business, and that of our supply chain pursuant to Section 54(1) of the Modern Slavery Act 2015. It describes the steps we have taken, or will take, to assess where the risks are highest, where we have greatest leverage, and where we want to prioritise action.

Setting out the Challenge

HS2 Ltd employees and the supply chain are subject to various HR process to ensure that they have the right to work, are who they say they are fully referenced for a minimum of three years. All HS2 staff are cleared to Baseline Personnel Security standards as per HMG National Security vetting policy.

Modern slavery risks vary, for example, from failure to pay minimum wage in the UK to the use of bonded or child labour in extended supply chains. While it may be unlikely that large companies are directly employing trafficked people, contractors and sub-contractors (or the agencies supplying labour) could find themselves targeted by unscrupulous gang-masters who may be offering a ready supply of slave labour or trafficked individuals.

HS2 Ltd has many suppliers, many of whom have complex global supply chains. Finding and acting on instances of modern slavery in our supply chains, especially in lower tiers of subcontracting, requires sustained effort over time. We have the policies, processes and resources in place to rise to this challenge.

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Internal processes and policy which safeguard against the associate risk

Our supply chain is required by law, to ensure all contractors and Subcontractors meet right to work legislation. HS2 Ltd has a seconded Immigration Official from the Home Office to conduct assurance that our main contractors are complying with their vetting requirements and only staff who have the right to work in the UK are employed on the project.

Our supply chain employees and workers are provided with information about their statutory rights, including sick pay, grievance procedures, holiday entitlements, parental leave, flexible working and any other benefits to which they may be entitled.

Awareness by our employees of the human rights aspects of slavery and trafficking is a fundamental step in preventing it occurring within any part of our business and our supply chain. We have developed online training for our employees and workers to complete. This training covers the following topics:

- how to identify the signs of slavery and human trafficking;
- what initial steps should be taken if slavery or human trafficking is suspected;
- how to escalate potential slavery or human trafficking issues to the relevant parties within the organisation;
- what external help is available, for example, through the Gangmasters and Labour Abuse Authority and "Stronger together" initiatives.

During 2020 all our commercial and procurement staff completed the UK public sector, Ethical Procurement and Supply Chain CIPS training course. All our main works contractors have committed to sign up to the Construction Protocol for the Gang Masters and Labour Abuse Authority (GLAA), furthermore we actively encourage our contractors and sub-contractor to sign up.

We regularly run communications to raise awareness within the general HS2 Ltd population. This includes the screening of videos and publishing articles on our company intranet for individuals to understand what they may do to address potential issues both within their work and outside of work. This complements our training programme and ensures that staff understand and are familiar with the processes and

procedures we have in place.

Our joint ventures have agreed to utilise the Gangmasters and Labour Abuse Authority (GLAA) Stronger Together resources, including posters and 'toolbox talks' in several languages to help highlight the tell-tale signs of a victim, and to provide specific information on modern slavery in all our new starter site induction programmes. Our joint ventures have agreed, as provided within the Employee Relations code of conduct, that should modern slavery take place, they will have a plan in place, detailing how they would work with victims, victims' representatives and, where relevant, statutory authorities to tackle root causes and support identified victims.

One of our principle suppliers is asking their workers to provide additional evidence to prove their identity as they are inducted onto the site. On day one on site, we ask workers for proof of address, evidence of a contract to be in place, a bank account in their name, and evidence of the ability to access a phone with credit. We also check to ensure that they did not pay fees to obtain work and ask them to confirm their rate of pay. If workers cannot produce some of the required evidence, then we would be sympathetic to the worker, and we would not normally turn them away from site. If, however, the shortcomings were extensive then the incident may need to be investigated, with a review of findings and recommendations made. Another of our principle suppliers is working with a charity to support victims of Modern Slavery with offering paid work placements on our project.

HS2 Ltd has signed up to the Gangmasters and Labour Abuse Authority's Construction Protocol committing construction industry signatories to:

- o work in partnership to protect vulnerable workers;
- o agree to share information, where possible, to help stop or prevent the exploitation of workers;
- o work together to manage information sensitively and confidentially;
- o commit to raising awareness within the supply chain;
- o maintain momentum through this protocol by communicating regularly.

We recognise that sharing best practice across the industry and with external stakeholders is an important step to help increase awareness, raise standards and reduce risk. We continue to work with our stakeholders, joint venture partners and suppliers to share and learn from best practice. During 2020 we: worked with academics to support a Delphi event on Eliminating Modern Slavery from Projects at University College; presented our approach to the Major Projects Association; were active participants to both the GLAA Construction working Group and the Department for Transport and Railway Industry's modern slavery working group.

Our suite of relevant policies and frameworks include the following:

- o Equality, Diversity and Inclusion;
- o Skills, Employment and Education Strategy;

- o Bullying, Harassment and Victimisation;
- o Procure to Pay;
- o Recruitment;
- o 'Speak Out' (Whistleblowing).

The 'Speak Out' Policy outlines the channels to raise concerns including the secure two-way web reporting service and freephone telephone number operated by an independent organisation 24 hours a day. The various contact methods for the speak out Speak out line are:

- o Freephone: 0808 196 5847
- o Secure web reporting -
<https://secure.ethicspoint.eu/domain/media/en/gui/107410/index.html>
- o email: SpeakOut@hs2.org.uk

This allows our employees, suppliers, contractors, Joint Ventures, subcontractors and workers to confidentially raise concerns relating to possible improper, unethical, illegal practices, slavery or human trafficking. We encourage our joint ventures to proactively distribute the HS2 Ltd 'Speak Out' channels along with any other whistleblowing hotline that they may operate. HS2 Ltd is committed to dealing with all such reports and does not tolerate victimisation or detriment of those that raise concerns.

We have a common set of values, which are essential to our success: Respect, Safety, Integrity and Leadership which are developed through conversations with employees and are lived in everything we do.

Employee good practice

Our contract documents require suppliers to demonstrate that they provide good employment processes, treat workers with dignity and respect, and act within the law in their use of labour. Our contracts cover a wide range of social and environmental impacts, based on the Ethical Trading Initiative Base Code, ILO international labour standards.

We stipulate for our Tier contractors and Subcontractors that wages and benefits paid for a standard working week meets, at a minimum, national standards including the living wage and (where appropriate) the London living wage or for wages, benefits and other terms and conditions of employment that are no less favourable those than contained within relevant National Working Rules Agreements (NWRA's); whichever is higher. We expect our supply chain to adhere to Working Time Regulations 1998 and any other relevant legislation.

Our contractors and subcontractors must not prevent or discourage workers, without distinction, from joining or forming trade unions. We do not condone, and will not accept, under any circumstances, any form of exclusion (commonly referred to as 'blacklisting' of any worker (whether a current or ex union member, or not under The

Employment Relations Act 1999 (Blacklisting) Regulations 2010)).

Our Joint Venture suppliers commit wherever reasonably practicable to directly employ their employees and first line supervisors and ensure as far as reasonably practicable that the Subcontractors and the suppliers in its supply chain do the same. We also commit within our supply chain to the avoidance of bogus self-employment status, employment through umbrella companies or similar, zero hours contracts and the use of bogus, or “sham” contracts.

Due diligence

Maintaining a high calibre supply chain is crucial for HS2 Ltd to help reduce risk and to develop high performing strategic relationships. The organisation undertakes due diligence when considering taking on new suppliers.

Our pre-contract process is used to verify that our potential supplier base meets our required standards and criteria. This includes questions on Ethical Labour and adherence to the Modern Slavery Act 2015, as applicable.

The Cabinet Office has responsibility for setting the government's commercial policy and commercial standards which define how all central government and their arms-length bodies should conduct their commercial activities. These standards are set out in the Government Commercial Function (GCF) Standards and in Procurement Policy Notes (PPNs) 05/19 such as on Tackling Modern Slavery which HS2 Ltd has fully implemented.

All new procurement activities will have a risk assessment, any procurements deemed high or medium risk will include additional questions on Modern Slavery at both Prequalification and Initiation to Tender stage; and include Modern Slavery specific key performance indicators.

Companies who bid for public contracts, and who have failed to meet their legal obligations in the last three years in relation to the Modern Slavery Act 2015, risk being excluded from procurements, in line with other government bodies, unless they can demonstrate that they have taken measures to remedy the failures and prevent recurrence. Bidders for public contracts who have been convicted of certain modern slavery offences under the Modern Slavery Act within the last five years are excluded from our procurements unless they can demonstrate that they have taken measures to remedy the failures and prevent recurrence.

We utilise the Governments Modern Slavery Assessment Tool (MSAT) for all medium and high-risk contracts. The tool gives suppliers tailored good practice recommendations to improve their anti-slavery activity, from how they conduct risk assessments to ensure their due diligence helps prevent debt bondage.

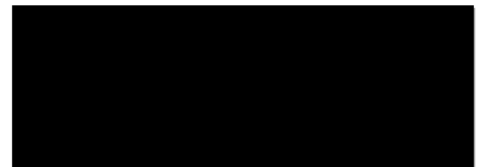
There are potential risks to workers' conditions due to purchasing practices such as aggressive pricing, short lead times and late payments. We recognise the importance of embedding cross-cutting due diligence measures to prevent exploitation in our supply chains in addition to addressing risk in specific high-risk supply chains. This includes introducing, and embedding responsible purchasing and recruitment practices, and prioritising efforts to listen and learn from the direct experiences of workers in our supply chains. We ask bidders to explain any tenders which appear abnormally low in accordance with the requirements of the Utilities Contracts Regulations 2016.

All major procurements will explicitly evaluate social value (where relevant and proportionate) and delivery will be measured against standard metrics, to be used for both contract management and impact reporting by departments.

Executive Owner:

Chairman/Chief Executive Officer is the Executive Owner of this policy and is responsible for maintaining the accuracy and relevance of its contents and for periodic review and update to reflect changing circumstances.

Approved on: 14/03/2024



Sir Jon Thompson
Executive Chair /
Chief Executive Officer
HS2 Ltd