



MODERN SLAVERY AND ANTI-TRAFFICKING STATEMENT 2021



Statement

Alexander Dennis Limited (ADL) understands that modern slavery and human trafficking is a crime which results in abhorrent abuse of human rights; constituted in the Modern Slavery Act 2015 by the offences of 'slavery, servitude and forced or compulsory labour' and human trafficking.

With business operations and supply chains across the globe, ADL is aware of its responsibilities to respect and protect the rights of employees and individuals and communities affected by its activities. We remain committed to working to prevent modern slavery and human trafficking from occurring within our business operations and supply chains. We fully recognise the importance of collaborating with our wide range of stakeholders and actors to eradicate modern slavery in all of its forms.

ADL is absolutely committed to ethical and responsible business practices which seek to protect workers from being abused or exploited in both its own organisation and its global supply chains.

ADL has an internal Modern Slavery Working Group (MSWG), consisting of key individuals from within the organisation and external business & human rights advisors. The MSWG continues to develop and drive activity in relation to modern slavery and continues to work to increase knowledge and understanding, build capacity and to seek to make ADL toxic to those individuals and organised criminals who would seek to exploit both vulnerable people and corporations.

The global pandemic affected and disrupted our business operations, and therefore our modern slavery programme, but we recognise that it has also increased the vulnerabilities of many already vulnerable individuals. As a result, it is more important than ever that we re-double our efforts in this regard.

In 2021, the MSWG will continue to:

- Refresh and revise our modern slavery risk analysis by geography.
- Resume the implementation of our Independent Modern Slavery Threat Assessment programme across UK manufacturing sites.
- Ensure that 100% of our employees have access to training regarding modern slavery and human trafficking, to help them spot the signs and report.

- Provide enhanced training to 100% of our key individuals with specific responsibilities for supply chain engagement, regarding modern slavery in a global context and within high-risk supply chains.
- Enhance our human rights due diligence processes for both our business operations and global supply chains.
- Resume the roll-out of ADL's Modern Slavery Champions programme across UK business operations; ensuring that employees know how to spot the signs, how to report safely, and how to seek internal support as needed.
- Expand our High-Risk Suppliers Engagement Programme to include additional suppliers in high-risk geographies.
- Undertake enhanced human rights due diligence checks specifically for our supply chain in China, as a result of the focus upon Uyghur forced labour.

We look forward to continuing this journey, building our understanding, working with closely with suppliers and collaborating with other stakeholders both in our sector and beyond throughout 2021.

A handwritten signature in black ink, appearing to read 'Paul Davies', with a large, sweeping flourish extending upwards and to the right.

Paul Davies
President & Managing Director



Structure of the Organisation

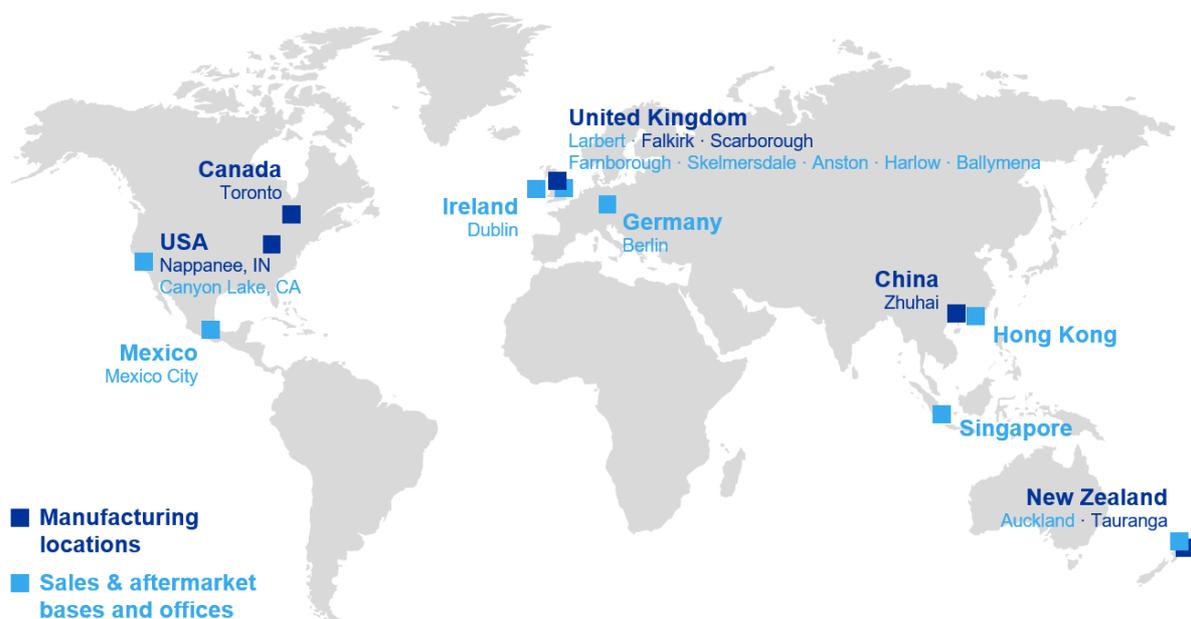
Alexander Dennis Limited (ADL) is part of leading independent global bus manufacturer NFI Group - [About NFI | NFI Group](#)

ADL is a global leader in the design and manufacture of double deck buses and is also the UK's largest bus and coach manufacturer. ADL offers single and double deck buses under the Alexander Dennis brand as well as Plaxton coaches, with vehicles in service in the UK, Ireland, Europe, Hong Kong, Singapore, New Zealand, Mexico, Canada and the United States. We employ over 2,200 people worldwide.

ADL's history and heritage of design, engineering and manufacturing excellence spans more than a century. As a pioneer in embracing the latest technology, ADL has brought the widest range of zero emissions and clean diesel buses to market.

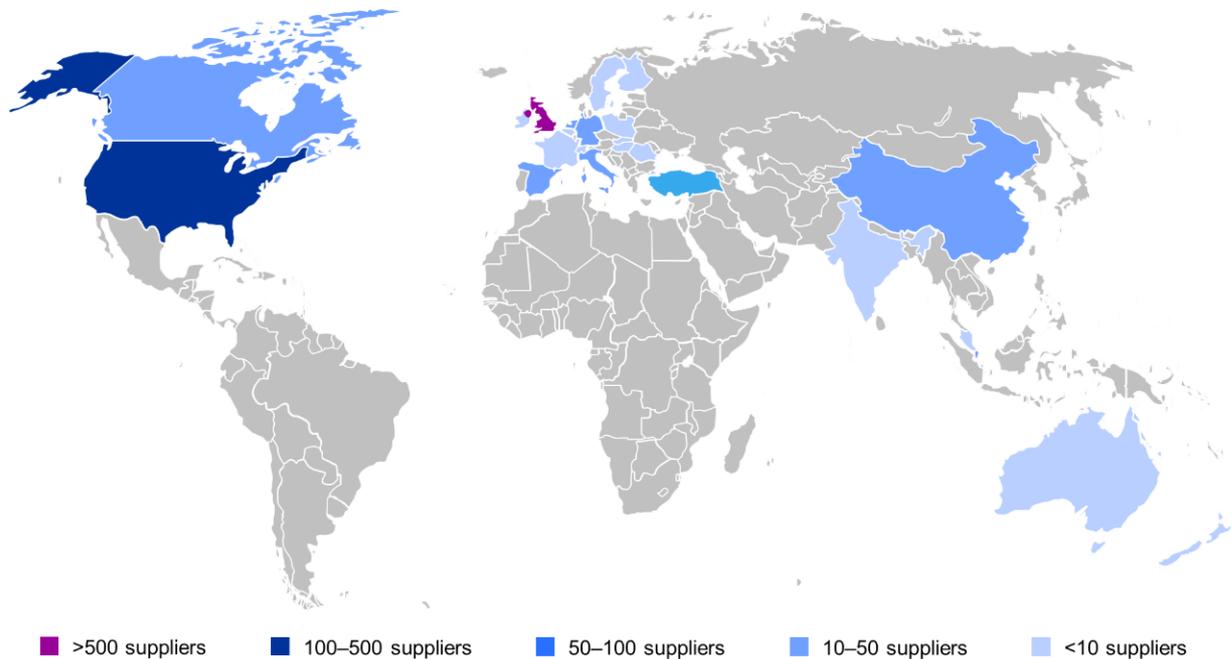
To find out more about the nature of our business, please visit www.alexander-dennis.com

ADL's Locations





ADL supplier heatmap



- Around the globe, ADL buses carry 25,000 passengers every minute of every day.
- In London alone ADL buses carry over 3.5million passengers per day.

Policies in Relation to Slavery & Human Trafficking

As part of ADL's commitment to combating modern slavery, we have in place the following policies:

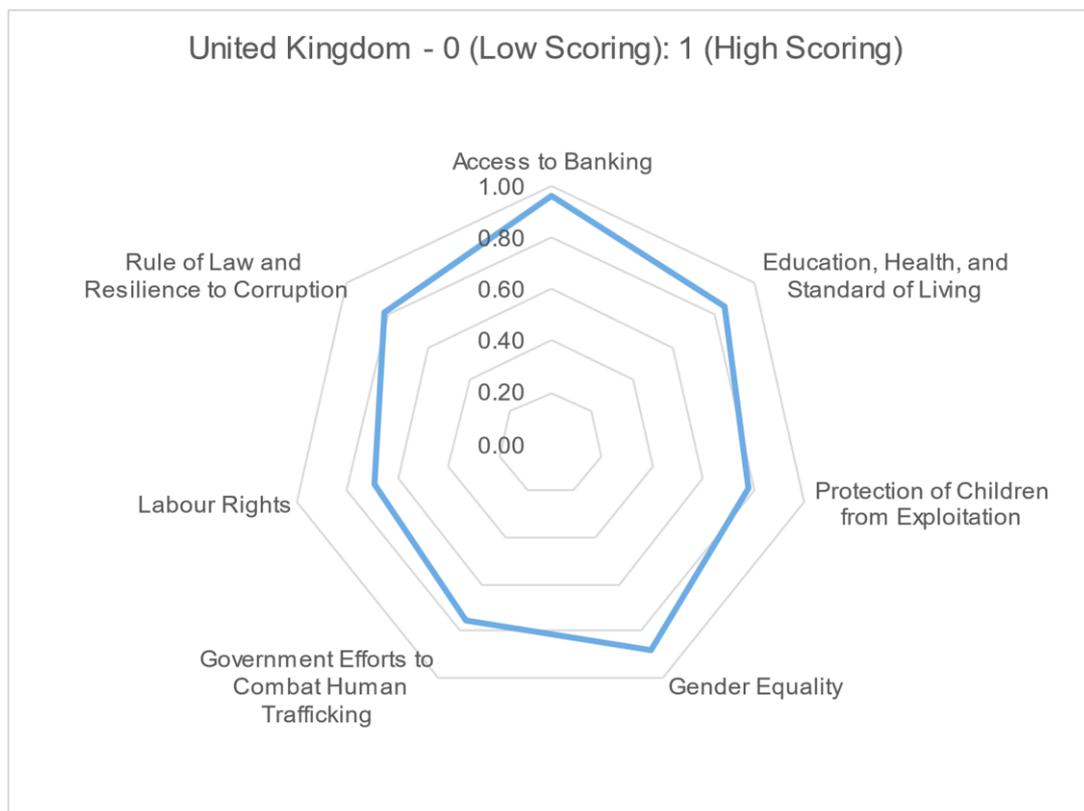
- Code of Business Conduct & Ethics
- ADL Human Rights Policy
- Business Partner Due Diligence Policy
- Supplier Code of Conduct
- Anti-Corruption
- Gifts & Hospitality
- Whistleblowing

These policies will be made available to all suppliers (where appropriate). All policies are reviewed annually by ADL and NFI's Audit Risk Committee.

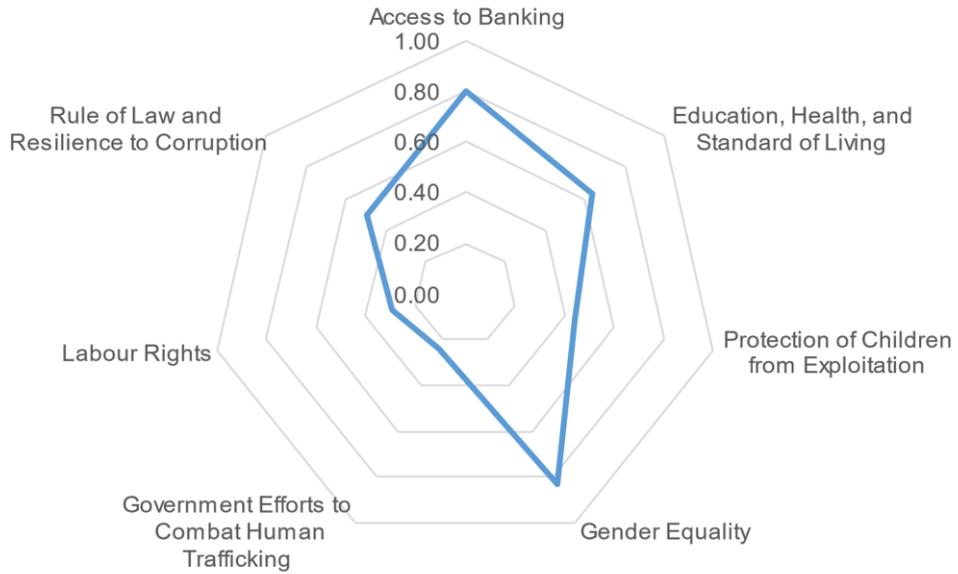
Supply Chains & Identification of Risk

ADL has global supply chains which consist of component suppliers, outsourced manufacturing and use of labour providers. ADL has a global supplier base – please see the map above.

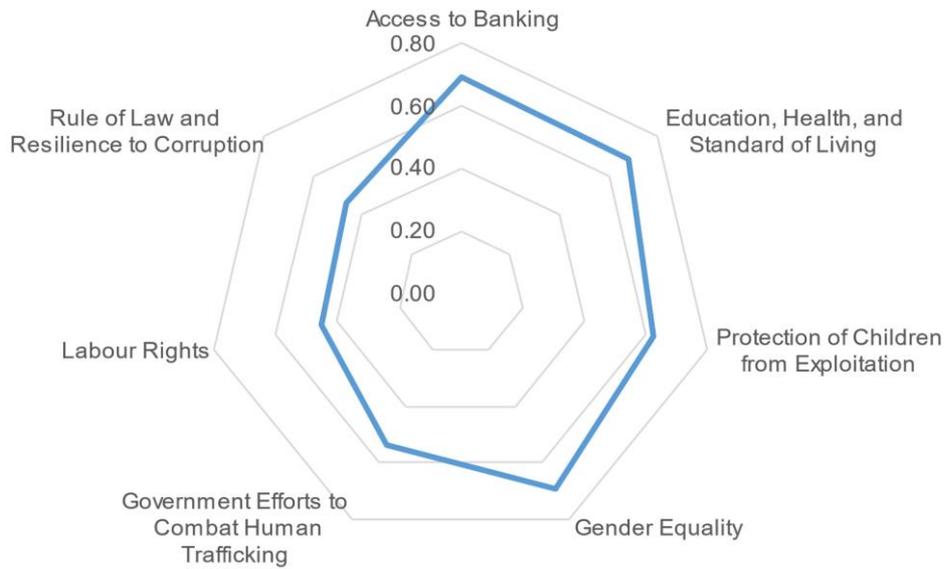
ADL has analysed its business operations and supply chains by country. This assessment includes the best publicly available information in relation to public sector corruption and the rule of law; labour rights; government efforts to combat human trafficking; gender inequality; the measures in place to eliminate child labour; education, health & standards of living, and access to banking. By continuing to analyse this information alongside financial data, ADL has been able to prioritise its efforts for 2021. The UK, China, India & Turkey remain focus areas, however ADL is working with a range of key suppliers in many different geographies as a result of its ongoing programme of slavery & trafficking risk analysis. (Please find below examples of our risk mapping for the UK, China, India and Turkey.)

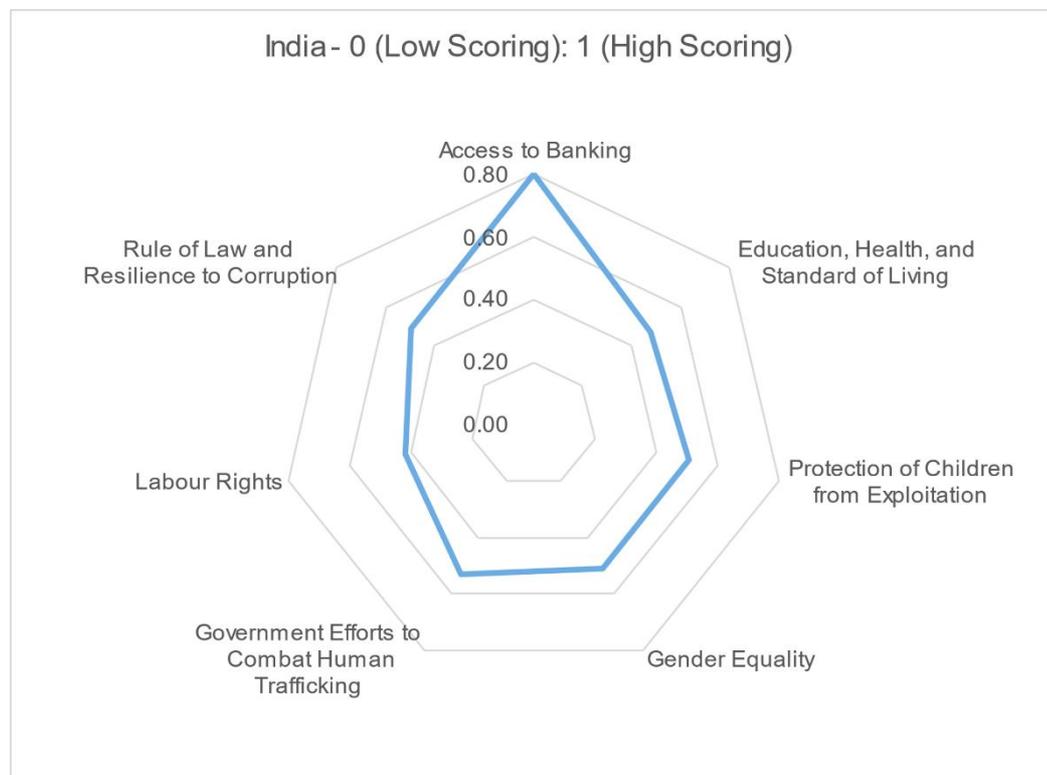


China - 0 (Low Scoring): 1 (High Scoring)



Turkey - 0 (Low Scoring): 1 (High Scoring)





Steps taken to Prevent and Manage Risk

ADL will continue to increase its focus on identifying the risks associated with modern slavery within its business operations and supply chains. We acknowledge the complexities involved and are committed to actively working and collaborating with a wide range of stakeholders, including employees, suppliers, law enforcement, anti-slavery partners and UN agencies and others, to uphold, support and promote human rights.

To evaluate the nature and extent of our exposure to the risk of modern slavery, during 2021 ADL will continue to enhance its human rights due diligence processes and procedures overall, and will review and enhance activities in the UK, China, India & Turkey. Our focus is to understand where risks may lie, and to take appropriate action to prevent and remediate. We will continue to focus upon suppliers in high-risk geographies where ADLs spend is significant and where we can utilise any leverage as a result.

Where a potential risk is identified ADL will ensure that it is fully investigated, a corrective action plan is implemented in collaboration with suppliers, and that monitoring is put in place

to bring about viable and sustainable solutions which are proportionate but effective in dealing with issues of modern slavery and human trafficking.

Where ADL has concerns that issues identified cannot be addressed through collaboration with and support from a supplier, the organisation will terminate all further business on the basis that the supplier has breached ADLs code of conduct.

ADL will continue to increase communications with suppliers regarding modern slavery and will encourage suppliers to establish their own risk assessment processes. ADL will aim to update contracts with suppliers, reserving the right to undertake audits and modern slavery risk assessments to ensure compliance with its own standards specifically in relation to modern slavery and human trafficking.

Human Rights Due Diligence Processes

As part of ADLs ongoing efforts to identify areas of risk, report instances, remediate, monitor and to seek to reduce the risks of slavery and human trafficking within our supply chains, the organisation reviews its due diligence processes and procedures on an annual basis. During 2021 we will review and enhance our human rights due diligence measures and controls.

We will continue to engage with suppliers in those particular geographies identified as high risk for ADL, building on our High-Risk Suppliers Engagement programme and our Slavery & Trafficking Risk Template activity, in order to better understand any issues and to work with suppliers to bring about appropriate changes.

Ethical Auditing, Responsible Procurement & Modern Slavery Threat Assessments

ADL has continued to make significant strides in developing its understanding of potential risks within its operations and supply chains and the organisation is working towards a comprehensive programme of human rights due diligence

The High-Risk Supplier Engagement Programme has 4 objectives:

1. To **reduce risks for ADL** by engaging with suppliers and identifying issues to be addressed by the supplier or in conjunction with ADL.
2. To **demonstrate positive action** regarding modern slavery legislation and responsible sourcing, particularly for use in tenders and for auditing requests.



3. To **further inform and develop ADL's supplier code of conduct and auditing processes**, and requirements in relation to ethical labour sourcing and modern slavery.
4. To **work towards independent verification** of ADL's own business operations and supply chains in relation to modern slavery.

ADL chose to use the global open source 'Slavery & Trafficking Risk Template' which has been developed by the Social Responsibility Alliance and its global development committee - <https://www.socialresponsibilityalliance.org/>

The Slavery & Trafficking Risk Template (STRT) is an extremely robust, open-source industry standard template used to assist companies in their efforts to comply with human trafficking and modern slavery legislation and improve their supply chain-related public disclosures. The STRT helps companies and their suppliers work together to build socially responsible supply chains by facilitating accurate data collection.

The STRT facilitates human trafficking and modern slavery related data collection and analysis, helping companies and their supply chains work together to engage in more ethical operations. The data collected gives companies visibility into their supply chain operations and prioritize due diligence and risk mitigation actions. The STRT is designed to meet the need for a universally-accepted template among global supply chains. The template was developed with support and input from a consortium of stakeholders involved in the STRT Development Committee.

2021 is the UN International Year for the Elimination of Child Labour. Newly published data from the ILO and UNICEF indicates an increase in child labour globally, the first rise for two decades. As a result, the Social Responsibility Alliance is further developing the STRT to ensure that it specifically allows companies to understand whether and where they may have a risk of child labour in their supply chains. ADL will incorporate this tool within its due diligence and supplier engagement programme as soon as it becomes available.

ADL's own operations continue to be assessed through programme of Independent Modern Slavery Threat Assessments.

Effectiveness and Objectives

Alexander Dennis has developed key performance indicators for the financial year starting 27th December 2020 and ending 27th December 2021, to further drive activity and demonstrate its commitment to preventing modern slavery and human trafficking.

- Continued implementation of the Independent Modern Slavery Threat Assessment programme across all ADL UK manufacturing sites.
- Further expansion of the High-Risk Suppliers Engagement Programme.
- Review and enhancement of ADLs human right due diligence processes and procedures to help ensure robust data and evidence.
- Development and roll-out of ADL Modern Slavery Champions programme in the UK; aimed at raising internal awareness and ensuring that employees know how to spot the signs, how to report safely, and how to seek internal support as needed.

Training and Capacity Building

ADL will continue to invest in educating its personnel to recognise the risks of modern slavery and human trafficking in its business and supply chains. Through induction programmes, personnel are made aware of internal policies and are encouraged to identify and report any potential breaches of our anti-slavery and human trafficking policy. ADL has a specific modern slavery online training programme available to all employees.

Closing Statement

This statement, which is approved by ADL's board, reaffirms the organisation's absolute commitment to implement the Modern Slavery Act. We recognise the severe impact of the global pandemic upon many already vulnerable individuals across the globe, and therefore the importance of the work of the private sector in understanding where risks lie and working to eradicate modern slavery. We commit to upholding our Human Rights Policy and working diligently in all respects to support and uphold the United Nations Guiding Principles on Business & Human Rights.

ADL recognises the extremely complex nature of modern slavery and human trafficking and will continue to emphasise the importance of collaboration with others to raise awareness and ensure compliance with the requirements of the Act.

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes Alexander Dennis' slavery and human trafficking statement for the financial year commencing 27th December 2020 and ending 27th December 2021.