

**Our modern slavery and human trafficking statement 2019/20**

Network Rail has published this statement in accordance with the Modern Slavery Act 2015.

The Modern Slavery Act requires any organisation with a global annual turnover of £36m or above and that is operating in the United Kingdom to produce an annual statement. That statement needs to detail the steps that have been taken during the financial year to ensure modern slavery isn't taking place within any part of that organisation's business or in its supply chain.

This statement is made on behalf of:

- Network Rail Infrastructure Limited (NRIL); and
- Network Rail (High Speed) Limited (a subsidiary organisation to NRIL, contracted to provide operation, maintenance and renewal services to HS1 Limited).

This statement sets out the steps taken during the year ended 31 March 2020 to prevent modern slavery and human trafficking in these organisations and their supply chains.

Throughout this statement, the term 'Network Rail' refers to the companies listed above.

**Our commitment**

Modern slavery is a criminal offence and a violation of fundamental human rights. This won't be tolerated at Network Rail. We remain committed to doing business in a responsible way, which includes a commitment to do all that we reasonably can to prevent all forms of modern slavery in any part of our own business and our supply chain.

We expect our customers and suppliers to share and uphold these ethical values and principles.

**Our business, people and supply chain**

Network Rail is one of Britain's biggest employers. We directly employ 41,000 colleagues across England, Scotland and Wales, and support an extensive supply chain. We own and operate Britain's railway infrastructure; that's 20,000 miles of track, 30,000 bridges, tunnels and viaducts, and the thousands of signals, level crossings and stations. We also manage 20 of the UK's largest stations while all the others – over 2,500 – are managed by the country's train operating companies.

Our Vision – Putting passengers first	Our purpose	Our role
We're becoming a company that is on the side of passengers and freight users; that is easy to engage with and is an efficient and dependable partner; a company people are proud to work for; instinctively recognised as an industry leader	We exist to get people and goods where they need to be and to support our country's economic prosperity	Running a safe, reliable and efficient railway, serving customers and communities

Network Rail operates in Great Britain, but has a small, wholly-owned international railway consultancy, Network Rail Consulting<sup>1</sup>.

To find out more about Network Rail and our organisational structure, please take a look [here](#).

Our supply chain network plays its part in helping us run a safe and efficient railway. We're dependent on our suppliers to help us deliver rail services across Britain – we spend over £7bn per year with our supply chain, 98 per cent of which is with British companies.

We worked directly with 4,245 suppliers during the 2019/20 financial year, of which 3,113 (73 %) were small & medium sized enterprises (SMEs) who supply us with vital services, from catering for our teams working through the night, to designing innovative technology to keep the railway running safely. Our spend with large suppliers has also provided sustainable demand to many British SMEs through the extended supply chain.

### **Ownership**

Responsibility for our modern slavery policy and programme sits with Network Rail's Group General Counsel, reporting directly into our chief financial officer, who sits on the board of directors. We have a working group comprising of representatives from the following business areas:

- Ethics
- Contracts and Procurement
- Legal
- Policy and Assurance
- Sustainability
- Corporate Workforce Safety team.

The working group is responsible for putting together a programme of works to reduce the risk of modern slavery happening within our business or supply chain.

### **Policies and contractual provisions**

Our commitment to conducting business ethically and responsibly is reinforced throughout various company policies, including:

- [Anti-Slavery and Human Trafficking policy](#): Our Anti-Slavery and Human Trafficking policy has been in place since January 2017. It was updated in 2019/20 and is due for publication in early 2020/21.

The latest version of the policy will include information about what modern slavery is and the different types, our commitments as an employer, our expectations of any third parties we work with, the warning signs to look out for and how to report concerns.

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<sup>1</sup> Please note that Network Rail Consulting do not meet the qualifying criteria for publishing a modern slavery statement.

- **[Code of Business Ethics](#)**: Our Code of Business Ethics sets the standard of behaviour that is expected of everybody in our company and those doing business on our behalf, to ensure we all work in an open and honest way.

In August 2019, our Code of Business Ethics was updated, giving modern slavery greater focus and providing information on some of the warning signs to look out for.

- **[Speak Out policy \(whistleblowing\)](#)**: Employees, members of our supply chain or the public can raise concerns about wrongdoing (including human rights violations) taking place in Network Rail. We offer various channels to do this – including a confidential 24/7 reporting service called ‘Speak Out’, which is run on our behalf by an independent, specialist third party. Reports can be made to the Speak Out service anonymously, should the discloser feel more comfortable reporting in this manner.
- **Contracts and Procurement policy**: Our Contracts and Procurement policy references modern slavery and was last updated in July 2019.
- **[Code of Conduct](#)**: The Code of Conduct includes information on Network Rail’s position on modern slavery.

Our procurement contracts require suppliers to comply with the Modern Slavery Act 2015, in addition to other relevant Network Rail policies, including our Code of Business Ethics, Code of Conduct and Speak Out (whistleblowing) policy.

We also require our suppliers to:

- implement due diligence procedures for their own supply chains; and
- use reasonable endeavours not to purchase raw materials, resources or products from organisations using forced labour.

### **Risk assessment and management**

The possibility of modern slavery being found within our business and any of our supply chains is tracked as part of our ‘Enterprise Risk Management’ process. This risk and the mitigating controls are reviewed on a quarterly basis.

We have strict recruitment processes in place, ensuring that all our employees have the appropriate rights to work. In 2020/21, we will become a formally accredited Real Living Wage employer, as set out by the Living Wage Foundation. This means that our direct employees are paid the Real Living Wage and that we require all of our contractors to pay their people the Real Living Wage, too. As a result of this, we believe that the risk of forced or trafficked labour being directly employed by Network Rail is low.

We use two approved recruitment agencies to support us in sourcing workers on permanent and fixed-term bases. Whilst these agencies are permitted to source potential candidates from within their own supply chains, relevant checks (including right to work, Disclosure and Barring Service (DBS) and Baseline Personnel Security Standard (BPSS) checks) are carried out either by the approved agency or by Network Rail.

We believe the highest potential risk sits within our supply chain and we’re aware that we procure goods and services which are in categories known to be at risk of forced or compulsory labour. This includes:

- Personal protective equipment (PPE) and uniforms

- Electronics (e.g. laptops, computers and mobile phones)
- Subcontracted workers (e.g. to provide cleaning, catering and security services or people who can be called upon in times of peak demand to work on-track).

### **Due diligence processes**

For high-value procurement activity, a competitive tender process is required. To ensure modern slavery risk is considered throughout this process we:

- signpost our procurement teams to Network Rail-produced guidance to help the teams understand if their procurement activity may be high-risk for modern slavery. This guidance was updated in 2019/20 to align with the latest 'Tackling Modern Slavery in Government Supply Chains'<sup>2</sup> guidance (published in September 2019)
- Regardless of whether modern slavery is deemed to be a high risk in the procurement of a specific product or service, relevant questions are asked at 'Pre-Qualification Questionnaire' (PQQ) stage. In 2019/20, these questions were reviewed by an independent law firm to ensure they meet legal requirements, are adequate and appropriate
- Where modern slavery is deemed to be a risk, we ask for more information about the steps the supplier is taking to mitigate modern slavery risk at 'Invitation to Tender' (ITT) stage. These responses provide us with confidence that the supplier is committed to tackling modern slavery within their organisation and supply chain.

In cases where modern slavery is assessed to be higher risk, we are keen to embed modern slavery considerations into our post-contract supplier management process. The aim is that this will assure us that the supplier is continuing to manage and mitigate risk effectively, and we hope to build strong working relationships with our suppliers, so they can report any concerns they may have openly and honestly to us.

The Rail Industry Supplier Qualification Scheme (RISQS) helps suppliers sell to the British rail industry by providing a way for them to be formally recognised as capable providers of products and services. In 2019/20, a modern slavery working group was set up, supported by the RISQS owner, the Rail Safety and Standards Board (RSSB) with the purpose of greater collaboration to address modern slavery risk in the rail industry. The working group is attended by various rail industry suppliers and Network Rail. The working group provides a useful forum to share ideas and experiences and is intended to identify how RISQS can be used to gain further transparency in the rail supply chain in relation to modern slavery and to avoid cross-auditing and duplication. The working group is also producing a modern slavery best practice guide specifically for the rail industry.

### **Training and awareness-raising activity**

Over the last few years, we have worked to build awareness of modern slavery across our business and supply chain. This has included launching companywide ethics training, which includes content on modern slavery. To date, the module containing modern slavery content has been completed by over 30,000 employees.

Our confidential reporting service ('Speak Out') can be used to report concerns about modern slavery taking place within Network Rail. In 2019/20, we produced posters and wallet cards to promote the service.

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<sup>2</sup> ['Tackling Modern Slavery in Government Supply Chains' guidance](#)

Recognising that there may be a risk where subcontracted, operational staff are involved, we were keen to provide some additional tailored training in this area. Controllers of Site Safety (COSS) are responsible for ensuring a safe system of work is in place when working on or near the rail infrastructure and are required to complete an extensive training programme before qualifying. A COSS will often work alongside subcontracted, potentially temporary, labour from multiple tiers of the supply chain and so in 2019/20, the COSS training was updated to include modern slavery content. The training helps to explain what modern slavery is, why it may be relevant to a COSS, the warning signs to look out for and how to report concerns.

We continue to seek opportunities to find out what others are doing in this space and in 2019/20, we met/spoke to various comparable organisations, such as Transport for London and Colas Rail, to share valuable experiences and insights.

### **Key performance indicators**

We monitor and categorise concerns reported to us (either via our 'Speak Out' service or any other channel). In 2019/20, no concerns were reported in relation to modern slavery and/or human trafficking.

We track completion rates of our latest ethics training (launched in January 2018), which includes content on modern slavery. By end-March 2020, we expected 75 per cent of our workforce to have completed the training. We are pleased to report that this target was met.

### **Key actions in 2019/20**

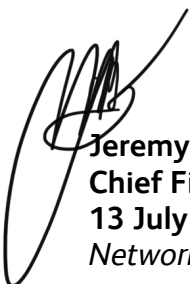
The following is a summary of the key actions completed in 2019/20:

- Updated our Code of Business Ethics, Contracts and Procurement and Anti-Slavery and Human Trafficking policies<sup>3</sup>
- Updated our guidance for procurement teams to help them identify if modern slavery may be a risk in their procurement activity
- Joined the RISQS modern slavery working group
- Continued to monitor completion rates of our mandatory companywide ethics training
- Produced posters to promote our Speak Out service
- Updated the COSS training to include modern slavery content.

This statement refers to the financial year ending 31 March 2020.

This statement was approved by the Board of Network Rail Infrastructure Limited on 23 June 2020 and the Board of Network Rail (High Speed) Limited on 29 June 2020.

Signed by

A handwritten signature in black ink, appearing to be "J Westlake".

**Jeremy Westlake**  
Chief Financial Officer  
13 July 2020  
*Network Rail Infrastructure Limited*

A handwritten signature in black ink, appearing to be "A McNaughton".

**Andrew McNaughton**  
Chair  
30 June 2020  
*Network Rail (High Speed) Limited*

<sup>3</sup> The Anti-Slavery and Human Trafficking policy is due for publication in early 2020/21.