

National Highways Anti-Slavery and Human Trafficking Statement

We have published this statement in accordance with the Modern Slavery Act, 2015 (the Act). The Act requires any organisation with a global annual turnover of £36million or above and that operates in the United Kingdom to produce an annual statement detailing 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.

Modern slavery is the illegal exploitation of people for personal or commercial gain. Victims are controlled by force, threat, coercion and deception. It can take various forms including trafficking of people, forced labour, sexual or criminal exploitation or domestic servitude.

Our Commitment

Modern slavery is a criminal offence and a violation of fundamental human rights. National Highways will not tolerate this, and we are committed to doing business in a responsible and sustainable way. This 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.

National Highways manage the strategic road network (SRN) in England, comprising motorways and some A roads. We recognise that this gives us significant reach, and that we have the potential to empower our colleagues, suppliers and customers. As such, we aim to add focus on identifying ways in which we can empower our operational colleagues, traffic officers and customers to identify signs and risks of modern slavery, and the routes for reporting any suspicions or evidence.

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

Reports and issues dealt with in 2021-22

We monitor and categorise concerns reported to us (either via our 'Raising Concerns' service, or any other channel).

There were no allegations of potential modern slavery in 2021-22

This statement describes the steps that we have taken during the year ending 31 March 2022 to prevent modern slavery and human trafficking in our organisation and our supply chains.

Our business, people and supply chain

We directly employ over 6,000 colleagues across England and support an extensive supply chain. We operate, maintain and improve England's strategic road network - 4,300 miles of motorways and major A roads. Our network drives economic growth across the country, creating jobs, supporting businesses and opening areas for development. Through our activities and improvements, we aim to deliver a sustainable benefit to the environment.

Our aims

Our ambition is to ensure our major roads are more dependable, durable and, most importantly, safe for all that use or work on them. We work hard to make sure our road network is:

- free flowing – where routine delays are infrequent, and journeys are reliable
- safe and serviceable – where no one should be harmed when travelling or working
- accessible and integrated – so people are free to choose their mode of transport and can move safely across and alongside our roads

We operate solely in England, but we also manage the Historical Railways Estate on behalf of the Secretary of State for Transport, which has structures in Scotland and Wales. Find out more about [National Highways and our organisational structure](#).

Over 90% of the investment in our network is delivered through our supply chain who supply us with vital services to support us in operating a safe and efficient roads network. In 2021-22, we continued to work with all our strategic suppliers, whose delivery is supported by an extensive group of small and medium sized enterprises (SMEs).

We are working together to source more sustainably in a way that supports new entrants to the market, builds capacity for growth, delivers more through innovation and generates cost reduction. We believe that it is critical not only to set the right environment and incentives but to role model the behaviours for sustainable long-term success. This is extremely important in our approach to stamping out human trafficking. Transforming the sector is likely to take some time and can only be achieved by working collaboratively.

Ownership

Responsibility for our Anti-Modern Slavery policy and programme sits with our Commercial and Procurement Executive Director. He reports directly into our Chief Executive Officer.

Our Anti-Economic Crime Group, chaired by our chief financial officer:

- oversees the annual anti-slavery risk assessment (through our Economic Crime Risk Assessment process)
- monitors completion of our annual anti-slavery programme of work
- agrees the anti-slavery (and associated policies) and any annual updates, prior to approval by our Executive and endorsement by our Board
- provides leadership for any investigation into any allegations of modern slavery or human trafficking

Regular updates are provided to our Audit and Risk Committee through the Corporate Assurance Director's quarterly report.

Policies and contractual provisions

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

Anti-Slavery and Human Trafficking policy

We have a specific policy that incorporates good practice principles from across the sector and is published on our intranet for our colleagues, so it is readily accessible and easy to refer to. The policy provides a clear statement on the definition of modern slavery (including its component parts), 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.

Imperatives, values and behaviours

We have three imperatives: safety, customer and delivery. These underpin everything we do and are supported by our values of safety, ownership, passion, integrity, and teamwork. They describe how we treat each other, how we want to be viewed as an organisation and how we do business. A set of behaviours support our values, together with examples of how they are demonstrated.

Raising Concerns at Work (Whistleblowing) policy

This reaches employees, members of our supply chain or the public who can raise concerns about wrongdoing (including human rights violations) taking place in National Highways. We offer various channels to do this – including a confidential 24/7 reporting service by phone or email. Reports can be made to this service anonymously, should the discloser feel more comfortable reporting in this manner.

Contracts and procurement policies

These focus on developing a sustainable supply chain and creating lasting social value to establish a more inclusive and diverse industry, which heightens awareness of human rights and uses the insight gained to drive further change.

Our procurement contracts require suppliers to comply with the Modern Slavery Act 2015, the National Highways Anti-Slavery and Human Trafficking Policy and other relevant policies. We also require our suppliers to:

- implement due diligence procedures for their own supply chains
- 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 or in any part of our supply chains is tracked as part of our Enterprise Risk Management process. This is

supported by our Economic Crime Risk Assessment and the mitigating controls are reviewed on a quarterly basis.

Our people

The company makes appropriate pre-employment checks on all directly employed staff. Only agencies on approved frameworks are used for temporary employment and a standard requirement of these are to provide assurance that pre-employment checks are conducted.

There is a range of policies and procedures designed to protect our staff from poor treatment or exploitation. These comply with all relevant employment law and the Advisory, Conciliation and Arbitration Service code of practice. They include the provision of fair pay rates based on nationally negotiated terms and conditions of employment. There is also a range of benefits, including health and wellbeing support, and access to training and development opportunities.

Where changes to employment, work, organisation and policies and procedures are proposed, there is communication and negotiation with the Trade Unions, as appropriate. Efforts to engage and involve staff in matters which affect them include regular staff briefings and consultation with a range of staff networks, including Embrace (our race equality network), LGBT+ and Allies.

Because of this, we believe that the risk of forced or trafficked labour being directly employed by National Highways is low.

Procurement and our supply chain

We believe the highest potential risk sits within our supply chain. Most of our products and services are purchased from UK or EU based firms, who may also be required to comply with the requirements of the UK Modern Slavery Act, 2015 or similar legislation in EU states. A significant number of products are purchased through our supply chain, whose Supplier Code of Conduct includes a provision around forced labour.

Where possible, and consistent with the Public Contracts Regulations, we build long-standing and collaborative relationships with our suppliers.

Due diligence processes

For procurement activity for which a competitive tender process is required, we ensure that the modern slavery risk is considered throughout this process by:

- signposting our procurement teams to our guidance to help them understand if their procurement activity may be high-risk for modern slavery. This guidance aligns with the latest Tackling Modern Slavery in Government Supply Chains guidance (published in September 2019)
- asking relevant questions via the Supplier Qualification process, regardless of whether modern slavery is deemed to be a high risk in the procurement of a specific product or service

- utilising standard contract clauses across most new contracts which require Suppliers/Consultants to adhere with the National Highways anti-slavery policy in addition to the Modern Slavery Act 2015 in all its activities, and throughout its supply chain

Where modern slavery is deemed to be a risk, we ask for more information about the steps the supplier is taking to mitigate this risk at the Invitation to Tender 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 high-level risk, we are keen to embed anti-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. We hope to build strong working relationships with our suppliers, so they can report any concerns they may have openly and honestly to us.

Training and awareness-raising activity

Over the last few years, we have worked to build awareness of the risk of modern slavery across our business and supply chain. Advice and training on all aspects of modern slavery and human trafficking is available to staff through our Counter-fraud team and supported by our Anti-Modern Slavery policy and procedure.

Our company's anti-economic crime training and modern slavery training, is available to staff through our LEARN platform, and contains specific content as to what modern slavery is and what signs to look for if you suspect something is going on. This training is mandatory for all Commercial and Procurement (C&P) colleagues and it is also encouraged that our delivery teams complete it.

Recognising that there may be a risk where subcontracted, operational staff are involved, we are keen to provide additional tailored training in this area to our operations, major projects and commercial and procurement teams. Our operations and major projects staff will often work alongside subcontracted, potentially temporary, labour from multiple tiers of the supply chain. This training will help to explain what modern slavery is, why it may be relevant to anyone working on site, the warning signs to look out for and how to report concerns.

Our Regional Delivery Programme has developed a suite of learning and monitors its supply chain, setting target objectives in each topic area, including modern slavery, as a key subject matter for supplier development.

In conjunction with our sister organisations (High Speed 2, Network Rail and Transport for London) we have launched a learning initiative specifically for the infrastructure and transport sector, focusing on fairness, inclusion and respect.

We also seek opportunities to improve our processes through sharing valuable experiences and insights with these organisations as well as our wider supply chain.

Key actions in 2021-22

This year we continued to improve our understanding and approach to minimising the opportunity for modern slavery to occur through the following actions. We have:

- refined our governance arrangements
- further developed and delivered a tailored training programme to staff in key operations, commercial and procurement and major project roles
- utilised our partnership with the Supply Chain Sustainability School to deliver learning modules for our larger programmes, including Lower Thames Crossing, the A303 (Stonehenge) and the Smart Motorways Alliance, with training on identifying and reporting Modern Slavery as a key part of the Social Value pillar
- provided self-assessment capability for Tier 2 and 3 suppliers so that they can benchmark their capabilities and their approach to modern slavery
- monitored and reviewed our progress through enhancing our metrics
- further enhanced our understanding of our supply chain through our mapping and management processes
- strengthened our collaboration across DfT, sharing best practice and learnings via the Modern Slavery working group
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Key actions in 2022-23

For the coming year we will:

- strengthen the supply chain data through engagement and collaboration
- maintain a focus on learning and development (both within National Highways and the supply chain)
- identify opportunities to empower our operational colleagues, traffic officers and customers in identifying and reporting suspected or know incidents of human trafficking and modern slavery
- benchmark ourselves against best practice across and beyond our sector, and use this information in the development of our strategy
- utilise the analysis from our Supply Chain to inform our development in this area
- operate collaboratively with those in the DfT group comprising the Department, its agencies and other arm's-length bodies to promote a culture of learning and sharing best practice

Declaration

This statement refers to the financial year ending 31 March 2023 and was approved by our Board on 30 June 2022.

