Modern Slavery Act Statement

This statement has been published in accordance with the Modern Slavery Act (2015). It details the steps MTR Corporation (Crossrail), trading as MTR Elizabeth line, has taken to prevent and identify risks of modern slavery within our direct operations and supply chain during the 2021/2022 financial year.

It also covers the measures we have in place to monitor the effectiveness of our actions and continuous improvements in this area.

Introduction by the Managing Director

Slavery and human trafficking, in all its forms, are an abuse on individual freedom and human rights. As a business we recognise the importance of the Modern Slavery Act and are fully committed to doing all we can to ensure our operations and our supply chain are free from instances of modern slavery. We are proud of the steps we have taken, and that we continue to take, to ensure we can identify and remove any unacceptable practices from our operations and supply chain.

Our Business

MTR Corporation (Crossrail) Limited, trading as MTR Elizabeth line, is the concessional operator of London's landmark railway, the Elizabeth line.

We entered into the Crossrail Concession Agreement with Rail for London (RfL), a subsidiary of Transport for London, in July 2014 to start running the first phase of the Crossrail operational railway from 31 May 2015. The initial term of the Concession is eight years, until 28 May 2023, and was extended in August 2023 until 24 May 2025.

The Elizabeth line serves 41 stations from Reading and Heathrow in the west to Shenfield and Abbey Wood in the east.

In its final state, it will see a peak timetable frequency of 24 trains per hour within central London, providing a fast, frequent service and relieving congestion on some of the busiest underground lines.

Following delays to the Crossrail construction project, the Central Operating Section officially opened on 24 May 2022, marking the launch of the Elizabeth line and the start of operations welcoming customers from Paddington to Abbey Wood.

With a reputation for keeping cities moving, MTR Elizabeth line is responsible for:

- **Running train services safely and on time.** From the Fleet team who work with suppliers to ensure the reliability of our trains, to our dedicated Drivers and Control colleagues.
- **Providing excellent service to assist customers** from the first train in the morning until the last train at night, keeping ticket offices open and dispatching trains.
- **Keeping our stations and trains clean, safe, and secure** for the benefit of customers and colleagues.
- **Working closely with industry partners** such as Transport for London and Network Rail to ensure we continue to offer the highest standard of service every day.

Our aspiration is to see MTR Elizabeth line deliver a world-class passenger experience and achieve internationally recognised high standards of safety, reliability, and quality and customer service.

Our Structure and Supply Chains

MTR Corporation (Crossrail) is a wholly owned subsidiary of MTR Corporation; we were awarded the concession for operating Elizabeth line services across London by RfL, commencing in 2014.

We currently have 1261 employees, 98% of our employees are employed full time. We conduct comprehensive checks on all prospective employees throughout the interview process including but not limited to right to work checks, these checks are also carried out and verified by a third party.

Our principal supply chain covers the provision of services that support us in the delivery of the railway. We also work with third party suppliers for the provision of our indirect goods and service requirements such as staff uniforms and the delivery of station upgrade and enhancement works.

MTR Corporation (Crossrail) is committed to paying its staff and suppliers the London Living Wage. We also require our suppliers and subcontractors to pay their employees an hourly wage (or equivalent hourly wage) equal to or greater than the London Living Wage as adjusted annually.

This obligation applies to all suppliers' employees, both directly and indirectly employed, who perform duties in relation to the railway:

- Within the Greater London Authority Area;
- Outside of the Greater London Authority Area where the person is engaged at an MTR Elizabeth line station or facility; or
- Outside of the Greater London Authority Area where the person is engaged at other premises (including the supplier's own premises) within the control of the boroughs of the Greater London Authority and proximate to the MTR Elizabeth line route.

Our Sourcing Approach and Due Diligence

We are committed to ensuring that workers employed in our supply chains are treated fairly and equitably. In doing so we require our suppliers to comply with the Ethical Trading Initiative (ETI) Base Code and our Standards and Obligations for MTR Corporation (Crossrail) suppliers. These include standards around sustainability, environment and energy and ethical trading.

Our standard terms of business include clauses covering supplier Modern Slavery Act compliance. These terms raise awareness of the Modern Slavery Act and our supplier's individual obligations. The terms require the supplier to notify MTR Corporation (Crossrail) if they become aware of any instances of modern slavery within their operation or supply chain and detail action being taken to address the issue.

All prospective new suppliers to MTR Corporation (Crossrail) are required to complete our Approved Supplier Questionnaire (ASQ) via our e-procurement system.

This is mandatory for all prospective and new suppliers. The supplier responses are assessed against quality, financial, sustainability and ethical trading criteria.

Within the ASQ, suppliers are required to confirm their Modern Slavery Act reporting requirements and to provide details of their statement and the actions they are taking to reduce the risk of modern slavery in their operations and supply chain. Where suppliers fail to meet our requirements, improvement plans are agreed. If issues are not resolved within a specified timeframe the supplier will not be on-boarded or granted approved supplier status.

Since the introduction of the e-procurement system we have been working through the completion of the ASQ by all of our existing suppliers. This has been completed in Q2 of 2022, we now hold a full record of our supplier compliance requirements across our supply base. Approved suppliers are required to keep this information up-to-date to ensure continued monitoring.

Risk Analysis and Monitoring

We undertake an annual risk analysis exercise of our tier one suppliers taking into consideration the level of risk exposure driven by the location of the supplier, the industry type and labour employed in the delivery of the goods/services. A risk profile is then assigned to the individual suppliers.

Based on the risk level assigned to a supplier, we develop annual monitoring plans with individual suppliers, if required. Actions could include the development and monitoring of corrective action plans. We also produce an annual Labour Conditions and Human Rights Report detailing the findings and actions relating to the risk assessment.

We recognise the complexity of modern slavery and the many different forms it can take. Through the risk assessment exercises we undertake we are able to identify the categories of products/services associated with the delivery of the railway that present an elevated level of risk. As a result, we gain a greater understanding of our supply chain network as a whole in order to bring it under closer management, review trends within our supplier risk environment, and monitor our progress in managing these risks year on year.

The categories that we have identified as presenting a higher level of risk are construction and labour contracts.

As a business we have implemented a robust approach to due diligence in the area of managing and monitoring supply chain risks and general supplier management. To support this we have implemented an e-procurement system to manage interactions with our supply base. This system, coupled with the due diligence process and the risk assessment, gives us the required visibility to monitor our suppliers and tools that allow us to work collaboratively with them to address issues.

Building on this we have implemented a Supplier Relationship Management module on the e-procurement system which provides a structured framework for managing supplier relationships, allowing information on supply chain performance to be monitored and updated regularly. This covers performance against contractual requirements, sustainability and supply chain performance and monitoring. Managing these elements of supplier

performance on the e-procurement system allows for the information to be captured and updated by suppliers efficiently and regularly. This has now been rolled out to all of our tier one suppliers and will be rolled out to contract managers of our tier two suppliers.

In addition to this, we encourage suppliers to register with SEDEX where they can maintain data on labour practices at the factories and facilities they use, and make this data available to MTR Elizabeth line in order to drive and demonstrate monitoring and improvements in the supply chain.

Awareness Across the Business

The direct management of our supply chains is undertaken by a small number of people in our business; however, we recognise that it is everyone's responsibility to ensure that working practices are in line with our company purpose and objectives.

Many of our business policies contribute to ensuring we are working to prevent the existence of modern slavery within our business and supply chains. These policies are listed below:

- Equality & Diversity Policy
- Procurement and Tendering Policies and Procedures
- Qualification and Supplier Management Procedure
- Whistle-blowing Policy
- Safety Management System Procedures
- Anti-Bribery & Corruption Policy
- Anti-Slavery and Human Trafficking Policy

The Anti-Slavery and Human Trafficking Policy covers the measures the business has in place to prevent instances of modern slavery from occurring, individual responsibilities and issue reporting.

In 2020, training on the Modern Slavery Act and how to identify and manage risks within the supply chain was rolled out via our e-learning platform and was undertaken by those responsible for managing our tier one suppliers. This will increase awareness of risks and reporting and will be rolled out to all other supplier managers by the end of the 2022/2023 financial year.

Monitoring the Effectiveness of our Actions

To ensure we are able to effectively track our progress in the key areas outlined in this statement we have implemented the below key performance indicators (KPIs) to monitor our progress.

1. Number of suppliers on-boarded through the supplier due diligence process, (Approved Supplier Questionnaire, ASQ), for both new and existing suppliers;
2. Number of suppliers identified as high risk engaged with through the creation of action plans;
3. Number of suppliers being monitored using the Supplier Relationship Management module on the e-procurement system;

4. Number of employees who have completed the Modern Slavery Act training on our e-learning platform.

This constitutes our company's Modern Slavery Act statement. The statement has been approved by the Executive.

Nigel Holness
Nigel Holness (Sep 22, 2022 17:29 GMT+1)

Nigel Holness

Managing Director, MTR Corporation (Crossrail) Limited, trading as MTR Elizabeth line

September 2022