

AFI-GROUP

Supply Chain Transparency Statement 2016

Modern Slavery Act 2015

Introduction

This statement sets out the steps that the AFI-GROUP has taken to ensure that there is no slavery or human trafficking taking place in its own businesses and its supply chains. This statement relates to actions and activities during the financial year 1st January 2016 to 31st December 2016.

As part of the International Powered Access sale, rental and services sector, the organisation recognises that it has a responsibility to take a robust approach to slavery and human trafficking.

The organisation is absolutely committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

Organisational structure and supply chains

This statement covers the activities of the AFI-GROUP of companies.

The organisation currently operates in the United Kingdom, Kingdom of Saudi Arabia, Qatar, Kingdom of Bahrain and United Arab Emirates.

The group's main activity is the rental of a modern and diversified fleet of access platforms, cherry pickers, truck and track mounted platforms from its 28 locations throughout the UK. A similar operation operates from 7 locations in the Middle East.

As well as Rental equipment we also sell new and used equipment internationally. We also provide a wide range of training including Health and Safety training and we are a leading provider of Working at Height training.

In all countries we directly employ our work force and ensure that they are all employed in line with local legislation and pay standards.

The equipment we buy for our rental and sales activities is purchased from international companies based in Europe, USA and Canada. Our contact with these companies is through their UK representatives or dealers. We will monitor these companies to assure ourselves that they have robust policies in place.

Our operation in the Middle East has a moderate risk factor as some details of the supply chain on services we use are difficult to confirm. Whilst 75% of the supply chain is the same Manufacturers we use throughout the business the other 25% are sourced locally in the Middle East. Our head of operations in the Middle East has been tasked with ascertaining whether these suppliers meet the Modern Slavery Act requirements and to source replacements where he feels there is an issue. Whilst we have no suspicions of the supply chain currently, we are still striving for positive confirmations on all suppliers.

Responsibility for policies.

The chairman is ultimately responsible for all policies, but on a day to day basis the following people are responsible in the following areas.

All direct employees and their conditions of employment are the responsibility of the Human Resources Director.

The UK supply chain is the responsibility of the Support Services Director.

All Middle East operations and Supply Chain is the Responsibility of the Managing Director, Middle East Operations

Risk Assessment

All of the group's supply chain companies are required to complete a Supplier Approval form which contains questions regarding ethical sourcing and compliance. These forms are reviewed and any concerns regarding compliance are taken up with the supplier before they can become an approved supplier.

Some smaller suppliers are allowed onto the supplier list that would not be expected to provide the documentation in relation to the Modern Slavery Act. These suppliers are reviewed by the Support Services Director in the UK and Managing Director of the Middle East operations and only approved where it is felt that they comply.

Investigations/due diligence

Investigations are carried out by the roles already identified above for the responsibilities for policy. Where necessary the three individuals will confer as a team to investigate any concerns over a supplier.

Training

Key members of various operations have been briefed on the implications of the Modern Slavery Act because of their direct responsibility for the supply chain. There are plans to roll out this training to all employees that have contact with the supply chain so they understand the law and can raise any concerns to the people responsible for the policies. The training includes:

- 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 people within the organisation;
- what steps the organisation should take if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios, including their removal from the organisation's supply chains.

Relevant policies

The group operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations

- **Whistleblowing policy** the organisation encourages all its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The organisation's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation. Employees, customers or others who have concerns can contact the HR or HSEQ departments.
- **Employee code of conduct** the organisation's code makes clear to employees the actions and behaviour expected of them when representing the organisation. The organisation strives to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing its supply chain.
- **Supplier/Procurement code of conduct** the organisation is committed to ensuring that its suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour. The organisation works with suppliers to ensure that they meet the standards of the code and improve their worker's working conditions. However, serious violations of the organisation's supplier code of conduct will lead to the termination of the business relationship.
- **Recruitment/Agency workers policy** Currently the Group does not use Agency Workers. Should this position change in the future the organisation would only use specified, reputable employment agencies to source labour and always verify the practices of any agency it may use before accepting workers from that agency.

Due diligence

The organisation undertakes due diligence when considering taking on new suppliers, and regularly reviews its existing suppliers. The organisation's due diligence and reviews include

- evaluating the modern slavery and human trafficking risks of each new supplier.
- conducting supplier audits or assessments through the organisation's own staff auditor, which have a greater degree of focus on slavery and human trafficking where general risks are identified;
- using any information available on the internet with regards to ethical supplier data, where suppliers can be checked for their labour standards, compliance in general, and modern slavery and human trafficking in particular

Board approval

This statement has been approved by the organisation's board of directors, who will review and update it annually.

D Shipman

Chairman