

AFI group of companies
Supply Chain Transparency Statement 2017
Modern Slavery Act 2015 (“MSA”)

Introduction

This statement sets out the steps that the AFI group of companies (“AFI”) have taken to ensure that there is no slavery or human trafficking taking place within its own businesses and within its supply chains. This statement relates to the actions and activities that have taken place during the financial year ending 31 December 2017.

As part of the international powered access sale, rental and services sector, AFI recognises that it has a responsibility to take a robust approach to slavery and human trafficking.

AFI is fully committed to preventing slavery and human trafficking within its own businesses, and to ensuring that its supply chains are also free from slavery and human trafficking.

Organisational structure and supply chains

AFI currently operates through a number of locations situated in the United Kingdom, the Kingdom of Saudi Arabia, Qatar, the Kingdom of Bahrain and the United Arab Emirates.

AFI’s main activity is the rental of a modern and diversified fleet of mobile elevated working platforms (“MEWP’s”) along with truck and track mounted platforms from its 28 locations in the UK. A smaller operation in the Middle East runs from 6 locations.

As well as renting a wide range of MEWP’s and other platforms we also sell new and used platforms, and deliver a wide range of training courses with a particular focus on Working at Height safety training.

In all of the countries where AFI operate it is our policy to directly employ our workforce and ensure that the workforce is employed in line with local labour regulations and pay standards.

The platforms that we purchase for our rental and sales activities are predominantly sourced from international manufacturers based in Europe and North America. Our contact with these companies is through their UK representatives or approved dealers. We constantly monitor these companies to assure ourselves that they have robust slavery and human trafficking policies in place.

Our smaller operation in the Middle East has a moderate slavery and human trafficking risk as some of the details of the local supply chain are difficult to confirm.

Whilst 75% of the value of the supply chain is represented by the same international manufacturers of platforms mentioned earlier the remaining 25% of the value of the supply chain is sourced locally. Our Managing Director in the Middle East is tasked with ascertaining whether these suppliers meet the MSA requirements and to source alternative suppliers where he feels that there may be an issue. Whilst we currently have no suspicions about the local Middle East supply chain we continue to monitor all suppliers closely.

Responsibility for policies

The AFI Chairman is ultimately responsible for all policies but on a day to day basis the following directors are tasked with responsibility for ensuring that there is no slavery or human trafficking taking place within our supply chains:

- All direct employees (our workforce) and their conditions of employment are the responsibility of the HR Director;
- The UK supply chain is the responsibility of the Managing Director, AFI group services;
- The Middle East supply chain is the responsibility of the Managing Director, Middle East.

Risk Assessment

All key AFI supply chain companies are required to complete a Supplier Approval form, which contains questions regarding ethical sourcing and MSA compliance. The completed forms are reviewed and any concerns regarding MSA compliance are resolved with the supplier before they are approved.

Some smaller companies are allowed onto the approved supplier list that would not be expected to provide the documentation required of our key suppliers in relation to the MSA. These smaller suppliers are reviewed by the Managing Director, AFI group services or the Managing Director, Middle East and are only approved where it is felt appropriate.

Investigations/due diligence

Investigations are carried out by the directors (see earlier) tasked with day to day responsibility for ensuring that there is no slavery or human trafficking taking place within our supply chains. Where necessary the directors confer as a team to investigate any concerns identified in relation to a specific supplier.

Training

Key members of the AFI management team have been briefed on the implications of the MSA because of their direct responsibility for the supply chain. There are plans in place to roll out this briefing to all employees that have regular contact with the supply chain so that they fully understand the law and can raise any concerns that they may have about any supplier to the directors responsible for ensuring that there is no slavery or human trafficking taking place within our supply chains. The briefing includes:

- how to identify the warning 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 concerns to the responsible directors;
- the steps that AFI take if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios (including their potential removal from the approved supplier list).

Relevant policies

AFI operates the following ancillary policies that support its approach to the identification of modern slavery and human trafficking risks:

- **Whistleblowing policy** - AFI encourages its workers, customers and other third parties to report any concerns that they may have related to the direct activities of its own businesses and their supply chains. 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 and other third parties with concerns can contact the HR or HSEQ departments in total confidence.
- **Employee code of conduct** - AFI's code of conduct makes it very clear what is expected of all employees when representing our businesses. AFI strives to maintain the highest standards of employee conduct and ethical behaviour when operating in the UK or overseas, particularly when dealing with our supply chains.
- **Supplier code of conduct** – AFI is committed to ensuring that its suppliers adhere to the highest ethical standards. Suppliers are required to demonstrate that they provide safe working conditions, treat their workers with dignity and respect, and act ethically and within the law at all times. AFI works constructively with its suppliers to ensure that they meet the standards of the code of conduct and improve their working conditions where necessary. Serious violations of the code of conduct lead to the termination of the business relationship with the supplier concerned.
- **Recruitment and agency workers policy** - AFI only use reputable employment agencies to source labour and always verify the practices of the agency before adding them to the approved supplier list.

Due diligence

AFI undertakes appropriate due diligence before approving new suppliers and regularly reviews its existing suppliers. The due diligence and regular reviews include:

- assessing the potential slavery and human trafficking risks of the supplier;

- conducting on-site supplier audits with a particular focus on slavery and human trafficking where potential risks are identified;
- using publically available information (including information available on the internet) to assess a supplier's compliance with general labour standards and their approach to preventing modern slavery and human trafficking in particular.

Board approval

This statement has been approved by AFI's Board of Directors, who will continue to review and update it on an annual basis.

D Shipman

Chairman