

## **FCE Bank Plc – Slavery and Human Trafficking Statement for the Financial Year 2018**

This statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 and sets out the steps the Company has taken to ensure that slavery and human trafficking is not taking place in our supply chains or in any part of our business.

### *Supply Chain Overview*

Our core business is automotive financing, which we provide through a variety of retail, leasing and wholesale finance plans. We use suppliers at each stage of our business, from the point of sale, to the management, administration and sourcing of automotive finance. Respecting human rights and environmental issues in our supply chain is ultimately our supplier's responsibility. As customers, however, we play an active role in supplier development and have adopted various means to clearly communicate our expectations to our suppliers.

As a provider of financial services, we are authorised to conduct a range of regulated activities in the UK and through a branch network in ten other European Countries.

FCE Bank plc. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under Firm Reference Number 204469. You can confirm our registration on the Financial Services Register [www.fsa.gov.uk/register/home.do](http://www.fsa.gov.uk/register/home.do) by contacting the FCA on 0800 111 6768, in addition we are subject to consolidated supervision through various EU directives. As a result, our business practices and the business practices of our suppliers are under additional scrutiny.

### *Supply Chain Standards*

In our standard procurement process, we issue purchase orders that incorporate our Global Terms and Conditions (GT&Cs). The GT&Cs are further supplemented by our web-guides, which expand on our expectations and suppliers' obligations on specific topics. For example, our Social Responsibility and Anti-Corruption Web-Guide outlines our prohibition of child labour, forced labour (including human trafficking), physical disciplinary abuse and any infraction of the law. Our Environmental Web-Guide sets out environmental requirements, including the elimination of materials of concern and increasing the use of sustainable materials whenever technically and economically feasible.

Internally, we have adopted Policy Letter 24, our Code of Human Rights, Basic Working Conditions and Corporate Responsibility, to address workplace issues such as working hours, child labour, forced labour, non discrimination, freedom of association, health and safety and the environment. This policy applies to our own operations, and we encourage businesses throughout our supply chain to adopt and enforce similar policies in their own operations. Furthermore, we seek to identify and do business with companies that have aligned standards consistent with Policy Letter 24, including working to cascade these expectations throughout their own supply chain.

Slavery and forced labour can take many forms, including human trafficking or child labour. Ford's [Policy Letter 24: Code of Human Rights, Basic Working Conditions and Corporate Responsibility](#), clearly states that we will not tolerate forced labour (including human trafficking) or child labour in our operations. Our processes include actions to safeguard against human rights abuses (including forced labour and human trafficking) in our supply chain, including:

- Our Global Terms and Conditions (GT&Cs) forbid the use of forced labour, child labour and physically abusive disciplinary practices. Our definition of forced labour includes human trafficking as outlined in our Policy Letter 24. Purchase orders require suppliers to certify

compliance with local laws and the GT&Cs that govern the purchase of goods and services. We reserve the right to terminate our relationship with a supplier if issues of noncompliance with our policies are discovered and/or noncompliance is not addressed in a timely manner.

- We maintain internal accountability, holding all Ford employees and suppliers accountable to the standards on human trafficking set out in Policy Letter 24. Employees and suppliers have multiple avenues through which to register complaints or grievances related to human rights and human trafficking, including a dedicated email inbox and a company hotline
- We regularly assess risk related to human trafficking and forced labour associated with our supply base. Our preliminary assessment is based upon geography, the commodity purchased, supplier quality performance and the nature of the business transaction. Ford performs this risk assessment with input from external stakeholders.
- We conduct training and build capability. We regularly conduct internal training on our Policy Letter 24 and Supply Chain Sustainability Program with our Global Purchasing staff. We also require suppliers in high-risk countries to attend training to raise awareness of Ford's requirements and legal obligations, including those related to forced labour and child labour.

The board of directors of the Company delegated approval of this statement on its behalf to the CEO of the Company, at its board meeting on 27th June 2019.

Charles Bilyeu, CEO, FCE Bank Plc