



Modern Slavery Act 2015: Slavery and Human Trafficking Statement

Financial Year: 1 April 2019 – 31 March 2020

INTRODUCTION

Modern slavery is a crime and violation of fundamental human rights. It takes various forms such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

The Modern Slavery Act 2015 introduced changes in UK law focused on increasing transparency in supply chains. Specifically, large businesses are required to disclose the steps they have taken to ensure their business and supply chains are free from modern slavery.

CATS Colleges recognises that it has a responsibility to take a robust approach to slavery and human trafficking. This statement sets out the steps we have taken and continue to take to ensure that slavery and human trafficking are not taking place in any of our supply chains or businesses and is made pursuant to section 54(1) of the Modern Slavery Act 2015.

ORGANISATION STRUCTURE

CATS Colleges is a provider of higher education and professional educational and learning services in the Education sector. CATS Colleges currently operates in the UK, USA, and China.

APPLICABLE COMPANIES

CATS Colleges includes the following companies within its modern slavery statement for the above period: CATS Colleges Holdings Limited, Stafford House Companies Limited, Stafford House School of English Limited, Stafford House Study Holidays Limited, CEG Colleges Limited, Cambridge Arts & Sciences Limited, CATS Canterbury Limited and CATS College London Limited.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

CATS Colleges has a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships to implement and enforce appropriate and effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in our supply chains. We currently operate the following policies that go to making our employees aware of what is and is not acceptable practice and to allow them to raise concerns where appropriate:

- **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.

- **Employee code of conduct:** The organisation's code of conduct 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.

We also plan to launch a **Supplier Code of Conduct**, using a recommended template provided by CIPS (Chartered Institute of Purchasing and Supply). Suppliers will be required to confirm that they provide safe working conditions, treat workers with dignity and respect and act ethically and within the law in their use of labour.

OUR SUPPLY CHAINS

CATS Colleges does not have complicated supply chains with many levels, or suppliers with numerous subcontractors, however we do work with a wide range of suppliers and partners, some of which rely on agencies to supply both temporary and permanent staff. By the nature of these businesses, some of our suppliers are potentially at a higher risk than others and as such, we use a detailed category management system to ensure management practices are maintained when tendering for goods and services. Our master Categories include; Facilities Management, Professional Services, IT, Marketing, Print & Stationery, Estates Management, Subscriptions, Travel and Utilities. When recruiting staff we only use specified reputable employment agencies to source labour and seek information from the agency before accepting individuals from them.

DUE DILIGENCE PROCESS FOR SLAVERY AND HUMAN TRAFFICKING

CATS Colleges undertakes due diligence prior to appointing new suppliers and regularly reviews its existing suppliers. Our due diligence exercise includes:

- A rigorous 'New Supplier Approval' process (commenced 2019), which assesses suitability against certain requirements (Insurance, Financial status, Health & Safety, GDPR, Modern Slavery and Bribery & Corruption), with sign-off being required from Heads of Legal, Purchasing and Health & Safety. Suppliers are required to accept standard terms and conditions of trading to comply with all applicable anti-slavery and human trafficking laws.
- Following the CIPS (Chartered Institute of Purchasing and Supply) Risk Management process to evaluate levels of risk in our supply chain. Five risk categories are assessed (Country of Manufacture, Goods or Services Provided, Supplier Relationship, Forced Labour Risk Information, Company Specific Questions), against the CIPS recommended risk weighting and a score is applied to each area of assessment.
- Assigning an annual risk score to each supplier.
- Invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, including the termination of the business relationship.



SUPPLIER ADHERANCE TO OUR VALUES

We have zero tolerance to slavery and human trafficking. We continue to review our supply chain management processes to ensure all those in our supply chain comply with our values and their legal obligations. This includes seeking confirmation from existing key suppliers that they have implemented contractual arrangements which prohibit modern slavery and trafficking, and seeking confirmation that they have adopted their own anti-slavery and human trafficking policies. A number of our key commercial supply arrangements already contain specific provisions regarding slavery and human trafficking and any contractual arrangement which do not, will be updated upon renewal. In January 2019 we introduced a new contract database which provides new functionality, allowing us to track and capture data regarding supplier modern slavery and trafficking commitments.

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we will be providing appropriate training to relevant staff to raise awareness and highlight any areas of concern they may have. Building on the training from last year, we continue to invest in staff development and their understanding of technical issues by partnering with programme provider iHASCO, who will be launching a Modern Slavery Training module in 2019.

OUR EFFECTIVENESS AT COMBATING SLAVERY AND HUMAN TRAFFICKING

We have not identified any instances or indications that either slavery or human trafficking occurs in our supply chain. As such, we have not considered it necessary to adopt any formal key performance indicated (KPIs) to measure how effective we have been in ensuring that slavery and human trafficking does not take place in any part of our business or supply chains. We will continue to monitor and review these areas.

PERFORMANCE INDICATORS

CATS Colleges makes two further commitments for the period of this statement:

- We will be requiring all staff working in Purchasing, Operations and Human Resources to have completed training on Modern slavery.
- We will be reviewing our existing suppliers against our enhanced 2019 'New Supplier Approval' process and building a supplier risk register into our contract database to record outcomes. CATS Colleges is absolutely committed to preventing slavery and human trafficking in its corporate activities.

David Newton
CEO, CATS Colleges

Date: 1 April 2019