

SLAVERY AND HUMAN TRAFFICKING TRANSPARENCY STATEMENT FOR THE FINANCIAL YEAR END 28 FEBRUARY 2019

Introduction

Stobart Group Limited (and all of its operating divisions and subsidiary companies) (together the 'Stobart Group') is committed to taking appropriate and proportionate steps to ensuring acts of modern day slavery and human trafficking do not exist within its business and supply chains.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 ('the Act') and constitutes Stobart Group's slavery and human trafficking statement for the financial year ending 28 February 2019.

This statement has been approved by the Board of Directors and signed by Iain Ferguson, the Chairman of Stobart Group. Information contained in this statement is correct to the date of publish.

Company Overview

Stobart Group is one of the UK's leading infrastructure and support service businesses and is listed on the London Stock Exchange. As at the end of the financial year to 28 February 2019, Stobart Group has over 1,100 employees operating across five main operating divisions at sites throughout the United Kingdom.

The operating divisions can be summarised as follows:

STOBART AVIATION

Aims to deliver a first-class passenger experience through its ownership of London Southend Airport, Carlisle Lake District Airport, along with the provision of ground handling services across other UK airports.

STOBART INFRASTRUCTURE

The division has a strong track record of enhancing the value of the Group's assets. It holds our portfolio of commercial properties and our investments in renewable energy plants.

STOBART RAIL & CIVILS

Is one of the UK's leading providers of innovative and efficient rail and non-rail civil engineering projects.

STOBART ENERGY

Is the number one supplier of biomass in the UK, sourcing, processing and supplying fuel to biomass plants under a mix of short and long-term contracts.

STOBART INVESTMENTS

As at 2018/2019 financial year end, our Investments division holds an investment of 11.8% in Eddie Stobart Logistics.

Further details on the divisions can be found at <http://www.stobartgroup.com>

Policies

Stobart Group is committed to ensuring that there is no slavery or human trafficking in our supply chains or in any part of our business.

The Group's internal policies reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

All internal policies are reviewed regularly to ensure they are appropriate, well communicated and promote continued compliance with the Act and other applicable legislation.

Stobart Group has in place the following policies which are relevant to the prevention of slavery and human trafficking in its operations:

Corporate Social Responsibility Policy. This policy is designed to ensure that Stobart Group conducts all business responsibly and with the highest ethical and professional standards.

Whistleblowing Policy. Stobart Group encourage all employees to report any concerns related to the activities of the business, including any worries in relation to slavery and human trafficking. The Group's whistleblowing policy and procedure is designed to ensure that any matter raised under this procedure will be investigated thoroughly, promptly and confidentially.

Equality & Diversity Policy. Stobart Group is committed to achieving a working environment which provides equality of opportunity and freedom from unlawful discrimination, harassment and victimisation on the grounds of race, sex, pregnancy, maternity, marital or civil partnership status, gender reassignment, disability, religion or beliefs, age or sexual orientation.

Ethics Policy. This policy outlines Stobart Group's requirements for conducting business to the highest ethical standards. The Group demonstrates a clear approach to business integrity and ethics, which underlies Group values.

Recruitment Policy. Stobart Group ensures that the process of recruiting employees is fair, consistent, professional and non-discriminatory to both internal and external candidates.

Our commitment - what we do

SUPPLY CHAIN ADHERENCE TO THE STOBART VALUES AND ETHICS

Stobart Group considers its supply chain to be at a 'low risk' in relation to modern slavery and human trafficking. Given the nature of the business and the sectors within which we work, there is no significant utilisation of overseas or unskilled labour, being key areas identified as posing a higher risk; imports are of a minimal amount, unskilled labour is of a small quantity and operations are UK based meaning suppliers are already under an obligation to comply with UK law on forced labour.

SUPPLIER ADHERENCE

Stobart Group demonstrates a zero tolerance to slavery and human trafficking and reserves its rights to terminate any arrangements with any of its suppliers should any modern slavery or human trafficking offence be committed or suspected.

Stobart Group will update its policies and procedures as required to ensure it maintains appropriate safeguards against any mistreatment of persons involved in its supply chain or own business.

EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

Any suspected incidence of slavery or human trafficking within Stobart Group or its supply chain would be immediately reported to the Executive Board in the first instance. It would then be dealt with appropriately, which may include, but is not limited to, terminating commercial relationships, disciplinary action and notifying the relevant authorities.

WHAT WE HAVE DONE IN 2018/2019

In 2018/2019, Stobart Group took the following action:

- Preparation of employee training to be rolled out via e-learning, one on one workshops and as part of all new starter inductions.
- Improve new supplier audit processes to ensure a dedicated section to assess any modern slavery or human trafficking risks with new suppliers and also to include these reviews as part of continuing assessment and audits of our supplier sites.
- Remaining suppliers within the Energy and Rail divisions were written to with a briefing identifying our expectations of our suppliers and consequences should any modern slavery or human trafficking offences be committed or suspected.

WHAT WE WILL DO IN 2019/2020

As part of our on-going commitment to ensuring modern slavery is not present within the Group, we will look to take the following action in 2019/2020:

- Continue to raise awareness amongst employees of modern slavery issues through, e.g. contract provisions and supplier audits.
- Following on from the review of standard supplier Terms and Conditions, continue a further review of our full suite of precedent contracts and terms to ensure all partners, stakeholders and counterparties that we contract with, as applicable, are required to adhere to our relevant policies.
- As our business continues to grow and we engage with more long terms partners, for example, airports, airlines and power plants, work collaboratively to ensure a consistent best practice model is adopted for tackling these issues and ensuring and maintaining compliance.
- Develop an expanded third-party due diligence process to apply to strategic opportunities across Stobart Group to foster a standardised and consistent approach to modern slavery and human trafficking compliance across all acquisitions and investments across the various business units.

Overall, Stobart Group will continue to focus on understanding further our supply chains, identifying risk areas, and increasing awareness amongst employees on the issues of modern slavery and the reporting procedures available to them. We will continue to update policies and procedures as required to ensure appropriate safeguards against any mistreatment of persons are in place.



Iain Ferguson
Chairman
Stobart Group
July 2019