

MODERN SLAVERY ACT 2015

NG BAILEY STATEMENT 2019/20

INTRODUCTION

NG Bailey Group Limited remains fully committed to compliance with the Modern Slavery Act 2015 (“Act”) in all its divisions, not only in its own dealings but in those of its supply chain.

We have continued to take action to combat slavery and human trafficking in our business and will continue to work to ensure this does not occur in our supply chain.

This statement has been published in accordance with the Act and sets out the steps we have taken to prevent slavery and human trafficking in our business and supply chains.

The information contained within relates to the Group’s position and performance for the financial year ending 28th February 2020. As a result of the COVID 19 pandemic, we delayed the publication of this statement as a result of reduced staff capacity, however our policies, processes and due diligence remained active throughout this time.

This statement has been approved by our Directors.



DAVID HURCOMB
CEO

Organisation's structure and business

The NG Bailey group of companies is made up of the following trading companies:

- NG Bailey Group Limited – parent company
- NG Bailey Limited
- NG Bailey IT Services Limited
- NG Bailey Facilities Services Limited
- The Freedom Group of Companies Ltd.
- NGBF Holdings Limited
- Bailey Leasing Limited
- Hamsaard 2019 Limited (formerly known as Kedington (Northern Ireland) Limited)

Our head office is at Denton Hall, Denton, Ilkley, West Yorkshire LS29 0HH.

We are one of the UK's leading independent engineering, IT, facilities services and power infrastructure businesses operating in the UK and Europe. We design, build, operate and maintain buildings, infrastructure and IT services.

We're principally a UK based business with 30 offices across the UK. The majority of our services are delivered in the UK, but on occasion we also operate internationally with projects and teams based overseas.

We employ approximately 3,200 people within the Group, with an annual turnover in excess of £573m. Our people form the backbone of our business and we continue to invest significantly in training.

Our supply chain

Our supply chain includes a mix of large multi-national organisations and SME's delivering a diverse range of products, systems, services and trades. The majority of our immediate trading arrangements are focussed within the UK with specific contracts and individual client needs requiring us to procure goods and/or services from within the EU on an ad-hoc basis, or in some instances, goods are provided on a free issue basis. Our contracted suppliers of goods and services are obliged, through our pre-qualification systems, to mirror our approach to slavery and human trafficking.

Our Group supply chain extends to approximately 3,520 suppliers. This year our rationalisation and alignment programme to reduce the number of suppliers continued across the Group. We are now actively engaging with a reduced supplier base at pre-construction and operational stages to ensure alignment with opportunities and working practices. Our strategy of working closer with a smaller number of key strategic suppliers continues to provide us the opportunity to embed ourselves within our mutual businesses and develop a much clearer view of the entire supply chain.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no slavery or human trafficking in our supply chains or in any part of our business and therefore our Anti-Slavery and Human Trafficking Policy applies to all those who work in any capacity for us, or on our behalf. Our Anti-Slavery and Human Trafficking Policy reflects 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 in our supply chains.

A copy of the NG Bailey Anti-Slavery and Human Trafficking Policy is available on our website and accessible via this [link](#). This year our policy has been updated to include further details on how to report concerns about modern slavery within the workplace.

To re-inforce our commitment to this issue we also make available to all stakeholders via our website www.ngbailey.com, our Code of Integrity for Business Partners, and our Speak Up (whistleblowing) policy along with a Responsible Procurement Charter available at www.freedom-group.co.uk. Each of these documents sets out our expectations of our supply chain and reinforces our zero tolerance of modern slavery in our supply chains.

The Group remains a signatory to the Gangmasters and Labour Abuse Authority Modern slavery protocol as a public commitment of our efforts in this area and voluntarily publishes its reports on the modern slavery registry and is an affiliate member of the TISC reporting website.

Due diligence processes for slavery and human trafficking

As part of the ongoing management of modern slavery within our business we continue to engage across the Group with representatives from our procurement, responsibility, human resources, company secretariat and internal audit teams contributing to the disclosures made in this statement.

We have a zero-tolerance attitude to slavery and human trafficking and during the financial year 2019/20 took the following steps:

- This year the Group completed the Government's Modern Slavery Assessment Tool to further expand our understanding of risk identification and the management of modern slavery for our business. The outputs from this assessment will feed into the ongoing management of modern slavery within our business for the 2020/21 financial year.
- We continue to communicate with our workforce to promote and maintain awareness of modern slavery across the Group via poster and digital communications and by supporting national and global campaigns such as Anti-Slavery Day in October 2019.
- Our UK recruitment policy continues to state that all applicants must be asked to provide at interview original copies of their proof of the Right to Work in the UK, in accordance with the amendment to the Immigration, Asylum, and Nationality Act 2006. It is the recruiting manager's responsibility to check each applicant can provide proof of the Right to Work in the UK and subsequently verify the documents. Furthermore, when new employees join the NG Bailey group of companies, pre-employment checks are conducted. These include ensuring that the bank account details provided for the payment of salary match the name of the employee. Where discrepancies arise, we will discuss with the employee and escalate further where necessary. We do not make any cash payments to any of our employees. We also request a National Insurance number which forms part of an individual's evidence of the Right to Work in the UK.
- Where we utilise the services of temporary labour resource within our business, we seek to comply with the Act through the imposition of several contractual obligations on our third-party agencies. Where we are subject to a third-party contract arrangement, we work with the third party to include details of our expectations with regards to the prevention of modern slavery. Although not a material risk, our Freedom business will work to replicate this over the coming year.
- To enable us to confirm those operating in our supply chain comply with our Anti-Slavery and Human Trafficking Policy we have pre-qualification systems in place across the Group. For the NG Bailey supply chain this requires all new suppliers to reference and support with evidence, their approach to tackling slavery and human trafficking. In addition, where obligated under the Modern Slavery Act 2015, we are also asking our supply chain to share their Modern Slavery Statements with us so we can understand more about the due diligence processes in place within our supply chain, currently 58 suppliers have volunteered this information. For existing suppliers, the disclosure process is ongoing across the Group. In the NG Bailey supply chain 95% of respondents agreed to operate in line with our Code of Integrity for Business Partners, which

explicitly outlines our requirements around Modern Slavery. In our Freedom business 100% of our sub-contractors completed pre-qualification questionnaires with 21% making specific reference to Modern Slavery Act 2015 compliance.

- NG Bailey Limited audited a further six organisations as part of its supply chain audit programme during 2019/20. Freedom is also committed to conducting modern slavery audits of their supplier population and are mobilising to deliver these in our 2020/21 reporting year.
- In our NG Bailey businesses our standard trading terms, commercial agreements and subcontract conditions contain a provision that places an obligation upon our supply chain to mirror our slavery and human trafficking commitments and to ensure their compliance with the Act. Our Freedom business will work to replicate this over the coming year. Our standard payment procedures dictate that we do not make cash payments to our supply chain.

Continuing to manage our risk

We previously set a series of key performance indicators (KPIs) to facilitate continuous improvement in our management of modern slavery. Our performance against these KPI's is disclosed in the table below:

KPI	Status	Update
Target training to 100% of our procurement professionals.	Ongoing	The group procurement senior leadership team were collectively engaged with regards to our obligations under the modern slavery act with a view to ensuring their learning is cascaded to the operational teams within our business. Modern slavery considerations are being embedded into our Group Procurement policy.
Provide relevant updates to our employees on the continued risk of slavery and human trafficking to our business to ensure awareness is maintained.	Ongoing	Our ongoing poster campaign continued within the business and successfully rolled out to our Freedom business maintaining the awareness across the Group. This was further supported by Anti-Slavery Day communications in October 2019.
Continue to map our spend profile to the Global Slavery Index on an annual basis in order to develop a 'Heat Map'. Any spend falling within the high-risk regions, either directly or indirectly will be subject to a higher degree of scrutiny.	Ongoing	NG Bailey and Freedom have both independently conducted the BRE ethical labour assessment as part of the commitment to managing modern slavery and will seek to make more progress in 2020/21 reporting year.

We will continue to work towards the delivery of our KPI's in the forthcoming year.

Further steps

We remain committed to the ongoing delivery of the further steps outlined below. These steps are designed to reinforce our effort to prevent modern slavery occurring in our supply chain and an update on our progress has been provided below:

Further steps	Status	Update
Monitoring our performance against the KPI's listed above and communicating to the business where performance needs to be strengthened.	Ongoing	Expertise from across the Group continues to inform the disclosure made in this statement, monitoring progress against our KPI's, effecting change and communicating updates to the business. We will focus on improving supply chain communications with a view to embedding our Code of Integrity for Business Partners further across the NG Bailey Group.
Consider and determine an audit methodology to ensure compliance within our supply chain.	Achieved and ongoing	The supply chain audit programme completed a further six audits across a range of business-critical suppliers for NG Bailey Limited in 2019/20. Our Freedom business unit is seeking to replicate this approach in the 2020/21 reporting year.
Where satisfactory controls do not currently exist, collaborate with our supply chain to develop an agreed approach to modern slavery and human trafficking.	Ongoing	Together, our supply chain is required to disclose their position on modern slavery before commencing works and our supply chain audit programme incorporates critical questions regarding modern slavery. Where a supplier does not meet our standards, we will assist them in improving and are examining learning pathways to enable them to do so.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ended 28th February 2020.

David Hurcomb

SIGNATURE TO BE INSERTED

Chief Executive

NG Bailey Group Limited

December 2020