

MODERN SLAVERY ACT 2015

NG BAILEY STATEMENT 2018/19

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.

This year, 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.

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 33 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 operating overseas.

We employ approximately 3,500 people within the Group, with an annual turnover in excess of £550m. Our people form the backbone of our business and we continue to invest significantly in training.

Following the acquisition of Freedom in March 2018, this is the first year that The Freedom Group of Companies Ltd is incorporated into the Group statement. Freedom is a leading provider of infrastructure support services to the utility sector and consists of a number of business units along with a network of franchise companies operating around the UK.

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 3,900 suppliers, which has grown following the Freedom acquisition. This year, our rationalisation and alignment programme to reduce the number of suppliers continues and our first phase in NG Bailey Limited has been completed. 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 as such 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](#).

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.

Due diligence processes for slavery and human trafficking

As part of the ongoing management of modern slavery within our business we continue to have a cross functional working group incorporating representatives from our procurement, legal, responsibility, human resources and internal audit teams from across the trading companies within the Group.

We have a zero-tolerance attitude to slavery and human trafficking and as such have assessed the risk to our organisation as part of our development of this statement and have taken the following steps:

- As part of our ongoing engagement with our supply chain, we have engaged directly with almost 200 suppliers across our regional operations via Customer of Choice supply chain events. We utilised this opportunity to raise awareness and communicate our position on modern slavery with signposts to further guidance and support.
- The Group has become a signatory to the Gangmasters and Labour Abuse Authority Modern slavery protocol as a public commitment of our efforts in this area.
- 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 a number of 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 ensure all those in our supply chain and contractors comply with our Anti-Slavery and Human Trafficking Policy we have a pre-qualification systems in place across the Group. This requires all new suppliers to reference and support with evidence, their approach to tackling slavery and human trafficking. For existing suppliers this disclosure process is ongoing. In addition, NG Bailey Limited has implemented its supply chain audit programme

including specific Modern Slavery questions. This programme continues to roll out across the business. Freedom is also committed to conducting modern slavery audits of their supplier population and in 2018/19 completed 3 audits.

- 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

In our 2017/18 statement we set out a series of key performance indicators (KPIs) to measure how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains. Our performance against these KPI's is disclosed in the table below:

KPI	Status	Update
Target training to 100% of our procurement professionals.	Ongoing	Our procurement teams have been directly engaged and involved in the customer of choice events taking place across our supply chain throughout the year and continue to directly contribute to our annual disclosure process. Following a restructuring of the procurement team we will be reviewing training requirements with a view to achieving the 100% training target by the close of the 2019/20 financial year.
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 remains visible across the business and will roll out across our Freedom business locations in 2019 to ensure awareness across the Group. We will continue to ensure that employees are kept informed of modern slavery where relevant and appropriate.
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 this year as part of the commitment to managing modern slavery. We will seek to "heat map" the risk for our global supply chain within the 2019/20 financial 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	Our cross functional working group continues to be reinforced by expertise from across the Group and now also includes representatives from Freedom. The working group remains responsible for monitoring progress against our KPI's, effecting change and communicating updates to the business.
Consider and determine an audit methodology to ensure compliance within our supply chain.	Achieved and ongoing	The supply chain audit programme completed 39 audits across a range of business-critical suppliers for NG Bailey Limited in 2018/19 and a further 3 audits were conducted by Freedom. We have been encouraged by the level of awareness in our supply chain and it continues to form a core part of the audit programme. Further audits are planned for 2019/20 across the Group.
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.

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 1st March 2019.

David Hurcomb



Chief Executive

NG Bailey Group Limited

June 2019