



NG Bailey

# ***Modern slavery statement***

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*for financial year ended February 2023*

PASSION | INTEGRITY | RESPONSIBILITY | EXCELLENCE

## INTRODUCTION

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

2022/23 (“Reporting Year”) has been a challenging year as significant inflationary pressures, the lingering effects of the pandemic and political uncertainty have impacted our sectors. Despite these difficult conditions, the group is well placed for the future with a balanced portfolio of strategic opportunities in recession resilient sectors. We continue to focus on ensuring the business is managing its risk accordingly, with modern slavery being a key consideration.

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 chain. These measures provide a broadly effective mitigation of modern slavery risk within the group’s operations and immediate supply chain. The group will continue to keep its practices, procedures, and training programmes under review to ensure ongoing effectiveness and continuous improvement.

The information contained within relates to the group’s position and performance for the financial year ended 3<sup>rd</sup> March 2023.

This statement was approved by our Board of Directors on 7<sup>th</sup> June 2023 and signed on its behalf by David Hurcomb, CEO (7<sup>th</sup> June 2023).

## 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

Our registered head office is 7 Brown Lane West, Leeds, LS12 6EH.

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

We're principally a UK based business with a footprint across the UK. Whilst the majority of our services are delivered on projects in the UK, 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 of approximately £550m.

## Our supply chain

Our supply chain includes a mix of large multi-national organisations and small and medium enterprises (SMEs) delivering a diverse range of products, systems, services, and trades. The majority of our immediate trading arrangements are focused 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. In some instances, goods are provided to us by clients on a free issue basis. Whilst most of our supply chain is UK based and therefore of a lower risk, we acknowledge that our wider supply chain will extend on a global scale and with potentially increased risk. Our contracted suppliers of goods and services are obliged through our pre-qualification systems, to mirror our approach to slavery and human trafficking. We continue to engage with our supply chain to enhance our understanding of their processes and controls for the management of modern slavery in their supply chain.

Our group supplier base extends to approximately 3,600 suppliers of which approximately 450 suppliers account for 80% of our spend. Our supply chain is subject to a pre-qualification process and must be approved before use. We are engaging with our supplier base at pre-construction stage to ensure

alignment with opportunities and working practices. Our delivery model is subject to client and customer requests and therefore we retain regional coverage for certain categories of goods and services. 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.

We acknowledge the pressure that late payments can create with the supply chain and how this can contribute to the risk of modern slavery in our sector. Payment performance in our sector is inherently challenging due to complex supply chains, contractual terms, and the impact of disputes. However, we recognise the importance of supporting our supply chain and that making payments on time reduces pressures which might otherwise result in exploitation. We continuously invest in our processes and procedures to pay our supply chain on time and during 2022/23, we invested in our electronic procurement platform, improving the speed, accuracy and supplier experience of e-invoicing and supplier onboarding and integration. Our payment performance reporting remains consistently strong with the percentage of invoices paid within 60 days in 2022/23 remaining at 97% (2021/22: 97%), an improvement of approximately 40% since 2019. We closely monitor our payment performance and regularly report on it to the Board and Audit Committee, and it will continue to be an area of focus.

### Our policies on slavery and human trafficking

We are committed to ensuring that there is no slavery or human trafficking in our supply chain or in any part of our business. 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 implement and enforce 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 reinforce our commitment, we also make available to all stakeholders via our website [www.ngbailey.com](http://www.ngbailey.com), our Code of Integrity for Business Partners, and our Speak Up (whistleblowing) policy. Each of these documents sets out our expectations of our supply chain and reinforces our zero-tolerance of modern slavery in our supply chain.

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, publishes its reports on the modern slavery registry and is an affiliate member of the Transparency in Supply Chains (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, internal audit & assurance and legal teams with all contributing to the disclosures made in this statement.

We continue to have a zero-tolerance attitude to slavery and human trafficking and during the financial year 2022/23 took the following steps:

- Our new combined HR, payroll and learning & development system, MyDayforce, is live across the business. The new system enables us to manage our recruitment, onboarding, people management and training & development in a more transparent, streamlined, and efficient manner
- Our UK recruitment and selection policy, offer of employment letter and contract of employment state that all applicants are required to provide proof of their Right to Work in the UK, in accordance with the amendment to the Immigration, Asylum, and Nationality Act 2006
  - The People Services team and recruiting managers within NG Bailey are responsible for ensuring each applicant can provide proof of their Right to Work in the UK, in line with the Home Office Guidance dated 6<sup>th</sup> April 2022. We utilise the services of TrustID, a certified digital identity services provider (IDSP), to conduct Right to Work checks; with recruiting managers conducting the required imposter checks with candidates. For candidates who are not eligible to use this service, the recruiting manager conducts a manual check to review the validity of their documents in the presence of the holder, taking a copy of their documents which are stored centrally. As part of the induction process in MyDayforce, a recruiting manager is required to confirm the imposter check has been completed. Further guidance was provided to managers and those responsible for recruitment to reflect changes that came into effect from the Home Office on 6<sup>th</sup> April 2022 and again with the introduction of TrustID
  - As a group we understand the requirements for employing individuals from outside of the UK. Our recruiting managers work closely with our People Services team throughout this process and whilst the group has a sponsorship licence, there are only a few roles within our business that would be eligible for sponsorship (on the list of skill shortages). Nevertheless, we understand and comply with our reporting responsibilities and Home Office requirements
  - For individuals joining the group from outside of the UK, online checks via the Home Office are conducted in support of a candidate's proof of the Right to Work in the UK. This includes EU nationals and individuals with biometric residence permits. The group keeps a record of all

colleagues with time-limited Right to Work documentation and ensures that follow up checks are completed monthly to ensure colleagues hold continued valid Right to Work documentation

- Furthermore, when new employees join the group, other pre-employment checks are conducted by our People Services team, where appropriate. These include references and relevant qualification / training checks and a request for a National Insurance number which also forms part of an individual's evidence of the Right to Work in the UK. Where discrepancies arise, we will discuss with the employee and escalate further where necessary
- We do not make any cash or cheque payments to any of our employees with all payments made via direct bank credit directly to an account authorised by our employee. Employees have access to our new MyDayforce system which has a password protected self-service facility for them to manage their personal details including bank account information
- 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 that requires compliance with the relevant laws pertinent to the provision of the resource, including compliance with modern slavery legislation. 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
- Across the group our standard trading terms, commercial agreements, subcontract conditions and our Code of Integrity for Business Partners, which is incorporated into our agreements, contain the relevant provisions 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 standard working practices and procedures in making payments continue to ensure that we do not make cash payments to our supply chain
- 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 new suppliers to provide information and evidence of 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 or policies with us so we can understand more about the due diligence processes in place within our supply chain. For existing suppliers, the disclosure process is ongoing through our continuous refresh of supplier information with respondents required to agree to operate in line with our Code of Integrity for Business Partners, which explicitly outlines

our requirements around modern slavery. Where suppliers do not agree to the Code, we seek to engage with them to understand their policies and procedures prior to commencing work

- In our Freedom business, a new supplier performance platform has been launched this year which enables both operations and procurement to score all our approved supply chain on specific performance areas such as quality, health and safety and operational efficiency. This will enable ongoing checks of our modern slavery commitments, supporting the procurement function in its due diligence processes
- In 2022/23 Freedom maintained a 100% record of new sub-contractors and suppliers completing pre-qualification questionnaires accepting our requirement to comply with the modern slavery obligations. We undertook a review of all our existing suppliers; currently 58% have accepted our updated modern slavery obligations and Code of Integrity for Business Partners. The work to reach closer to 100% will continue in 2023/24

### Continuing to manage our risk

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

KPI	Status	Update
Target training to 100% of our procurement professionals.	Ongoing	This year, in conjunction with the Supply Chain Sustainability School (SCSS), our procurement and work winning functions were invited to attend a modern slavery workshop. The workshop was delivered successfully with 63% of our procurement and work winning team now trained and further workshops planned for 2023/24. We also integrated the SCSS modern slavery e-learning modules into our own learning management system and plan to review mandatory learning requirements in 2023/24.
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 Anti-Slavery and Human Trafficking Policy, Speak Up (whistleblowing) and our Code of Integrity for Business Partners have been all been updated in the reporting period and made available internally to all employees as well as externally via our website for third parties. These policy updates continue to reinforce the zero-tolerance position and we continue to encourage our employees to engage with the modern slavery e-learning resources now available within our own e-learning management system. We encourage our supply

KPI	Status	Update
		<p>chain to continue to engage with resources available through our partnership with the SCSS.</p> <p>We encourage all concerns to be reported either in person or anonymously in line with the policies above. In the reporting period, the business did not identify any instances of modern slavery, and no reported complaints or grievances were raised.</p>
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	Whilst our overall exposure continues to be low, in those sectors where the forced labour risk has potential to be higher e.g. garment production for uniform and PPE, we have taken steps to engage directly with the supply chain at tender stage with requests for information and documentation relating to their processes and controls in order to minimise the risk of modern slavery occurring within our supply chain.

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 is 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 are focused on improving supplier communication to improve transparency across the group.
Consider and determine an audit methodology to ensure compliance within our supply chain.	Ongoing	A review of supplier onboarding and management took place in 2022/23 with our procurement teams working to identify areas where our processes could be further improved. A revised onboarding process is due to be implemented in our Engineering business shortly and this will be rolled out across the remainder of the group in 2023/24.

Further steps	Status	Update
Where satisfactory controls do not currently exist, collaborate with our supply chain to develop an agreed approach to modern slavery and human trafficking.	Ongoing	Our supply chain is required to disclose their position on modern slavery before commencing works and our controls remained in place throughout 2022/23. As our new onboarding process rolls out in 2023/24, we will seek to ensure that any organisation falling short of our standards is supported in taking action to align with our approach.

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 3<sup>rd</sup> March 2023.