

Modern Slavery and Human Trafficking Policy Statement



We are a civil engineering, building and groundworks company based in the Midlands and operating throughout the UK supporting the country's largest organisations within construction. Essentially, we are a family founded business that is values driven and managed as a professional corporate entity, underpinned by continued investment and a customer-centric focus. Indeed, we believe that most values are relevant but the single one we wish to emphasise is "INTEGRITY" which represents a concept of consistency of actions, values, methods, measures, principles, expectations and outcomes.

Slavery and human trafficking remains a hidden affliction globally. This statement sets out our actions to understand all potential modern slavery risks related to our business and to put in place steps aimed at ensuring that there is no slavery or human trafficking within our business or supply chains. This statement relates to actions and activities during the financial year 1st November 2018 to 31st October 2019.

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

We realise that slavery and human trafficking can occur in many forms, such as forced labour, child labour, domestic servitude, sex trafficking and workplace abuse. Therefore, throughout this statement we use the terms 'slavery and human trafficking' to encompass all these various forms of coerced labour.

Organisation Structure and Supply Chains

Applicability - This statement covers the activities of McDermott Investments Ltd (not trading); McDermott Holdings Ltd (not trading); and McDermott Building & Civil Engineering Ltd (trading as McDermotts.)

Scope - This statement covers our activities in the construction industry.

Country of operation and supply – We operate in the United Kingdom.

Responsibilities – The overall responsibility rests with the Managing Director for setting and maintaining the policy and interventions. Special responsibilities are assigned as follows:

- Supply chain – Commercial Director
- Labour/agencies – Financial Controller

Policies

We have a range of complementary policies including:

- HR policies contained in the Employee Handbook – we have included specifics on Modern Slavery in the last year
- Equality policy statement
- Sustainable procurement policy statement
- Ethical code of conduct statement

In the year we plan to evolve our modern slavery reporting and ethical sourcing policies.

Due Diligence

We are certified to ISO9001, ISO14001, OHSAS18001, and Achilles Building Confidence. Due diligence controls within our business management system are intended to meet the requirements of these certifications and associated legislation such as the Immigration, Asylum and Nationality Act 2006 (as amended), and include:

Procedures

- Recruitment procedure
- Agency procedure (selecting/appointing agency)
- Purchasing procedure (selecting/appointing supplier)
- Subcontractors procedure (selecting/appointing supplier)

- Procedure for reporting concerns and the protection of whistleblowers

Documents

- Subcontractor terms and conditions – with specific references to Modern Slavery to be introduced in the year ahead
- Supplier terms and conditions – with specific references to Modern Slavery to be introduced in the year ahead
- Labour agency terms and conditions
- HR starter pack

Risk Assessment

The overall risk of slavery and human trafficking within our immediate supply chain is deemed low on the basis of our immediate supply chain being UK based and the fact that we do not directly import products from countries at risk of forced labour as identified by the annual Global Slavery Index (GSI).

We are evolving a risk assessment approach to align with due diligence processes that involves profiling high spend areas where we have more leverage and potential for impact. We will need to collaborate directly with our immediate suppliers to further profile products and country of origin further down the supply chain. Documented assurances will be required for all products directly sourced from countries rated CCC, CC, C and D by the annual Global Slavery Index (GSI) as the estimated prevalence of modern slavery by country.

Performance Indicators

We have reviewed our performance indicators in light of the introduction of the Modern Slavery Act 2015. The relevant performance indicators identified are:

- 100% training for Board, procurement and HR by the end of October 2017 – Complete
- 100% assessment of every supplier when directly sourcing from countries rated CCC, CC, C and D
- 100% of labour attending site shall have a CSCS affiliated card and registered for work via our induction and biometric systems – Ongoing. In the more recent financial year we have extended biometric systems to all our supply chain working on our project sites
- Zero modern slavery prosecutions within the McDermott Supply Chain – Ongoing monitoring

Effectiveness

There were no reported instances of slavery and human trafficking relating to our immediate supply chain within the period 1st November 2017 to 31st October 2018. We will continually enhance the effectiveness of our slavery and human trafficking due diligence processes.

Training and Awareness

Whilst performance indicators exist for relevant personnel within the company, our organisation will also:

- Incorporate modern slavery and human trafficking into our corporate and project site induction programmes
- Follow-up our awareness briefing conducted in the most recent financial year with routine refresher across the business

This policy is publicly available to all interested parties through a link on the home page of our website and will be reviewed and updated at the end of the next financial year (by end October 2019).



Malcolm McDermott
Managing Director

Date: October 2018