

GROUP MODERN SLAVERY POLICY STATEMENT

August 2024

McLaughlin & Harvey is committed to protecting and respecting human rights and have a zero-tolerance approach to slavery, human trafficking and labour exploitation in all its forms. This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 and sets out the steps we have taken and will take in relation to slavery and human trafficking.

Modern slavery (all forms of slavery), human trafficking and labour exploitation

McLaughlin & Harvey, our suppliers, and partners are committed to educating, identifying, and tackling any instances of modern slavery, illegal working and labour exploitation within our respective labour and supply chains that go beyond legal compliance.

Modern slavery is the term used within the UK and is defined within the Modern Slavery Act 2015 (the 'Act'). The term is used to encompass slavery, servitude, forced and compulsory labour, bonded and child labour and human trafficking. Modern slavery is a separate issue to illegal working as illegal workers are not always victims of modern slavery.

Human trafficking is where a person arranges, or facilitates, the travel of another person with a view to that person being exploited.

Labour exploitation is the abuse of people in the workplace for profit.

Illegal working is undertaken by individuals who have entered the UK illegally, overstayed their permission to be here, or have permission to be in the UK but are subject to a condition preventing them from working or doing the work in question.

Our Business

McLaughlin & Harvey Group is a construction and civil engineering firm with over 170 years of experience. The company operates throughout the United Kingdom and Ireland delivering quality construction, civil engineering, fit-out projects and facilities management services to various sectors including healthcare, education industrial, retail, sports venues, transport infrastructure, environmental, marine, commercial, residential and leisure.

McLaughlin & Harvey Group have a number of subsidiaries including Rocklyn Engineering who are specialists in fabric structures, Interactive Ireland Ltd who provide bespoke strategic sales and marketing solutions and Barr Environmental who are one of Scotland's leading waste management companies operating a variety of high quality waste treatment recycling and residual disposal facilities.

Our Supply Chains

Our supply chains include companies who supply raw materials, specialist trade contractors who undertake supply and fix contracts, labour only subcontractors, labour only recruitment and specialist professional organisations who provide a range of services across the portfolio of projects we deliver for our clients. We recognise the importance of understanding the potential risks of modern slavery and human trafficking in these areas.

Our Business Partners

Our business partnerships and memberships include clients, delivery partners and community stakeholders who support our approach to slavery, human trafficking and labour exploitation. Including but not limited to Business in the Community, Supply Chain Sustainability School, Members of Achilles Labour Practice Group and SCAPE Modern Slavery Working Group.

Risk Assessment & Management

McLaughlin & Harvey annually review the parts of our business and supply chains where the risks of modern slavery are highest. This currently includes subcontracted packages, onsite and offsite activities, supply of raw materials, subcontracting chains, tiered subcontracting, and recruitment agencies.

Subcontracted Packages: Modern slavery risks may arise in subcontracted labour for specific packages, including but not limited to low-skilled and/or physically demanding labour in subcontracting.

- Onsite: Groundwork, demolition & excavation; Concrete & masonry; Drylining & plastering; Roofing & waterproofing; Cleaning; Security.
- Off Site: Recycling waste management picking lines.

Supply of raw materials: Materials like timber, metals, or minerals might be sourced from areas where labour exploitation is prevalent.

Subcontracting chains and tiered subcontracting: Modern slavery risks can increase when subcontracting occurs at multiple tiers.

Recruitment Agencies: Risks may arise if these agencies engage in unethical practices such as charging excessive fees to workers.

Our Commitment

We recognise that modern slavery is a significant global human rights issue. Our Anti-Slavery and Human Trafficking Policy reflects our commitment to act ethically and with integrity in all our business relationships. We implement effective systems and controls to ensure slavery and human trafficking is not taking place anywhere within our supply chain.

Policies & Procedures

McLaughlin & Harvey implements robust third-party accredited policies and processes, supported by education, auditing, supplier engagement and shared knowledge. These provide the basis for how we reduce both the risks to business and the opportunities for those who seek to exploit vulnerable people.

Underpinned as signatories of the Gangmasters and Labour Abuse Authority Construction Protocol and engaged in annual renewals of the Modern Slavery Assessment Tool (MSAT) and Ecovadis Certification.

Our suite of policies set out the Company's expectations and requirements to prevent modern slavery, human trafficking and labour exploitation.

Employee: Our employees are expected to conduct themselves ethically and with integrity as outlined within our Employee Code of Conduct and related policies.

Recruitment Practices: We have rigorous recruitment processes in place to ensure that all employees are recruited freely and are not subject to any form of coercion or exploitation.

fundamental principle of the Company's policy is that all staff involved in the selection and recruitment process must be appropriately trained.

Supplier: We require all our prequalified suppliers to adhere to our Supplier Agreement and Requirements document, which explicitly details our requirements in relation to Modern Slavery, human trafficking, and labour exploitation. Additionally, our subcontract orders include a clause on anti-slavery and human trafficking, requiring our suppliers to have their own systems and controls in place to adhere to the Modern Slavery Act 2015.

Additional policies to prevent modern slavery, human trafficking, and labour exploitation out with direct employee processes: Tax Strategy, Sustainable Procurement Policy & Social Impact Policy.

Due Diligence

We conduct due diligence on suppliers and subcontractors to assess and mitigate the risk of modern slavery. Our due diligence encompasses the appointment of supply chain and labour providers, and monitoring of the supply chain.

Due diligence in the appointment of supply chain

As Constructionline Gold registered our supply chain is appointment on their credibility, legitimacy, and ability to manage labour rights. Suppliers are asked for their process for checking right to work and how they mitigate risk of modern slavery practices.

We prequalify our subcontractors, map and validate their Constructionline certification (PAS91) to ensure minimum Modern Slavery Policy compliance.

Notification of requirements and standards included in

- Subcontract work package agreement
- Subcontractor SHEQ requirements document

Our collaborative and a united approach is essential for reducing the risks for exploitative practices and provides the framework to deliver a more resilient supply chain through effective partnerships and information sharing.

Due diligence in the appointment of labour providers

McLaughlin & Harvey partners with a select number of preferred labour providers (PLP) who prequalify to meet the terms of service for labour including Modern Slavery and ethical working practice. Agencies outside of this PLP are not authorised to be contact, used or be onsite.

This ensures we have established due diligence checks in the appointment of labour providers and only contract formal labour providers with an identifiable legitimate business entity.

Due diligence in the monitoring of supply chain

Map high risk packages: Undertake high-level assessment of supply chains, including direct and indirect suppliers, labour providers, and contractors to identify high-risk suppliers.

Right to work checks: Online pre-induction completion with supply chain right to work verification included. Site management team right to work checks completed when required.

Internal audit: SHEQ advisor site audit includes random worker selection CSCS or equivalent validity.

Undertake random workforce engagement surveys: Labour Practice Audits and 'right to work' checks focused on high-risk packages, and share key learning, key risks, and trends with the wider industry (Achilles independent auditor).

Compliance Checks: Regular automatic compliance checks completed on our supply chain to test credibility, legitimacy, legal and tax compliance.

Training & Awareness

We provide training to our employees and contractors on the risks of modern slavery and human trafficking, and the steps they can take to prevent and report it.

Training: Annual renewal of compliance training for McLaughlin & Harvey staff including Corporate Criminal Offences.

Education: Engage the workforce including our supply chain to raise awareness through our induction, workshops, and toolbox talks.

Engagement: Engagement through our annual employee engagement survey and ICON employee representative group – this elected and non-elected employee group meets regularly to raise concerns or issues from the workforce.

Whistleblowing

We have a confidential whistleblowing hotline that employees, suppliers, and other stakeholders can use to report any concerns related to modern slavery, human trafficking or labour exploitation.

When potential victims are identified

In the event of victims of modern slavery being identified in the provision of McLaughlin & Harvey, we will:

- Notify the appropriate law enforcement agency/ies
- Work openly and proactively with suppliers to resolve issues and change working practices
- Consider terminating the contract only as a last resort

Effectiveness

We measure KPIs relating to training and due diligence activities to analyse the effectiveness of our policy. We plan to continuously improve based on these analyses. Subject to change the analysis will include:

- Changes in the annual high-risk packages mapped
- % Constructionline certification (PAS91) with Modern Slavery Policy validated
- % online pre-induction completed with supply chain right to work verification completed
- % of internal audits of site worker validity of CSCS or equivalent
- % workforce (including supply chain) awareness training completed
- % workforce compliance training completed
- % of reports of concern/whistleblowing escalated
- % change in the number and types of areas of concern identified in external labour practice audits, employee engagement survey and ICON employee representative group
- % Score MSAT
- Level Ecovadis Certification

Continuous Improvement

We are committed to continuously improving our efforts to combat modern slavery and human trafficking. This includes regular reviews of our policies, procedures, and due diligence processes.

In addition to the above, we commit to collaboration with industry and academia, further supply chain engagement and ethical procurement, plus ongoing due diligence beyond site labour practice audits.

Collaboration with business partners, industry & academia: work with our business partners and appropriate industry bodies, Independent Anti-Slavery Commissioner/GLAA/SCSS and academia to collaborate best practices and share appropriate data to support further research for policy and law reform (through Achilles audits).

Procurement: Target use of appropriate Social Enterprises that support the survivors of Modern Slavery to create employment opportunities and funding platforms for survivors of Modern Slavery.

Further supply chain engagement: Due diligence beyond site labour practice audits including supply chain management system audits (by external auditor) and in partnership with Supply Chain Sustainability School develop a 'learning pathway' which includes modules on Illegal working, modern slavery and labour exploitation.

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 ending 30 June 2024.



David O'Neill

McLaughlin & Harvey