

Modern slavery and human trafficking policy statement



Introduction

This document contains ISG's policy on modern slavery and human trafficking and its statement under s.54 of the Modern Slavery Act 2015.

Policy

Forced or compulsory labour, human trafficking and other kinds of slavery represent some of the gravest forms of human rights abuse in any society. We all have a responsibility to be alert to the risks in both the ISG business and our supply chain.

ISG is committed to conducting all aspects of its business in an ethical and transparent manner. We acknowledge our duties and responsibilities under the Act.

ISG values require that all workers are treated with dignity and respect. We are fundamentally opposed to slavery, human trafficking, forced labour, debt bondage, the sale or exploitation of children and all exploitative practices in the workplace.

ISG requires that all contractors and suppliers do not engage in any such practices, and do not knowingly themselves contract with third parties which do.

ISG values require that it terminates business relations with any contractor or supplier found to be in breach of anti-slavery and human trafficking obligations.

Modern slavery statement

This statement is made by ISG plc on its own behalf and on behalf of all its subsidiary companies within the ISG group. For those subsidiaries that are incorporated in the UK and subject to the reporting requirements under s.54 of the UK's Modern Slavery Act 2015, a list of company names has been provided on the last page of this policy statement.

Our statement sets out the approach that ISG plc and its subsidiary companies have either already taken during the financial year to 31 December 2018, or intend to take during the current financial year, to prevent modern slavery and human trafficking in its business and supply chains.

We are seeking to apply the policies and procedures detailed in this statement across relevant parts of the group but acknowledge it may take time to achieve consistent standards, especially overseas and within our supply chains.

Our business

ISG is a dynamic global construction services company. Our people specialise in fit out, technology, construction and development and are dedicated to delivering places that help people and businesses thrive.

With a worldwide turnover of c. £2.2 billion for the financial year ended 31 December 2018, and an employee base of just under 3,000, we have operations in 20+ countries. Our operations are predominantly based in the UK, but we also have businesses in Europe, the Middle East, Asia and Brazil.

Organisational structure

ISG has historically been managed on a decentralised basis. However, in the more recent history of the group, various changes have been made to centralise certain key functions and to better align each of the group businesses.

ISG employee overview

We are committed to providing a great place to work and this is at the heart of our business strategy. We comply with local minimum age and wage laws and do not employ child labour.

All our employees are:

- paid by bank transfer; we do not allow payment to be made into third party bank accounts, thus minimising the risk of forced or compulsory labour; and
- vetted for the right to work in the country where they are employed. Where employees require a work permit/VISA we ensure they have the necessary documentation in place.

As a responsible employer, we take the welfare of our employees seriously. Our whistleblowing policy encourages employees to report wrongdoing (including exploitation) in any form.

ISG membership of the GLAA

Towards the end of last year, ISG became a member of the Gangmasters and Labour Abuse Authority ("GLAA") Construction Protocol. This involves a collaboration with some of the biggest names in the UK Construction industry to develop innovative and creative ways to get ahead of those who may be looking to exploit workers. We recognise that pro-active action is required to help safeguard the rights and freedoms of certain vulnerable individuals. ISG will be working in partnership with this peer group to share information which may stop or prevent exploitation of workers within the construction industry and to collaborate in helping to raise awareness of the subject and the issues that surround it.

Supply chain overview

The ISG business model means that we work in partnership with a large number of sub-contractors and other suppliers to fulfil our commercial and contractual obligations to our customers.

In common with many companies operating in the construction industry, our supply chain is complex; there are often many tiers of suppliers between ISG (as the main contractor) and the source of the raw materials and labour we use.

We have adopted, or are in the process of adopting, various procedures to ensure that both our existing and potential supply partners understand our values, standards and requirements regarding the prevention of modern slavery and human trafficking within supply chains.

We are aware that the biggest slavery and human trafficking risks for ISG lie in our supply chains, particularly the supply chains of our sub-contractors in higher risk jurisdictions.

As part of our sub-contractor due diligence procedures, during the past year we have incorporated an additional vetting process into our sub-contractor due diligence procedures used within the UK. All potential new sub-contractors who go through our 'Doc-hosting' pre-qualification process are now required to sign up to our '*anti-slavery and human trafficking supply chain commitment*' (the "**Supply Chain Commitment**") before they can be classed as an 'ISG approved sub-contractor'. A copy of our Supply Chain Commitment can be found on ISG's website at www.isgplc.com.

It is our intention that ISG approved contractors, whether based in the UK or overseas, will progressively be required to sign up

to our Supply Chain Commitment. We have made good progress here in the UK during the last 12 months, so that the majority of sub-contractors approved via our 'Doc-hosting' pre-qualification process are now signed up to our Supply Chain Commitment.

However, we acknowledge there is still more work to do in this area. In addition to our UK approved sub-contractors, we also work with a large variety of other suppliers both in the UK and overseas. We need to gradually ensure that all our supplier groups, wherever they are working, are required to sign up to our Supply Chain Commitment; further consideration will be given to this during the course of this year.

Training and awareness

An update on modern slavery and the various issues to be aware of is included in our UK on-site induction training and induction processes. During the course of this year, plans will be considered to start introducing similar requirements within our overseas business.

Relevant UK employees within the group (to include those working in supply chain, procurement, human resources, health & safety and senior on-site roles) are required to complete a modern slavery and human trafficking e-Learning training module. This course covers the requirements of the Act, ISG's obligations, our supply chain expectations and the potential consequences for non-compliance. We maintain a proactive approach to ensuring full compliance for this e-Learning training module from the relevant UK employee groups, and that all new employees joining the business, in one of these relevant roles, complete the training module within a 90-day window from commencement of their employment. Efforts will also be made this year to start the process of expanding our e-Learning training on this subject to our overseas businesses.

During the past few months, we have started to develop links with external authorities to help in the development of our training and awareness campaigns. Several awareness sessions have been organised in conjunction with the City of London Police, to raise awareness within our supply chains and general workforce. Emphasis will be placed on organising more of these sessions, specifically for our on-site employees and sub-contractors, during the course of this year. We will also try to forge relations with other authorities around the UK to run similar awareness training initiatives, where possible.

Some parts of our supply chain are also encouraged to subscribe to classroom and e-Learning modules run by the Supply Chain Sustainability School (of which ISG is a partner), which includes matters relating to modern slavery and human trafficking and the risks they need to be aware of.

Ongoing review

We will continue to review and evolve our anti-slavery and human trafficking policies and procedures over time, as we gradually make progress in the adoption of a common approach throughout our global businesses.

Failure to comply

A failure to comply with the Act, and/or this policy statement will be deemed to be a material breach of the terms of our standard commercial agreements and contracts of employment.

This statement is made pursuant to Section 54(1) of the Act and constitutes ISG plc's slavery and human trafficking statement.

Approved by the ISG plc Board of Directors on 31 January 2019.

For and on behalf of ISG plc

Signed:



Paul Cossell
Chief Executive Officer

Date: 31 January 2019

Subsidiary companies of ISG plc that are incorporated in the UK and also subject to the reporting requirements under s.54 of the UK's Modern Slavery Act 2015 are:

ISG Construction Limited
ISG Retail Limited
ISG Fit Out Limited
ISG Engineering Services Limited