



NG Bailey

2024

MODERN SLAVERY STATEMENT

for financial year ended February 2024

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.

As a family-owned business, our heritage and values influence our approach to business and drive our motivation to make a positive contribution to society. Our vision is to create exceptional environments for present and future generations. We are pleased to report that the group has returned to profitability in 2023/24 (“reporting year”) after a difficult few years with the pandemic and follow-on economic consequences. Whilst market conditions remain challenging, the group has a great platform to grow in a controlled manner with an excellent reputation, extensive operational skills and experience, a diversified, balanced portfolio of activities across recession-resilient sectors with high barriers to entry and a healthy order book. 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. As a result of these measures, the risk of modern slavery is broadly mitigated 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 1 March 2024.

This statement was approved by our Board of Directors on 19 August 2024 and signed on its behalf by Jonathan Stockton, CEO (19 August 2024).

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.

NG Bailey is 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 are 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, most often in Europe.

We employ approximately 3,400 people within the group, with an annual turnover of approximately £600m.

Our Supply Chain

Our supply chain includes a mix of large multinational 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 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 managing the risk of modern slavery in their supply chain.

Our group-wide supplier base extends to approximately 3,600 suppliers of which approximately 450 suppliers account for around 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 the 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 approach of working closer with a smaller number of key strategic suppliers continues to provide us with the opportunity to build strong partnerships 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. 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 have invested in our electronic procurement platforms in 2023/24 to extend their use to more of our supply chain, improving the speed, accuracy and supplier experience of invoicing. Our payment performance reporting remains consistently strong with the percentage of invoices paid within 60 days in 2023/24 improving to 98% (2022/23: 97%), an improvement of approximately 40% since 2019. We closely monitor our payment performance and regularly report on it to the Board and Audit & Risk 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 are 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, our Code of Integrity for Business Partners, our Ethical Working Policy 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. We continue to 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.

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.

Risk Management and Due Diligence Processes

We continue to have a zero-tolerance attitude to slavery and human trafficking and during the financial year 2023/24 took the following steps:

- As part of the ongoing management of modern slavery within our business we implemented a modern slavery working group consisting of four key workstreams: supply chain, labour and recruitment, training and communication, and governance policy and disclosure. The working group consists of specialists within their field and represents all areas of our business. The working group met three times in the reporting year and will continue to meet throughout 2024/25 to benchmark and monitor performance, implement change as best practice evolves and drive progress to bring continuous improvement in our policies and processes
- In the reporting year, we benchmarked our current management processes and controls and our modern slavery disclosures, which was then independently reviewed by a third-party. These reviews identified both areas of good practice and potential improvement within our business. Over the next 12 months, the working group will continue to review the potential improvement areas and implement changes as necessary
- Our 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 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, a recruiting manager is required to confirm the imposter check has been completed

- 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
- New starters have been required to complete a modern slavery training module this year. Additionally, we have developed a new induction process aimed at building knowledge and understanding of modern slavery and the Act. The updated induction process is due to launch in the 2024/25 financial year
- We do not make any cash or cheque payments to any of our employees with all payments made via bank credit directly to an account as given to us by our employee. Employees can access and manage their personal details, including bank account information, through our secure, combined HR, payroll and learning and development platform, MyDayforce, which requires a password for login
- 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. Recently, we renegotiated our main third-party terms in our Engineering business and ensured that modern slavery requirements for compliance, disclosure and audit were robust

- Our standard business agreements (including our contracts, trading terms, commercial agreements and subcontract conditions) all incorporate compliance with our Code of Integrity for Business Partners. This Code outlines our zero-tolerance expectations regarding slavery and human trafficking. It requires our suppliers to mirror our commitments in this area and to comply with relevant legislation, such as 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 Act, 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. This document 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 the reporting year, Freedom maintained a 100% record of all new subcontractors and suppliers completing pre-qualification questionnaires accepting our requirement to comply with the modern slavery obligations. We are undertaking a review of our existing supply chain and have set a target of 85% of our current providers to have been re-approved through our latest pre-qualification questionnaire by the end of 2024/25

Continuing to Manage our Risk - Key Performance Indicators (KPIs)

Our modern slavery working group has reviewed our existing KPIs and as a result we have set a series of new KPIs to drive progress and encourage continuous improvement. Our updated KPIs are set out below and are being progressed by the modern slavery working group:

KPI	Timescale for completion
100% of suppliers with whom we spend more than £2m per annum, are to complete modern slavery online learning via the Supply Chain Sustainability School (SCSS) or provide evidence to demonstrate that training to an equivalent standard has been undertaken.	To be complete by end of February 2025.
Identify high risk modern slavery regions for our industry and map them against the existing supply chain. Use this information to develop and implement a tailored risk mitigation plan.	To be complete by end of February 2025.
At least 75% of resourcing suppliers will be audited in 2024/25, increasing to 100% in 2025/26 and annually thereafter.	At least 75% in 2024/25, increasing to 100% in 2024/25 and annually thereafter.
100% of all new employees to complete modern slavery training within three months of them starting their role.	Ongoing throughout 2024/25.
100% of the resourcing team will have completed enhanced modern slavery training within three months of them joining the team.	To be complete by end of February 2025.
100% of employees who are in a role that could influence or control supply chain activities will have completed enhanced modern slavery training within three months of starting the role.	To be complete by end of February 2025.
Identify other roles within our group beyond our resourcing and procurement teams who would benefit from modern slavery training and roll out learning requirements.	To be complete by end of February 2025.
Make available to all employees an interactive masterclass that shares best practice examples.	To be complete by end of February 2025.
Integrate training around prevention of human rights abuses into our People Leader, Graduate and Apprentice Programmes.	To be complete by end of February 2025.
Enhanced training is made available to our workforce forum representatives.	To be complete by end of February 2025.
Publish on-site posters / key communications in dual languages based on most common victim profiles.	To be complete by end of February 2025.

The below historic KPIs, have been superseded by the revised KPIs above. They are included in this report with a progress update for completeness:

KPI	Update
Target training to 100% of our procurement professionals.	This year, 100% of our procurement professionals completed our e-learning modern slavery training.
Provide relevant updates to our employees on the continued risk of slavery and human trafficking to our business to ensure awareness is maintained.	Our Anti-Slavery and Human Trafficking Policy, Speak Up (whistleblowing) and our Code of Integrity for Business Partners are available internally to all employees as well as externally via our website for third parties. These policy updates continue to reinforce our zero-tolerance position on modern slavery and we continue to encourage our employees to engage with the modern slavery e-learning resources available within our combined HR, payroll and learning and development platform, MyDayforce. We encourage our supply chain to continue to engage with resources available through our partnership with the SCSS.
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.	Whilst our overall risk 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 over the forthcoming year.

Further Steps

We remain committed to the ongoing mitigation of modern slavery in our business and will be taking further steps throughout the next year. These will include but are not limited to the following:

- Continuing the modern slavery working group with each key workstream developing strategic areas of focus with regular progress updates to our Audit & Risk Committee
- Monitoring our performance against the KPI's listed above and communicating to the business where performance needs to be strengthened
- Communicating more frequently and in different languages to increase visibility across our business and supply chain
- Remaining committed to ongoing investment in technology to support supply chain improvements. To this end, we are currently assessing options for a new supply chain system to help improve the onboarding and ongoing audit and performance management of our supply chain partners
- Updating our audit methodology to ensure compliance within our supply chain and resourcing partners
- Reinvigorating our training provision at various levels to keep the risk of slavery and human trafficking in the forefront of our employee's minds

This statement is made pursuant to section 54(1) of the Act and constitutes our group's slavery and human trafficking statement for the financial year ended 1 March 2024.