

2019

Modern Slavery and Human Trafficking Statement



**Sir Robert
M^cALPINE**

Sir Robert McALPINE

NUMBER OF EMPLOYEES

2000+

NUMBER OF PROJECTS

50+

TURNOVER

£1bn+

YEARS IN BUSINESS

150



THE SECTORS WE OPERATE IN

COMMERCIAL



RETAIL



RESIDENTIAL



HEALTHCARE



INFRASTRUCTURE



INDUSTRIAL



ENERGY



DEFENCE



EDUCATION



SPORT & LEISURE



Our commitment

Our company values are the guiding principles which underlie the way in which we judge our actions and undertake our work. Core to our business is ensuring that we operate in an honourable and responsible manner in everything we do and deliver a built environment that we can all be proud of. We can only do this by seeking to act with the highest ethical and moral standards.

We firmly believe that these objectives can only be achieved by working to ensure that everyone involved in our projects, whether they be our own staff or contributing through our supply chain, are treated with respect, dignity and humanity. We commit to working collaboratively with all our people including those who work with us as part of supply chain to deliver what we hope will be lasting change within our industry and society.

Our Modern Slavery Working Group provides strategic direction to ensure we not only comply with the Modern Slavery Act 2015 but demonstrate continual improvement across our operations to tackle the challenges we face.

Modern Slavery: to include slavery, servitude and forced or compulsory labour; and human trafficking (the Government Guidance Document, ‘Transparency in supply chains etc. A practical guide.’)

Modern Slavery and Human Trafficking Statement

The following Statement has been published in accordance with the Modern Slavery Act 2015 and sets out the actions Sir Robert M^cAlpine Limited and its subsidiaries (Sir Robert M^cAlpine) have taken in the previous financial year (Nov 2017– Oct 2018) to ensure that our business and our industry is as resilient as possible to modern slavery and unethical labour practices. This Statement also looks ahead to the next financial year and indicates what we intend to focus on, given the lessons we have learnt and knowledge we have gained from our work to date.

We are a leading family owned construction and civil engineering company delivering projects within the UK. The projects we deliver cover a wide spectrum of sectors including, commercial, residential, retail, recreational, health care, education and infrastructure. While we deliver projects predominantly within the UK, the nature of our supply chain is global and therefore we must look beyond the UK when assessing the risk of modern slavery and unethical labour practices.

Moving into our 150th year in 2019, we are ever more aware of our responsibilities and are committed to ensuring that all those that work for us, on our sites, in our offices and as part of our supply chain wherever they may be, are not victims of modern slavery.

This Statement sets out our approach to addressing modern slavery and unethical labour practices and similar to last year we will be communicating our intentions to our strategic supply chain and clients. Given that around 80% of our construction activities are undertaken by our supply chain, we will engage and look to the support of our strategic partners in achievement of our goals. We will ensure that the learning we take from our work together is shared to ensure that not only our own company but our industry is as proactive as possible in eradicating modern slavery and unethical labour practices.

Due diligence and risk profiling

We are aware that one of the reasons construction is highlighted as a high risk industry with regard to the prevalence of modern slavery and unethical labour practices is as a result of the multiple layers of subcontracting that results in a lack of transparency. As a principle contractor we need to proactively address and manage that risk by delving deeper into those mechanisms which allow people to hide in plain sight and unethical practices to exist within our industry. This can only be effectively achieved by working with our own people, clients and our supply chain.

In our second Statement last year, we made a commitment to a piece of work assessing our supply chains employment and labour practices. This commitment evolved to working with an independent third party organisation to carry out an initial set of audits of high risk activities. While it was the third party organisation that conducted the audits, a representation from SRM was present at the majority of the audits to ensure that we continue to build on the strong relationships that we have with our supply chain and develop our knowledge in this area in collaboration with them. The companies that were audited were selected using two key risk indicators – the tendency to have elements of work resourced by lower wage earning labour and labour that is often recruited through labour agencies and therefore not directly employed by them. We recognise that this is not an exhaustive measure of risk, but it has provided us with a focused starting position from which to pursue this issue.

Whilst the audits that have been completed have focused on how our sub/trade contractors operate and the processes and procedures they have in place, we have also invited our independent third party partner to carry out Site Worker Engagement Surveys. This enabled us to validate whether the audits were addressing the correct areas as well as ensure any issues that we identified via the audits were in fact manifesting on site. The approach has provided us with the encouragement that our findings last year were such that the audit programme should be extended over the coming year.

While no instances of modern slavery were found as part of our audits, we have gained valuable insight into areas of risk and so are taking this knowledge and are further collaborating with our clients, supply chain and external groups to build further resilience into our processes and how we operate.

Our procurement teams undertake regular reviews with their regional strategic supply chains. We have built into the reviews, key questions on modern slavery and in particular around the due diligence undertaken specifically in respect of labour agencies.

We will continue with our programme of external audits and continue to use the knowledge that we gain to enhance the robustness of our approach and share our knowledge with our industry partners.

Training and capacity building

Our elearning module, which was initially rolled out in 2017, is now firmly established as part of our mandatory induction process for all new Sir Robert M^cAlpine employees. As of September 2018, 98% of all employees had completed the Modern Slavery elearning.

As part of our wider engagement and learning, we supported the 'Modern Slavery and Ethical Labour in Construction Leadership Symposium' for a second year. Our participation included contributions in one of the panel debates and the attendance at the Symposium of a number of Sir Robert M^cAlpine employees, including two Directors. Our people heard first-hand the challenges and learnings we need to take away from others within the industry on how to tackle this issue.

Ethical Labour Sourcing Standard

As highlighted in our previous Statement, we are proud to record that we were the first principal contractor to be verified to the BRE Ethical Labour Sourcing Standard, BES 6002. A key component of the Standard is evidencing working towards achieving the objectives set as part of the verification and the progress we make against these acts as our businesses key performance indicators. Our Modern Slavery Working Group's initial remit was to coordinate the completion of our first Statement. We are pleased to say that it has become an established group, with a Terms of Reference which clearly hold the Working Group to account for providing strategic direction and leadership to ensure that we tackle the issue of modern slavery within construction. The Group is made up of a range of employees from various disciplines, including our Director of SSHEQ, who is a member of the Sir Robert M^cAlpine Senior Leadership Team and reports directly into our Chief Executive Officer.

We also met last year's objectives of updating our Procurement Strategy and the publication of our key policies relevant to our supply chain on our external website. In the effort to provide greater transparency to our supply chain and provide them with a mechanism to report concerns, our [Whistleblowing Policy](#) which includes a Helpline has been included on the external website and is widely published on all our projects.

The Whistleblowing Helpline is a confidential service run by an independent third party, Health Assured. It is available every day of the week and at any time, day or night. The number is 0800 047 4037.

Looking ahead

During the next financial year, working with the BRE we have set ourselves an additional six objectives as part of the Ethical Labour Sourcing Standard. These address both our own organisational strategy and how we further engage with our clients and supply chain. For the first time this year, as part of our Procurement Teams' personal objectives, we have included Key Performance Indicators (KPIs) on this topic, thereby ensuring the success of our strategy is embedded in day to day activities.

As part of our collaboration with the Gangmaster and Labour Abuse Authority (GLAA) Construction Protocol, we have been working with the group to produce a set of site and office educational materials, which can be used to raise awareness and educate people on modern slavery. We look forward to utilising these as part of a wider 'Awareness' programme that we will be rolling out at all our sites and offices.

At Sir Robert M^cAlpine we firmly believe that when it comes to modern slavery we are only as strong as the clients and supply chain we work with and therefore any knowledge and lessons learnt must be shared collaboratively with all stakeholders to ensure lasting and sustainable results. Therefore, as we have done in the last financial year, we continue to commit to working with all our clients and supply chain partners to ensure that in time we are part of an industry that can be proud of the way all its people are treated.

This Statement is wholeheartedly supported and approved by the Executive Board.



Hector M^cAlpine
Executive Partner

Date **23.04.19**

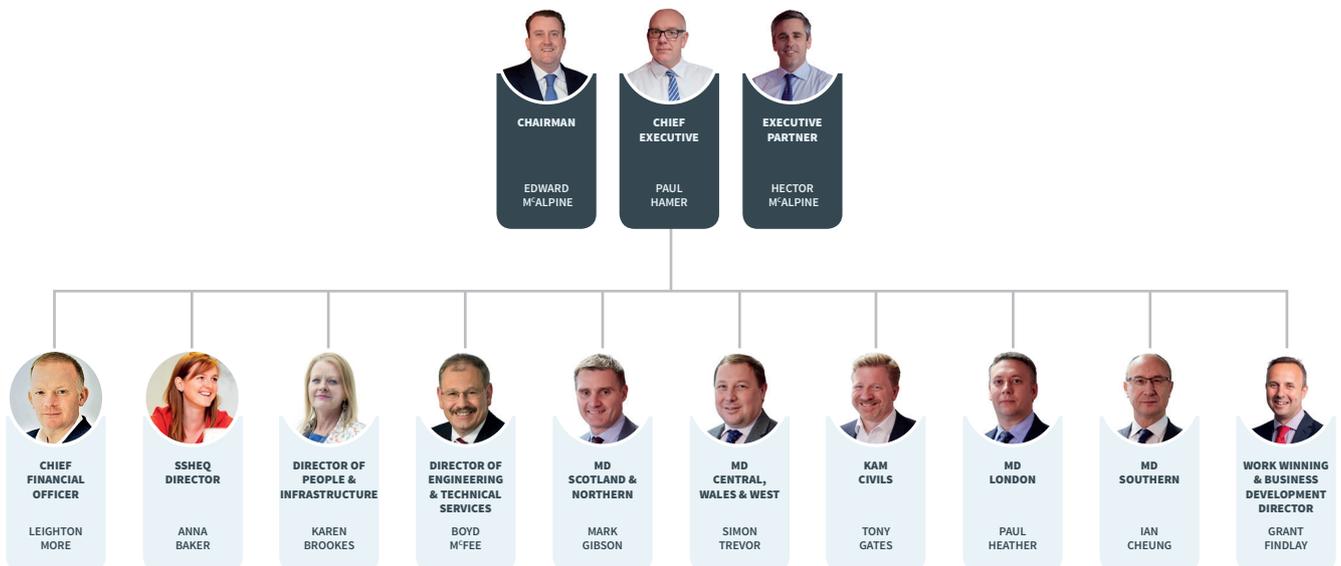


Paul Hamer
Chief Executive

Date **23/4/19**

*Rev 01 signed December 2018. Updated April 2019 to reflect new signatories.

EXECUTIVE & SENIOR LEADERSHIP TEAM



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