

Modern Slavery Act Transparency Statement

The Modern Slavery Act 2015 requires certain businesses to produce a statement setting out the steps they have taken to ensure there is no modern slavery in their own business and in their supply chains.

Morris & Spottiswood adopts a zero-tolerance approach to slavery and human trafficking. We are committed to taking all reasonably practicable steps to ensure that slavery and human trafficking is not present either in our business or in our supply chains.

We are also committed to ensuring that workers are not exploited, that they are safe and that relevant employment standards (including pay and working time) and health and safety and human rights laws are adhered to.

We expect the same standards from our suppliers and are committed to working closely them to ensure that slavery and human trafficking risks are identified and managed proactively.

We have not found any instances or indicators of modern slavery in our business, nor has this been found in our supply chain partners working with Morris & Spottiswood.

Organisational structure

Morris & Spottiswood is a family-owned company, registered in Scotland and operating wholly and solely in the UK. It employs approximately 400 employees directly. The business consists of several divisions: fit-out, housing, maintenance, M&E services and flooring. More information about our business and organisational structure can be found on our website.

Our governance in relation to slavery and human trafficking

Since the Modern Slavery Act 2015 came into force, we have:

- conducted a risk assessment in our business and in our supply chains
- identified key individuals within the business with responsibility for compliance
- briefed other relevant teams within the business to support compliance
- created an Anti-Slavery Policy, which has been approved by our Board of Directors
- reviewed our existing supplier due diligence processes
- updating our supplier terms and conditions
- identified Key Performance Indicators to benchmark our compliance efforts

We have a long-established set of policies and procedures covering human rights in general and specially addressing relevant areas to minimise the risk of slavery or human trafficking taking part in our businesses or supply chains. Our relevant policies and procedures include our Ethics policy; Grievance policy; Recruitment & Selection policy; and Whistle-blowing policy.

Our People

We set out below details of further particular steps Morris & Spottiswood takes to ensure that slavery and human trafficking is not taking place in any part of our business or our supply chains.

- **Recruitment practices** - All employees joining the company undergo a pre-employment vetting process which includes identity and background checks, both to ensure they have the right to work in the UK, and to protect the business and our clients in the event of the individual working in sectors which involve security risks.
- **Employee awareness** - We take our responsibilities under the Modern Slavery Act 2015 seriously and have produced a written policy outlining our zero-tolerance approach to slavery and human trafficking. It explains our approach to complying with our obligations under the Act and identifies particular roles and responsibilities with our organisation. It also highlights the risks and signs of slavery and human trafficking to ensure our employees are vigilant and will escalate any issues.

Our Slavery and Human Trafficking Policy has been circulated to all employees via internal communication processes and on construction site noticeboards. Employees and any other persons who read this policy are required under the policy to report any breaches of the Modern Slavery Act 2015 to the HR Director.

To ensure that our key decision makers have a high level of understanding of the risks associated with modern slavery and human trafficking, we are committed to providing the appropriate levels of training. All employees who have direct involvement with our Supply Chain have been fully briefed on this matter via in-house training and new employee induction training.

- **Monitoring** - The company complies with pay related legislation including the UK national minimum wage and the UK national living wage.

Morris & Spottiswood employs a team of Health & Safety specialists whose role is to oversee the company's compliance with health & safety legislation on our operational sites, including the welfare of site workers. Any aspect of slavery, servitude or forced labour to employees on site would not meet the requirements of our regular site audit processes.

An analysis of Morris & Spottiswood's workforce has determined that:

- All Morris & Spottiswood employees are free individuals who are employed under contracts of employment, for which they receive payment as per the terms of their contract.
- All Morris & Spottiswood employees have offered themselves voluntarily to work for the company.
- No Morris & Spottiswood employee is under any obligation to live on company property.
- All Morris & Spottiswood employees are free to change their situation at any time, by giving the appropriate contractual period of notice of termination of their employment
- No Morris & Spottiswood employee is under any form of compulsion to work for the company, or subjected to threats of violence, or threatened by any penalty of any kind for failing to work, other than via the company's disciplinary procedure which is published in the company's employee handbook.
- Morris & Spottiswood does not source any employees from abroad whose travel to the UK is arranged either by Morris & Spottiswood or by a third party with a view to exploiting the employee for sexual or non-sexual purposes, even if the victim consents to the travel.

Our Supply Chain

We expect our suppliers and other business partners to have the same high standards in promoting safe and fair working conditions. Our Supply chains include companies who supply raw materials, specialist trade contractors that undertake supply and fix contracts, labour-only subcontractors and specialist professional organisations that provide a range of services across the portfolio of projects we deliver for our clients.

Morris & Spottiswood's supply chain consists of three principal groups of suppliers:

- Sub-Contractors
- Suppliers
- Professional Advisers

Sub-Contractors

Pre-approval Questionnaire

Morris & Spottiswood operates a Sub-Contractor approval process, which is activated before a Sub-Contractor is permitted to work on any of our sites. Sub-Contractors must satisfy several criteria, including health & safety and financial probity, to ensure that they are legitimate organisations which can fully meet the requirements of working for Morris & Spottiswood. The SubContractor pre-approval questionnaire was amended in 2016 to include the following question:

"Your appointment as a Morris & Spottiswood Sub-Contractor is conditional upon your organisation meeting the requirements of the Modern Slavery Act 2015. Can you confirm that your organisation satisfies these requirements?"

Sub-Contractor Terms and Conditions

Our standard terms and conditions of engagement with Sub-Contractors have been amended to include reference to The Modern Slavery Act 2015, specifically stating that:

"Work given by Morris & Spottiswood to you as a Sub-Contractor is done so on the understanding that your organisation meets any requirements placed on you by The Modern Slavery Act 2015. Failure to do so may result in the termination of your engagement with Morris & Spottiswood. Morris & Spottiswood will not be held liable in any way for any failing on your part with regard to The Modern Slavery Act 2015".

Pre-start Minutes

Prior to the commencement of a project, a meeting is held with the Sub-Contractors appointed to it. A standard format is applied to produce a minute of understanding between the two parties. This format has been amended to include reference to The Modern Slavery Act 2015.

Specific Sub-Contractors

In addition to the above, we have also introduced a process of contacting our top twenty Sub-Contractors by spend to determine their policy on The Modern Slavery Act 2015 and to determine what actions they have taken to meet the Act's requirements.

Suppliers

Terms and conditions accompanying all purchase orders placed now include a reference to The Modern Slavery Act 2015, specifically stating that "This order is placed on the understanding that the supplier meets the requirements of The Modern Slavery Act 2015."

In addition to the above, we have also introduced a process of contacting our top twenty Suppliers by spend to determine their policy on the Modern Slavery Act 2015 and to determine what actions they have taken to meet the Act's requirements.



Professional Advisers

Professional advisers are engaged by Morris & Spottiswood on a regular basis. These take the form of Architects, Lawyers, Project Management Consultancies, and Chartered Surveyors etc. They are engaged under the same process as other suppliers.

Morris & Spottiswood regularly reviews the supply chain processes outlined above to ensure their effectiveness in preventing slavery and human trafficking in the supply chain.

Key performance indicators (KPIs)

We use the following KPIs to measure how effective we have been in combatting slavery and human trafficking:

- Measure supplier resistance to agreeing our business terms on modern slavery
- Employee confirmation that they have read and understood our Anti-Slavery Policy
- Policy breaches are reported internally within 3 business days of occurring
- Policy breaches are assessed within a week of being reported and further investigations concluded as soon as possible thereafter

The KPI's will be subject to ongoing review by the Board of Directors to ensure their continued effectiveness.

Breaches

We will consider any breaches of our Slavery and Human Trafficking policy by our employees as gross misconduct under the Company's disciplinary policy.

Members of our supply chain found to be in breach of the Modern Slavery Act and our Slavery and Human Trafficking Policy will be struck off and their contract terminated.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2018.

This statement has been approved by the Trading Board of Morris & Spottiswood and is signed below by a Trading Board Director.

Signed:

Name: George Morris

Position: Chairman

Date: 01/01/2019

A handwritten signature in black ink, appearing to read "George Morris".