



City Facilities Management Holdings (UK) Ltd
Modern Slavery Statement
2021

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Introduction

City Facilities Management Holdings Limited (“City”) is the holding company for one of the largest privately owned facilities management groups. This statement is made on behalf of City and all the UK companies in its group specifically City Facilities Management (UK) Ltd, City Facilities Management (Distribution), City Facilities Management Ltd, City Facilities Systems Solutions Ltd, CBES Ltd trading as City Building & Engineering Services Ltd and City Facilities (NI) Ltd.



City provides world leading services within our field of expertise, and we believe that the name “City” is synonymous with professionalism, quality, customer service and value. A key part of forging this reputation has been the importance we place on relationships with colleagues and third-party stakeholders and our commitment to always treat people within our business and supply chain fairly.

We recognise that Modern Slavery is a significant global human rights issue that includes human trafficking, sexual exploitation and forced labour and we are clear on our responsibilities within our direct operations and wider sphere of influence to ensure that slavery and human trafficking are not taking place in any of its forms. We are committed to acting ethically and with integrity in all our relationships and using all reasonable endeavours to take action to prevent modern slavery. We also recognise we have a responsibility to raise awareness of modern slavery with our people and our suppliers.



Our approach to modern slavery is driven by our leadership team, our values and our corporate social value commitments as part of our wider ESG (Economic, Social and Governance) strategy. Our approach to preventing Modern Slavery aligns to the following UN Sustainability Goals



Our modern slavery policy is communicated to our supply chain, embedded into our Procurement Code of Conduct and in the way we work which we will outline within our statement.

In 2021 we were proud to achieve the EcoVadis Silver Award standard for Sustainable Procurement and we have a plan in place to work towards the Gold Award in 2021/22.



Our Supply Chain

We have an extensive supply chain, due to the nature of our work across the different City businesses and our geographical spread across the UK. We have approximately 1700 suppliers and subcontractors across the three City businesses (City FM Ltd, CBES, City FM (UK) Ltd). Spend with 3rd part suppliers in these three businesses account for 45% of our overall turnover.

Subcontractor background



In 2021 we appointed our UK Head of Procurement and Strategic Partnerships to further develop and lead our procurement strategy across all of our UK businesses. Our commercial & procurement practices strive to ensure that our supply chain remains free of modern slavery. By engaging in these conversations at the pre-qualification stage, the commercial & procurement team can ensure that they identify any high risks upfront and we can either avoid engaging with suppliers/subcontractors that do not meet our standards or for any incumbent subcontractor, we can work with them to remediate any situation via corrective action plans. All suppliers/subcontractors must complete our pre-qualification questionnaire via our dedicated procurement Portal (SCM), which is reviewed by the relevant departments and scored. The relevant departments will then assess the supplier/subcontractor as approved, approved with conditions or rejected in line with our Procurement Code of Conduct requirements. The pre-qualification process is repeated fully every three years with all our suppliers/subcontractors. Our portal and PQQs are reviewed regularly to ensure the standards we expect of our

suppliers and subcontractors reflect the latest policy and guidance.

It is critical that our suppliers/subcontractors acknowledge and understand our uncompromising approach to modern slavery and as such, we require our suppliers/subcontractors to sign City contracts before conducting business with us. City T&C's clearly outline our expectations that our supply chain does not knowingly engage in any activities that breach modern slavery or human trafficking regulations or might cause or lead City Group to be in violation of any anti-slavery requirements. Our supply chain is required to undertake that neither it nor any other person in its own supply chain will breach the Modern Slavery Act 2015. We will take immediate action and will terminate relationships with any supplier or subcontractor that is in breach of the legislation. For any one-off/low value purchase, our PO T&C's also outline our expectations for adherence to the Modern Slavery Act 2015 and the immediate action that City Group will take should there be any breach. By ensuring our suppliers/subcontractors agree to warranties, indemnities and termination rights in our contracts, we aim to deter any Modern Slavery breach in our supply chain.



Our City sourcing methodology incorporates our modern slavery requirements within the Request for Information (“RFI”) process and any supplier/subcontractor that does not meet our agreed criteria will not be short-listed to tender stage. This ensures that we do not engage with subcontractors that would not meet our qualification requirements.

At City we believe that working with our supply chain at the pre-qualification, tender and contract stage is not enough. We also work with our high spend/strategic subcontractors through the lifecycle of a contract or project via our Strategic Review Meetings (“SRM”) where the supply chain’s modern slavery policies and actions are reviewed and monitored on an annual basis against our Procurement Code of Conduct requirements. We also identify our high-risk suppliers and work with them through SRM’s on an annual basis and via subcontractor scorecard measurement process.



Our Policies & Processes

Our People Policies ensure that all colleague rights in the workplace are protected. Our recruitment is managed via a Preferred Supplier List (“PSL”) of approved recruitment agencies that meet the City pre-qualification criteria and have signed a contract with us. This ensures that we only deal with reputable agencies that work within applicable laws. City Group always pays the recruitment fees associated with hiring a colleague or potential colleague.

We conduct Right to Work and Pre-Employment checks on all colleagues joining the City family and this includes the

colleagues providing evidence that they are in possession of their own identification documents and that the bank account details provided belong to the colleague and not a third party. Any discrepancies identified are investigated thoroughly and appropriate action taken.

We adhere to our Whistleblowing policy and have in place dedicated internal e-mail and phone line should any colleague suspect or be concerned about any potential fraud, corruption or unlawful practices within City. We have an escalation process in place should any case of Modern Slavery be suspected to ensure thorough investigation and appropriate action taken if and when necessary. In 2021, there were no issues raised for investigation.

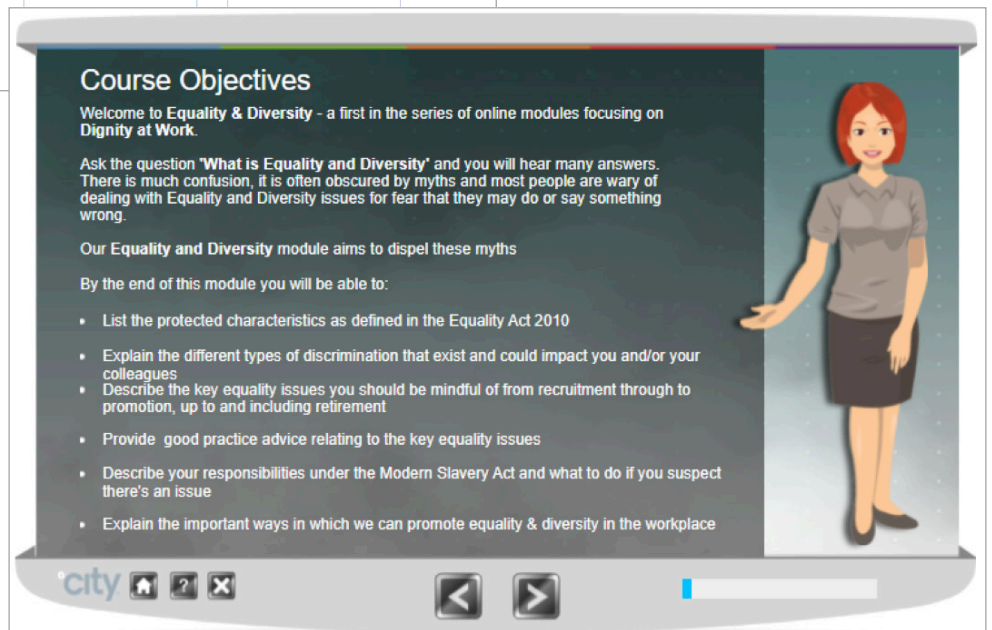
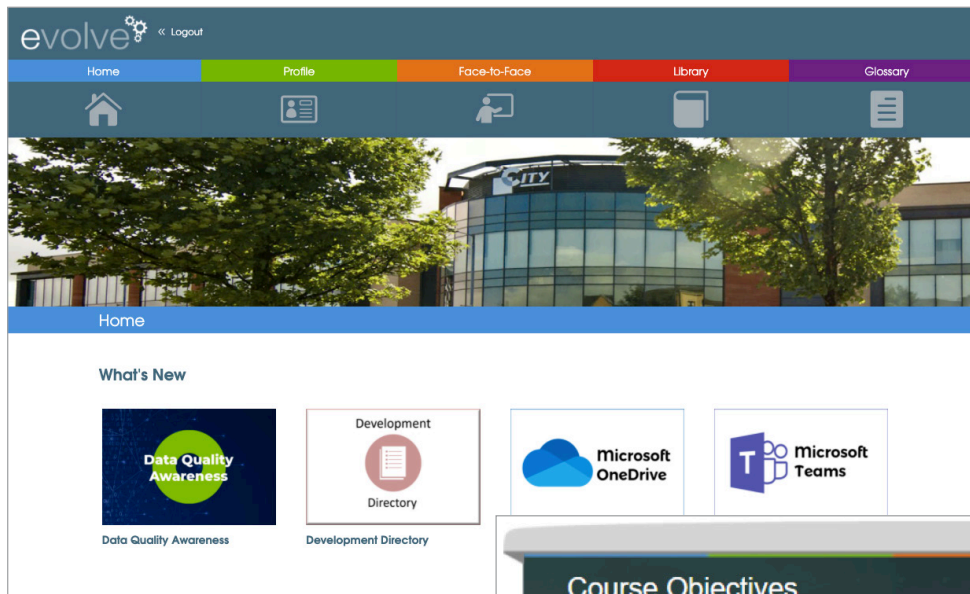


Training

We recognise our responsibility to raise awareness of the issue of modern slavery risks and best practices and ensure specific groups are trained in these. Our Equality training module designed for all salaried colleagues as part of their induction programme, aims to raise awareness about what modern slavery is and focuses on how our colleagues can spot potential issues “on the ground” and how and when they should escalate the issue. Our colleagues are a key part of our strategy against modern slavery and the training gives them the tools to carry out their responsibilities. 94% of colleagues completed this training in 2021.

All of our colleagues who have a responsibility for identifying/negotiating with suppliers/subcontractors have also received additional modern slavery training which is mandatory for these roles.

In 2021 we carried out a detailed review of our Equality online training and have now created a module for Diversity, Inclusion and Belonging and a separate Modern Slavery module to ensure that we provide even more focused training and guidance and this will be launched in Q2 2022 for completion by all salaried colleagues. 2021 also saw the introduction of our partnership with ‘Scotland Against Modern Slavery’ to further enhance our commitment and network to help tackle Modern Slavery. As we contribute both our time and our skills to this cause, we intend to learn and benefit from the insights of this specialist action group and share our own experiences. Our aim is to use this platform to work with the wider business community to help eradicate Modern Slavery from our society.



Compliance

Modern Slavery risk is recorded within our City Group Risk Register on our GRC tool. Whilst each Business unit and function is responsible for ongoing management of the risk of Modern Slavery, the Risk and Audit Committee are responsible for overseeing the business response to risk and challenging the business where there are deemed to be inadequate measures in place.

City's Governance, Risk and Assurance function perform ongoing control design reviews to ensure that adequate mitigating preventative and/or detective controls are in place to reduce the likelihood of Modern Slavery occurring, and to

ensure that there are appropriate mechanisms for reporting or detecting any modern slavery related events on a timely basis. These controls typically address risk at colleague recruitment, and through the onboarding and ongoing management of third-party suppliers/subcontractors. The Governance, Risk and Assurance function not only review the design of the mitigating measures but also periodically conduct independent audits to provide assurance that the relevant business controls are fully implemented and operate on a consistent and effective basis.



Looking Forward

In 2022, we will enhance our existing measures in place with focus on the following actions:

- Further develop our partnership with 'Scotland Against Modern Slavery' and actively contribute to their calendar of events, and establish actions which we can take within the wider business community to influence change.
- Continue to raise awareness of the risk of modern slavery and the associated legal obligations of our business, with all colleagues through the roll out of our updated online modern slavery module (including our Whistle blowing policy and process). Seeking to achieve 100% completion rate.
- Through our procurement leadership group, we will continue to focus on sustainable procurement policies and to embed measures into our processes to combat Modern Slavery and Human Trafficking. The procurement leadership group will continue to meet regularly to review our progress and agree any additional actions to be taken.
- Implement a 5-year procurement strategy that has social value agenda at the heart of delivery.
- Introduce sustainability training to all of our commercial & procurement team, in addition to the mandatory Modern Slavery training.
- Deliver a prioritised procurement heat mapping process and risk mitigation programme.
- Continue to improve the due diligence process and vetting of our supply chain in relation to Modern Slavery.
- Complete regular checks on higher risk / key suppliers and subcontractors' working practices to provide assurance over their adherence to our Modern Slavery standards.
- Enhanced and consistent group-wide reporting on performance of the supply chain on a range of ESG measures, which includes awareness of and response to, Modern slavery risks.
- Our 2022 statement will set out our progress against these objectives.

This statement has been published in accordance with the Modern Slavery Act 2015 and has been approved by the board of Directors. It sets out the steps taken in relation to part 6, section 54 of the Act, by City Facilities Management Holdings (UK) Limited and other relevant group companies, during the financial year ending December 2021, to ensure that slavery and human trafficking is not taking place in its business and supply chains.



PAUL BEAN

Chief Executive Officer
UK & Europe

11th January 2022