W M DONALD LTD

HUMAN RESOURCES

Modern Slavery and Human Trafficking Statement

Rev 3

HR-PO-035

Introduction

W M Donald has published this statement in accordance with section 54(1) of the Modern Slavery Act 2015.

Modern slavery is a criminal offence and a violation of fundamental human rights. This will not be tolerated at WM Donald. We remain committed to doing business in a responsible way, which includes a commitment to do all that we reasonably can to prevent all forms of modern slavery in any part of our business and our supply chain.

We expect our customers and suppliers to share and uphold these ethical values and principles.

This statement confirms our commitment to the cause through a range of actions consistent with our position and the steps that will continue to be taken to prevent modern slavery and human trafficking in our organisation and our supply chains.

Our Business

WM Donald is one of the largest civil engineering companies in the North-east of Scotland, and we work on projects across Scotland. W M Donald constructs roads, sewers, utility networks, bridges, building foundations or other structures. Our teams work collaboratively with clients and third parties to ensure that work is carried out efficiently, effectively and on time. With over 190 employees, supported by 80 subcontractors and an extensive supply chain we must all play our part in upholding human rights and combatting modern slavery. This is why we must be vocal in our commitment to safeguarding the highest standards of ethical conduct across our business and beyond.

Our Supply Chain

We worked directly with 83 suppliers during 2021/22 financial year, of which 23 supply us with vital services from coated and uncoated quarry materials, precast landscaping products, reinforcement, insulation and drainage materials.

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Our supply chain plays its part in helping us deliver an efficient route to market. We're dependent on our suppliers to help us deliver key materials efficiently and ethically sourced. We spend over 16 million per year with our supply chain of which 80% is with British companies.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. The following policies and supporting guidance, are relevant to slavery and human trafficking, and are available on request:

- Anti-Slavery and Human Trafficking policy: Our Anti-Slavery and Human Trafficking policy has been in place since February 2019. It was updated in 2022. The latest version of the policy includes information about what modern slavery is and the different types, our commitments as an employer, our expectations of any third parties we work with, the warning signs to look out for and how to report concerns.
- Code Of Conduct: Our Code of Conduct Policy sets the standard of behaviour that is expected of everybody in our company and those doing business on our behalf, to ensure we all work in an open and honest way. In 2022, our Code of conduct was updated, giving modern slavery greater focus.
- Whistleblowing policy: members of our supply chain or the public can raise concerns about wrongdoing (including human rights violations) taking place in WM Donald. A hardcopy and electronic employee handbook references W M Donald's policies and is provided to all new starters. The employee handbook includes a statement confirming the expectation of our employees and workers to maintain certain standards relating to the code of ethics, as well as WM Donald commitment to guaranteeing that slavery and human trafficking does not take place in any part of our business or supply chain. All managers are notified of any change to our policy.
- Recruitment & Selection Policy: The Recruitment & Selection Policy includes information on WM Donald's position on modern slavery.
- Anti-Bribery Policy: The Anti Bribery Policy includes information on WM Donald's position on modern slavery.

Our procurement contracts require suppliers to comply with the Modern Slavery Act 2015, in addition to other relevant WM Donald policies, including our Code of Conduct and Whistleblowing policy.

We also require our suppliers to:

- implement due diligence procedures for their own supply chains; and

• use reasonable endeavours not to purchase raw materials, resources or products from organisations using forced labour

Due diligence processes for slavery and human trafficking

As part of our initiative to identify and mitigate risk we have strict recruitment processes in place, ensuring that all our employees have the appropriate rights to work. In 2021/2022, we become a formally accredited Real Living Wage employer, as set out by the Living Wage Foundation. In 2022 we become a Real Living Hours employer as set out by the Living Hours Foundation This means that our direct employees are paid the Real Living Wage and guaranteed Real Living Hours and that we require all of our contractors to pay their people the Real Living Wage, too. As a result of this, we believe that the risk of forced or trafficked labour being directly employed by WM Donald is low.

We have in place systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistle blowers.

Supplier adherence to our values and ethics

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values and ethics we have in place a rigorous supply chain compliance programme. This consists of all our suppliers to complete the following:

Supplier Appraisal Form

We have a dedicated compliance team, which consists of involvement from the following departments:

- Legal.
- Health Safety Environmental & Quality
- Human resources.
- Procurement.
- Commercial.

Training

To ensure our commitment outlined in this Statement remains at the top of our minds throughout the business, we must continuously measure the effectiveness of our approach.

We provide regular training for our employees to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business.

Our effectiveness in combating slavery and human trafficking

We use the following key performance indicators (KPIs) to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains:

- We monitor and categorise, concerns reported to us (either via our whistleblowing policy or any other channels). In 2022, no concerns were reported in relation to modern slavery and/or human trafficking.
- We track completion rates of our latest ethics training which includes content on modern slavery.

Key Actions 2023/2024

Following a review of the effectiveness of the steps we have taken this year to ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking:

- Update our guidance for procurement teams to help them identify if modern slavery may be a risk in their procurement activity.
- Refresher training to be conducted on all employees to help them identify and understand the importance of modern slavery policy.

This statement refers to the financial year ending 31 March 2024.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes WM Donald's slavery and human trafficking statement for the financial year ending 31st March 2023. It was approved by the board on 5th April 2023.

Ewan Riddoch

Ewan Riddoch
Managing Director
5th April 2023.

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