

Modern Slavery Act Statement 2024



Introduction

STO Building Group (“STOBG”) is a family of companies and a global leader in construction management and general contracting services, with over 4,000 employees located in offices throughout the United Kingdom, Ireland, Canada, and the United States. This statement is made on behalf of Structure Tone London (“Structure Tone”), STOBG’s UK-based member company, pursuant to section 54(1) of the Modern Slavery Act 2015 (“MSA”) and constitutes STO Building Group’s Modern Slavery Act statement for the financial year ending 31 December 2024.

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced or compulsory labour, and human trafficking, all of which have in common the deprivation of a person’s liberty by another in order to exploit them for personal or commercial gain. We recognise that modern slavery exists within the construction industry, and we’re committed to ensuring that there is no form of modern slavery or human trafficking anywhere in our business or supply chain. This statement sets out our continuing efforts to understand potential modern slavery risks in our business and to prevent modern slavery in our operations and supply chain.

Our Commitment

At STO Building Group, we are guided by the principle “Clients first. Integrity always.” By acting with integrity, and partnering with likeminded businesses, we can achieve success by doing the right thing—every day, for every client, on every jobsite.

Doing the right thing means preserving fundamental human rights everywhere we build. We are guided by the United Nations’ Sustainable Development Goals (SDGs) in our social and environmental efforts, and we report progress against the 17 SDGs in our annual ESG reporting.

Our commitment to protecting human rights and eradicating modern slavery is further reflected in our Anti-Slavery and Human Trafficking Policy (“MSA Policy”), which is aimed at identifying and managing modern slavery risk in our business and supply chain. Our MSA Policy prohibits all forms of modern slavery, whether carried out by our company, our employees, or our suppliers. The policy provides an overview of the actions we are taking to prevent modern slavery and the responsibilities of employees to assist in those actions. Our MSA Policy is available at stobuildinggroup.com/compliance/anti-slavery-policy.

Our Code of Conduct and Business Ethics (“Code of Conduct”) likewise prohibits modern slavery and sets out our commitment to fair employment practices and to promoting a discrimination- and harassment-free workplace, fair and equitable wages, and safe working conditions. Our Code of Conduct reminds employees of their responsibility to help ensure that all those working on our behalf are treated respectfully and to speak up about potential human rights abuses. Our Code of Conduct is available at stobuildinggroup.com/compliance/code-of-conduct.

Our Compliance & Ethics Department maintains these policies, regularly reviewing and updating them where necessary to accommodate changes to our business, the laws that apply to us, and best practices. As part of its review, our Compliance team aims to ensure that all our corporate policies, including those identified in this statement, are approachable and provide clear guidance. These policies form just part of our all-encompassing, industry-leading compliance and ethics program, which helps us uphold our commitment to a culture of integrity. More information on our compliance and ethics program is available at stobuildinggroup.com/compliance.

Our Supply Chain

Our supply chain is multi-tiered and varied, and includes subcontractors, suppliers, vendors, consultants, and joint venture partners. Throughout our history, our goal has been to partner with businesses that embrace our core values and exemplify a genuine dedication to ethical and honest dealing.

Prequalification and due diligence

We subject prospective suppliers to rigorous prequalification and due diligence during onboarding and on existing suppliers at regular intervals. This process helps us select business partners that follow workplace standards and business practices consistent with our own. We implement a multi-tiered, risk-based approach, which increases our visibility and reduces regulatory, safety, financial, and legal risk.

As part of our process, suppliers must complete our prequalification package, which includes our prequalification questionnaire, terms and conditions, and health and safety responsibilities. Suppliers are asked specifically about the steps they've taken to ensure compliance with the MSA and whether they are aware of instances or concerns of modern slavery and human trafficking in their business or supply chain.

We also partner with various third-party professionals to maximize data assessment, including a vendor to provide regulatory background checks based on both structured and unstructured data. Weighing various factors and using known information (including our independent research and historical knowledge, the supplier's prequalification submissions, and the background check), we identify suppliers that may need further review and risk controls before we proceed with engaging them. Suppliers renew their prequalification submissions at regular intervals, and we continue to screen for any red flags.

Adherence to our policies

As a condition of doing business with us, suppliers must agree to comply with our Supplier Code of Conduct and Ethics ("Supplier Code"), which sets forth the minimum standards of conduct expected of our business partners. The Supplier Code applies to all third parties that provide goods or services to our organization, as well as to their owners, officers, directors, employees, contractors, agents, and others working on their behalf. Suppliers are responsible for providing their own subcontractors with the Supplier Code and ensuring that they follow it.

Our Supplier Code expressly prohibits child labour and all forms of modern slavery and human trafficking. Suppliers are required to comply with our MSA Policy as well as with the letter and spirit of all applicable laws, including those governing child labour, involuntary labour, and fair wages and hours. Suppliers are to immediately notify us if they suspect any instance of modern slavery in their own business or supply chain.

Our Supplier Code also sets out our expectation that suppliers:

- Not retaliate against anyone who in good faith reports potential misconduct and have a formalised system for employees to report concerns without fear of retaliation
- Cooperate in audits, investigations, and reviews
- Maintain a discrimination- and harassment-free workplace and respect the dignity of all workers

- Respect the rights of workers to bargain collectively, freely organise, and join associations of their own choosing (or refrain from doing so), as permitted by law
- Provide a safe and healthy work environment
- Have effective controls to ensure that applicable law and policies are followed; and
- Minimise any adverse impact to the environment and human health

Our Suppliers must report potential violations of the Supplier Code and are provided multiple avenues for doing so, both within and outside of our organisation. Our Supplier Code is available at stobuildinggroup.com/compliance/supplier-code.

Contractual controls

Additionally, we include specific contractual commitments in our supplier contracts that no form of modern slavery is used anywhere in the supplier's business or supply chain. Our suppliers agree to comply with all applicable laws and regulations, and we have the right to terminate contracts with suppliers that breach our terms and conditions.

Risk Assessment

As a construction management and general contracting firm, we work in partnership with subcontractors and other suppliers to meet our obligations to our clients. As is common in the construction industry, there may be several tiers between us and the source of the materials and labour that we use. The highest risk of modern slavery and human trafficking within our supply chain will likely stem from subcontractor personnel or representatives working on our sites and the workforce of our subcontractors' raw materials suppliers, particularly where they are based in high-risk countries. Given the international scope of our business, we are aware of the risks of modern slavery and human trafficking in certain markets. To mitigate these risks, we consider the risk of modern slavery and human trafficking in our selection of any new suppliers and subcontractors, identifying those areas and trades most vulnerable to modern slavery practices to inform our prequalification and due diligence processes. Our suppliers are responsible for not only adhering to our Supplier Code but also ensuring that their own subcontractors and suppliers comply with it. Our risk assessment will continue to be updated as and when new suppliers enter our supply chain.

Training and Awareness

Our employees receive annual training on our policies, including our Code of Conduct, which reinforces their obligation to follow applicable laws and report potential misconduct. Employees who work with third parties on our organisation's behalf also are regularly provided training that helps them identify the risks associated with managing suppliers and other business partners, including the risk of modern slavery and human trafficking.

To ensure that our employees have a comprehensive understanding of the risks of modern slavery in our business and supply chain, we require mandatory training on this topic and have developed a bespoke e-learning training module. The training, which is regularly updated and issued, includes discussion of the following topics:

- The prevalence and impact of modern slavery and human trafficking generally and within the construction industry
- Recent examples of modern slavery in the construction industry
- Factors that make the construction industry vulnerable to modern slavery
- Identifying modern slavery red flags
- Relevant laws, including the requirements of the MSA, and guiding principles
- Practices we've put in place to help prevent modern slavery
- Reporting potential violations of our MSA Policy

Additionally, we have made modern slavery and human trafficking the subject of organisation-wide communications campaigns and dedicated intranet sites, which have featured case studies on modern slavery in the construction industry and resources, such as a guide to spotting the signs of exploitation. Last year, we recognized World Day Against Trafficking in Persons with a training and awareness campaign focused on identifying signs of and combatting modern slavery and human trafficking in construction. This year, we will continue to raise awareness of the risks of modern slavery in our business and supply chain with a bespoke e-learning training module.

Collaboration

We recognise the importance of working with others to eradicate modern slavery and human trafficking. In 2021, we joined Ethisphere's Business Ethics Leadership Alliance (BELA), a 300+ member strong, globally recognised organisation of leading companies collaborating to share best practices in governance, risk management, compliance, and ethics. As a member, we have the ability to benchmark our ethics and compliance program, including our efforts related to combatting modern slavery, and to share best practices. We similarly have the opportunity to share industry best practices through our membership in the Construction Industry Ethics & Compliance Initiative (CIECI), a non-profit, private association of US construction-industry companies, dedicated to top-tier ethics and compliance, which we joined in 2023. We will continue to explore opportunities to work with other organisations to strengthen our anti-slavery efforts and work in support of eliminating modern slavery.

Monitoring and Reporting

The prevention, detection, and reporting of modern slavery and human trafficking in our business and supply chain is the responsibility of all those working for us or on our behalf. Employees have a number of resources within the company for doing so, and suppliers may contact their STOBG representative or our Compliance & Ethics Department.

Individuals who wish to remain anonymous may contact our 24/7 helpline, operated by a third-party unaffiliated with STOBG, by calling the below toll-free numbers or visiting the online portal.

Phone: 0808.189.1053 in the United Kingdom
1800.904.177 in Ireland
800.461.9330 in the United States

1.800.235.6302 in Canada

Online: compliancehelpcenter.com

Our Anti-Retaliation Policy prohibits retaliation against those who speak up in good faith about potential misconduct, promoting a work environment in which people feel comfortable raising concerns. All reports are investigated appropriately, and remedial actions taken as necessary. Our Anti-Retaliation Policy is available at stobuildinggroup.com/compliance/anti-retaliation.

Responsibility for This Statement

The board of directors has overall responsibility for ensuring this statement and the MSA Policy comply with our legal and ethical obligations and that our employees adhere to them.

Management at all levels is responsible for ensuring those reporting to them understand and comply with the MSA Policy and are given adequate and regular training on it and the issues of modern slavery in supply chains.

Board Approval

Structure Tone London's Board of Directors approved this statement on 19 January 2024. This statement is reviewed annually and published on our website.

Robert Mullen
Chief Executive Officer