Modern slavery is a crime and a violation of our fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking. Costain is committed to operating responsibly, particularly with regard to human rights issues and we will not tolerate human trafficking and other kinds of slavery within our operations.

In accordance with Section 54(1) of the Modern Slavery Act 2015, this statement sets out the steps that Costain has taken in 2017 to ensure that slavery and human trafficking is not taking place in any part of its business, or that of its supply chain. This statement is made on behalf of Costain Group PLC and its subsidiary companies ("Costain") pursuant to Section 54(1) of the Modern Slavery Act 2015.

Costain is committed to operating responsibly, particularly with regard to human rights issues. We will not tolerate human trafficking and other kinds of slavery within our operations.
Our employees

On 31 December 2017 there were 4,008 people employed by Costain, with 861 employees joining the Company during the year.

All new employees undergo pre-employment checks, to ensure their right to work in the UK and to confirm their identity. All employees are provided with information about their statutory rights, including, sick pay, holiday entitlements, parental leave, flexible working and any other benefits to which they may be entitled.

We have a dedicated confidential whistleblowing helpline, which is available 24 hours a day and is independently managed to ensure confidentiality. There were no reports of human rights, slavery or human trafficking via the whistleblowing line in 2017.

Our policies

In 2016 we implemented our Modern Slavery and Human Trafficking policy, making its requirements a mandatory condition of employment and a contractual condition for our suppliers. In 2017 we conducted a review of all our existing policies and made updates where appropriate.

Our suite of relevant policies, which are publicly available at costain.com, include:

- Corporate Responsibility policy
- Equality, Diversity and Inclusion policy
- Ethical Business Conduct policy
- Modern Slavery and Human Trafficking policy
- Sustainable Procurement policy
- Whistle Blowing Policy.

Raising awareness

Ensuring that our employees are aware of the human rights aspects of slavery and trafficking is a fundamental step in preventing it occurring within any part of our business or our supply chain. Employees performing the following roles were required to complete mandatory modern slavery training by the end of 2017: executive board; commercial; contract management; procurement/supply chain management; senior management; facilities; human resources; internal audit; legal; operational management and procurement.

In total over 1,800 Costain employees completed the mandatory training.
Risk assessment

In October 2017, we conducted a risk assessment of our business operations to ensure we continue to focus our attention on the highest risk areas. We do not believe our risk exposure has changed since our last statement. The supply chain remains our highest risk.

We completed our risk assessment reviewing the likelihood of the following three traits of slavery and human trafficking occurring within a supplier organisation:

- Unfree recruitment
- Work and life under duress
- Impossibility of leaving an employer

The supplier categories that we believe pose our highest risk are those who provide labour in its various forms.

Costain supply chain managers have worked with the highest risk suppliers ensuring they complete relevant training, provided by the Supply Chain Sustainability School.

Costain’s own Supply Chain Academy, which supports small and medium enterprises (SMEs), delivered a dedicated training module on slavery and human trafficking awareness. This is particularly important to raise awareness as many of the SMEs have a turnover less than £36m and were not required to publish a public statement.

Next steps

Sharing best practice across the industry is a key step and we will continue to work with our clients, joint venture partners and suppliers to share best practice.

We will continue to roll out our modern slavery awareness training to employees and will welcome another intake to our Supply Chain Academy.

We have set a target to meet the standard of ISO 20400:2017 Sustainable Procurement by the end of 2018. To meet this important standard, we will be reviewing our procurement processes and ensuring that modern slavery and ethics features prominently.

This statement covers the period 1 January 2017 to 31 December 2017 and has been approved by the board of directors of Costain Group PLC.

Andrew Wyllie CBE
Chief Executive
March 2018