

Questions for construction companies regarding working conditions in the UAE

Note: Question 11 provides the company with the opportunity to describe challenges confronted in the areas covered by the preceding questions.

Where possible, please attach or provide a hyperlink to the policies and standards you refer to in your answers.

Please note that Carillion Plc has previously responded to this survey in relation to our Qatar operations. As might be expected, all Carillion companies and legal entities operate under the governance of the same Group Policy (in so far as regional statutes and legislation allow), and hence with minor country-specific variations the content and spirit of Policies and procedures are universal.

- 1. Social responsibility or human rights policy:** Does your company have a publicly-available commitment to human rights or to social responsibility? If so please share the link.

The health and safety, wellbeing and working conditions of all our employees are Al Futtaim Carillion's (AFC) highest priority. We set high standards of corporate governance, supported by policies and procedures that are applied rigorously throughout our business in the UK and internationally. These cover human rights and our social responsibility.

We continue to build a sustainable and successful business by delivering on our 2020 Sustainability Strategy and six positive outcomes, which support profitable, responsible growth and underpin our values as a responsible business. More details can be found in our 2014 Sustainability Report here: <http://sustainability2014.carillionplc.com/index.html>

- 2. Scope of operations:** Please describe the nature and scope of your company's operations in the UAE, including reference to current projects and business partners (herein 'business partners' inclusive of sub-contractors, suppliers, and joint ventures).

AFC has a long history of successfully working in UAE and Middle East and the Company's roots go back to the early days of the region's growth and development. AFC established its operations in the UAE in the mid-1950's under the banner of George Wimpey & Co. Ltd, then in the 1970's as Al-Futtaim Wimpey LLC. In 1994 the Company became Al-Futtaim Tarmac after the Wimpey/Tarmac asset swap and subsequently Al-Futtaim Carillion LLC after the Tarmac de-merger in 1999. Al Futtaim Group can trace its history back to the 1930's when it was established as a local trading organisation.

The Company has worked across the UAE, initially undertaking civil and infrastructure projects. Many of these early works were landmark projects in the development of the UAE and today, the modern day Company, continues to apply its substantial experience, knowledge and capabilities on major projects, so continuing to help create the new vision of UAE. We currently have a number of ongoing projects across the infrastructure, retail, residential, commercial, leisure and education sectors working with some of the largest developers in the region including ENOC, Dubai World Trade Centre, Meeras, Jumeirah, Aabar, Mubadala and Al Sharq Investments.

Sub-contracting: How many workers do you hire directly and how many are hired by sub-contractors? AFC currently employs around 4927 people directly in the UAE and a further 3136 are employed through our sub-contractors.

3. Health and safety:

In direct operations and in contracts with business partners:

- a) What is your company's approach to ensuring workers' health & safety in the UAE?

Health and safety is at the very heart of our business. We believe that all of our people should be treated with dignity and respect and they should go home at the end of their working day without suffering any kind of harm. We are clear that the health, safety and welfare of everyone on our sites takes precedence above all else. Our H&S systems of operation have been audited by Bureau Veritas and we hold BS EN 18001 accreditation for our operations in the UAE. Practice on site follows standards that we apply in the UK, for example a scaffold that we erect in the UAE will meet the UK standard in terms of its design, implementation and ongoing inspection requirements.

- b) Have you established occupational health and safety committees, and if so, do these have worker participation?

All new employees on site, both directly employed and those working for subcontractors, receive a health and safety induction which ensures that they understand what they can expect of us, as well as what we expect of them in respect of the behaviour required for safe working. All personnel working our projects attend our one day H&S Engineering Construction Industry Training Board accredited training course and we also run a three day supervisors course. Job specific training and instruction is undertaken on an ongoing basis and includes Toolbox Talks, attendance at training sessions and visual impact training. Visual Impact Training is an innovative approach to training which was rolled out in the UAE in 2012. It is delivered by actors who act out different scenarios in a very realistic way to communicate key messages about safety and working practices to overcome any language barriers which may exist with employees.

Employees and subcontractors also attend and form part of the monthly Safety Action Group and their input and interaction are valuable both for us to include their suggestions and also for them to clearly understand the standards that we expect of them. We operate a "Don't Walk By" culture and system whereby all employees are actively encouraged to take responsibility and report any concerns or hazards they become aware of. More widely, the tasks our people carry out are planned through the development of method statements and risk assessments to ensure that inherent risks have been identified and are mitigated. This approach to the safe planning of work is further supplemented through point of work risk assessments. On all of our sites we also employ healthcare professionals who are available to support and treat employees with any health or wellbeing concerns, work or non-work related.

- c) How many accidents and fatalities have taken place on site in the last two years?

We monitor performance on a continuous basis, including that of our subcontractors working on site, and take action immediately to address any issues. We have a very good Health and Safety record on sites in the UAE and have several projects that have achieved 10 million man hours or more without a lost-time incident i.e. an incident which would prevent a worker from working for one or more days (not counting the day of the accident). We recognise that there is no single reliable measure of health and safety performance. What is required is a 'basket' of measures reflecting both inputs to health and safety management (leading indicators) and the outputs that

result (lagging indicators). The below table shows our Lost Time Incident frequency rate which is the most commonly recognised industry standard:

Measure	2016 Target	2015 Actual	2014 Actual
Lost time incident frequency rate	0.045	0.060	0.030

- d) What measures do you have in place to protect workers from high temperatures during the summer months? How do you communicate these measures to the workers?

The wellbeing and working conditions of all our AFC employees are our highest priority. Each of our projects in the UAE has a summer working plan in place that is implemented from mid June to mid September. They outline how they will manage work, health and wellbeing during summer months including changes to shift patterns (rotating to night shift wherever possible and day time down time between the hours of 12.30pm to 3.00pm). In addition, rehydration drinks are provided and drinking stations and cool rooms are available across the sites which allow employees to rest in cool areas and take on additional fluids. Each of our projects has a fully qualified medical professional who can deal with any potential heat related effects. Training and guidelines are also issued and communicated in multiple languages around the sites.

4. **Conditions of employment:** Please describe your company's policies and practice on each of the items listed below.

Where applicable, please include information on how you monitor and enforce these policies in direct operations and in contracts with business partners.

- a) Contracts - ensuring they are in a language the worker understands and are not modified upon the worker's arrival in the UAE

In line with recent changes to UAE Labour Law, all of our offers of employment and employment contracts are provided to workers in a language that they are able to understand. We will work with our sub contractors to implement this practice into their core recruitment processes. Additionally we will be introducing spot checks as part of our audit procedures to ensure compliance with this process and to ensure that the contracts are not changed upon arrival in the UAE.

- b) Full and timely payment of wages, including issuing of bank cards for workers

We ensure that our employees are paid in accordance with contractual obligations and UAE Labour Law. In addition to their base pay they also receive other contractual entitlements such as flights home, holiday pay, health insurance arrangements, and accommodation and food. All of our employees are paid through the Workers Protection System (WPS) which is a system that enables the Ministry of Labour to check companies in the UAE are compliant with local regulations and pay their employees as they should. We also require our preferred suppliers to comply with the requirements set within UAE Labour Law and pay their employees in line with the contracts which exist between them. All of our workers are issued with C3 bank cards and they have access to ATM facilities in our accommodation.

- c) Issuing ID and health cards for workers

All of our employees are in receipt of a valid Emirates ID Residency Card which is issued to them following completion of the UAE Residency visa process set down by the Government. Following approval and issue of this residency permit, all employees are issued with Health Insurance cards to ensure access to medical treatment at all times within the UAE. In addition to this, we also have an on-site free and licensed medical clinic.

d) Ensuring adequate worker accommodation

We provide a high standard of accommodation for our people. We undertake detailed reviews in advance of contracting with landlords for rental of accommodation, and we carry out regular audits to ensure that the standards we have set are maintained. The accommodation AFC provides includes recreational areas such as sports facilities, TV rooms, shops, prayer rooms, canteens and laundry and ironing facilities. In addition, we provide communication tools, such as Wi-Fi and internet. We hold regular meetings with accommodation providers to review any concerns our people may have, and create action plans to ensure these are addressed. Alongside AFC's engagement with our direct suppliers, government officials carry out regular spot checks on living accommodation for workers in accordance with the legal requirements set out in the UAE.

e) Passport retention - ensuring workers can store passports in a safe place and have access

All of our people have the right to retain their own passport, in line with UAE law, unless they expressly request, in writing, for us to hold it for them. Often this works out to be a safer and more secure option, so many of our own employees do request this. If we do hold passports for employees, they can request them back at any time. We also make it clear to our subcontractors that we expect them to comply with UAE Labour Law which prevents employers withholding workers' passports.

f) Allowing workers to transfer employers within the country

Employees are free to transfer to other employers in line with UAE Labour Law. We have no restrictions in place to prevent our employees from transferring to other employers. During 2015, 247 employees left our employment, to which we issued NOC's as requested and they had no difficulty with joining their new employers.

g) Issuing of exit permits for workers who wish to leave the country

Exit permits are not required for employees wishing to leave the UAE.

5. Recruitment agencies:

a) What process does your company employ to recruit migrant workers?

b) Which recruitment agencies does your company regularly work with to hire workers? *Please list names and contact details of the recruitment agencies.*

Where AFC employs direct labour, we recruit with the support of recruitment companies on our Preferred Supplier List (PSL) for recruitment agents. This list has been developed through a robust assessment process which reviews the financial, ethical and professional conduct of each agent and ensures that they comply with UAE Labour Law. In addition to the initial assessment at the point of

appointment, we monitor performance and conduct by undertaking reviews and spot checks during recruitment processes in the relevant country to ensure compliance with our standards and requirements. This PSL is reviewed annually.

- c) Does your company take steps to ensure that the recruiting agencies it deals with do not charge recruiting or placement fees? If workers have been charged fees, does the company compensate them for this expense on arrival in their position?

In some instances the company pays a fee to the employment agent, and in others the employee pays a fee. This contributes towards medicals, vaccination, and some visa administration costs. As part of the contract with the recruiter, AFC caps the amount an individual is asked to pay in fees and monitors this to ensure these remain fair and this is not abused. In the event that we identify excessive fees have been charged or other unethical practices we will ensure that action is taken to redress this with the affected individual and the recruitment company will be terminated from our preferred supplier list. Where appropriate, the matter will be reported to the relevant authority.

- d) Does your company require business partners to comply with the above recruitment procedures?

As a minimum, we expect all the subcontractors we work with to comply with all UAE labour laws. We do not have direct control over the practices of our subcontractors, but we proactively review and monitor their employment practices and accommodation to ensure they meet with the high standards they require. Only those that do are added to our Preferred Supplier List.

6. Grievance/remedy:

- a) Does your company have a grievance mechanism that is accessible to workers employed by you or working indirectly for you via business partners, in their own language?
- b) How do you ensure that workers are aware of its existence?
- c) How do you ensure that workers do not face retaliation from supervisors or others for raising grievances?
- d) What processes do you have in place to address and remedy grievances?

Carillion Group has a global Ethics and Business Integrity Policy which applies to AFC and includes our approach to the prevention of bribery and corruption. The policy outlines our commitment to ethical behaviour and our zero tolerance approach to any form of corruption. We also have an Ethics and Compliance Charter, and Carillion Group became the first support services company to receive the Investing in Integrity (IiI) Charter Mark. The rigorous accreditation process assessed our international operations, and included site visits, interviews and surveys by an independent assessor (the Good Corporation), alongside analysis of our ethical policies, procedures and practices. We are committed to the preservation of our reputation and integrity through compliance with applicable laws, regulations and ethical standards across all territories in which we operate. All employees are expected to contribute to a culture of openness, and responsible decision making and conduct all business according to the highest professional and ethical standards and practices.

We have a Grievance Policy and procedure which is in place and communicated to employees as part of their induction process. In addition, we operate a number of communication forums with our employees, where we discuss issues and concerns, and remind them of the various support mechanisms which exist should they have a concern. We have also introduced quarterly briefing

sessions, where we remind employees of their employment rights in their own language and are developing a handbook of rights which will be issued for their reference.

We continuously review how we can communicate more effectively and provide various channels for raising concerns safely and are committed to ensuring our people find these easy to access.

An independent whistleblower hotline is in place and accessible globally. This is translated into relevant languages at a local level. Calls/emails can be made anonymously by anyone, including employees, suppliers and clients, and all reports are investigated fully and appropriate follow-up action is taken to address any issues.

7. Freedom of association:

- a) Does your company have organizational-level policies and procedures in place on freedom of association for workers?
- b) How does your company implement such policies in a context where local law restricts the ability of migrant workers to form or join trade unions, such as in the UAE?

Carillion has group wide policies and procedures in place which support freedom of association for workers. In countries such as the UAE, which restricts the ability of workers to form trade unions, we operate Employee Forums to ensure an open communication channel with our people. Examples of these include our Recreational Committee where we organize activities such as cricket and football tournaments for all of our staff. We are in the process of defining an additional forum to focus on employee engagement and open communication. We also have Site Safety Action Groups, which include employees and sub-contractors, which provide another forum where concerns regarding accommodation, food, H&S etc can be raised and discussed at a site level. Furthermore we undertake a group-wide employee survey every year which enables our people to provide feedback on a whole range of issues which are important to them. This is anonymous and translated into local languages.

8. Public engagement:

- a) Who in your leadership is responsible for ensuring compliance with policies and procedures related to human rights in the UAE?

Andrew Ridley-Barker, Managing Director for Al Futtaim Carillion LLC

- b) Who should be contacted if workers or civil society groups have questions or concerns about your company's UAE operations? Please provide contact information.

Depending upon the specific nature of the questions or concerns about AFC's activities in the UAE these can either be directed to the local team, the Carillion Press Office on +44 (0) 845 129 7659, or the Whistleblowing Hotline – see above.

9. Engagement with the Emirati government:

- a) How does the company work with the UAE government to improve enforcement of the labour law in areas such as passport and fee retention?
- b) Has your company engaged with the UAE government about elements of the "kafala" sponsorship system that restrict workers' ability to change jobs or leave the country?

AFC is committed to engaging with appropriate international, government, non-government and independent organisations and contributing our knowledge and expertise for the common purpose of maintaining good working conditions and high safety standards – both ours and those of the wider industry. As part of this we regularly attend Industry, Government and Non-Governmental events on welfare practices.

10. Challenges: Please describe any challenges your company is encountering in the areas described above.

Further information and guidance:

[OECD Guidelines for Multinational Enterprises](#)

[UN Guiding Principles on Business and Human Rights](#)