



MODERN SLAVERY ACT TRANSPARENCY IN SUPPLY CHAINS STATEMENT FOR FINANCIAL YEAR ENDING 30 SEPTEMBER 2019

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Modern slavery is a serious and heinous crime which violates human rights, destroys communities and causes significant harm to victims. At CGI we actively endorse and support objectives to eradicate slavery, servitude, forced or compulsory labour and human trafficking. CGI is committed to high ethical standards in all aspects of its operations and this, our fourth Modern Slavery Statement, outlines our procedures and progress in this important area.

About us

Founded in 1976, the CGI Inc. group is among the largest IT and business consulting services firms in the world. Operating in hundreds of locations across the globe, CGI delivers an end-to-end portfolio of capabilities, from strategic IT and business consulting to systems integration, managed IT and business process services and intellectual property solutions. CGI works with clients through a local relationship model complemented by a global delivery network to help clients achieve their goals, including becoming customer-centric digital enterprises.

About our fourth modern slavery statement

This statement is issued by the board of CGI IT UK Limited ("CGI"). We are a major employer working in offices across the UK with over 6000 employees.

As a services organisation where the vast majority of our employees are highly skilled and are contracted directly by our company, we consider the risk of modern slavery and forced labour within our own work force to be low. Employees who have concerns about their working conditions are encouraged to speak with their line managers, and, if their concerns are not resolved, they may raise the matter with the HR team through the company's grievance procedure. However, forced labour exists in many different sectors across the world, and we recognise a robust approach is required both internally for our own organisation and for working with our many different suppliers.

As a major employer and procurer of goods and services, we recognise our responsibility to enable and support sustainable business practices as well as facilitate inclusion and diversity amongst our suppliers.

This statement reflects our established commitment to providing safe and fair working conditions for all our employees. It also reflects the way in which we work with our partners and suppliers to ensure socially responsible and ethical business practices are embedded throughout our organisation and beyond.

Combatting slavery and human trafficking – our risks

CGI recognises that slavery is both illegal and unacceptable.

Whilst the risk of modern slavery within CGI's own organisation is low, we review all the third parties (such as suppliers and contractors) we work with. We consider our biggest exposure to modern slavery to be outside our organisation in this supply chain. Our identified highest risk suppliers are:

- Suppliers involved in the manufacturing of technology hardware;
- Suppliers based in locations assessed by the [Global Walk Free organisation](#) as high risk;
- Organisations involved in the maintenance of our buildings such as construction and property maintenance, who are likely to be an employer of lower skilled labour.

The processes detailed in this statement outline our approach to mitigating these identified risks.

Managing risks in our Supply Chain

Recognising our highest exposure to modern slavery is through our supply chain, CGI has taken a robust and thorough approach to ethical and sustainable procurement.

CGI maintains a list of businesses that have been subject to due diligence and assessed as suitable to support us in delivering high quality service to our clients.

As part of our on-boarding process for all new suppliers a thorough materiality rating checklist is completed. The rating covers the supplier's type of operation, number of employees and location of business operations; all of which are key indicators of potential risks of slavery. If any potential ethical or labour concerns are flagged during this review, suppliers are requested to undertake a more detailed assessment via a third party specialist sustainability assessment tool.

This second layer of assessment includes a detailed review of a wide range of sustainability indices, including questions regarding labour practices, locations and modern slavery. For the assessment to be verified, these suppliers must provide detailed evidence of their approach to human rights and slavery in the form of policies and reports. This information is confirmed externally against other evidence, such as labour assessment reports, news articles, judicial sources, trade union data and additional information from other published sources. We are then able to make an informed decision about whether or not to proceed with adding the supplier to our approved supplier list.

As a socially responsible organisation, CGI ensures its suppliers meet high standards regarding human rights, the environment and employment issues. [CGI's Third Party Code of Ethics](#) outlines our approach in this area, reflecting expectations of best practices in supplier conduct. This ensures that the organisations we work with and that support our organisation are aligned with CGI's vision and goals. The code contains requirements with regard to minimum wage, safe working conditions and internationally recognised labour standards, including forced labour. To that end, CGI's Third Party Code of Ethics aims to provide suppliers with the appropriate guidance to make informed business decisions while working with CGI. Suppliers' acknowledgement of these standards is documented through their completed Supplier Business Profile.

As part of our renewal process, all existing suppliers are also contacted at regular intervals to obtain or renew their acknowledgement of the CGI Third Party Code of Ethics. This ensures that our existing supplier base are also kept maintained with the latest documentation. Any supplier that does not sign these documents will be made inactive.

CGI's standard terms and conditions of purchase also make specific reference to human trafficking and slavery laws. In addition, all subcontractor agreements include requirements for compliance with anti-human trafficking and slavery legislation. Through these requirements, suppliers and subcontractors are notified that failure to abide by the terms of the agreement or failure to report a breach or potential breach of anti-slavery or human trafficking laws may result in termination of their contract with CGI.

Progress since our last report

A continued focus on the improvement of our policies and processes to ensure that we are not directly or indirectly involved in any human rights abuses.

The vast majority of the 1600 suppliers used by CGI in the UK during 2019 to support delivery of services to our client are UK based organisations. As part of our supplier due diligence, a specialist sustainability agency has undertaken 79 detailed external sustainability assessments on our behalf to ensure any identified high-risk suppliers comply with human rights best practice.

During 2019 we formally requested that all the identified high risk suppliers in our supply chain complete sustainability assessments. However, not all these suppliers completed these assessments by the end of our 2019 financial year and, as a result, we did not meet our objective outlined in our 2017 statement, to assess all our high risk suppliers. The majority of these suppliers are UK based companies from the maintenance sector who support the upkeep of our UK offices and data centres and only represent 10% of CGI's overall spend with third party suppliers. During 2019, as part of our programme to bring more office facilities management in-house, a large number of new suppliers joined our supplier list who had previously been Tier 2 subcontractors to support building maintenance. These suppliers were identified as potentially high risk due to the use of low-cost labour. Jointly with our sustainability assessment agency, we have worked with these suppliers to request their support for our programme and have shared the importance of their cooperation. Our work in this area continues and, should these suppliers continue to fail to undertake the assessment and/or meet our requirements, we will work with our business partners to explore alternative suppliers to deliver these goods and services. Where any suppliers continue to be non-compliant in our request for assessments we will look to terminate our contracts with those suppliers and subcontractors and replace them with compliant organisations.

Living Wage employer

During 2019, CGI became a certified Living Wage employer. The real Living Wage is an independent calculation according to the actual costs of living. It provides a voluntary benchmark for employers wanting to ensure their staff earn a wage they can live on, not just the government minimum. In addition to paying Living Wage rates to all our directly-employed members, the Living Wage rate will also apply to all contractors regularly working on CGI premises.

Modern Slavery Policy

We have updated and published an [external policy](#) outlining in detail our approach to eradicating risk of modern slavery, both internally in our own organisation and externally in how we work with our suppliers. Published on our website and therefore available to all workers within our supply chain, it also contains information on how to spot the signs of trafficking and what to do should there be a suspected case of modern slavery.

Recruitment and training

CGI is committed to high standards of human rights and this is reflected throughout our recruitment practices and onboarding process. When joining CGI, our members are never required to pay recruitment or agency fees and we do not confiscate identification as part of becoming an employee. And, as part of our commitment to ensuring a slavery-free workforce, CGI employment contracts and policies include the following provisions:

- Freedom of members to terminate their employment with us at any time
- Freedom of movement
- Protection from any threat of violence, harassment and intimidation in the workplace
- Freedom to work for own wages and not in bonded labour
- Obligation to work is not used as a disciplinary measure
- Overtime is not compulsory

Outside of direct applications or referrals from colleagues, we only use reputable employment agencies to source new employees and always verify the practices of any new agency we use before accepting staff from that agency. Specific reference to the Modern Slavery Act 2015 has been included in our contractual agreements with all recruitment agencies.

Training of our Procurement team

Recognising pressures that can be put on workers in supply chains, and to ensure awareness of the most up-to-date practices, our procurement team have recently received training from [Responsible Procurement Practices Consultation Forum](#). The training included the importance of integrating sustainability in procurement to ensure visibility of the issues of fair trade and fair price within the CGI Procurement organisation.

Engaging our members in human rights issues

Recognising that modern slavery is often “hidden in plain sight”.

At CGI our employees are known as “members” to reflect that they are not only employees or workers but are also participants in the business and contribute to its success. As part of the annual performance review process, all members are required to acknowledge that they have read and understood CGI’s Code of Ethics in the form of the “Member Commitment”, in which (among other aspects relating to business conduct and governance) members agree to treat all persons with respect and integrity.

This is supported by CGI’s ISO 9001-certified Member Partnership Management Framework (MPMF), which governs how we manage our member relationships. We build strong and long-term relationships with our members through a prescribed set of activities, including new member orientation and integration, performance and career management, member satisfaction measurement, as well as one-to-one and team meetings. This approach encourages a collective ownership approach to managing member relationships, increases member satisfaction and enhances the working environment. This prescribed level of engagement across our business also provides regular opportunities for our managers to identify any potential human rights issues.

As part of our commitment in our 2017 statement we set a target of 80% of members to undertake the training by the end of our 2019 financial year. Whilst we have not yet managed to deliver this target using information provided by the [Ganglands and Labour Abuse Authority](#), we continue to work with our members in understanding their role in combatting slavery through regular communications in our weekly UK newsletter, intranet and sharing and discussing the issue in staff member meetings. This is supported by posters in our offices to both alert our members and to raise awareness of those involved in the maintenance of our buildings of the risks surrounding slavery.

Reporting and remedy

If a specific case of modern slavery is identified or suspected here in the UK, we advise members to report it to the police immediately on 101 or via the [Modern Slavery Helpline](#). Where any potential victims are in immediate danger we advise use of the standard 999 emergency number. CGI operates an [ethics hotline](#) via its Code of Ethics Policy, which is available to all members, suppliers, clients and members of the public. This may also be used to report any concerns or suspicions of human rights abuses and modern slavery within CGI’s operations or those of its suppliers.

Referral and remedy for potential adult victims is subject to the individual’s consent and CGI will work with the [National Referral Mechanism](#) to support any potential victims to receive government-funded support and/or CGI support provided on a case-by-case basis.

Board review

The senior management of CGI is fully supportive of taking steps to ensure that no modern slavery or trafficking occurs in CGI’s operations or those of its suppliers. In the UK, CGI has appointed David Hodges, Vice President, Group Chief Data Protection Officer, UK Contracts and Commercial to lead CGI’s response to modern slavery. David will report any suspected or actual cases of slavery to the CGI IT UK Ltd board of directors and also table an annual review by the board of modern slavery processes and activities.

Undertaken as a review of our last financial year, this statement is published pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes CGI IT UK Ltd.’s slavery and human trafficking statement for the 2019 financial year (from 1 October 2018-31 September 2019).

This statement is signed and approved on behalf of the UK Board of Directors.



Tara McGeehan

UK President and Director of CGI IT UK Limited
19 March 2020