



## DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

**This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.**



## DISCLOSURE QUESTIONNAIRE

Company Name: Fourfront Group (Holdings Ltd)

Date Submitted: 01/02/2023

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals		✓
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol		✓
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries		✓
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending		✓
Water Intensive Industries		✓
Tax Advisory Services		✓

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		✓
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other		✓

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior	✓	
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration		✓
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls		✓
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		✓
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other		✓



## B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: **Fourfront Group (Holdings Ltd)** UPDATED AS OF: **01/02/2023**

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Disclosure Outcomes & Penalties
<b>ISSUE DATE</b>	1st March 2019
<b>TOPIC</b>	Anti-Competitive Behavior
<b>SUMMARY OF ISSUE</b>	<p>In July 2017, the Competition &amp; Markets Authority (CMA) from the UK launched an investigation into suspected anti-competitive arrangements in relation to the supply of design, construction and fit-out services in the UK which may infringe Chapter I of the Competition Act 1998 (CA98). Due to the longstanding friendship between Clive Lucking (Founder and CEO of Fourfront Group from 2006 until May 2018), and Robb Simms-Davies (the owner of Bluu Ltd.), the CMA was alerted to the potential existence of such arrangements by Jones Lang Lasalle (JLL) who had found irregularities following their acquisition of Bluu Solutions Ltd in 2015 which then became Tetris/Bluu Ltd under JLL. These irregularities suggested that Bluu had both sought and provided cover prices to a number of their competitors. The allegations were that it was through the relationship between Clive Lucking and Bluu's owner that several breaches of the Competition Act arose through the provision of cover prices. Following twenty months of review, a Statement of Objection was issued by the CMA to Area Sq. and Cube Interior Solutions (Fourfront Group companies) on 1st March 2019 confirming the finding of evidence that infringements to the Competition Act had occurred.</p> <p>In parallel with the CMA investigation, the new CEO of the Group, Gary Chandler, instructed an internal review of over 6,000 tendered or completed projects. This highlighted that between 2006-2016, on 10 occasions, Area Sq and Cube were involved in preparing cover prices whilst bidding for projects – 4 of these 10 occurrences had been initiated by Area Sq or Cube. This corroborated and confirmed the findings of the CMA investigation.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	Fourfront Group was fined £4.14m by the CMA, the size of the fine being commensurate with what the CMA determined and calculated as the relevant annual turnover relating to the date of each offense.
<b>IMPACT ON STAKEHOLDERS</b>	Anti-competitive arrangements in relation to the supply of design, construction and fit-out services in the UK which infringed on Chapter I of the Competition Act 1998 (CA98).
<b>RESOLUTION</b>	<p>The CMA investigation reached a resolution in March 2019. As a result, Fourfront Group (as the holding company) was fined £4.14m by the CMA, the size of the fine being commensurate with the relevant annual turnover relating to the date of each offense. The fine is to be paid over a four-year period. Other businesses were involved and also fined, although Jones Lang Lasalle was given full indemnity on having correctly brought the matter to the CMA's attention.</p> <p>During the extended course of the investigation, the CMA's powers were extended by the Secretary of State to pursue the disqualification of Directors. In Fourfront Group's case they saw fit to exercise these in relation to these infringements as follows:</p> <ul style="list-style-type: none"> <li>Clive Lucking, CEO during the period of infringements accepted and signed a Competition Disqualification Undertaking (CDU) for his part in the breaches of competition policy. Clive had already resigned as a Director of all Fourfront Group Companies back in March 2019 and has stepped away from the business.</li> </ul>

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	<ul style="list-style-type: none"> <li>- In addition to Clive, the CMA also argued that Sion Davies in his capacity as Area Sq London Managing Director, and Aki Stamatis as Fourfront Group's Chairman, meant that they should have been aware that such infringements were occurring and taken measures to intervene. The company and its lawyers disputed these conclusions as both those parties were not aware of the extent of Clive Lucking's actions. In the end, CDUs were accepted by Sion and Aki, but an application to Court was immediately made to enable them to carry on as part of the leadership within the business. The Court hearing of that application took place on the 12th of November 2019. The Court accepted all the company's arguments and granted both Aki and Sion dispensation to carry on as Directors within the group. Any restrictions on them imposed by the CMA actions have now lapsed.</li> </ul> <p>The company stated that they cooperated with the CMA throughout their investigation and at no point did the company seek to deny their culpability. This was recognized and considered a mitigating factor by the CMA in its conclusions.</p>
IMPLEMENTED MGT PRACTICES	<p>After the resolutions, the company has undertaken the following actions:</p> <ul style="list-style-type: none"> <li>Reviewed its policies and procedures.</li> <li>Non-Executive Director Appointment: The company appointed in 2019 David Rintoul as a Non-Executive Director, with a focus on ensuring compliance with its codes and policies by all employees. He is attending all the company's Board meetings and is now a senior member of the company's Compliance team. He has also been given authority by the board to investigate any areas or matters as he wishes, including the ability to carry out random and unannounced email searches of the company's servers.</li> <li>New Policies: With assistance from the CMA, a new policy was written setting out the company's approach to Anti-competitive behavior &amp; Competition Law. The HR policies and induction programs have also been aligned with the new policies, to ensure that new members of staff are aware of all policies and the zero tolerance for non-compliance.</li> <li>Code of Conduct: Fourfront Group created a new Code of Conduct.</li> <li>ISO37001 Anti-Bribery and Corruption accreditation: The company started to engage to achieve ISO37001 in early 2019 and the formal accreditation was received in November 2019.</li> <li>Revised Processes: The company has created a manual setting out what is expected from its staff, partners, and clients, as well as internal programs ensuring reviews and updates, are shared.</li> <li>Staff Training: The company established class-leading training programs for its frontline employees with the lawyers Clarkes LLP focusing on the Bribery Act and Competition Law issues. This compulsory training gives practical guidance on what to look out for, particular risk areas, and examples of good and bad practices to ensure that the values and requirements of the policies are met. The company has also carried out Ethics training by the CIOB (Chartered Institute of Building) for all of its frontline staff.</li> <li>External Compliance Consultant: The company has retained an additional external compliance consultant to assist the board on an ongoing basis to ensure the policies remain current and best practice.</li> </ul> <p>Additionally, the company has a Whistleblowing Policy updated in October 2022, The company is committed to compliance with the Bribery Act 2010 and actively encourages a culture of honesty and openness, and, therefore all employees are required to bring up to their manager or other designated person any issue that, in the employee's opinion, might constitute bribery or corruption.</p>
REPORT	<a href="https://www.gov.uk/cma-cases/design-construction-and-fit-out-services">https://www.gov.uk/cma-cases/design-construction-and-fit-out-services</a>
RELATED INCIDENTS (YES/NO)	No