

Our Modern Slavery Statement 2021/22: key points

Balfour Beatty has published its Modern Slavery Statement www.balfourbeatty.com/modernslavery. This is a legal obligation under the Modern Slavery Act 2015.

While tackling modern slavery and the situations and practices that can help it to exist has always been a priority for Balfour Beatty, the publication of this statement provides an annual focal point for us to assess our efforts.

The construction sector remains a high-risk sector for modern slavery and labour exploitation, due to its transient workforce and complex global supply chains. In this year's statement, one of our key reflections is that the current pressures in the business environment such as labour, materials shortages and inflation can drive poor behaviours and create conditions where corners can be cut. This means that the risk of modern slavery in the sector is even higher at the moment.

In the light of the extensive due diligence which we undertake, including rigorous pre-employment / right to work checks, our assessment is that the risk of modern slavery in our direct business operations is extremely small. Our view is that modern slavery risks are most likely to be found in our supply chain. We therefore take a proactive, risk-based approach to managing these. This includes:

- **Being clear about our expectations and standards -** Sharing with supply chain partners the relevant policies and undertaking a range of checks including a Modern Slavery compliance checks on Constructionline, Modern Slavery Statement checks during eProcurement on Jaggaer, and ongoing supplier management throughout the relationship.
- **Supporting education among our supply chain partners -** Through our partnership with the Supply Chain Sustainability School, ensuring that training and other materials are freely available and signposted to them.

- **Taking direct action -** For example, during 2021, we worked with an independent third party to carry out a number of unannounced site worker audits in the UK. These give us insights to continuously strengthen our policies and procedures and we have committed to continuing the practice through 2022.
- **Clearly signposting how to raise concerns -** In 2021, we streamlined the way concerns about issues are raised, including possible incidences of modern slavery. The key way of doing this is to contact our confidential reporting line, Speak Up, on 0800 028 0822 or www.balfourbeattyspeakup.com. Speak Up is operated by an independent company that specialises in handling concerns at work. Details of the concern reported to Balfour Beatty's Ethics and Compliance team to sensitively investigate. The individual can ask to keep their identity confidential. We are committed to making it safe and easy for those working with and for us to voice concerns.
- **Working with partners that share our values -** Over the past five years, we have been reducing the number of approved partners Balfour Beatty has, to reflect that we will only work with organisations that share our values and that act in the same way with their onward supply chain.
- **A consistent approach -** We aim to have our standards for supply chain operations included in Joint Ventures we are part of, with regular procurement benchmarking of our supply chain partners.

We are determined to make it as difficult as possible for abuses to take place – through promoting ethical practices, raising awareness of the issue by – and ultimately, by taking decisive action where necessary. We are clear that we will not work with supply chain partners or source materials from those who do not take modern slavery seriously and make efforts to root it out.

Modern slavery has an immeasurable human cost – Balfour Beatty is determined to continue to play its part in ending these abhorrent practices.