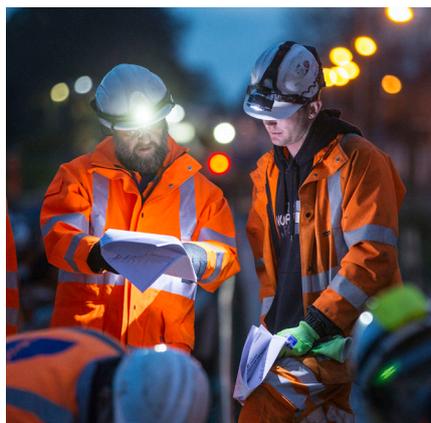
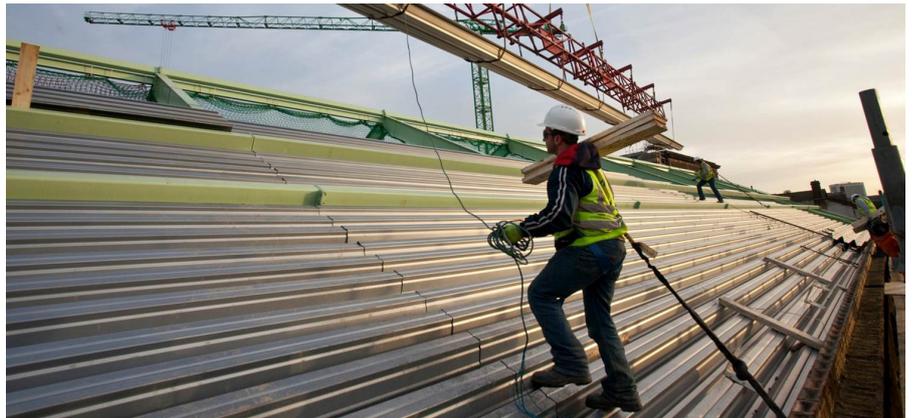


BAM Nuttall

Modern Slavery Statement 2019



BAM Nuttall Ltd Modern Slavery Transparency Statement 2019

The BAM Nuttall Board make this statement on behalf of BAM Nuttall Ltd and its subsidiaries for the calendar year 2019. It sets out what we are doing to stamp out slavery and human trafficking in our business and our supply chain, and the progress made since our last statement.

In preparing this statement and considering our plans, the potential impacts of Covid19 have been considered. We believe there is an increased risk of unfair treatment and low paid workers in the wake of COVID19 and extra vigilance is needed to help stamp out slavery.



Our business and values

BAM Nuttall Ltd is a part of the Royal BAM Group a construction and civil engineering enterprise operating in Europe and internationally that has more than 19,000 employees. BAM Nuttall Ltd employs in excess of 2,800 direct employees in the UK. We operate primarily in the UK and have collaborated with our sister company, BAM Construct UK Ltd, in developing our approach to stamp out slavery.

The company is organised into 7 business units and we operate in nine sectors. More information about what we do can be found at: <http://www.bamnuttall.co.uk/work/>

We are committed to being a sustainable business and ultimately want to have a net positive impact on climate, resources and people by 2050. Our values underpin what we do and help to create a culture of accountability, responsibility and collaboration on a range of issues, including modern slavery.

The BAM values are the guiding principle by which we conduct ourselves and our business which helps to build sustainable success. They are present in the way we are tackling modern slavery.

We strive to enhance people's lives across communities where we operate. This includes the way that BAM is involved in tackling modern slavery within the civil engineering and construction industry – going above and beyond what we are asked to do to help make a difference.

BAM Nuttall Ltd is committed to collaborating with its stakeholders to combat slavery and human trafficking throughout our operations and those associated with our business. This is not a standalone issue, but one which forms part of our approach to ensuring that we:

- treat people with fairness, dignity and respect;
- source goods and services responsibly;
- promote and strive for transparency; and
- conduct our business with the highest regard to ethical and environmental standards.

We are committed to ensuring that all of our employees and third parties performing services for or on our behalf and / or joint venture parties abide by the highest professional and ethical standards.

Supply Chain

Our Supply Chain Purpose is 'To create and maintain ethical and sustainable collaborative relationships with supply chain partners, embracing core BAM values, which generate mutually beneficial outcomes through early engagement and market leading delivery on projects'.

The Royal BAM Group have a strategic programme to develop greater business excellence across all areas. As part of this programme One BAM procurement seeks to implement procurement initiatives across more than One BAM Opco. BAM Nuttall and BAM Construct are already collaborating to review supply chain selection and category management with a focus on modern slavery prevention and positive ethical practices forming a prominent criteria for selection.

Currently the BAM Nuttall Ltd supply chain is large due to the complexity, work scope and the geographical spread of our projects. To meet our customers' needs we have a diverse supply chain and in 2019 we worked with some 4000 vendors. This comprises approximately 2500 suppliers, 1400 subcontractors and 100 plant hire companies. BAM Nuttall Ltd spent about £500m directly with the supply chain in 2019. As many of our major infrastructure projects are delivered with the help of Joint Venture partners our true supply chain spend was considerably more. In general terms our supply chain spend represents approximately 80% of BAM Nuttall Ltd turnover; this clearly demonstrates the importance of our supply chain and we endeavour to work with a supply chain that has similar values to ourselves.

Of further significance is that 25% of supply chain spend was with our BAM Link vendors. BAM Link is an agreement with our preferred vendors which provides a commitment to collaborate to work more closely together in a strategic manner and to have a common focus on ethical business.

Whilst we recognise the potential impact that modern slavery may have on our complete supply chain and their individual suppliers we are initially concentrating our efforts on BAM Link vendors and higher risk members of our supply chain. We have BAM Link agreements with both suppliers of materials and goods and with subcontractors:

Materials and Goods

We consider ethical and sustainability criteria when sourcing materials and goods and work with our customers to assist them in selecting sustainable and ethically sourced materials. When we provide design services, or procure materials and goods directly, we specify to industry standards for responsible and sustainably sourced / produced material.

This includes timber to FSC / PEFC standards and recognised responsible sourcing certifications for other materials, such as BES6001 and ethical supply standards, such as dimensional stone from suppliers operating to ETI base code guidelines.

Our [Sustainable Business Policy](#) and [Ethical Business Policy](#) outlines our commitments and minimum requirements to procurement and how we conduct our business.

Subcontractors and service providers

We also subcontract to specialist trade subcontractors, temporary labour and staff providers, design consultants and other specialists to service our business needs, working across different parts of the business spanning a wide range of skill levels. Specialist trade subcontractors will often source and supply their own materials and goods. In such cases we insist on sustainable and ethical standards that comply with our policies.

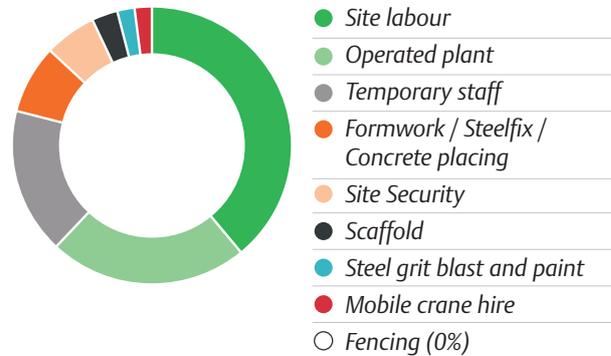
Hotspots and risks of exploitation

It is recognised and acknowledged that one of the most significant risks in our supply chain is exposure to low skilled or migrant labour. This risk was clearly identified in the spend analysis and resultant gap analysis undertaken with Action Sustainability. Having undertaken some actions (detailed below) in respect of the first five categories identified in last year’s Modern Slavery Statement this has confirmed the original thinking that the labour intensive sectors are at the highest risk of exploitation.

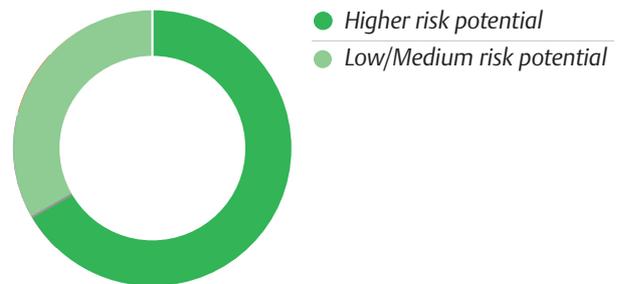
Whilst we continue to work with and monitor these five categories, we will undertake spend and risk analysis of further categories within our supply chain namely site security, formwork, steel fixing and concrete placing, scaffolding and steel grit blast and painting. These categories have some history of trade associations that encourage proper employment practices. As such initial analysis suggests that there is a lower risk of modern slavery.

We continue to review and enhance our assessment processes for products which are sourced by our supply chain or manufactured from countries with a higher risk of modern slavery.

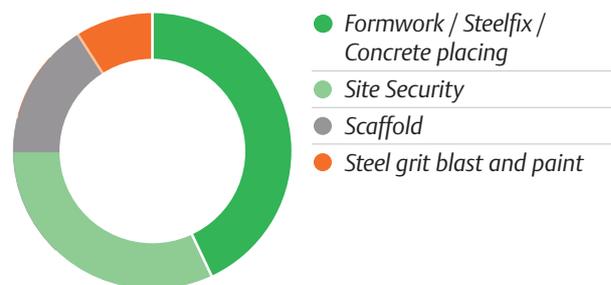
Spend in 2018 and 2019 hotspot categories



Spend in 2018 and 2019 hotspot categories risk potential



Spend in new categories in 2019 statement



What we did in 2019 and what we plan to do in 2020

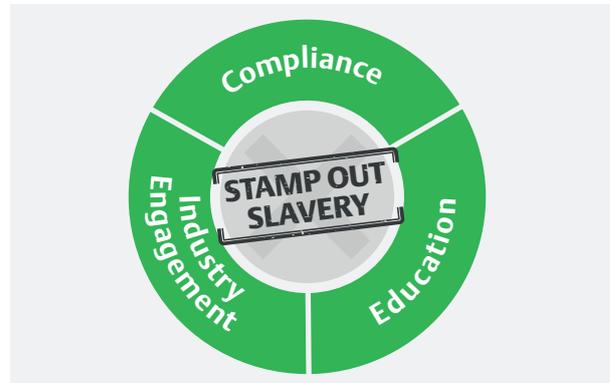
Following our 2018 Modern Slavery gap analysis carried out in collaboration with BAM Construct UK and Action Sustainability, we determined an action plan and implemented it in 2019. In general we achieved the actions and progress we had planned. These were focused on the three key areas to stamp out slavery:

- industry engagement
- education
- compliance

For 2020 we intend to build upon the successes from 2019 and further enhance our drive to stamp out slavery.

When identifying our actions for 2020 we have considered the challenges that COVID 19 presents and the need to adapt. We will ensure continued engagement, learning and knowledge share by attending and organising virtual meetings and industry forums.

Full details of the successes we have achieved in 2019 and our objectives for 2020 are set out below.



Industry Engagement

BAM Nuttall Ltd consider industry engagement to be a fundamental component in the drive to stamp out slavery. Through engagement with our supply chain and wider industry we aim to improve knowledge share and development of wider anti-slavery measures.

2019

- We built on our supply chain risk assessment, focusing on high risk trades and materials.
- We developed an engagement program for those high risk trades and materials suppliers and have rolled this out to 150 key vendors so far.
- We promoted our confidential reporting system, Speak Up, and its availability for use by our supply chain.
- We actively supported industry meetings and forums including the GLAA Construction Protocol meeting and a Westminster Policy Forum to both gain knowledge and demonstrate our commitment to stamp out slavery.

2020

- We will review and update the Gap analysis to identify the next focus of trades and materials on which to undertake a detailed risk assessment.
- We will continue to fully support and promote industry events showing our commitment to stamp out slavery.
- We will hold an event with the new trades and labour providers on the completion of the tender process. Our expectations for their actions in relation to modern slavery will be addressed and the resources we have available to assist them will be communicated at the event.
- We commit to help victims of modern slavery by identifying a charity which we will support.

Education

BAM Nuttall Ltd consider education to be a fundamental component in the drive to stamp out slavery. Through education both within our business and our supply chain, we aim to promote the awareness and reporting of all suspected incidents of modern slavery.

2019

- In November 2019 we commenced the deployment of mandatory bespoke in-house eLearning. In the four working weeks of deployment in 2019 we achieved 13% of our target audience trained which was in line with roll out expectations.
- A toolbox talk was made available to all projects to allow them to increase the awareness around modern slavery where appropriate.
- We held a supply chain forum with 50 of our key supply chain partners. Part of the forum included a briefing on how to identify signs of potential modern slavery utilising BAM Nuttall's toolbox talk. The subsequent discussion forum we facilitated demonstrated an increased awareness and understanding of their role to help stamp out modern slavery.
- We promoted the supply chain sustainability school to our supply chain, with a focus on utilising the resources on modern slavery.
- We issued modern slavery awareness posters for use throughout our projects and offices.

2020

- We will monitor completion of training against our target audience to achieve a minimum of 80%.
- We will develop and implement a communications plan to further increase the awareness around modern slavery and the actions we are taking.
- We will hold 2 supply chain events in 2020 including within them the key message of how we can work together to stamp out slavery.
- Over the course of the year we will determine the increase in awareness of modern slavery through our supply chain engagement.
- We will continue to promote the Supply Chain Sustainability School. This will be done by the use of supply chain newsletters and forums.

Compliance

BAM Nuttall Ltd consider compliance to be a fundamental component in the drive to stamp out slavery. Through the determination of controls, prequalification checks and audits both within our business and our supply chain we aim to continually improve the effectiveness of our measures to prevent modern slavery.

2019

- We reviewed our audits of labour suppliers. As a result of this we have expanded and enhanced our audit process to include additional, more specific, slavery checks.
- Our subcontractors are now required to provide additional information in our vendor assessment process on modern slavery and confirmation that they comply with legislation.
- We completed a review of the requirement for all our suppliers and not only our subcontractors, to complete a full vendor registration and this will include the need to submit information on modern slavery.
- The BAM Group Code of Conduct has been significantly amended and issued and now includes much greater emphasis on the need to stamp out slavery.

2020

- We will conclude the temporary labour tender process and will implement an audit programme with a target of completing audits against a minimum 50% of the identified companies.
- Our vendor assessment process will be extended to encourage the use of the Supply Chain Sustainability School modern slavery training. We will measure our subcontractor usage of the School's training to determine a current baseline.
- By the end of 2020 our objective is for 80% all suppliers of materials to have completed a full vendor registration.
- Carry out a risk assessment on the potential impact of Covid19 and develop and action plan to address them.
- Review, update and issue our Policy Statements for Ethical Business and Sustainable Business.

Summary

BAM Nuttall Ltd remains fully committed to stamp out slavery.

Our people are fundamental to our success. By introducing modern slavery training we continue to create greater awareness not only within our business but within society at large.

Our supply chain is an intrinsic part of our business. As such it is essential that we engage with all our suppliers and subcontractors. Together we will stamp out slavery.

Due Diligence

Our board are fully aware of the issues of modern slavery and are instrumental in incorporating measures into our strategy and approach to help tackle this. They have appointed the Company Secretary as our Compliance Officer, to oversee compliance with the Modern Slavery Act and annual preparation of the Modern Slavery Act Transparency Statement. Our Company Secretary leads a team incorporating our Business Process and Quality, Human Resources and Procurement departments with the remit of ensuring the robustness of and compliance with anti-slavery and human trafficking processes within BAM Nuttall Ltd.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our modern slavery statement for the financial year ending 31st December 2019.



Adrian Savory
Chief Executive
BAM Nuttall Ltd
26 June 2020

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