

Summary

This document summarises Balfour Beatty's Modern Slavery Act transparency statement. If you require more detail on our approach to modern slavery, please see our full statement which is available [here](#).

Balfour Beatty is committed to working within our own business and our supply chain to ensure that we implement a proactive approach to tackling hidden labour exploitation and reducing these practices in our wider supply chain. Our Code of Conduct, which forms the basis of our compliance and training programme, has prohibited human rights abuses and promoted the United Nations Universal Declaration of Human Rights and the International Labour Organisation's standards regarding child labour and minimum age since its launch in 2009. It has recently been updated to explicitly cover modern slavery.

Our risk assessments revealed that whilst risks existed in our recruitment practices and operational site management, the most significant risks are associated with sub-contractors bringing labour onto our sites and the potential for labour exploitation down the tiers of our supply chain. We have in excess of 10,000 suppliers and subcontractors in our supply chain, predominantly (98%) based in the UK. Of Balfour Beatty's direct spend in 2015 0.0001% has been identified as being spent in high risk countries of origin.

Balfour Beatty subcontractors and suppliers are now required to confirm the actions they are taking to ensure labour exploitation, modern slavery and human trafficking are not taking place in any part of their business or supply chain. High risk suppliers (i.e. those who may be sourcing from high risk countries of origin) are required to provide evidence of regular supply chain audits, either directly or through a third party auditor to monitor performance.

Whilst there is less risk in our own business than through our supply chain, we have also undertaken action in our recruitment processes to prevent modern slavery and human trafficking in our own business.

We understand that the risk of modern slavery is not static, and we must continue to improve our mitigation in the years ahead. We have laid the ground work for preventing modern slavery within our business and supply chain through the policies and procedures we have implemented but we now need to ensure that these are being followed in practice. This will be a key area of focus in the coming 12 months.

Balfour Beatty
March 2017