

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 was updated in 2017 to explicitly cover modern slavery.

We revisited our assessment from 2016 and concluded that whilst risks exist in our recruitment practices and operational site management, the most significant risks remain in our material and subcontract procurement. 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 2017 less than 1% was spent with suppliers in high risk countries of origin (such countries being determined as high risk by the Global Slavery Index)¹.

Balfour Beatty subcontractors and suppliers are 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. Suppliers based in or sourcing from high risk countries of origin are subject to enhanced due diligence and are required to provide evidence of regular labour standards 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. Whilst a number of our Group processes have been improved so we have a greater understanding of the risk of modern slavery in our own business and our supply chain and how to mitigate it, there is more to do within specific businesses and on site. These will be our key areas of focus in the coming 12 months.

Balfour Beatty
March 2018

¹ The high risk country of origin for this spend in 2017 was India