

## 2025 Modern Slavery Statement: Summary of key points for our supply chain partners

Balfour Beatty's 2025 [modern slavery statement](#) outlines the steps we took in 2024 to combat modern slavery and sets our priorities for the year ahead to uphold the rights of all those who work for or with us and of the communities in which we operate.

While robust checks mean the risk of modern slavery within our direct operations remains low, we recognise that greater risks exist in the supply chain - particularly among lower-tier suppliers. With around two-thirds of our revenue spent on goods and services from external partners, we take seriously our responsibility to ensure this spend is ethical and sustainable.

We have summarised below the key points for supply chain partners – what we expect from you, and what our priorities are.

### **Supply chain partner pre-qualification**

From January 2024, the requirement for a modern slavery statement became mandatory for all of our supply chain partners pre-qualifying on Constructionline, regardless of size or turnover. This requirement was communicated to all supply chain partners in June 2023, followed by a further update and guidance issued in October 2023, including a template.

In 2024, we rolled out a detailed supplier guidance document outlining practical actions, links to external resources, and templates for human rights risk registers and modern slavery policies. Where a supply chain partner repeatedly fails to provide a statement or engage with the process, they are responsibly exited as a Balfour Beatty partner.

### **Supply chain audit programme**

To strengthen visibility and assess maturity, we continue to proactively audit supply chain partners on how they manage modern slavery risks. In 2023, we audited 121 partners and completed ethical labour audits at four project sites. In 2024, we conducted a further 187 supply chain audits and extended ethical site audits to four more locations.

In 2025, we will re-audit selected partners from 2023 to measure progress and will introduce a rolling three-year target to audit 10% of our high-risk suppliers. These are identified using our Supply Chain Sustainability Risk heat map, which informs how we buy and from whom.

### **Free training and resources**

Balfour Beatty is a funding partner and Gold member of the [Supply Chain Sustainability School](#) and co-chair of its Modern Slavery Working Group. The School provides all its training and resources - covering sector risks, mitigation methods, heatmapping approaches, governance, and practical guidance - completely free of charge to the construction supply chain. We encourage all supply chain partners to engage with the School to enhance awareness, capability, and resilience against modern slavery.

### **Clarity around what we expect from business partners**

We expect all our supply chain partners to uphold the same high ethical standards we set for ourselves. Balfour Beatty's principles-led Code of Ethics sets out the values, behaviours and commitments we expect in every working relationship. It makes clear our zero tolerance for child labour, forced labour or any form of modern slavery, and outlines how to recognise and report concerns.

All of our supply chain partners are contractually required to comply with our Code of Ethics. Acting with integrity is non-negotiable. Partners operating on our behalf must comply with the law, our values, Code of Ethics, policies, and Supplier Standards – which are referenced in our contracts and publicly available on the [Balfour Beatty website](#).

In 2024, we streamlined and updated our guidance into a single, clear [Supplier Sustainability Conditions document](#). This replaces our previous Sustainable Procurement Guidance and Modern Slavery and Labour Exploitation Guidance for Suppliers. The new conditions define the behaviours and expectations we require from our supply chain.

## Clear checks and processes

We expect all UK partners to conduct thorough right to work checks and verify that workers match their documents. All workers must:

- > Have written contracts
- > Receive at least the legal minimum wage
- > Not pay fees to obtain work
- > Receive clear information on their rights (e.g. sick pay, holiday pay)
- > Be encouraged to take breaks and holidays to support wellbeing

Recent interviews with workers have highlighted areas for improvement. Please ensure:

- > Right to work checks follow UK law (e.g. driving licences are not valid ID)
- > All workers understand their entitlements
- > Terms are provided in writing
- > Breaks and leave are actively supported

## Clearly signposting how to raise concerns – our Speak Up policy

We are committed to fostering a culture of openness, where everyone is empowered to speak up about unethical or illegal behaviour. Our [Speak Up policy](#) guarantees that individuals will be protected when they act with integrity. In 2024, just over 24% of group speak up reports were made by third parties. We actively encourage our supply chain partners to use our [Speak Up platform](#) to report any concerns, particularly those related to worker exploitation. Our independently managed helpline, available to all – including supply chain partners and members of the public on 0800 028 0822 – also offers a confidential and, if needed, anonymous way to report concerns.

## Evolving the language around modern slavery

In 2025, we will increasingly use the term **“worker exploitation”** to make the risks of modern slavery more relatable and better understood across the workforce. This reflects our focus on clearer language, better engagement, and early intervention.

Balfour Beatty is unwavering in its commitment to ethical practice. We make it unequivocally clear: we will not engage with supply chain partners who disregard modern slavery risks. The human cost of inaction is unacceptable – and we are resolute in doing our part to end these abhorrent practices.