



Modern Slavery Statement 2022

Building a sustainable tomorrow

ukandireland.bam.com



BAM Nuttall Ltd

Modern Slavery Transparency Statement 2022

The BAM Nuttall Directors make this statement on behalf of BAM Nuttall and its subsidiaries for the calendar year 2022. 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 worldwide crises have been considered, including interest fluctuations, UK cost of living crisis, post pandemic consequences and the conflict in Ukraine. We believe there continues to be an increased risk of unfair treatment and low paid workers in the wake of these significant factors.

As a result, extra vigilance is needed to help stamp out slavery.

Our business and values

BAM Nuttall is a part of the Royal BAM Group nv, a construction and civil engineering enterprise operating in Europe and internationally employing more than 13,000 people globally. BAM Nuttall employs in excess of 2,500 direct employees in the UK. We operate primarily in the UK and have collaborated with our sister company, BAM Construct and Ventures UK, in developing our approach to stamp out slavery.

On 1 January 2022 Royal BAM Group changed its organisational structure to two geographic divisions. BAM Nuttall is now a segment within the BAM UK & Ireland Division which employs more than 6,500 people.

BAM UK & Ireland Division is supported by divisional enabling services, including supply chain and procurement. This has benefitted BAM Nuttall by offering greater collaboration and leveraging knowledge sharing which will benefit our approach to stamp out slavery.

BAM Nuttall undertakes civil engineering works across three sectors – Transport, Major Projects and Regions.

Our purpose is to create sustainable environments that enhance people's lives. We are committed to being a sustainable business and want to have a net positive impact on climate, resources, and people by 2050, as measured against science-based targets.

The BAM values are the guiding principles by which we conduct ourselves and our business, which helps to build sustainable success. 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. They are adopted in the BAM Code of Conduct which, along with our policies and procedures, supports the ways in which we tackle 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 in the civil engineering and construction industry – going above and beyond what we are asked to do to help make a difference.

BAM Nuttall 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 that 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 our employees and third parties performing services for or on our behalf and / or our joint venture partners abide by the highest professional and ethical standards.



Our 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.

BAM Nuttall is part of the BAM UK & Ireland Division alongside BAM Construct and Ventures and BAM Ireland. Our Supply Chain management and Procurement teams are managed by the Delivery Assurance function at a divisional level and as such embed our divisional targets and values into everything we do:

The Supply Chain management & Procurement function creates and manages the overall strategy for how BAM Nuttall interacts with its supply chain - covering suppliers, subcontractors and consultants.

Supply chain categorisation and category management within BAM UK and Ireland ensures BAM Nuttall is committed to including modern slavery prevention and ethical procurement practices in its evaluation and selection criteria.

The BAM Nuttall supply chain is large due to the complexity, work scope and geographical spread of our projects. To meet our customers' needs we have a diverse supply chain and in 2022 we worked with approx. 3,500 vendors. This comprises approximately 2,300 suppliers and 1,200 subcontractors. BAM Nuttall spent £560m approx. directly with the supply chain in 2022. As many of our major infrastructure projects are delivered in collaboration with joint venture partners, our true supply chain spend was considerably more. In general terms our supply chain spend represents approximately 80% of BAM Nuttall turnover; this clearly demonstrates the importance of our supply chain and we endeavor to work with a supply chain that has similar values to ourselves.

Of further significance is that in excess of 25% of supply chain spend was with our BAM Link vendors

BAM's general philosophy is not to spread our spend and resource amongst a large number of companies but to instead focus our efforts on a smaller number of key businesses, ensuring we understand their business and they have the ability and willingness to align their current and future strategy with ours, this is managed in BAM Nuttall through our BAM Link approach; We have launched a new agreement with our supply chain partners called BAM Link, which suits a diverse group of businesses.

BAM Link offers a great deal of flexibility and provides for longer or shorter agreements depending on the requirements of the supply chain partner. It also allows for the incorporation of existing agreements already concluded with Royal BAM Group.

This approach is designed to have collaboration and alignment to our values as their core element. They are all supported by health and safety, bribery and corruption, modern slavery and other relevant company policies and incorporate ISO44001.

Early engagement, collaboration and on-going performance measurement are key to this approach.

We recognise the potential impact that modern slavery can have on our complete supply chain and their individual suppliers and we ensure that our BAM Link vendors and higher risk members of our supply chain adopt a stringent approach to raising awareness and actively manage Modern Slavery in their own supply chains.



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 product. 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.

The BAM Code of Conduct is based on the BAM values and sets out the minimum expectations of and how it expects its employees and contractors to behave. This is supported by our Sustainable Business Policy and Ethical Business Policy which outline our commitments and minimum requirements to procurement and how we conduct our business. These ensure a robust policy-based approach to tackling modern slavery.

Subcontractors and service providers

We use trade subcontractors, temporary labour, recruitment agencies, design consultants and other specialists to find the skills to help us meet our business's needs and demands. Specialist trade subcontractors will often source and supply their materials and goods. In this scenario, we insist on sustainable and ethical standards that comply with our policies and compliment our values.

Hotspots and risks of exploitation

The main risks identified are contractor-supplied materials sourced outside the EU and using low-skilled or migrant labour.

From this work, we identified several categories of spend for further assessment and engagement. We'll build on our experience developing 'Trade and Labour' and 'Operated Plant' Category Management Plans to understand better the implications of modern slavery across our supply chain.

BAM Nuttall completes the online Modern Slavery Assessment Tool ('MSAT') each year to assess gaps in our modern slavery programme and support a strategy for future aims.

As many strategic customers review MSAT outcomes, we can improve alignment with our partners, sharing values and goals. The MSAT has helped us focus on specific hotspots and risks of exploitation, highlighting safeguards we can implement to mitigate risk.

We have used 'MSAT' outcomes to refresh BAM Nuttall's action plan for achieving our objectives, e.g.: We have engaged our Temporary Labour providers through our new BAM Nuttall category management process, moving from a supply chain spend for temporary labour of approx. 78 vendors and evaluating them on several key topics including their commitments and processes surrounding modern slavery, this led to an approved and mandated 6 vendors for use going forward, these 6 have an agreement in place that includes recognition of modern slavery and KPI's amongst other elements.

We continue to learn about potential risks from partners, clients and our supply chain and will continually evolve our approach to identify and take action. We also continue to work with our preferred suppliers to establish long-term and collaborative relationships to identify risks and agree on measures to prevent modern slavery. We intend to continue working with our peers, suppliers and regulators to share information and intelligence to improve our and across-industry understanding of where modern slavery risks lie. We will update our risk assessment over time and report back on findings and actions taken.



What we did in 2022 and what we plan to do in 2023

We made good progress with our actions planned for 2022, however we recognise that we need to continue our journey and focus on the three key areas to stamp out slavery:

- industry engagement
- education
- compliance

Our action plan based on the MSAT outcomes helped us identify our objectives for 2023.

Adapting to post pandemic ways of working continues to challenge face to face engagement but we remain committed to continuously improving our relationships by raising awareness and sharing knowledge with our partners and improving our own learning.

Full details of our 2022 successes and our objectives for 2023 are as follows:

Industry Engagement

BAM Nuttall considers industry engagement a fundamental component in the drive to stamp out slavery. By engaging with our supply chain and wider industry, we aim to improve knowledge sharing and develop broader anti-slavery measures.

We made good progress for the goals we set for ourselves, in our mission to stamp out modern slavery. In 2023 we will increase collaboration across BAM's UK & Ireland Division to stamp out modern slavery.

2022

- We attended/hosted a number of supply chain events including "meet the buyer" events
- We created a newly formed divisional modern slavery working group to share knowledge and education across the different parts of our business
- We developed a UK & Ireland criteria for Pre-Qualifying Questions and onboarding process for Temporary Labour
- We identified and used specific Modern Slavery criteria in our evaluation of six mandated Temporary Labour agency agreements

2023

- We will continue to collaborate across our UK&I division to collaborate and learn from each other and our supply chain partners
- We will identify 20 trades to focus on to develop risk assessments

KPI: We will attend/host a minimum of three industry events by the end of 2023.



Education

BAM Nuttall considers education a fundamental component in the drive to stamp out slavery. Through education, in our business and across our supply chain, we aim to promote awareness for and reporting of all suspected incidents of modern slavery.

2022

- We maintained our eLearning completion target of over 80%
- We began work to refresh the BAM Code of Conduct including our commitment to Human Rights and the prevention of modern slavery (including refresh of mandatory eLearning)
- We began our review of in house learning, including the need for a refreshed module for BAM UK&I
- We delivered a modern slavery specific supply chain communication to increase awareness of challenges and how we can work together to stamp out slavery

2023

- We will roll out our refreshed BAM Code of Conduct and mandatory training module
- We will complete our review our in house training and awareness tools and implement change, as required
- We will develop and implement a communications plan to further increase awareness around modern slavery and the actions we are taking
- We will create a Modern Slavery Information hub on our intranet, to provide a range of resources that all of our sites and offices can use, such as posters, toolbox talks, videos and workshop materials

KPI: Create a single source information hub on our intranet with a range of resources for our sites and offices

Compliance

BAM Nuttall considers compliance a fundamental component in the drive to stamp out slavery. By determining controls, prequalification checks and audits in our business and our supply chain, we aim to continually improve the effectiveness of our measures to prevent modern slavery.

2022

- We now request all vendors to undertake a full vendor registration, including the provision of responses to modern slavery questions in their PQQ's
- We ensured that materials providers are required to provide responses to modern slavery questions in their PQQ's
- We will continue to evaluate the need for materials vendors to undertake a full vendor registration
- We completed our review of current standard sub-contractor contractual agreements to ensure they adequately protect against modern slavery risk

2023

- We will review the potential for a division wide modern slavery policy and will implement if appropriate
- We are moving to a harmonised approach of vendor onboarding across UK&I which is a single, industry recommended tool
- We will amend our sub-contractor agreements, as appropriate, based on the outcome of our review

KPI: We will implement a single vendor onboarding tool by end 2023

We're collaborating with industry
to tackle modern slavery together



Summary

BAM Nuttall remains fully committed to stamping out slavery. Our closer collaboration across the UK & Ireland division will further progress our journey to stamping out slavery.

The potential impacts of worldwide crises have been considered, including interest fluctuations, UK cost of living crisis, post pandemic consequences and the conflict in Ukraine presents a risk to modern slaves being exploited in our industry. Our 2023 actions will mitigate these risks in BAM's aim to stamp out slavery.

Our people are fundamental to our success. By continuing to train our people about modern slavery, we continue to create greater awareness not only in our business, and while our colleagues are at work, but across society and in local communities as they go about their daily lives.

Our supply chain is an intrinsic part of our business. We believe it is essential to engage with all our suppliers and subcontractors.

Due diligence

We recognise the need to carry out diligent checks as part of our modern slavery action plan for employees. Some examples of how we do this are:

- Right to work eligibility checks, including questions and guidance for our supply chain partners on how to ensure they employ people legally and combat modern slavery.
- All BAM Nuttall employees are given access and time to complete our online modern slavery training as part of their induction and refresher training throughout their careers.
- Our supply chain engagement process requires all subcontractors and major materials vendors to complete their Builders Profile, including answers relating to modern slavery, employment of people and sourcing responsibly.
- We continue to discuss modern slavery as part of our regular relationship-building meetings with our supply chain partners.
- Supplier audit sessions. BAM Nuttall maintains the right to audit and investigate any member of our supply chain and focus on areas of perceived risk.
- Modern slavery is a consideration when we assess the suitability of potential joint venture partners for the delivery of Major Projects.

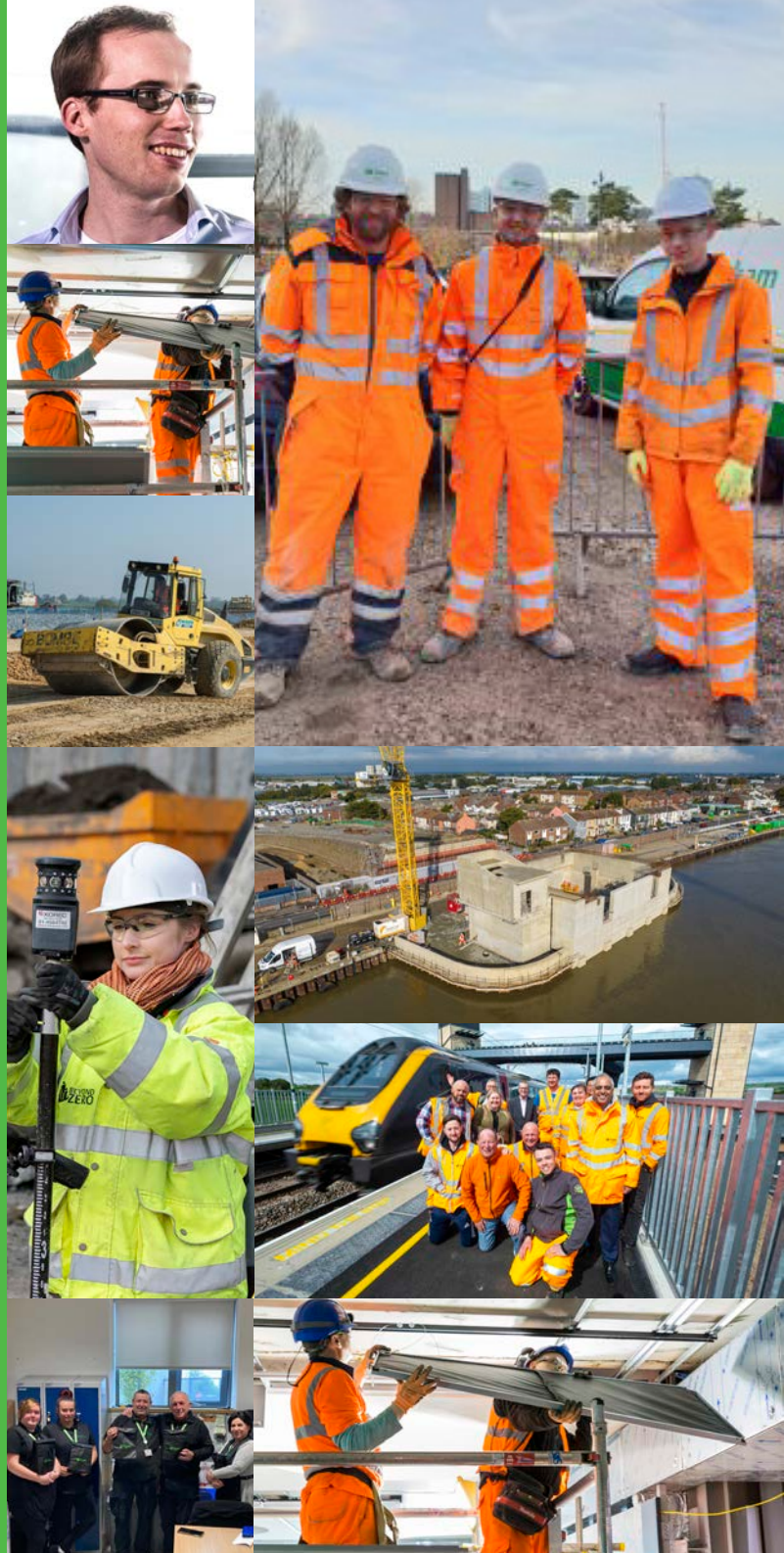
We expect all of our people to be involved in the fight against modern slavery. It starts with our Directors, who fully support our Modern Slavery plan and are instrumental in incorporating measures into our strategy and approach to help tackle this.

The Company Secretary oversees compliance with the Modern Slavery Act and develops our Modern Slavery Act Transparency Statement. In collaboration with experts from Compliance, Business Process and Quality, Human Resources, Procurement and Communications, they ensure our anti-slavery and human trafficking processes and delivery of our plans are robust and meet compliance standards.

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 2022.

Huw Jones,
Executive Director
BAM Nuttall Ltd
June 2023

Building a sustainable tomorrow



BAM Nuttall
St James House
Knoll Road
Camberley
GU15 3XW

Tel 01276 63484
ukandireland.bam.com