



Modern slavery statement

SMEC International
January to December 2020



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1.0

Introduction

This is the first Modern Slavery Statement ('Statement') for SMEC International. The term modern slavery is used to denote practices defined in the Modern Slavery Act 2018 (Cth) (MS Act) and includes eight types of serious exploitation: servitude, slavery, forced labour, forced marriage, the worst forms of child labour, debt bondage, deceptive recruiting for labour or services and trafficking.

Under the MS Act, reporting entities are required to assess the risk of modern slavery in their supply chains and operations, and the supply chains and operations of any entities they own and control, and engage with their suppliers to mitigate and address that risk.

The purpose of this Statement is to outline our approach to ensuring that SMEC International has robust frameworks and processes in place to minimise the risk of modern slavery in our business operations and supply chain.

SMEC International is fully committed to operating responsibly and adhering to the highest ethical standards. We recognise that slavery and human trafficking can occur in many forms, and we will not tolerate any form of slavery or human trafficking in our business.



Karraphuli Tunnel Project
Bangladesh

The Reporting Entity

This Modern Slavery Statement ('Statement') is made on behalf of SMEC International Pty Ltd (SMEC International) in compliance with the Modern Slavery Act 2018 (Cth) (MS Act).

SMEC International is a wholly owned subsidiary of Surbana Jurong Holdings Australia (SJHA). The entities SMEC International owns or controls include;

Asia Pacific: ECCL Singapore Pte Ltd, Singapore; SMEC Asia Ltd, Hong Kong; SMEC International (Malaysia) Sdn Bhd, Malaysia; SMEC Macau Engineering Consultancy Limited, Macau; SMEC Myanmar Company Limited, Myanmar; SMEC Philippines Inc, Philippines; SMEC PNG Ltd, PNG; SMEC Vietnam JSC, Vietnam.

Africa: Energy Holdings Ltd, Mauritius; SMEC International (Africa) (Pty) Ltd, South Africa; SMEC (Kenya) Limited, Kenya; SMEC Nigeria Limited, Nigeria; SMEC South Africa Pty Ltd, South Africa; SMEC (Tanzania) Limited, Tanzania; SMEC Uganda Limited, Uganda; Soillab Pty Ltd, South Africa; VKE Namibia Consulting Engineers Pty Ltd, Namibia; VKE Botswana Pty Ltd, Botswana; Vincpro (Pty) Ltd, Namibia.

South Asia & Central Asia: ACE Consultants Ltd, Bangladesh; SMEC Oil & Gas (Pvt) Ltd (formerly CEIS); Pakistan Engineering General Consultants (EGC) Ltd, Pakistan; SMEC Rail India Pvt Ltd, India; Ocyana Consultants Pvt Ltd, Sri Lanka; SMEC Central Asia LLP, Kazakhstan; SMEC Georgia LLC, Georgia SMEC India Pvt Ltd, India; SMEC Pakistan Pvt Ltd, Pakistan.

Resources: Global Maintenance Consulting Singapore Pte Ltd, Singapore; SMEC Servicios de Ingenieria de Mexico, Mexico; SMEC (Chile) Limitada, Chile.



3.0

About SMEC International

SMEC is an engineering, management and development consultancy delivering innovative solutions for our clients and partners, with 3,575 people operating across a network of 42 offices. Leveraging our 70-year history of delivering nation-building infrastructure, we provide technical expertise and advanced engineering services to resolve complex challenges across the project lifecycle, from initial concept, feasibility, planning and design through to construction, commissioning, operation and maintenance.

Our core service offering covers urban renewal, transport design and energy. We provide specialist expertise and technology-driven solutions in a broad range of areas, including; crossroad, rail, aviation, greenfield communities, hydropower, solar energy, geotechnics, tunnelling, environmental and asset management.



V&A Clock Tower Pedestrian Bridge
South Africa

4.0

Our Supply Chain

The MS Act indicates that entities may either cause, contribute to, or be linked to modern slavery through their business operations and partnerships. There is an expectation that entities will prevent any modern slavery in their own operations, as this is where there is the most control and leverage. We understand that risks of modern slavery in the first tier of the supply chain should be addressed as a priority, while over time assessing the risks deeper in the supply chain.

SMEC International's supply chain consists of goods and services that support our consulting services business across all the countries in which SMEC International has offices. One of our largest supplier categories is 'Corporate Services', which includes rent, and Facilities Management. Facilities Management includes; security, cleaning, equipment (purchase and hire), office services (printing, advertising and marketing), ICT equipment and software. Other supplier categories include; professional services, memberships, recruitment and training.

SMEC International has significant expenditure allocated to sub-consultants, although there isn't strong visibility in the supplier data to determine the types of services they provide. We are aware that a lack of visibility can sometimes correlate to a higher risk of modern slavery. Given this, we will work towards improving our data so that the types of services provided by sub-consultants is more visible.



Australia, New Zealand & Pacific Islands
 Australia
 Fiji
 New Zealand
 Papua New Guinea
 Solomon Islands

Africa
 Ethiopia
 Kenya
 Namibia
 South Africa
 Tanzania

Americas
 Canada
 Chile
 US (Seattle)

South Asia & Central Asia
 Afghanistan
 Bangladesh
 Georgia
 India
 Kazakhstan
 Nepal
 Pakistan
 Sri Lanka
 Tajikistan
 UAE

Southeast Asia
 Brunei
 Indonesia
 Malaysia
 Myanmar
 Philippines
 Singapore
 Vietnam

UK
 England (London)

5.0

Assessing our Risks

SMEC International believes that understanding the supply chain is the first step in identifying risk. We acknowledge that the expenditure associated with any individual supplier does not necessarily correlate to the risk of modern slavery.

SMEC International commissioned Corrs, a leading independent Australian law firm, to conduct an initial high-level risk assessment of the supply chain. This process involved a thorough mapping of the supply chain, including categorisation and assessment of suppliers. This resulted in an assessment of risk that will be used as the framework for engagement with suppliers, and the ongoing development of tools to assess and address modern slavery risks.

Based on known risks of modern slavery, and the available data, the prevalent modern slavery risks for SMEC International relate to Facilities Management suppliers, Office Equipment suppliers, Recruitment and Labour Hire suppliers, and Accommodation (hotels).



5.0

Assessing our Risks

5.1. Facilities Management

Facilities Management includes; cleaners, security and maintenance services. Our offices and facilities are one of our most significant expenditures. Within the facilities management category, cleaning work gains attention due to its multiple tiers of contracting, which can sometimes obscure labour conditions, whilst the low-skilled nature of the work can sometimes expose vulnerable workers to exploitation. Similarly, security and maintenance services often have multiple tiers of contracting and vulnerable low-skilled workers, also requiring further due diligence.

5.2. Office Equipment Suppliers

There are prevalent modern slavery risks with suppliers of office equipment, particularly in countries with a high prevalence of child labour in manufacturing and production.

5.3. Recruitment and Labour Hire Suppliers

Suppliers of low-skilled or migrant labour, such as those working for recruitment and labour hire companies are high risk, particularly in countries with a high occurrence of modern slavery.

5.4. Accommodation (Hotels)

Workers in hotels are often low-skilled or migrant. There is known high-risk of exploitation in the hotel sector, this risk is heightened in countries with a high prevalence of modern slavery.



Addressing our Risks

SMEC International takes steps to manage the risks of modern slavery within its supply chain through building awareness, improving policies and procedures and enhancing due diligence.

6.1. Building Awareness

One of the key actions we have undertaken to build awareness of modern slavery is through mandatory training for all employees. The training is online and covers: what modern slavery looks like; its impact on individuals, companies and society; forms of modern slavery; how to identify signs of modern slavery; how to combat modern slavery; and what each person can do to prevent modern slavery.

Modern Slavery training was launched via a global announcement from the CEO, followed by regional announcements from the respective Heads. For new employees, modern slavery training is now part of onboarding. The completion rate for our online training was 86% (as at 11th February 2021). This is a good result given that this includes people on long-term leave.

6.2. Improving Policies and Procedures

Improving our policies and procedures has been a priority to mitigate or remove modern slavery risks in SMEC International's operations and supply chains. In the 2020 financial year, we developed a Modern Slavery Policy that sets out our commitment to identifying, assessing and addressing risks of modern slavery; and informing staff of what is expected of them in actioning this commitment, including establishing a process for reporting risks or suspected instances of modern slavery.

During this period, we also developed Supplier Minimum Standards, which establish the minimum standards required of our suppliers in relation to addressing modern slavery risks. These Minimum Standards are inserted into a Supplier's Agreement when a SMEC Agreement is not being used.

In addition to these new governance measures, we amended a range of policies and procedures to incorporate our commitment to addressing risks of modern slavery, including;

- Procurement Policy
- Purchasing Procedure
- Sub-consultancy Agreement
- JV Agreement
- Contractor Standing Agreement

Prior to the 2020 financial year, where the above (new and revised) policies and procedures were released, we already had a strong governance framework in place focused on ethical business practises and protecting human rights.

This pre-existing framework includes;

- Code of Conduct
- Business Integrity Policy
- Business Integrity Risk Register
- Annual Employee Integrity Compliance Survey
- Whistleblowing Policy
- Whistleblowing Reporting and Investigation Procedure (via a third party-hosted, confidential reporting platform, where employees remain anonymous)
- Child Protection Policy
- Sustainability Policy

Addressing our Risks

6.3. Enhancing Due Diligence

We understand the importance of conducting due diligence on proposed suppliers to enable us to make an informed decision prior to engaging into a business relationship.

We have a Supplier Registration process, which includes a Supplier / Partner Due Diligence Questionnaire. The Questionnaire is an evaluation process performed on a current or potential business supplier (or partner) to investigate the entity's history, activities and documentation before engaging them in a business relationship. The results of the Questionnaire will determine the level of due diligence we will then undertake.

In the 2021 financial year, we will perform due diligence on suppliers with the highest perceived risks to modern slavery. Our focus will be on our South Asia and Central Asia business, in the following areas;

- Facilities Management in Kazakhstan
- Recruitment and Labour Hire in Georgia
- Accommodation (hotels) in India.

In subsequent years, we will drill down further into our supply chains and increase the level of engagement with high-risk suppliers.



Measuring our Effectiveness

We are taking steps to manage the risks of modern slavery within our supply chain, and are committed to a program of continuous improvement to ensure our efforts are effective. Building awareness, improving policies and procedures and enhancing due diligence are the three focus areas of our Anti-modern Slavery Program. Our approach to measuring the effectiveness (in these areas) is detailed below.

7.1. Measuring Awareness

Measuring the effectiveness of our Modern Slavery training is based around answering a simple question 'Did the training achieve what it set out to do?' The objective of the training was to raise awareness of modern slavery and ensure employees can identify modern slavery risks in their everyday actions. To assess this objective, we drafted a Survey which will be administered to employees via a random sample, asking questions about the training, for example 'Rate your level of awareness of modern slavery before and after completing the training: low / medium / high'. The results of the Survey will be used to further improve our modern slavery training.

7.2. Measuring Improvements to Policies and Procedures

Measuring the effectiveness of our (new & revised) policies and procedures will involve conducting audits of our Supplier Agreements to ensure the new Supplier Minimum Standards are included.

7.3. Measuring Supplier Due Diligence

Our enhanced due diligence on suppliers will be measured through the level of participation and cooperation in our Supplier Due Diligence Program. We are committed to encouraging greater participation in our due diligence processes and will encourage our suppliers to adopt their own modern slavery risk programs.



8.0

Our Consultation Process

We consulted across the Company through the Modern Slavery Working Group which comprises members of management from the business' operations and support services. We also consulted with the Boards of the entities we own and control, by circulating a draft Modern Slavery Statement for their review and feedback. We engaged with all employees from the entities SMEC International owns and controls through the mandatory online training.

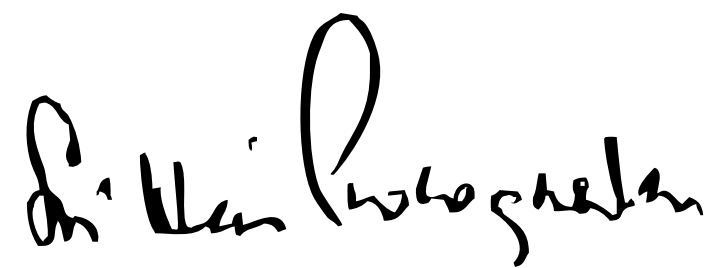


9.0

Approval

SMEC International is committed to the elimination of modern slavery in its supply chain and operations. We will continue to develop our Anti-modern Slavery Program.

SMEC International makes this Modern Slavery Statement in accordance with section 14 of the Modern Slavery Act 2018 (Cth), for its financial year ended 31 December 2020. This Statement has been approved by the SMEC International Board on 26th February 2021.



Hari Poologasundram

CEO SMEC & CEO International Surbana Jurong





We're redefining exceptional

Through our specialist expertise, we're challenging boundaries to deliver advanced infrastructure solutions.