

Modern Slavery Statement



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Reporting entity

This modern slavery statement (**Statement**) has been published in accordance with the *Modern Slavery Act 2018 (Cth)* (MAS or Act) and is a joint statement made on behalf of the reporting entities:

Surbana Jurong (Holdings) Australia Pty Ltd;

SMEC Holdings Pty Ltd;

SMEC Australia Pty Ltd; and

SMEC International Pty Ltd

together "SMEC", each with a registered address of Level 5, 20 Berry Street, North Sydney, NSW 2060.

This Statement describes the risks of modern slavery in SMEC's operations and supply chains, and outlines the actions taken to address those risks for financial year ending 31 December 2022.

This is the third Statement for Surbana Jurong (Holdings), SMEC Australia and SMEC International. It is the second Statement for SMEC Holdings Pty Ltd.

Approval

This Statement is made in accordance with s.14 of the Modern Slavery Act (Cth) for the financial year ended 31 December 2022 and approved by the board of directors of

Surbana Jurong (Holdings) Australia Pty Ltd



Hari Poologasundram

CEO SMEC & CEO International Surbana Jurong



Our structure, operations and supply chain

Organisational structure

Surbana Jurong (Holdings) is a wholly owned subsidiary of Surbana Jurong Private Limited, a Singaporean consultancy company which in turn is wholly owned by Temasek Holdings Private Limited (a holding entity of the Singaporean government).

Surbana Jurong (Holdings) and SMEC Holdings derive its revenue from holding investments in its subsidiaries (SMEC Australia, SMEC International and Robert Bird Group). It shares its offices with the registered offices of SMEC Australia and SMEC International.



SMEC conducts its business in a manner consistent with internationally proclaimed human rights, including all workers' fundamental right to be treated with dignity and respect, and live a life of freedom and opportunity."

SMEC Australia delivers its services across Australia and New Zealand, whilst SMEC International oversees the delivery of SMEC's services internationally through entities that it controls or by way of branch, representative or project offices. Please refer to Appendix A for a list of entities owned or controlled by SMEC.

SMEC employs over 5400 people in 35 countries and across approximately 70 offices (21 offices located in Australia and New Zealand, with the remainder located in foreign jurisdictions). Over 90% of SMEC employees are permanent employees with the remaining small percentage being employed on either a casual basis or fixed-term contract.

What we do

We provide high quality advisory and consulting expertise across the project lifecycle, from initial concept, feasibility, planning and design through to construction, commissioning, and operation and maintenance.

Infrastructure

We are specialists in delivering advanced engineering solutions for transport and energy infrastructure projects. SMEC is also recognised globally for technical and service excellence across the full spectrum of infrastructure sectors, including waste, water, resources and environment.

Urban

With expertise in civil, structural and building services engineering design, we provide solutions for residential, commercial, industrial, healthcare and hospitality building projects around the world. Our experience extends from low density urban land developments, through to high-density, high-rise projects for public and private sector clients.

Managed Services

Our integrated management services extend to facilities, development, project and asset management, as well as social, governance and advisory services. Combining detailed advisory with innovative technologies, we keep projects on schedule, reduce technical risks, meet budget requirements and ensure compliance with relevant regulations, quality standards, construction permits and insurance guidelines.

Our supply chain

Our supply chain remains substantially similar to the previous reporting period.

Our supply chain consists of goods and services that support our consulting business. It can be broadly split into two categories:

Project services

The engagement of consultants and contractors to provide sub-consultancy services which support SMEC in the provision of its consulting and advisory services to its clients.

Hire of equipment (if necessary) in order to perform its services.

Corporate services

The purchase or hire /leasing of goods and services for the day-to-day running of SMEC's business and its offices, including:



Rental of office space



Advertising, marketing, sponsorships



Facilities, including cleaning, maintenance and security



Professional services, including memberships, recruitment and training



Office and other equipment (purchase and hire)



Travel, accommodation and hospitality



ICT equipment



Personal protective equipment

SMEC has direct suppliers in approximately 70 countries, being each of the countries in which it operates as well as suppliers in other jurisdictions. For SMEC Australia, however, the majority of its first tier suppliers remain located in Australia and New Zealand.

Of these 35 countries, a number are recognised by the Global Slavery Index 2023 as having a higher perceived risk of modern slavery.

Our due diligence during the reporting period has identified that some or part of our corporate services goods are manufactured or sourced from overseas, including from countries that have a higher perceived risk of modern slavery.



Identifying and taking action to address our risks of modern slavery

Modern slavery risk management framework

In order to continue to effectively identify, assess and address our risks of modern slavery within our operations and supply chains, SMEC has a modern slavery risk management framework, based on the following approach:



1. Design and implement a modern slavery management framework
2. Risk assessment and conduct due diligence on the modern slavery risks
3. Adopt strategies to address risks identified
4. Develop and implement appropriate remediation measures
5. Monitor and review effectiveness of the risk management framework
6. Establish appropriate mechanisms for internal and external reporting

Identification of modern slavery risks in our operations and supply chain

SMEC's assessment of its high risk suppliers remains substantially similar to the previous reporting period.

SMEC's operations and supply chain are categorised by the type of goods or services provided assessed against the geography in which such goods or services are provided. Consideration is also given to vulnerable populations and / or organisations with business models structured around high-risk practices

Our operations

We provide engineering, advisory and consulting services, which generally have a lower perceived risk of modern slavery. We do not directly produce, manufacture, or provide services or goods which are identified as high-risk.

A high majority of our employees are permanent staff with only a small percentage of individuals being employed on a casual basis or from a labour hire service. All employees have employment terms and conditions set out in an employment contract, with regular performance reviews and interactions with management.

Despite operating in high risk jurisdictions, given the core services that we provide and the nature of our workforce, the risk of modern slavery occurring within our operations is generally low.

Our supply chain

As previously noted, our supply chain is generally split into two categories:

- project services; and
- corporate services.

Project services

As identified in our previous Statement, the risk of modern slavery within our project services category remains low.

Corporate services

As identified in the Statement, salient risks of modern slavery may be found in:



Facilities Management

- Cleaning
- Maintenance services
- Security

of its offices



Personal protective equipment purchased for its employees in the undertaking of its services outside of the office.



Outsourcing administrative functions



Purchase / hire of ICT equipment



Marketing and merchandise

For SMEC International, salient risk may also be present in



Office equipment suppliers



Accommodation, such as hotels

As noted in the previous Statement, recruitment or labour hire of SMEC International's employees was downgraded to 'low'.

Enhanced due diligence

During the reporting period, SMEC continued its risk-based approach to the undertaking of enhanced due diligence, with the same format as the previous reporting period and focusing efforts on those goods or services with salient modern slavery risk.

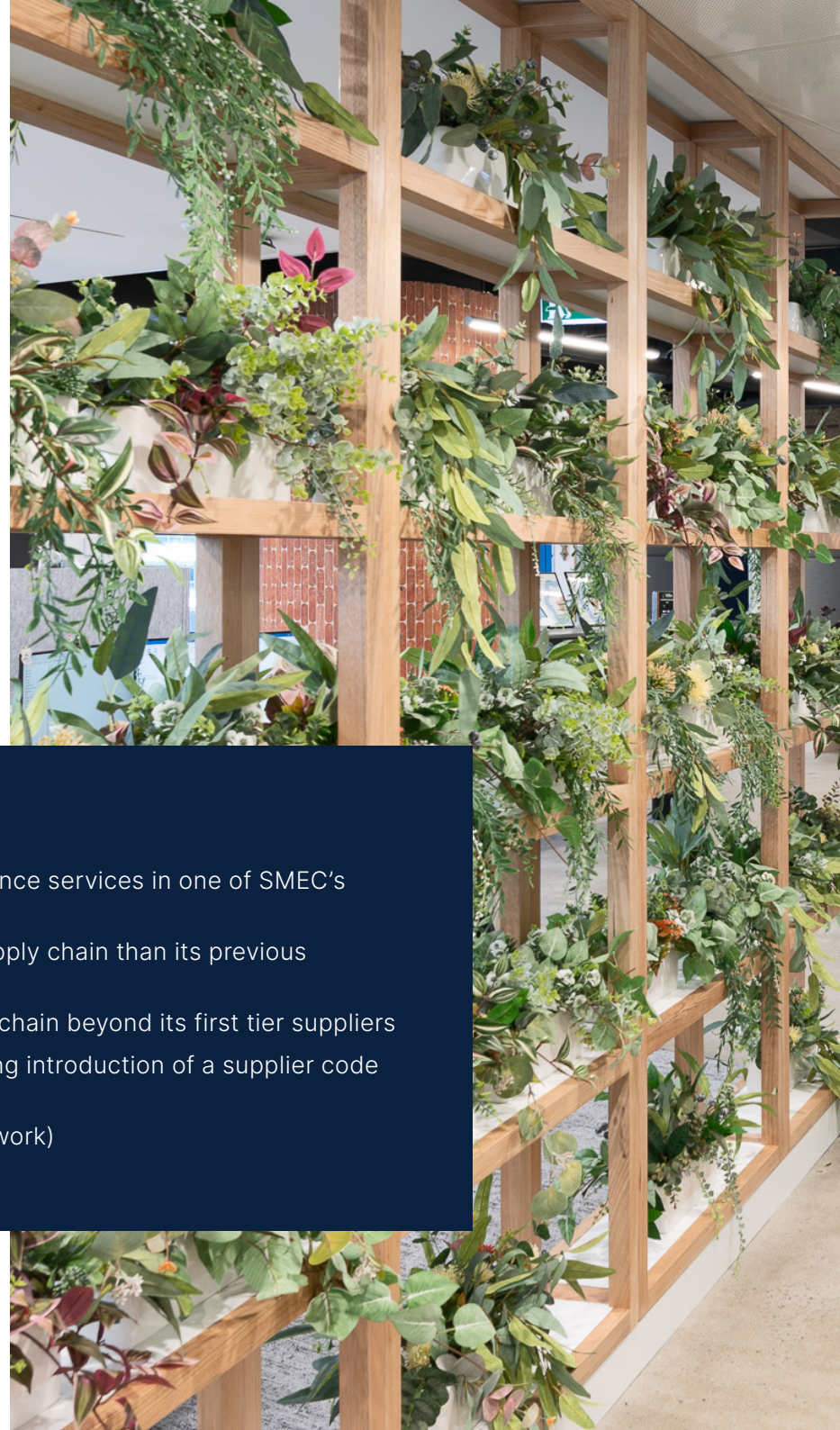
Facilities Management

As identified in the previous Statement, the general maintenance and cleaning of SMEC's 70 or so offices is procured either directly by SMEC or indirectly through the building's property managers.

During the reporting period, SMEC selected a focused number of its offices for direct engagement to build upon the due diligence undertaken in the previous reporting period.

As with the previous reporting period, SMEC received varying levels of engagement from its suppliers, with one property manager continuing to refuse engagement on the basis it was not a reporting entity under the MSA.

Of its international offices, the chosen locations for the reporting period were not subject to the MSA or similar local laws / requirements which SMEC recognises created barriers to meaningful engagement.



CASE STUDY

SMEC engaged with a key supplier for the provision of cleaning and maintenance services in one of SMEC's major offices. SMEC found it:

- has an improved understanding of higher modern slavery risk within its supply chain than its previous reporting period
- partnered with Informed365 to help gain a better understand of its supply chain beyond its first tier suppliers
- improved its policies and procedures in respect of modern slavery, including introduction of a supplier code of conducts and grievance and remediation processes
- was taking steps to become CAF certified (Cleaning Accountability Framework)

Suppliers of personal protective equipment and marketing merchandise

Expenditure in relation to our personal protective equipment (PPE) (such as high visibility vests and jackets) is relatively low. However, we identified that, despite the first tier of our suppliers being based in Australia, the raw products (such as cotton) and / or the manufacture of such product may originate overseas in jurisdictions with a higher perceived risk of modern slavery.

SMEC has attempted to centralise the supply of its PPE in Australia and SMEC branded merchandise (such as t-shirts, socks, jackets, umbrellas etc) to a dedicated supplier. This supplier has been chosen given its commitment to ethical, responsible and sustainable conduct and corporate social responsibility and its endeavours to reduce its environmental footprint. SMEC does, however, also procure some PPE from other suppliers.

SMEC's key supplier is not a reporting entity under the MSA and acknowledges that it has limited resources to undertake deep due diligence into its entire supply chain. It further noted that much time was spent answering questionnaires from its clients, further limiting its ability to conduct its own investigations into its own suppliers. It was unable to provide traceability of raw materials.

For other suppliers which are much larger organisations, SMEC was provided with their annual modern slavery statement. This identified that there were different levels of maturity across the group but that they were more advanced in their understanding of their supply chain than SMEC's other supplier. SMEC was unable, however, to ascertain whether they had been successful in tracing raw materials.

SMEC will continue to work with its suppliers to map beyond our tier 1 and 2 suppliers.



Outsourcing of administrative functions

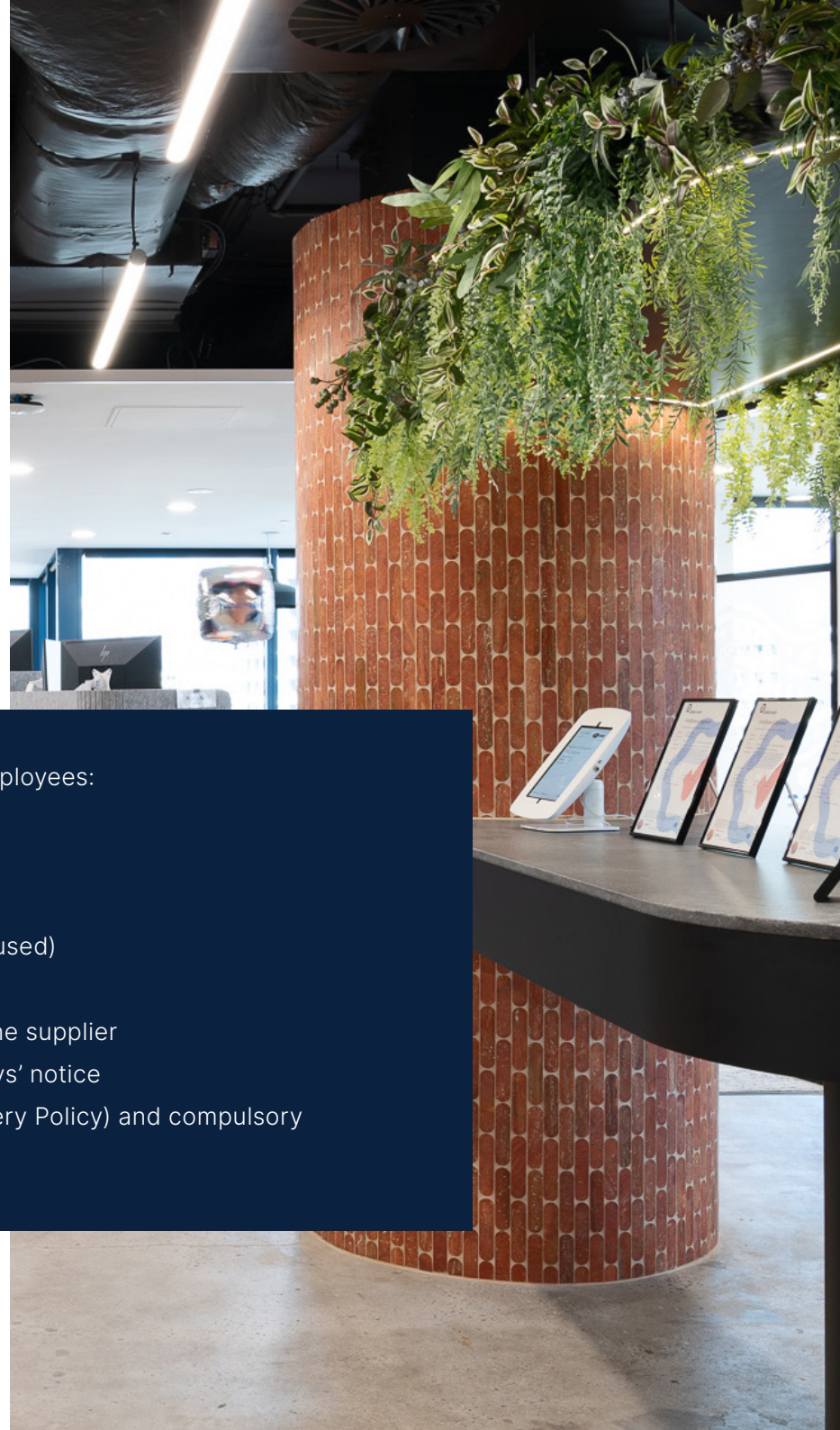
SMEC outsources some of its administrative functions to a supplier located in the Philippines. Such administrative functions include accounting, client and supplier onboarding processes (including due diligence), human resources services including onboarding processes for new SMEC employees, and the like.

During the last reporting period, given the risk attributed to the geographical location of the office, SMEC identified that risk of modern slavery may be present in the outsourcing of its administrative functions

During the reporting period, SMEC gained a better understanding of the recruitment and employment of the supplier's employees and downgraded the associated risk to 'low'.

During the reporting period, the supplier had between 180 and 200 active employees:

- The supplier is a related entity of SMEC
- All (100%) are permanent employees (no labour hire)
- All held at least Bachelor's degrees
- The supplier directly recruited all employees (no third party recruiters are used)
- No recruitment fees or similar were paid by any employee
- No passports or other personal identification documents are retained by the supplier
- All employees are free to leave their employment upon the giving of 30 days' notice
- All employees are subject to the same policies (including the Modern Slavery Policy) and compulsory onboarding and compliance training as SMEC employees



Accommodation (Hotels)

As identified in the previous Statement, SMEC acknowledges that its leverage or influence over hotels is small. Given the complexities and extensiveness of the supply chain, SMEC has limited resources to undertake significant due diligence into each and every hotel used by its employees across the globe, little to no access to second and third level suppliers, or to be able to undertake audits in relation to pay, recruitment practices or living arrangements.

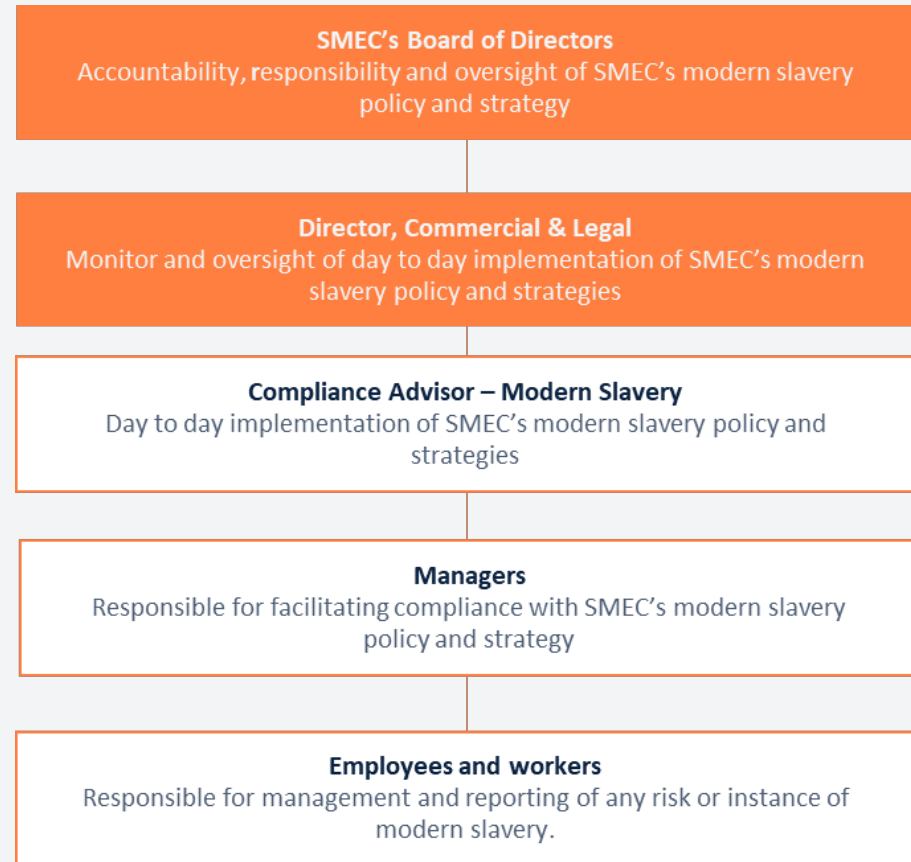
SMEC's mandatory modern slavery training now includes bespoke examples of how modern slavery might arise within the hotel industry. Employees are encouraged to make a report if they suspect modern slavery or human rights abuses are taking place in any hotel they are staying at when travelling for business.



Governance and training

Governance

SMEC's board of directors has ultimate responsibility and accountability for managing the modern slavery risks. They are supported by other functions in the business with a responsibility on all our employees to manage and report risk or instances of modern slavery.



Policies

One of our core values is integrity. We act responsibly and conduct our business with the highest of ethical standards, accountability and transparency. SMEC has a suite of policies and procedures which articulate our values and expectations in relation to the identification, prevention and mitigation of modern slavery risks and human rights abuses.

Code of Conduct	Establishes a common understanding of the standards of behaviour expected of all SMEC employees and is applicable to the suppliers / third parties it engages
Modern Slavery Policy	Sets out SMEC’s commitment to addressing risks of modern slavery within its operations and supply chain
Child Protection Policy	Provide guiding principles in instances that SMEC’s services brings employees in contact with children
Business Integrity Policy	Outlines a range of requirements which are designed to reinforce the standards of behaviour to combat risks of fraud, bribery, corruption and other illegal, dishonest, unfair or unethical practices
Whistleblowing Procedure	Sets out the associated protections for whistleblowers
Modern Slavery Investigation Procedure	Provides victims of business related adverse human rights impacts with access to effective remedy and sets out generally how SMEC will investigate grievances and allegations related to modern slavery within its operations or supply chain.
Corporate Social Responsibility Policy	Ensures that SMEC is a good corporate citizen and that employees adopt corporate social considerations in their day to day work
Suppliers Code of Conduct	Sets out the ethical, social and environmental standards of conduct expected from our suppliers
Procurement policy	Sets out SMEC’s approach to procurement of goods and services
Purchasing Procedure	Sets out how SMEC manages the procurement of goods and services

Grievance mechanism

SMEC supports and encourages everyone to ask questions and raise concerns of suspected reportable conduct. It utilises a third party-hosted reporting platform which allows employees and suppliers to raise confidential grievances. SMEC has also allocated a specific email address for those who prefer to provide reports by email.

SMEC's Modern Slavery Investigation Procedure sets out how SMEC will investigate and, where applicable, remediate grievances and allegations relating to human rights abuses or modern slavery within its operations or supply chain. The procedure is based on recommendations by national and international guidance (*UN Guiding Principles and Global Compact's Implementing Effective Modern Slavery Grievance Mechanisms*).

SMEC received zero reports that met the scope of the grievance mechanism during the reporting period.

Investigation Officer / Disclosure Officer	Complainant	Subject Expert, Other Business Units, Suppliers	Senior Management	Third Party
1. Receive the grievance / allegation.	✓			
2. Acknowledge receipt to the complainant. Continue communication with complainant throughout investigation	✓			
3. Does the grievance / allegation meet the scope of the mechanism				
a. If yes, inform the complainant of the next steps	✓			
b. If no, inform the complainant of the outcome and reason for rejection	✓			
Consider providing additional support to help the complainant meet information requirements, or refer to another appropriate mechanism for raising this grievance / allegation, if applicable (either internally or externally)	✓			✓
4. Follow Internal Escalation Protocol attached at Schedule 1 to notify senior management of allegation and next steps			✓	
5. Evaluate and investigate grievance / allegation.				
- Consider SMEC's degree of involvement [see Schedule 2] and apply following steps as applicable and / or consider supplier's investigation procedure		✓	✓	
- Engage with relevant internal teams as applicable (such as those responsible for procurement, human resources, legal.				
- Engage external experts if applicable (such as NGO's, community groups, local government, and / or unions				
- Engage with suppliers				
6. Develop resolution in collaboration with the complainant / victim	✓		✓	✓
7. Complainant / victim and SMEC formally agree upon resolution (if complainant / victim does not accept resolution go to recourse or appeal using management and / or a third party)	✓			
8. Implement resolution	✓	✓		
9. Monitor implementation of agreed remedy and measure the effectiveness of the remedy (or seek updates from suppliers where suppliers have implemented the resolution)				
10. Close grievance and notify senior management of the outcome			✓	
11. Integrate feedback and learnings from the process into the grievance mechanism and modern slavery risk management practices within SMEC.		✓	✓	

 Indicates possible engagement
  Indicates engagement

Adapted from: *Implementing Effective Modern Slavery Grievance Mechanisms – A guidance Note for Business*. Global Compact Network Australia. March 2021 pg 22

Training

A key aspect to ensuring that our employees can identify, report and help prevent modern slavery is building awareness through training.

SMEC's bespoke tailored online training module (created during the previous reporting period) represents how modern slavery may arise within SMEC's operations or supply chain. It uses examples more representative of the services that SMEC provides and builds upon what red flags to look out for when identifying possible modern slavery. The training includes 10 questions designed to test the knowledge of our employees and includes clear guidance on how to issue reports of suspected modern slavery.

SMEC's training module forms part of SMEC's compulsory onboarding modules for new employees. The mandatory training was issued companywide during the reporting period and will be issued again to all employees every two years thereafter.

In addition to the online training module, SMEC provided a further interactive training session (conducted via Teams) to its international employees, with a particular focus on why SMEC's modern slavery policies and procedures apply to them when they are employed outside of Australia. Over 400 employees were in attendance.



Assessing the effectiveness of our actions

Monitoring and review of the effectiveness of our actions is embedded in our risk management framework and is key to our continued improvement.

During the reporting period, we identified three focus areas to assess the effectiveness of our actions:

Measuring Awareness

SMEC looked to its employees to provide feedback on (1) the mandatory training module that was rolled out in the reporting period and (2) general awareness of modern slavery.

In the last reporting period, it was acknowledged the training could be improved so employees better understood the risks presented to SMEC (rather than a generic training module) and how to make a report. SMEC utilised these comments to update its training module (as further set out above). Over 93% of the employees completed the new training showing high levels of engagement. The feedback in relation to the new training module was positive with employees advising that they better understood the risks specific to SMEC.

In relation to our international employees, they advised their understanding of why SMEC's modern slavery policies and procedures applied to them, despite not being employed in Australia, was greatly improved.

Measuring improvements to policies and procedures

SMEC participates in the **United Nations Global Compact Network Australia - Modern Slavery Community of Practice** (optimising stream). This has provided beneficial in keeping up-to-date with developments in the human rights and modern slavery legislation and topics within Australia and more broadly. It has also

provided an opportunity to understand process and systems of peers from the wider community to be used as a comparison or guiding tool for improvements to SMEC policies and procedures.

During this process, SMEC considers that the updates to its policies made during the reporting period are aligned with international guidance. No further amendments have therefore been made during this reporting period.

During the reporting period, however, SMEC has recognised, that improvements to the associated process for the issue of due diligence questionnaires can be strengthened to increase supplier engagement and reduce administration. See further comments below.

Measuring supplier due diligence participation and cooperation

We acknowledge that we have not received responses or meaningful engagement from all suppliers contacted during the reporting period or the previous reporting period. We acknowledge that the manual manner of issuing due diligence questionnaires may contribute to this. Consideration is being had as to the introduction of automated processes or technology platforms to improve visibility over the process and encourage better engagements from suppliers.

Consultation

SMEC has a process of consultation throughout the reporting period with quarterly progress updates to SMEC's executive committee and board. In preparing this Statement, consultation across each reporting entity and / or entities owned or controlled by a reporting entity has been conducted through the compliance and legal teams and boards of directors.



Our purpose and values

Our core values represent what we stand for, what we expect from employees, what we deliver to our clients, and how we aim to conduct our daily work. We are committed to leading by example and continuing to build a values-led global culture.

“

Creating and connecting communities for present and future generations to thrive.”

Integrity

We act responsibly and conduct our business and ourselves with the highest ethical standards, accountability, and transparency.

Partnership

We build trusted and enduring relationships with clients, colleagues, and partners to achieve shared success.

People

We value our global and diverse talent by creating a safe, inclusive, and supportive environment where our people can thrive.

Professionalism

We act in the best interest of our clients and the communities in which we work, delivering innovative solutions to the highest of standards.

Appendix A

Owned or controlled entities

Surbana Jurong (Holdings) owns and controls: SMEC Holdings Pty Ltd and Robert Bird Group Pty Ltd^[1].

SMEC Holdings Pty Ltd owns or controls:

SMEC Australia Pty Ltd, SMEC International Pty Ltd, SMEC Services Pty Ltd, Engineering Consultants Underwriters Ltd, SMEC Foundation Ltd, and Global Maintenance Consulting Pty Ltd.

SMEC Australia Pty Ltd owns or controls: PDR Engineers Pty Ltd and SMEC New Zealand Ltd.

SMEC International Pty Ltd

- controls:

In North & South East Asia: ECCL Singapore Pte Ltd, SMEC Asia Ltd., SMEC International (Malaysia Sdn Bhd), SMEC Macau Engineering Consultancy Limited, SMEC Myanmar Company Limited, SMEC Philippines Inc, SMEC Vietnam JSC, and Global Maintenance Consulting Singapore Pte Ltd

In Africa: Energy Holding Ltd, SMEC International (Africa) Pty Ltd, SMEC (Kenya) Limited, SMEC Nigeria Limited, SMEC South Africa Pty Ltd, SMEC (Tanzania) Limited, SMEC Uganda Limited, Soillab Pty Ltd, VKE Namibia Consulting Engineers Pty Ltd, VKE Botswana Pty Ltd, and Vincpro (Pty) Ltd

In South Asia Central Asia: ACE Consultants Ltd, SMEC Oil & Gas (Pvt) Ltd, Engineering General Consultants (EGC) Ltd, SMEC Rail India Pvt Ltd, Ocyana Consultants Pvt Ltd, SMEC Central Asia LLP, SMEC Georgia LLC, SMEC India PVT Ltd, SMEC Bangladesh and SMEC Pakistan Ltd

In the Americas: SMEC Servicios de Ingenieria de Mexico, and SMEC (Chile) Limitada

Other: SMEC PNG Ltd, South Asia Middle East Management Company LLC and Engineering Consultants Underwriters Ltd

- has investments in, but does not control:

Himalayan Green Energy Private Limited, LDLC Properties (Pty Ltd), Soilco Materials Investigations (pty) Limited, SMEC (Malaysia) Sdn Bhd, VKE Infrastructure Services (Pty) Limited, and TT Energy Private Ltd

- has affiliated partners:

PT SMEC Denka Indonesia

[1] Robert Bird Group Pty Ltd is not covered by this Statement and publishes a separate statement as a reporting entity on behalf of it and the entities it owns or controls. Please refer to RBG's Statement for further details.

Appendix B

Mandatory Criteria

Page

Identify the reporting entity	1
Describe the structure, operations and supply chains of the reporting entity	2-4, 18
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	5-14
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	5-14
Describe how the reporting entity assesses the effectiveness of such actions	15
Describe the process of consultation on the development of the statement	16
Other information that the reporting entity considers relevant	2, 17

Redefining exceptional

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

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