

2021

**JOINT MODERN
SLAVERY
STATEMENT**

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It is clear that the elimination of modern slavery is a critical part of effective human rights protection and sustainable development.

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Introduction

In a 2017 Report¹, the International Labour Organisation estimated that approximately 40.3 million people worldwide were victims of modern slavery in 2016 alone, with 25% being children and 71% being female. Of those 40.3 million people, 24.9 million were in situations of forced labour and 50% of those were in situations of bonded labour. AECOM recognises that these statistics are a conservative estimate because modern slavery is often a covert practice that affects vulnerable worker populations, making it difficult to accurately detect and track.

Notwithstanding this, it is clear that the elimination of modern slavery is a critical part of effective human rights protection and sustainable development. Whilst many modern slavery practices are criminalised in Australia through the Criminal Code and through other labour laws, AECOM considers that the *Modern Slavery Act 2018* (Cth) is an important legislative development to combat these practices. Through the reporting requirements, large organisations are implored to make an ongoing and focused commitment to carefully considering and proactively taking steps to identify and address their unique modern slavery risks or practices each year. Further, these organisations are required to regularly review and consider the effectiveness of the steps taken having regard to the everchanging set of circumstances that they operate in. This functions to increase corporate engagement and accountability for these matters, which is a critical part of combatting these harmful practices that affect the lives of so many around the world.

AECOM is focused on upholding the highest ethical standards in all that we do and a fundamental respect for human rights underpins our core values which define how we act and what we aspire to achieve. This Joint Modern Slavery Statement sets out the measures AECOM and its Australian subsidiaries have put in place, and some of the measures we anticipate we will take in the next reporting period, to identify and address the risks of modern slavery and other unethical practices in our operations and supply chains. This Joint Modern Slavery Statement has been approved by the Board of Directors for each of the AECOM Reporting Entities listed on page 2, and is hereby signed by a representative member of each Board



Richard Barrett
(as a Director of all the
AECOM Reporting Entities)



Chris Tatam
(as a Director of AECOM
Australia Pty Ltd)

¹ Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, September 2017, International Labour Organisation, Geneva
https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575540.pdf

**VICTIMS
OF MODERN
SLAVERY
IN 2016**

**40.3
MILLION
PEOPLE**



**25%
CHILDREN**



**71%
ARE FEMALE**

**24.9 MILLION PEOPLE
FORCED LABOR**

**50% BONDED
LABOR**

SOURCE: International Labor Organization

REQUIREMENTS 1&2

An overview of the AECOM Reporting Entities



AECOM is an international multidisciplinary design, engineering, consultancy and construction management firm, headquartered in Los Angeles, California. With over 51,000 employees worldwide, AECOM has offices across the Americas, Europe, the Middle East, Greater China, Southeast Asia, India, Australia and New Zealand and is a leader in all of the key markets that it serves, including transportation, facilities, environmental, energy, oil and gas, water, government, project/program management and buildings and places.

The AECOM entities that jointly prepared this report comprise a number of entities in the AECOM group of companies across Australia, which together contributed to AECOM's total annual consolidated revenue for the reporting period. Accordingly, this Modern Slavery Statement is a joint statement made under the *Modern Slavery Act 2018* (Cth) for the financial year ended 30 September 2020 and is submitted on behalf of the following entities:

- (a) AECOM Australia Investments Pty Ltd (ACN 163 646 562)
- (b) AAIH ANZ Pty Ltd (ACN 600 076 075)
- (c) AECOM Australia Group Holdings Pty Ltd (ACN 160 463 883)
- (d) AECOM Australia Holdings Pty Ltd (ACN 093 370 695)
- (e) AECOM Australia DL Pty Ltd (ACN 145 519 571)
- (f) DLA Partners Pty Ltd (ACN 007 369 842)
- (g) AECOM Cost Consulting Pty Ltd (ACN 008 657 289)
- (h) AECOM Australia Pty Ltd (ACN 093 846 925)
- (i) WE Bassett and Partners Pty Ltd (ACN 004 873 634)
- (j) Harding Lawson Australia Pty Ltd (ACN 063 854 606) (noting that this entity is dormant)
- (k) ENSR Australia Pty Ltd (ACN 060 204 702) (noting that this entity is dormant)

(collectively referred to throughout this Joint Modern Slavery Statement as the 'AECOM Reporting Entities' or 'AECOM Australia', whereas references to the global group of companies use the term 'AECOM').

REQUIREMENTS 1 & 2 cont.

In terms of the structure of the AECOM Reporting Entities, relevantly:

- (a) AECOM Cost Consulting is a subsidiary of DLA Partners Pty Ltd, which is a subsidiary of AECOM Australia DL Pty Ltd;
- (b) ENSR Australia Pty Ltd is a subsidiary of Harding Lawson Australia Pty Ltd;
- (c) AECOM Australia DL Pty Ltd, AECOM Australia Pty Ltd, WE Bassett and Partners Pty Ltd and Harding Lawson Australia Pty Ltd are all subsidiaries of AECOM Australia Holdings Pty Ltd;
- (d) AECOM Australia Holdings Pty Ltd is a subsidiary of AECOM Australia Group Holdings Pty Ltd;
- (e) AECOM Australia Group Holdings is jointly held by AAIH ANZ Pty Ltd and AECOM Australia Investments Pty Ltd; and
- (f) AAIH ANZ Pty Ltd is a subsidiary of AECOM Australia Investments Pty Ltd, which in turn reports to other entities in the broader AECOM group of companies.

Each of the AECOM Reporting Entities have their predominant business operations and supply chains located in Australia. However, occasionally the AECOM Reporting Entities are involved in projects located overseas or engage entities in their supply chains that are located or outsource work overseas.

REQUIREMENT 3**An overview of the risks of modern slavery practices in the operations and supply chains of the AECOM Reporting Entities**

The Australian Border Force encouraged reporting entities to explain in their Modern Slavery Statements how the COVID-19 pandemic has impacted their capacity to assess and address modern slavery risks during their reporting period.² Whilst AECOM Australia's operations and supply chains have remained resilient throughout the reporting period notwithstanding the COVID-19 pandemic, significant company resources were diverted during the reporting period to prioritise AECOM Australia's response to the pandemic and to ensure measures were put in place to safeguard the health, safety and wellbeing of all of our employees.

Notwithstanding this, during the reporting period AECOM Australia considered its operations and supply chain practices, including its existing policies and procedures, and took a risk-based approach to implement measures that appropriately and effectively addressed the key areas of risk identified. Through this review, AECOM Australia identified that there is a lower risk of modern slavery in its local operations due to AECOM Australia being a professional services company, the types of services it provides, the fact that it rarely relies on overseas outsourcing, the protective strength of Australia's labour and other laws and AECOM Australia's strong culture of compliance with those laws and standards. However, following a review of AECOM Australia's supplier engagement and procurement processes, AECOM Australia identified a number of additional measures that could be implemented to bolster and fortify its existing procurement processes to enable it to better manage the risk of modern slavery in its supply chains, particularly where its downstream contractors are located or outsource work overseas.

Therefore, the measures AECOM Australia implemented throughout the last reporting period, and which are detailed in this Joint Modern Slavery Statement, have this particular focus.

² Australian Government Department of Home Affairs, Modern Slavery Act: Information for reporting entities about the impacts of coronavirus, <https://www.homeaffairs.gov.au/about-us/our-portfolios/criminal-justice/people-smuggling-human-trafficking/modern-slavery-act-coronavirus>

REQUIREMENT 4**An overview of the actions taken by the AECOM Reporting Entities to assess and address any modern slavery risks**

Over the previous reporting period, AECOM has implemented a number of steps, both globally and specific to its Australian operations, to mitigate the risk of modern slavery in its operations and supply chains. These include drafting and implementing a global Modern Slavery Policy and related Procedure to assist AECOM employees to clearly understand and identify prohibited behaviours and encourage employees to report any actual or suspected practices they observe. Further, AECOM drafted and implemented an Australian Whistleblower Protection Policy, and made changes to its subcontractor approval processes and template suite of downstream contracts such that supply chain entities are now required to provide certain disclosures and warranties around modern slavery compliance as a precondition to engagement. These measures, and others, are explained in further detail below.

**Policies and Procedures**Code of Conduct

At AECOM, we are committed to doing the right thing in all that we do. We are a signatory to the United Nations Global Compact, and our Code of Conduct further reflects that commitment to ethical business practices. AECOM's Code of Conduct provides that we do not condone the use of forced labour or human trafficking and emphasises that we will not knowingly conduct business with subcontractors, business partners, suppliers or third parties who violate these laws. AECOM's Code of Conduct applies to all AECOM employees, officers and directors, including those of our subsidiaries and joint ventures where AECOM has the majority interest. We expect that our suppliers, agents, business partners, consultants and licensees will follow similar principles, and we also expect our consultants, subcontractors and other third parties to be aware of and adhere to the ethical standards set out in the Code of Conduct.

Modern Slavery Policies and Procedures

AECOM is committed to compliance with all applicable laws and regulations regarding human trafficking, forced labour, and other forms of modern slavery. During the previous reporting period, AECOM drafted a global Anti-Human Trafficking/Modern Slavery Policy that commenced operation on and from 31 January 2020. This policy is published on AECOM's external website: <https://aecom.com/about-aecom/ethics/> and makes it clear that AECOM does not conduct and will not tolerate the use of human trafficking or forced labour and will never knowingly conduct business with parties who violate anti-human trafficking or modern slavery laws. The policy prohibits the use of human trafficking, forced labour, and other forms of modern slavery, setting out more explicitly particular prohibited practices. The policy also requires employees to report any actual or suspected behaviours of concern for further investigation, whether that behaviour is observed or suspected by AECOM or by any third party AECOM is conducting business with.

REQUIREMENT 4 cont.

During the last reporting period, AECOM also drafted and adopted a global internal Anti-Human Trafficking/Modern Slavery Procedure that elaborates on the Modern Slavery Policy and establishes additional requirements for AECOM's business units. The policy applies not only to all AECOM employees, but also to business partners, sub-consultants, vendors, agents, and other third parties.

Finally, the policy and procedure together, while setting the baseline for anti-human trafficking/modern slavery compliance, requires that AECOM businesses adhere to any legal requirements of a higher standard that are imposed by their jurisdictions or by particular clients or for specific projects, and allows AECOM businesses to implement additional policies and procedures to address their specific compliance risks or needs. During the reporting period, AECOM Australia has implemented such additional procedures, as described further below.

Whistleblower Policy

AECOM is committed to fostering a culture of ethical behaviour and good corporate governance and recognises that any genuine commitment to instil these values and detect wrongdoing must include a reporting mechanism whereby employees and other persons can report their concerns freely and without fear of reprisal or intimidation. Accordingly, during the reporting period, and in response to the *Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019* (Cth), AECOM drafted and implemented an Australian Whistleblower Protection Policy.

This objectives of the Whistleblower Protection Policy are to:

- (a) facilitate an environment that allows all employees, including whistleblowers, the opportunity to speak up with the confidence that their reports will not result in retaliation and victimisation and that if they report anonymously, they will remain anonymous;
- (b) provide any person making a report with an understanding of what kind of disclosures will be protected by law and what reports are otherwise protected under AECOM's Code of Conduct and related policies;
- (c) provide staff with a clear understanding of how reports will be handled;
- (d) protect employees, and other whistleblowers from retaliation and detrimental conduct;
- (e) provide support to employees and other whistleblowers throughout the reporting process;
- (f) provide a system of fair treatment for employees of AECOM Australia who are mentioned in disclosures of misconduct including whistleblower disclosures, or to whom such a disclosure relates; and
- (g) ensure that any reports are taken seriously and dealt with appropriately.

AECOM Australia considers that this policy is an important part of its strategy to address modern slavery risks in its operations and supply chain because it reinforces to employees that a safe environment exists where they can comfortably report any concerns for further investigation, without fear of reprisal or repercussion.

REQUIREMENT 4 cont.

**Procurement**Procurement Policy

AECOM's Global Procurement Policy sets high-level expectations and acceptable practices for the procurement of goods and services on behalf of AECOM, its subsidiaries, clients and third parties. Further, AECOM's Sustainable Procurement Policy addresses our specific commitment to work collaboratively with and provide support to our internal teams and suppliers in their compliance with all requirements on human rights, discrimination and global labour standards, including AECOM's commitment to the principles set by the UN Global Compact.

In terms of our efforts to ensure that AECOM's suppliers similarly do not condone modern slavery or human trafficking, the activities of the procurement teams are undertaken in a manner consistent with the AECOM Code of Conduct and our commitment to eliminating from our supply chain suppliers who do not share these values.

Subcontractor Pre-Approval Process

Before AECOM Australia engages a subcontractor or a subconsultant to support projects and deliverables, that subcontractor or subconsultant is required to proceed through AECOM Australia's verification and approvals process. As part of that process, each subcontractor or subconsultant entity is required to complete an application form providing certain disclosures and submit that form together with the requested supporting documentation to AECOM Australia for approval.

The subcontractor's application then goes through an approvals process, which includes a review by various departments within AECOM Australia where appropriate, including quality, safety and legal. Each of these reviews focus on different aspects of the application, including relevant experience, insurance coverage and registration status, financial standing and compliance with various legal requirements.

Once the application has been reviewed and assessed by the various departments, the subcontractor is given a rating – either red (do not proceed), yellow (proceed with stipulated conditions) or green (approved) – and is added to AECOM Australia's subcontractor register. Once the entity is added to the register, it undergoes further checks, including ASIC company checks and Dunn and Bradstreet financial checks. There are currently 3,520 suppliers listed in the database. Of those listed, 1873 are assessed as Acceptable, 1509 require additional consideration prior to engagement and 125 have been marked as Not Recommended.

REQUIREMENT 4 cont.

All AECOM Australia staff are expected to act consistently with the rating assigned to each subcontractor. Project managers are required to consult the register before each downstream engagement and act consistently with the rating assigned to each subcontractor or subconsultant (including ensuring any conditions attached to engagement are complied with).

During the reporting period, AECOM Australia reviewed and updated its subcontractor and subconsultant approval process. In particular, AECOM Australia updated the application form to require subcontractor applicants to make a number of modern slavery specific disclosures, including whether the entity or an entity that it owns or controls:

- (a) are covered by the *Modern Slavery Act 2018* (Cth) or equivalent legislation;
- (b) have policies or procedures in place to identify, investigate, assess and address the risk and any instances of modern slavery within the organisation or supply chain; and
- (c) are currently being investigated / prosecuted or have ever been investigated / prosecuted for any breach of any modern slavery or labour laws.

Depending on the subcontractor or subconsultant's responses, the application then goes to the legal department for specific consideration and the nature and sufficiency of the disclosures made are relevant factors in determining the overall, final rating that is given to the subcontractor or subconsultant and any conditions that might attach to that engagement.

Planned activities for FY21

Procurement is a key area of focus for the next reporting period. Amongst other things, AECOM Australia intends to review further aspects of its procurement processes and systems, potentially with assistance from an external auditor. The outcome of this may lead to further modern slavery prevention initiatives.

In conjunction with this, AECOM Australia is also considering a review and update to its supplier code of conduct, including the development of a more fulsome supplier questionnaire, in an attempt to further improve our understanding of and visibility over entities in our supply chain and to continue to assist us to make discerning engagement decisions.

REQUIREMENT 4 cont.

**Update to Downstream Contracts**

AECOM Australia carried out a review of its suite of template downstream contracts over the reporting period. A key change made was the drafting and inclusion of a specific clause, which requires subcontractors or subconsultants (including on behalf entities they own and control) to make certain warranties and disclosures around their modern slavery compliance.

Amongst other things, this clause requires subcontractors or subconsultants to (including on behalf of entities they own and control):

- (a) warrant that they have investigated modern slavery risks in their supply chain and implemented appropriate strategies to remedy those risks;
- (b) warrant that they do not engage in and will not engage in any modern slavery practices and are not being or have not been investigated, prosecuted or convicted of or for any actual or suspected breaches of modern slavery laws;
- (c) report any risks or instances of modern slavery in their operations or supply chains to AECOM Australia;
- (d) provide information or documentation reasonably requested by AECOM Australia to enable AECOM Australia to better understand any reported risks or practice, or to audit the entity's compliance with its obligations under modern slavery legislation; and
- (e) indemnify AECOM Australia for any loss and damage caused by a breach of the obligations in the clause and provide AECOM Australia with a right to terminate the agreement if the entity breaches the obligations or warranties in the modern slavery clause.

It is expected that this new clause will be operationalised in the first half of 2021.

REQUIREMENT 4 cont.

**Other Measures**Training for Staff

AECOM requires that all employees complete online training on the Code of Conduct and acknowledge they have read and understand the Code of Conduct, which prohibits human trafficking and forced labour. AECOM's global Code of Conduct training for FY21 will include a segment on combatting human trafficking and modern slavery.

In addition, certain employees are required to complete training on evolving areas of compliance on a regular basis. The ethics and compliance intranet pages include additional training and guidance materials, including "ethics moment" training videos and presentations, practical guidance in easy-to-understand summaries, Q&A documents, and scenarios on a range of topics.

Over the last reporting period, for employees that require supplemental training based on unique risks, specific project requirements or regulatory requirements, AECOM has added to its training library a more detailed training course on modern slavery and human trafficking and a short "ethics moment" that addresses modern slavery risks in the supply chain. AECOM will continue to evaluate its training requirements each year to ensure it has an appropriate level of emphasis on human trafficking and modern slavery risks.

Ethics Hotline

To encourage compliance with its ethics policies (including the Anti-Human Trafficking/Modern Slavery Policy), AECOM maintains a 24-hour, seven-day-per-week hotline with extensive language capabilities open to all employees, contractors and third parties, and individuals with concerns may make complaints anonymously. All complaints made through the ethics hotline or other reporting methods are reviewed and investigated. AECOM does not tolerate acts of retaliation against anyone who makes an honest and sincere report of a possible violation, or who participates in an investigation of possible wrongdoing.

REQUIREMENT 5**Assessing the effectiveness of the risk mitigation actions**

There are a number of different ways the AECOM Reporting Entities assess the effectiveness of the processes set out in this Joint Modern Slavery Statement. For instance:



AECOM takes our responsibility to monitor the effectiveness of our policies and procedures in this area seriously. Accordingly, we regularly review the sufficiency of our existing policies and procedures to determine whether any updates need to be made or whether new policies or procedures need to be drafted to address other matters.



AECOM Australia's subconsultant and subcontractor engagement (including the approvals component and the contracting component) are also subject to regular review and adjustment as appropriate. Feedback is also sought from key stakeholders and is considered as part of this review process.



AECOM also investigates all complaints about suspected modern slavery or human trafficking activities relating to AECOM projects or divisions, including any complaints made through the Ethics Hotline, and will take prompt corrective action where warranted.



Each geography and business line have an ethics and compliance committee that meets regularly and reports periodically to AECOM's Global Ethics & Compliance Committee regarding relevant issues.

REQUIREMENT 6**The AECOM Reporting Entities' consultation process**

In addition to the above, AECOM Australia has also formulated a Modern Slavery group, which is comprised of representatives from different departments, who meet to discuss various modern slavery initiatives on behalf of the AECOM Reporting Entities, including identifying future activities that AECOM Australia should explore across the next reporting period.

Group members include representatives from the operations, corporate responsibility, quality, legal and procurement departments and regularly consult with representatives from AECOM's global ethics and compliance team.

Further, AECOM Australia has consulted and worked with a number of key representatives across different departments covering the AECOM Reporting Entities when:

- (a) seeking to identify steps to be taken to address the modern slavery legislative requirements;
- (b) implementing the identified steps over the previous reporting period; and
- (c) preparing this Joint Modern Slavery Statement.

Finally, the Directors of each of the AECOM Reporting Entities have reviewed and approved this Joint Modern Slavery Statement.

Appendix

The table below indicates which section of the Joint Modern Slavery Statement addresses the Modern Slavery Act criteria:

Modern Slavery Act Criteria	Section
Identify the Reporting Entity	Pages: 1 & 2
Describe the Reporting Entity's structure, operations and supply chains	Introduction, Pages: 1 & 2
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Page: 3
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks including due diligence and remediation processes	Pages: 4 - 9
Describe how the Reporting Entity assesses the effectiveness of these actions	Page: 10
Describe the process of consultation with any entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Page: 11
Provide any other relevant information	Introduction and as noted throughout

About AECOM

AECOM is the world's premier infrastructure firm, delivering professional services throughout the project lifecycle – from planning, design and engineering to consulting and construction management. We partner with our clients in the public and private sectors to solve their most complex challenges and build legacies for generations to come. On projects spanning transportation, buildings, water, governments, energy and the environment, our teams are driven by a common purpose to deliver a better world. AECOM is a Fortune 500 firm and its Professional Services Business had a revenue of approximately \$13.6 billion in fiscal year 2019. See how we deliver what others can only imagine at aecom.com and [@AECOM](https://www.instagram.com/aecom).