

Modern Slavery Statement

This is Ausenco's second year of reporting under the Australian Modern Slavery Act (the Act). This statement outlines the actions we have implemented for the 2020 financial year ending 31 December 2020.

Ausenco is committed to ensuring it meets its obligations under the Act and is dedicated to implementing risk mitigation measures in order to combat forms of modern slavery. Ausenco strives to continue to develop, communicate and maintain processes including employee training, supplier due diligence and statutory reporting.

Ausenco has engaged with key stakeholders within its organisation including Corporate, Legal, Procurement, Vendor Support and People and Performance in order to develop and implement processes into our business sphere. This statement has been approved by our Board of Directors and the Ausenco Audit and Risk Management Committee (ARMC) on 30 June 2021.



Rod Baxter

Non-executive Director and Chairman of the Ausenco Audit and Risk Governance Committee

Our Commitment

For the purposes of this Statement, Ausenco will be referring to the definition of Modern Slavery as defined in the *Modern Slavery Act 2018 (Cth) (Act)* as including:

- Trafficking in persons
- Slavery
- Servitude
- Forced Marriage
- Forced Labour

- Debt Bondage
- Child labour
- Deceptive Recruiting for labour and services

In 2016 it was estimated that 40.3 million people were victims of modern slavery and 24.9 million of those were believed to be in forced labour and 15.4 million in forced marriages 1 in 4 victims of modern slavery are children.¹

In 2019, Anti-Slavery Australia assisted over 225 people in Australia who were affected by slavery-like conditions including servitude, forced labour and forced marriage. Between 2004 and 2017, 841 human trafficking and slavery cases were referred to the Australian Federal Police. Only 21 offenders were convicted.

Ausenco continues to work with internal stakeholders to further understand the risks of modern slavery in Australia and raise awareness within our business and supply chain.

"Ausenco recognises the importance of protecting human rights and is dedicated to protecting the rights of all people including its employees, clients, and those within its supply chains.

Ausenco does not condone or tolerate any form of modern slavery as identified under the Act and recognises the important role it can play in addressing modern slavery within its supply chain."²

¹ Global Slavery Index, Walk Free 2018 Findings: Highlights

² Ausenco Modern Slavery Policy 2020



Our Approach

Ausenco's first statement outlined the steps that Ausenco proposed to take to address modern slavery in its business and supply chain. Since our first statement was published in 2020, Ausenco has implemented multiple measures to address the requirements under the Act.

Ausenco's Modern Slavery Policy

In 2020, Ausenco developed a company wide Modern Slavery policy outlining our business' stance on Modern Slavery and further reinforcing our commitment to address the risks of modern slavery in our business and supply chains.

Our Modern Slavery policy outlines our obligations under the Act and our ongoing implementation strategies to communicate and introduce processes including employee training, supplier and vendor due diligence and statutory reporting.

Our Policy outlines the importance of protecting human rights and the rights of all people including our employees' clients and those within our supply chain. The policy sets out Ausenco's commitment to implementing risk mitigation measures to combat forms of modern slavery.

Ausenco's Modern Slavery Policy can be found on our website and is also embedded in Ausenco's standard supplier agreements to provide that suppliers comply with this policy.

Remediation

Dispute Resolution

The majority of contracts that Ausenco enters into for projects or other services, contain dispute resolution provisions and suppliers are able to voice any concerns with Ausenco personnel and Ausenco management. These processes are reflected in our standard contracts with clients and within our supply chain.

Personnel Grievances and Reporting

Ausenco has remediation processes in place throughout its operations. Ausenco personnel are able to raise concerns regarding labour practices and workplace grievances with their

line manager, the People & Performance team or the Ausenco management teams. There is a process for escalation of issues detailed in Ausenco's employment processes and policies which is shared with all new starters.

Ausenco's employment policies and processes are accessible by personnel through the online Ausenco Management System (AMS). Ausenco's AMS platform provides workflows, reference tools and standards that support our teams to consistently achieve high quality service delivery processes. The integrated quality management system provides outputs that are consistent with the requirements of the respective ISO.

The AMS system contains Ausenco's Corporate Governance Policies including Ausenco's Anonymous Whistleblower Policy, which is also available on Ausenco's website.

Ausenco's Anonymous Whistleblower Policy aims to:

- Encourage people to report an issue if they genuinely believe that someone has contravened our policies, principals, values, standards, or the law.
- Outline how Ausenco will deal with all reported misconduct or unethical behavior.
- Assist in ensuring that serious misconduct or unethical behavior is identified, investigated (if necessary) and dealt with appropriately.

A Whistleblower 'Alertline' (toll free phone service) is accessible to all personnel to enable anonymous reporting of issues.

Ausenco supports those coming forward to report any infringement of our policies, including with regard to any modern slavery risks in our business.

Ausenco's Standard Contracts and Purchase Orders

Ausenco's supply chain is comprised of subconsultants, subcontractors and independent contractors, most of which provide ongoing technical services and engineering consulting services for our projects under subconsultant contracts or Purchase Orders.

The terms and conditions set out in Ausenco's standard contracts ensure that suppliers are



aware of their obligations under Modern Slavery legislation. Provisions are set out in these standard contracts stipulating that suppliers are to comply with the Act and Ausenco's Modern Slavery Policy.

Under the terms, suppliers are to implement modern slavery processes and undertake reasonable investigations into their own labour practices and into their own suppliers to evaluate the risks of modern slavery. Ausenco has the ability terminate contracts immediately with suppliers if the modern slavery provisions of the contract are breached.

Supply Chain and Due Diligence

Ausenco continues to investigate its supply chain throughout its Australian operations, where our head office and reporting entity is based.

In our last statement Ausenco detailed the processes the Vendor Support Team put in place to contact existing suppliers in Australia in order to gather information and to map our existing supply chain. Ausenco had contacted over 1100 suppliers to complete a Modern Slavery Risk Factor Self-Assessment Questionnaire.

The Modern Slavery Risk Factor Self-Assessment Questionnaire is now a permanent process which is included in our new supplier set up. The Vendor Support Team ensure the Questionnaire is completed by new vendors and is evaluated.

Ausenco's aim is to continue to assess new vendors and to encourage vendors to investigate their own supply chain and address the risks that may allow modern slavery to thrive. All new suppliers are required to complete this Questionnaire before Ausenco will issue a purchase order or contract to the supplier. Ausenco and we will continue to work with suppliers to further develop and improve this process.

Due diligence is key concept which has been identified in the UN Guiding Principles. Ausenco's due diligence process for suppliers investigates the following practices:

1. Employment Conditions

The supplier is asked whether written contracts are provided to employees and

whether these terms of employment including wages and hours of work are clear.

Inquiries are made as to whether workers are able to resign or leave without restriction or penalty.

2. Grievance and Redress Mechanisms

Ausenco requests suppliers provide details of the mechanisms in place within their business for workers to raise concerns anonymously about labour conditions and available remedies.

3. Supply Chain Management and Governance

The due diligence process includes the examination of the supplier's own due diligence processes for assessing modern slavery risks in their supply chain.

Ausenco requests information about the supplier's policies and governance to manage risks of modern slavery in their organisation and what training is available to workers.

4. Forced Labour, Child Labor and Human Trafficking

Ausenco requests information about the supplier's policies prohibiting forced labour and child labour. Suppliers are asked to respond to questions relating to the deduction of wages of workers and the payment of entitlements to workers.

These Questionnaires are signed as a declaration by an authorised representative of the supplier.

Supplier Evaluation

From the responses provided by suppliers to Ausenco's Modern Slavery Risk Factor Self-Assessment Questionnaire, an assessment has been made that the risk of the occurrence of Modern Slavery activities in our supply line continues to be low.



This risk level assessment is based on the type of services that Ausenco provides to its clients and those that are provided by its suppliers. It has been determined that modern slavery is more prevalent in supply chains where electronics, garments, cocoa, fish and sugarcane are being imported. The majority of Ausenco's suppliers provide low risk consulting services rather than goods and equipment, including:

- Recruitment Services
- Legal Services.
- Mining Consultants.
- Aircraft chartering.
- Software.
- Engineering Management.

The majority of the suppliers were located in Australia and had ABNs.

Consistent with Ausenco's previous Modern Slavery Statement, there does continue to be a modern slavery risk in Ausenco providing consulting engineering services for clients who are based in countries which have a higher prevalence of modern slavery practices.³ Ausenco recognises this risk and considers this risk low, as most of the services are provided from Australia by Ausenco personnel.

Employee Awareness

Ausenco is continuing to raise awareness of modern slavery risks within its organisation.

Ausenco's E-Learning platform which can be accessed by all employees includes a series of online learning modules which educate personnel on Ausenco's Golden Rules of Safety, Ausenco's Business Ethics Policy and Ausenco's Anti-corruption policies.

A new learning module was implemented to raise awareness of modern slavery and its risks and to enable personnel to identify modern slavery in real-life situations. Ausenco's Modern Slavery Policy is also examined in further detail.

This online learning module is accessible by all current employees and contractors via Ausenco's internal online communication platform (the Hub). Ausenco aims to make the completion of this module compulsory.

Employee Training

Ausenco has provided Modern Slavery education in an informal platform in Ausenco's routine Toolbox presentations, to educate personnel as to what modern slavery is, what the risks are and to inform personnel about Ausenco's Modern Slavery Policy.

The purpose of the Toolbox is to enable employees to have an educational and interactive experience. The Toolboxes allow employees to discuss issues in their teams in a collaborative way.

Ausenco is continuing to educate employees and contractors on modern slavery risks which could arise in our supply chains and to provide regular refresher Toolboxes on this issue moving forward.

³ Global Slavery Index, Walk Free 2018 Findings: Highlights



Looking Forward

As this is Ausenco's second reporting period, Ausenco continues to assess the effectiveness of personnel training and the due diligence processes put in place and to further understand and map its supply chain.

Ausenco will continue to work collaboratively with our new and existing suppliers to understand potential modern slavery risks in our supply chain and to raise awareness with our suppliers.

Ausenco continues to evaluate the effectiveness of internal training of employees and contractors and aims to provide annual training platforms where employees can engage with Ausenco's Modern Slavery Policy and its implementation strategies that are in place to monitor modern slavery risks.

Ausenco will continue to work collaboratively with other Ausenco entities in its organisation structure to expand its Modern Slavery implementation and with internal stakeholders.

Our Values

Our core values are the cornerstone of everything we do. They enable us to discover through ingenuity and lead by example.

The client is our focus

We develop trusting relationships with our business partners and clients. Helping them build better businesses and deliver outstanding results means we can do the same.

Safety in all we do

We let nothing compromise our safety performance. All around the world, we believe our valued people deserve to return home safely each and every night.

Our people are our strength

We prize the abilities, diversity and creativity of our people. The way that we care for our people, as well as develop and encourage their talents, is a key part of our culture – and we do all we can to grow their skills.

Respect the community and environment

Wherever we operate in the world, we respect the diverse communities and environments.

We understand that our actions leave a lasting impression, and we want to make sure it's a good one for future generations.

We seek ingenious solutions

We encourage our people to be lifetime learners. This nurtures the ingenuity, flexibility and creativity that we need to find solutions and manage change.

We are open, honest and collaborative

We respect the diversity and differences of all our people and various stakeholders, and we support this with straightforward and open communications at all times.



Community Focus

Ausenco is committed to the development of local communities in the areas it works. This commitment includes the involvement of local labour and businesses to help reduce any impact the project may have on their environment while also providing employment and training opportunities to benefit the community.

In all our projects, Ausenco develops a tailored execution strategy which takes into account the local resources, skills, culture and environment. Our contracting strategies encourage and support the training and employment of local people, the participation of local contractors, subcontractors and services suppliers. Frequently we also work with the indigenous communities sponsoring the development of sustainable local businesses.



The Ausenco Foundation was established to assist local communities to benefit from the investment of mining infrastructure in their area. Formally established in 2007, the Ausenco Foundation contributes to project site communities on an on-going and as-needed basis and provides assistance in a number of different areas education, health, social awareness programs, and agricultural/environmental programs.