2020 Modern Slavery Act Statement

This statement is made on behalf of Bechtel Limited (“BLTD”) and Bechtel Management Company Limited (“BMCL”), which are part of the Bechtel (“Bechtel”) group of companies, pursuant to the reporting requirements of Clause 54, Part 6 of the UK Modern Slavery Act 2015 and constitutes their slavery and human trafficking statement for the financial year ending 31\textsuperscript{st} December 2019.

Our Business

Bechtel is a global engineering, construction, and project management company. Since 1898, we have helped customers complete more than 25,000 projects across 160 countries on all seven continents. Our customers' projects are an investment in the future. Together with them, we are helping to create jobs, grow economies, improve the resiliency of the world’s infrastructure, increase responsible access to energy, resources and vital services, and make the world a safer, cleaner place.

We operate through four global businesses: Infrastructure; Nuclear, Security & Environmental; Oil, Gas & Chemicals; and Mining & Metals. Across these global businesses annually, Bechtel’s procurement and contracts group works with more than 10,000 suppliers of equipment, materials, and services from 70 countries and issues more than 100,000 transactions with total commitments approaching $20 billion.

Core to Bechtel are our values – ethics, safety, quality, people, culture, relationships, innovation and sustainability, and our covenants – integrity, respect, collaboration, trust, and delivery. They are what we believe, what customers can expect, and how we deliver. Consistent with Bechtel’s Vision, Values & Covenants, we are committed to respecting human rights everywhere we operate and treating people with dignity and respect, and we expect our business partners, contractors, and suppliers to do the same.

Our Commitment

BLTD and BMCL have adopted and are committed to furthering the intent of the Bechtel policies discussed below.
Bechtel's Policies Against Human Trafficking and Slavery reflect our commitment to maintaining a work environment free from human trafficking, slavery, servitude, and forced or compulsory labor; respecting human rights everywhere we operate in accordance with the spirit and intent of the United Nations Guiding Principles on Business and Human Rights; and maintaining systems and processes to avoid complicity in any practice that constitutes human trafficking or slavery.

Bechtel's Code of Conduct, which is published in six languages, makes clear that we are committed to ensuring that there is no form of modern slavery or human trafficking in our supply chain or in any part of our business and that Bechtel does not tolerate the use of either in the performance of Bechtel contracts by our employees, our contractors, business partners, or suppliers. It instructs employees to immediately report any concerns about any issue or suspicion of modern slavery or human trafficking to their supervisor, Ethics & Compliance Officer, or the Legal Department. Our employees are responsible for complying with our policies and Code of Conduct, and violation of them is subject to discipline, up to and including termination.

Because the responsibilities for applying Bechtel's policies against human trafficking and modern slavery reside in each of our four global businesses and across several functional groups (e.g., procurement, human resources, ethics & compliance, sustainability), a cross-functional group was created to share updates, ideas and good practices relating to human trafficking and modern slavery across the organization and to support the implementation of relevant policies, principles, and legislation. In addition, the group supports Bechtel's 2030 enterprise goal to engage 100 percent of our key suppliers to promote sustainability in the delivery of materials and services, and prevent modern slavery, including within their own supply chains. This group includes representatives from each of the four global businesses and regions in which Bechtel operates.

Industry Engagement

We understand the importance of engaging and collaborating with the broader engineering and construction industry and across industries to promote best practices and elevate standards to prevent forced labor and human trafficking. That's why Bechtel was one of the founding members of Building Responsibly, a group of engineering and construction companies working together to raise the bar in promoting the welfare of workers across the industry. We serve on its steering committee and helped to develop its ten Worker Welfare Principles and implementation Guidance Notes, which were published in 2019 for all companies and stakeholders to use.

Bechtel also serves as vice chair of the Corporate Responsibility Committee of the U.S. Council for International Business, an association of 300 U.S.
multinational companies. The Committee promotes policies and practices to international standard-setting bodies to strengthen governments’ responsibilities to develop and enforce legislation and regulation to prevent modern slavery and engage companies to share their experiences and best practices.

In 2019, Bechtel and members of Building Responsibly were invited to a U.S. State Department forum to share our industry experience on preventing human trafficking in the supply chain with government stakeholders, including Australia, Canada, New Zealand, and the United Kingdom.

We will continue to engage with diverse organizations to help advance a safer, healthier environment for all workers in the engineering and construction sector and other industries.

Risk Assessment & Management

Bechtel has both permanent offices and temporary project offices or sites. The permanent offices support core business functions and provide centralized support services to our project offices or sites. The temporary project offices and sites provide the on-the-ground day-to-day work needed to design and build our customers’ complex projects. Our project offices and sites are geographically dispersed and, in some cases, remote. Much of the risk for modern slavery and human trafficking lies not in our permanent offices but in our temporary projects and the global supply chain serving them. For instance, our permanent offices are located primarily in countries with strong worker welfare and employment laws and rely on skilled employees applying Bechtel’s robust set of policies and processes. On the other hand, our projects may have complex partnering arrangements that permit Bechtel different levels of authority, control and influence, may employ foreign migrant workers, and rely on thousands of suppliers and subcontractors across the globe to deliver the equipment, materials, and services needed to engineer and build our customer’s projects.

1. Foreign Migrant Workers

The technical challenges of large engineering and construction projects combined with the lack of sufficiently skilled craft persons in many countries means that some of our customer’s projects require the recruitment of foreign migrant workers. In some cases, Bechtel may control the recruitment and employment process, and in others our joint venture partners control it. In either case, Bechtel seeks customers and partners who share our values, and promotes global standards of ethical business conduct through these relationships. Bechtel’s Guiding Principles on the Recruitment and Employment of Foreign Migrant Workers helps ensure a consistent approach to ethical recruiting and managing of foreign migrant workers, engaging our
joint venture partners who may be responsible for recruiting and managing migrant workers, and communicating our standards to customers and other external stakeholders. The Guiding Principles provide that:

- Relevant policies and procedures should treat migrant workers fairly and without any form of discrimination.
- Contract terms and conditions should be written and communicated in a manner that is understood by migrant workers, and employment should be with a recognized and authorized employer in the country of work.
- No recruitment or placement fees should be collected.
- National passports, identity and residency document should be accessed freely by migrant workers.
- Wages should be paid regularly and directly to migrant workers per contract terms.
- Freedom to join worker associations and bargain collectively should be available to migrant workers.
- Migrant workers should be provided with humane, safe, and secure working conditions, accommodations, and transportation between the work site and living quarters.
- Migrant workers should not be subjected to any form of intimidation or inhuman treatment, including in disciplinary matters.
- Access to legitimate grievance mechanisms and resolution processes should be provided to migrant workers without fear of retaliation or dismissal.
- Upon completion of work, or under special circumstances per contract terms, migrant workers should be able to return to their home country or seek other employment in the country of work without restrictions.

2. Supply Chain

We have developed a risk-based approach to managing modern slavery and human trafficking issues to address the vast number of geographically-dispersed suppliers and subcontractors working under country laws and regulations that vary on worker welfare.

a. Setting Clear Expectations

We set clear human rights and anti-slavery expectations for our supply chain through our Suppliers & Contractors Portal, our Supplier Guide: Executing Work with Bechtel, and Bechtel’s Expectations for Suppliers’ and Subcontractors’ Conduct. These provide that we expect adherence to the following standards:
b. Identifying, Selecting and Contracting with Suppliers

All suppliers go through a restricted parties list review that vets the suppliers across 40 different databases, identifying companies with a human trafficking history, and we review all suppliers against our internal warnings and advisories, which identifies concerns raised in the performance of prior work with Bechtel. Next, we apply a risk-based due diligence vetting process of suppliers focusing on locations, scopes of work, and the nature and value of the products or services that have a higher risk of modern slavery or human trafficking and conduct additional reputation and media report screenings.

Depending on various commercial factors, Bechtel may engage joint venture partners or exclusive subcontractors before bid submittal. Before contracting with them, these companies undergo an enhanced due diligence review that involves screening for any ethics and compliance red flags, including modern slavery and human trafficking.

Once vetted and selected, Bechtel’s standard contract terms and conditions require that no human trafficking or slavery is used anywhere in the supplier’s or subcontractor’s business or by any of the suppliers or subcontractors in its own supply chain. Our suppliers and subcontractors agree to comply with all applicable local and national laws and regulations, and we have the right to terminate contracts with suppliers and subcontractors that breach our terms and conditions.

Our standard terms and conditions also provide that, at the project site, all suppliers and subcontractors must comply with Bechtel’s rigorous safety and health plan. This plan includes Bechtel’s core processes for safety and
health to ensure all workers – both Bechtel’s and its supply chain’s – adhere to our zero-accident values.

c. Managing & Monitoring Supplier Relationships & Performance

In addition to upfront vetting and contract requirements, Bechtel manages and monitors its supplier relationships and supplier performance. Frequent communication and regular visits to our suppliers’ facilities are common practices. It reinforces our proactive approach to resolve potential issues, which helps suppliers deliver consistent value to the customer in a timely manner. To verify compliance with purchase order requirements and specifications, supplier quality surveillance is performed in accordance with approved quality surveillance plans. Our quality surveillance checklist and report for our suppliers’ facilities includes a Sustainability Section requiring the assessor to identify and report any signs of underage workers, involuntary labor, or worker abuse and to identify any indications of worker restrictions that might prevent reporting of grievances or concerns. If any issues are flagged by the assessor, it goes directly to Bechtel’s supplier quality function and the project representative for review and follow-up, and all records are kept in our supplier quality database. In consultation with Bechtel’s supplier quality function, the project may choose to do a workplace condition assessment or initiate an investigation.

In addition to our supplier quality surveillance, we annually identify our key suppliers based on spend and provision of critical equipment or services and conduct a desktop review of a select group of those suppliers’ policies and approaches to many areas of sustainability, including modern slavery and human trafficking. The key suppliers’ sustainability programs are scored and, if determined to be deficient, are provided a cure period. Failure to cure deficiencies results in a supplier advisory being issued to Bechtel’s procurement and contracts personnel, which remains in place until the deficiencies are rectified.

In 2018, Bechtel engaged a third-party provider to conduct workplace conditions assessments of six (6) key suppliers in China and India that were identified as being the highest risk across our supply chain. Each supplier received a weighted composite score and a report of the issues identified during the assessments. The reports were then reviewed with the suppliers and corrective action plans were undertaken in 2019. Follow-on workplace conditions assessments were conducted at each supplier’s facility in 2019. This work process is available for all projects to use when a red flag is identified during a surveillance visit or a concern is identified through other processes.
Training

Our online and instructor-led course entitled “Human Trafficking and Modern Day Slavery” is available to all Bechtel employees. It focuses on how to identify the warning signs of modern slavery and how to manage it. The course is mandatory for specific populations of employees who may have a high exposure to modern slavery due to their function, location, or nature of their work. A workshop format is also available to project management teams where human trafficking and forced labor might be a high risk on project sites. In 2019, two projects in the United Kingdom used the workshop format for modern slavery awareness and to understand the particular risks to the projects. Also in 2019, UK management received modern slavery awareness training via a presentation. Following that training presentation, a module addressing modern slavery and human trafficking was integrated into the standard contracts training for the UK.

Reporting Violations

We encourage our employees, suppliers, subcontractors, and other third-party business partners to ask questions about our Code of Conduct and to report any issues, concerns, or suspicions of modern slavery or human trafficking. We have an Ethics HelpLine available as a confidential resource on the internet at HelpLine.Bechtel.com, by email at ethics@bechtel.com, or by phone at 1-800-BECHTEL (1-800-232-4835) from the USA and 0800-206-1009 from the UK. Where allowed by law, the Ethics HelpLine allows anonymity. We do not tolerate threats or acts of retaliation against anyone for raising legitimate concerns, and we are committed to addressing each concern in a prompt and responsible manner.

June 1, 2020

Ailie MacAdam, Director
For and on behalf of Bechtel Limited

June 26, 2020

Alastair Dick, Director
For and on behalf of Bechtel Management Company Limited