



LAING O'ROURKE AUSTRALIA MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR 1 APRIL 2020 TO 31 MARCH 2021

Laing O'Rourke is committed to upholding the human rights of all those who work with us and for us ensuring that they are able to work freely and receive fair pay in return. Laing O'Rourke supports the principles set out in the United Nations Universal Declaration of Human Rights and requires its suppliers and supply chains to do the same. We are committed to identifying and addressing the risk of modern slavery practices in our operations and supply chains.

1. REPORTING ENTITIES

This Statement is a joint statement made by Laing O'Rourke Australia Group Pty Ltd, Laing O'Rourke Australia Pty Ltd and Laing O'Rourke Australia Construction Pty Ltd (collectively referred to as 'Laing O'Rourke Australia'). The Statement sets out the steps taken by these entities and their subsidiaries to prevent modern slavery and human trafficking in their Australian operations and supply chains.

In this Statement, the terms 'Laing O'Rourke Australia', 'we' and 'our' are used to refer collectively to the reporting entities and their subsidiaries.

This Statement does not apply to Laing O'Rourke Australia's non-controlled joint ventures.

2. STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Structure

Laing O'Rourke Australia is part of the Laing O'Rourke Group which is a privately owned international engineering and construction company with two principal hubs of operation in Europe (including the Middle East) and Australia. Through its operations around the world, across building and infrastructure sectors, Laing O'Rourke's 2025 mission is to secure its position as the recognised leader for innovation and excellence in the construction industry.

Laing O'Rourke Australia operates as a corporate group. Laing O'Rourke Australia Group Pty Ltd is the Australian parent company which is a wholly owned subsidiary of Laing O'Rourke Australia Holdings Limited, which is a wholly owned subsidiary of the ultimate parent company Laing O'Rourke Corporation, a company domiciled in Jersey.

In addition to the reporting entities identified in section 1, Laing O'Rourke Australia group includes a range of controlled entities which undertake various functions such as acting as holding companies or supporting the various operations of the business including design, engineering, construction and programme management of building, road, rail and infrastructure assets.

Laing O'Rourke Australia also undertakes a range of joint venture activities and alliances which relate to construction projects in Australia.

Operations

Laing O'Rourke Australia has locations in all states and territories except Tasmania with over 20 site offices, corporate offices, storage yards and depots.

During the reporting period:

- 33 projects were in execution across Australia worth \$6.6billion; and
- 12 projects were completed.

Some of our key projects during the reporting period were:

- **Central Station Main Works** – this project will deliver the new Sydney Metro platforms under Central Station and the landmark Central Walk, a new underground pedestrian concourse to help customers get around Sydney's busiest railway station. Once the Central contract is complete in 2022, work will continue along the 30km length of the Sydney Metro City and Southwest project to lay tracks and fit out stations before services start in 2024;
- **NSW Bushfires Recovery project** – Laing O'Rourke Australia was selected by the NSW Government to undertake the first phase of recovery clean-up works following recent bushfires across the NSW; and
- **Gudai-Darri Phase 1 project** – the scope of works for this project included the supply, installation, and testing of electrical, instrumentation, HVAC, and communication services to complete materials handling facilities, power distribution, and non-process infrastructure.

Laing O'Rourke Australia had 2,223 employees at the end of the reporting period which were a combination of permanent, fixed term and casual employees. We had 96 migrant workers on a visa which represented 4% of our total workforce.

Employee Type	Number	% of Total Workforce
Permanent	1,928	87%
Fixed term	64	3%
Casual	231	10%
Total	2,223	

Supply Chains

Laing O'Rourke Australia typically sources products and services from suppliers which are broadly active in the construction, engineering, maintenance and corporate sectors. The term 'supplier' is used to refer to any entity in our supply chain including consultants, subcontractors or other service providers.

During the reporting period we spent more than \$1.8 billion purchasing products and services from more than 3,000 direct suppliers. Approximately 98% of our suppliers are based in Australia with the remaining 2% based overseas in Thailand, Hong Kong, USA and UK.

Our top 5 supplier spend categories include:

1. **Consultants** such as architects, structural engineers, rail signalling and other designers;
2. **Subcontractors** such as excavation, civil, structural, asphalt, electrical and mechanical services and labour hire;
3. **Suppliers** such as ready-mix concrete, reinforcement, precast, rail, cable, rigging equipment, engineering products and general equipment;
4. **Equipment Hire** such as small tools, excavators, cranes and utes; and
5. **IT and Corporate Services** such as software and data products, communication devices, computers and hardware, insurance, legal, professional services and leases.

We require our suppliers to comply with all applicable regulations and legislation relating to working hours, wages, welfare and human rights. We also believe in supporting our suppliers through training and knowledge-sharing and hold regular forums to communicate clear expectations.

3. MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

During the reporting period we assessed modern slavery risks by identifying areas of high risk in our operations and supply chains by considering the following four intersecting risk criteria:

- (i) vulnerable populations;
- (ii) high risk categories;
- (iii) high risk business models; and
- (iv) high risk geographies.

Long supply chains in construction mean that goods and services secured appropriately within Australia may in fact present a high risk of modern slavery and we have identified a range of potential modern slavery risk areas that may be present in our operations and supply chains. These potential risk areas include:

- construction sites which can include many separate companies all working concurrently and all with their own supply chains that may include low-skilled workers who are especially vulnerable to modern slavery practices;
- commodities and materials used in construction projects such as steel, manufactured components, cement, aggregates, bricks, plant and equipment, cables and PPE may be manufactured using modern slavery practices as workers in these industries are often migrant populations, low paid and low skilled;
- procurement of high-risk subcontractors such as labour hire, cleaning and security that, if not monitored closely, reward low price through competitive tendering and the risk is increased where these workers are low skilled or from migrant backgrounds;
- technology where the raw materials required within items such as computers, phones and engineering instruments are manufactured in Asia and Southeast Asia which are seen as being particularly high risk of forced labour with large numbers of workers being migrant workers; and
- service providers of design, drafting and other services may exploit workers, including where these providers are located in higher risk geographies.

COVID 19

Many of the modern slavery risks may be exacerbated in the context of a pandemic, for example, low-paid and low-skilled workers in cleaning and security roles, migrant labour on construction sites and workers engaged as casuals or in other insecure work models can become increasingly vulnerable in the context of shutdowns or declining availability of work. The demand for increasing amounts of cleaning and increased hygiene to be provided on an urgent basis also brings with it risks of exploitation of workers in the supply chain.

Our operations were defined as 'essential services' by various State Government's with most of our projects continuing to operate throughout the reporting period, albeit at a reduced capacity as and when necessary to adhere to State Government and health authority guidelines. A COVID-19 Response Committee was established in March 2020 and implemented a COVID-19 Response Plan to mitigate the impact of the pandemic on our operations and ensure business continuity.

Covid-19 Safety Management Plans were developed for construction sites which included the implementation of social distancing policies, split shifts and many staff work from home where possible. These protocols also applied to all supplier and contract personnel attending our owned or operated sites. In our offices, staff numbers have been carefully managed and staff have worked from home, socially distanced while in the office and utilised new technologies to ensure ongoing business operations.

While our projects were impacted by the pandemic, disruption to our supply chains was minimal. However due to the Government's infrastructure stimulus package, we did experience an escalation of activity during the reporting period with tenders.

4. ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

Our modern slavery risk mitigation approach is underpinned by our Global Code of Conduct, strong supplier due diligence, procurement management and a robust corporate governance framework.

Doing the right thing: Our Global Code of Conduct

Our 2025 Mission to become the recognised leader for innovation and excellence in the construction industry requires us all to play an active role in supporting a culture that is founded on integrity and supported by ethical actions.

Through the power of our collective experience we have built a reputation as a business that acts ethically and with integrity and in the best interests of the communities in which we operate.

Our Global Code of Conduct ("**Code**") clearly sets out the standards that we uphold as a business and our expectations for our people and supply chain partners. We require anyone acting or working on our behalf including consultants, partners, affiliates, subcontractors and suppliers, to follow and uphold the intent of the standards set out in the Code.

To ensure that our people understand and are aligned with the expectations set out in the Code, all employees are required to complete an eLearning course and Code of Conduct pledge as part of their onboarding process and each year. This course ensures that all our people are fully aware of the ethical standards expected by Laing O'Rourke.

Workers on our project sites are provided with a 'tool-box talk' covering the key elements of the Code to ensure we drive responsible and ethical behaviour into our delivery activities at the site level.

We provide our staff with the knowledge and confidence to call out others who may not be meeting the ethical standards set out in the Code. Any breaches or non-adherence to the Code may be raised or reported on our dedicated confidential whistle-blowing hotline which is independently run with trained operators and is available 24/7. There is also the option to file a report online at <https://www.safecall.co.uk/report/>.

Our Global Code of Conduct can be read in full on our [website](#).

Supplier due diligence

In order for a supplier to work on one of our projects they must first become accredited via our internal vetting processes. This involves the supplier completing a due diligence questionnaire to determine whether they have adequate policies, processes and procedures in place. As part of this process, we review our suppliers' policies ensuring that they are aligned with our own policies. Where our suppliers do not have a policy of their own we ensure that they agree to abide by our Code of Conduct.

We also have a number of approved enterprise agreements in place that provide labour rates for our direct hire workforce and require our subcontractors to sign a monthly statutory declaration stating that they are paying their employees in accordance with the relevant industrial instrument that applies to their workers. Laing O'Rourke Australia also aligns with labour hire licence requirements in Victoria and Queensland.

We also undertake supply chain scoring where the performance of our suppliers is monitored and assessed in a number of areas on a quarterly basis to identify any opportunities for improvement or to acknowledge successes at review meetings.

For our most important and influential suppliers, our 'Key Supplier Programme' ensures that business to business relationships are maintained at a high level. These relationships provide us with a significant ability to drive alignment and improvement in managing modern slavery risks in our supply chain.

Procurement management

We have reviewed and updated our temporary labour hire engagement practices and our standard Temporary Labour Hire Agreement has been updated to include provisions requiring an undertaking to comply with modern slavery requirements.

We have also reviewed our supply chain process and data capture for high risk materials and commodities. This will lead into a stream of work next financial year where we will update our procurement process to further assure mitigation on modern slavery risk.

Corporate governance framework

We operate within an established and externally benchmarked corporate governance framework that is underpinned by our Mission and guiding principles set out in our Global Code of Conduct. A key function of our corporate governance framework is the identification, management and mitigation of operational and financial risks.

The Compliance Committees for Laing O'Rourke Australia and Laing O'Rourke Group have added modern slavery as an agenda item to be discussed and considered by senior management and modern slavery has also been added as a key policy area within our risk control review.

Policies and Procedures

Laing O'Rourke Australia established a Global Modern Slavery Working Group to support its efforts to strengthen its approach to identifying and addressing the modern slavery risks in its operations and supply chain. This Working Group will develop additional specific controls for modern slavery. The Working Group comprises senior representatives from Risk and Assurance, Procurement, People and Legal across the Laing O'Rourke Group in Europe and Australia.

We have commenced drafting a dedicated Modern Slavery Policy to be rolled out across the Laing O'Rourke Group in the next reporting period.

Awareness and training

Laing O'Rourke has developed a training module on modern slavery and this has been delivered to the Compliance Committee. This training will be rolled out to the business over the next reporting period. Additionally, we commenced the preparation of modern slavery awareness and response plan training to site-based employees to educate them on the risks, how to recognise the signs of modern slavery and how to respond.

We have also approved the design of modern slavery posters to be distributed to all projects in multiple high-risk languages.

5. EFFECTIVENESS OF THE ACTIONS

Laing O'Rourke Australia has established the following mechanisms for reviewing the effectiveness of its actions to identify, assess and address risks of modern slavery:

- conduct of internal compliance audits every six months, reported to the Board;
- the Compliance Committee reviewing relevant policies and ensuring that modern slavery controls operate appropriately within the compliance workstream;
- implementation of risk reporting processes that highlight any project-based risks to senior management;
- audit of our supplier due diligence process and assessments;
- monitoring the Safecall whistleblower hotline to ensure reports on complaints or suspicions are dealt with appropriately and our investigation process is followed;
- carrying out an annual supply chain analysis and review; and
- communicating with our workforce to further develop awareness and understanding of modern slavery risks.

6. CONSULTATION PROCESS

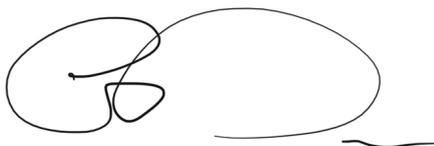
Laing O'Rourke Australia operates as a corporate group and the Australian Executive Committee are responsible for the reporting entities and their subsidiaries to ensure that all policies, procedures and actions are aligned across the group. This Statement has been made available for review and comment by the Board prior to approval.

7. LOOKING AHEAD

We continue to take a multi-year approach to strengthening our response to modern slavery risks in our operations and supply chains. Our Global Modern Slavery Working Group will develop modern slavery-specific controls and the improvements in the next reporting period will include:

- awareness and response plan training to site-based employees;
- the display of multi-lingual on-site posters for awareness raising among the workforce;
- distribution and display of our Code of Conduct posters to all site locations including the contact details of our Safecall multi-lingual Whistleblower Hotline;
- mandatory Code of Conduct training and pledge certification to all employees;
- modern slavery clauses to be inserted into our standard supply chain agreements; and
- the development of Key Performance Indicators.

This Statement for the financial year 2021 is published pursuant to section 14 of the *Modern Slavery Act 2018* (Cth) and was developed in consultation with each reporting entity. This statement has been approved by the Board of Directors of Laing O'Rourke Australia Group Pty Ltd on 28 September 2021.

A handwritten signature in black ink, appearing to be 'Cathal O'Rourke', written over a horizontal line.

Cathal O'Rourke
Managing Director
Laing O'Rourke Australia