

# BAM Nuttall

## Modern Slavery Statement 2020



# BAM Nuttall Ltd

## Modern Slavery Transparency Statement 2020

The BAM Nuttall Board make this statement on behalf of BAM Nuttall and its subsidiaries for the calendar year 2020. It sets out what we are doing to stamp out slavery and human trafficking in our business and our supply chain, and the progress made since our last statement.

In preparing this statement and considering our plans, the potential impacts of COVID-19 have been considered. It has been over a year since the pandemic began and we can see that the actual impacts of COVID-19 in our world are far reaching and all encompassing. Specifically for modern slavery, we believe there is an increased risk of unfair treatment and low paid workers in our supply chain in the wake of COVID-19 and extra vigilance is needed to help stamp out slavery. In consideration of the restrictions that were imposed during 2020 as a result of the pandemic, we will adapt our actions in 2021 accordingly.



## Our business and values

BAM Nuttall is a part of the Royal BAM Group nv, a construction and civil engineering enterprise operating in Europe and internationally employing more than 18,000 people globally. BAM Nuttall employs in excess of 3,000 direct employees in the UK. We operate primarily in the UK and have collaborated with our sister company, BAM Construct UK, in developing our approach to stamp out slavery.

The Company undertakes civil engineering works across sectors including rail, road, energy, water, coastal and ground engineering, through three delivery centres – Transport, Major Projects and Regions. More information about what we do can be found at: [bamnuttall.co.uk/work](http://bamnuttall.co.uk/work)

We are committed to being a sustainable business and ultimately want to have a net positive impact on climate, resources and people by 2050.

The BAM values are the guiding principle by which we conduct ourselves and our business which helps to build sustainable success. Our values underpin what we do and help to create a culture of accountability, responsibility and collaboration on a range of issues, including modern slavery. They are adopted in the BAM Code of Conduct which, along with our policies and procedures, support the way we tackle modern slavery.

We strive to enhance people’s lives across communities where we operate. This includes the way that BAM is involved in tackling modern slavery within the civil engineering and construction industry – going above and beyond what we are asked to do to help make a difference.

BAM Nuttall is committed to collaborating with its stakeholders to combat slavery and human trafficking throughout our operations and those associated with our business. This is not a standalone issue, but one that forms part of our approach to ensuring that we:

- treat people with fairness, dignity and respect;
- source goods and services responsibly;
- promote and strive for transparency; and
- conduct our business with the highest regard to ethical and environmental standards.

We are committed to ensuring that all of our employees and third parties performing services for or on our behalf and / or our joint venture partners abide by the highest professional and ethical standards.

## Supply Chain

Our Supply Chain Purpose is 'To create and maintain ethical and sustainable collaborative relationships with supply chain partners, embracing core BAM values, which generate mutually beneficial outcomes through early engagement and market leading delivery on projects'.

BAM Nuttall continues to collaborate with BAM Construct, and other Royal BAM Group Operating Companies to develop together and, where possible, to align business excellence in shared pursuits. Areas that BAM Nuttall and BAM Construct are currently collaborating on include supply chain categorisation and category management. In terms of any joint category management efforts BAM Nuttall and BAM Construct commit to including modern slavery prevention and ethical procurement practices being part of those efforts.

Currently, the BAM Nuttall supply chain is large due to the complexity, work scope and geographical spread of our projects. To meet our customers' needs we have a diverse supply chain and in 2020 we worked with some 3,700 vendors. This comprises approximately 2,350 suppliers, 1,350 subcontractors. BAM Nuttall spent about £520m directly with the supply chain in 2020. As many of our major infrastructure projects are delivered with the help of joint venture partners, our true supply chain spend was considerably more. In general terms our supply chain spend represents

approximately 80% of BAM Nuttall turnover; this clearly demonstrates the importance of our supply chain and we endeavour to work with a supply chain that has similar values to ourselves.

Of further significance is that in excess of 20% of supply chain spend was with our BAM Link vendors. BAM Link is an agreement with our preferred vendors which provides a commitment to collaborate to work more closely together in a strategic manner and to have a common focus on ethical business.

Whilst we recognise the potential impact that modern slavery may have on our complete supply chain and their individual suppliers we are initially concentrating our efforts on BAM Link vendors and higher risk members of our supply chain. We have BAM Link agreements with both suppliers of materials and goods and with subcontractors:

## Materials and Goods

We consider ethical and sustainability criteria when sourcing materials and goods and work with our customers to assist them in selecting sustainable and ethically sourced materials. When we provide design services, or procure materials and goods directly, we specify to industry standards for responsible and sustainably sourced / produced material.

This includes timber to FSC / PEFC standards and recognised responsible sourcing certifications for other materials, such as BES6001 and ethical supply standards, such as dimensional stone from suppliers operating to ETI base code guidelines.

Our [Sustainable Business Policy](#) and [Ethical Business Policy](#) outlines our commitments and minimum requirements to procurement and how we conduct our business. These, alongside our Code of Conduct, ensure a robust policy based approach to tackling modern slavery.

## Subcontractors and service providers

We subcontract to specialist trade subcontractors, temporary labour and staff providers, design consultants and other specialists to service our business needs, working across different parts of the business spanning a wide range of skill levels. Specialist trade subcontractors will often source and supply their own materials and goods. In such cases, we insist on sustainable and ethical standards that comply with our policies.

## Hotspots and risks of exploitation

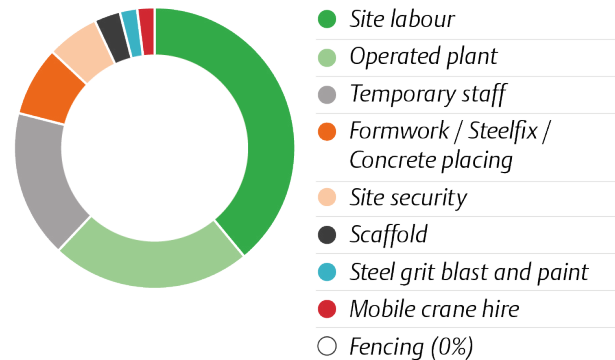
At BAM Nuttall, we take a risk based approach to tackling modern slavery and are aware that our management of risk is crucial in our effort to tackle modern slavery. It is recognised and acknowledged that one of the most significant risks in our supply chain is exposure to low skilled or migrant labour. This risk was clearly identified in the spend analysis and resultant gap analysis undertaken with Action Sustainability. Having undertaken some actions (detailed below) in respect of the first five categories identified in our 2018 Modern Slavery Statement (i.e. temporary labour, operated plant, temporary staff, mobile crane hire and fencing works) and acknowledging that progress was limited in 2020, our belief remains that the labour intensive sectors are at the highest risk of exploitation.

Whilst we continue to work with and monitor these five categories, as stated in our 2019 Modern Slavery Statement, we will continue to undertake spend and risk analysis of further categories within our supply chain namely site security, formwork, steel fixing and concrete placing, scaffolding and steel grit blast and painting ('The 2020 Categories'). These categories have a history of trade associations that encourage proper employment practices. As such initial analysis suggests that there is a lower risk of modern slavery.

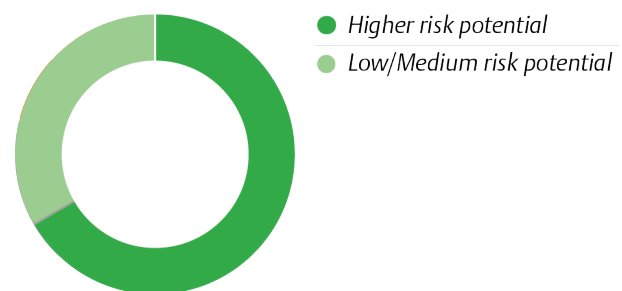
We continue to review and enhance our assessment processes for products that are sourced by our

supply chain or manufactured from countries with a higher risk of modern slavery.

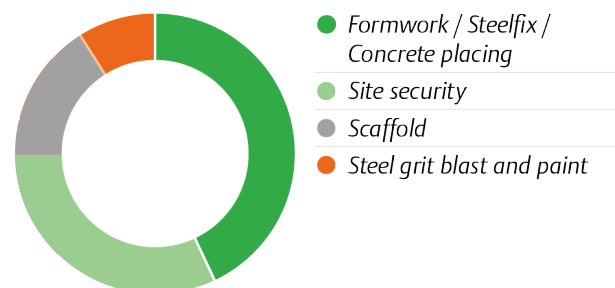
### Spend in 2018 - 2020 hotspot categories



### Spend in 2019 and 2020 hotspot categories



### 2020 spend in additional categories identified in 2019 statement



## What we did in 2020 and what we plan to do in 2021

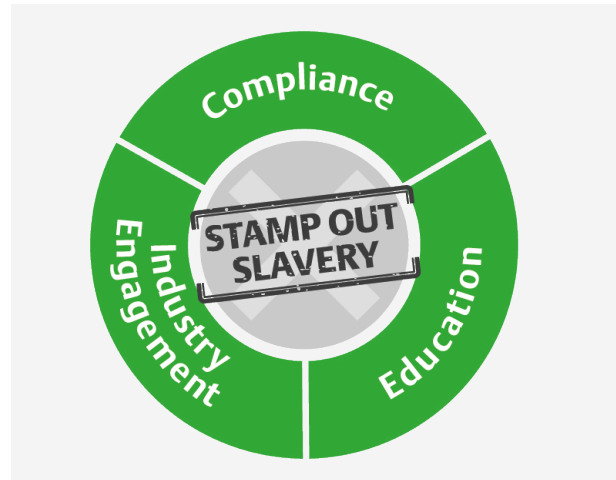
Following our 2018 Modern Slavery gap analysis carried out in collaboration with BAM Construct UK and Action Sustainability, we determined an action plan and implemented it in 2019. In general, we achieved the actions and progress we had planned. These were focused on the three key areas to stamp out slavery:

- industry engagement
- education
- compliance

The impact of COVID-19 on some of our planned activities for 2020 has delayed the progress we hoped for in some areas. However, with an anticipated imminent return to a more stable working environment ahead, in 2021 we intend to refocus and build upon the successes from 2020 and further enhance our drive to stamp out slavery.

When identifying our actions for 2021 we have considered the challenges that COVID-19 presents and the need to adapt. We will ensure continued engagement, learning and knowledge share by attending and organising virtual meetings and industry forums.

Full details of the successes we have achieved in 2020 and our objectives for 2021 are set out below.



## Industry Engagement

BAM Nuttall considers industry engagement to be a fundamental component in the drive to stamp out slavery. Through engagement with our supply chain and wider industry, we aim to improve knowledge share and development of wider anti-slavery measures.

During 2020 our plans were affected by COVID-19, including the fact that many of our employees were furloughed or working from home for large parts of the year, a restriction on face to face meetings and strict limitations on travel. Despite not achieving some of our planned actions, we are proud of our achievements in the face of this adversity and made further steps to achieve the goals we set for ourselves in our mission to stamp out modern slavery.

### 2020

- We continued to fully support and promote industry events showing our commitment to stamp out slavery.
- We collaborated with our peers through the Supply Chain Sustainability School to collectively improve industry performance on sustainability issues, including modern slavery.
- We progressed discussions with a potential charity that supports modern slavery victims.
- In collaboration with BAM Construct, we identified differences in our prequalification and onboarding requirements in modern slavery.

### 2021

- Risk assessments of the next focus trades identified in the Gap analysis will be developed.
- We will hold an event with the new trades and labour providers following the completion of the tender process. Our expectations for their actions in relation to modern slavery will be addressed and the resources we have available to assist them will be communicated at the event.
- We will continue to seek industry events to fully support and promote, showing our commitment to stamp out slavery.
- We will continue to collaborate with our peers through the Supply Chain Sustainability School to collectively improve industry performance and training on sustainability issues, including modern slavery.
- We will continue to investigate the link between Builders Profile and Construction Line (BAM Construct prequalification provider) to align the modern slavery requirements.

**KPI:** To help support victims of modern slavery we will Identify and support an appropriate charity by the end of 2021.

## Education

BAM Nuttall considers education to be a fundamental component in the drive to stamp out slavery. Through education both within our business and our supply chain, we aim to promote the awareness and reporting of all suspected incidents of modern slavery.

As with our goals for industry engagement, COVID-19 impacted our ability to achieve some of our educational goals. Many of our furloughed employees were unable to participate in training initiatives and working from home made delivery of our face to face “tool box talks” challenging. Nevertheless, our eLearning scores did increase in 2020 which evidences our continued commitment to training in 2020 where and when it was possible.

### 2020

- We added modern slavery e-learning and tool box talks to our employees’ mandatory training requirements. 1,210 of our employees completed the training.
- Projects displayed our awareness posters and used our tool box talks.
- BAM Nuttall held 1 supply chain event and how we can stamp out modern slavery was a key element of this event.
- We continued to promote the Supply Chain Sustainability School to our supply chain and we reviewed our supply chain usage of the School’s modern slavery training. 40 of our key supply partners undertook a total of 330 individual training modules provided by the School.

### 2021

- We will continue to monitor and promote training to achieve a minimum 80% completion by our employees.
- We will develop and implement a communications plan to further increase awareness around modern slavery and the actions we are taking.
- We will consider introducing a Modern Slavery Information hub on our intranet, to provide a range of resources that all of our sites and offices can use, such as posters, tool box talks and workshop materials.

**KPI:** Engage in two modern slavery specific communications with our supply chain with the aim of increasing awareness of modern slavery challenges and how we can work together to stamp out slavery.

## Compliance

BAM Nuttall considers compliance to be a fundamental component in the drive to stamp out slavery. Through the determination of controls, prequalification checks and audits both within our business and our supply chain we aim to continually improve the effectiveness of our measures to prevent modern slavery.

National and local lockdowns introduced to combat the COVID-19 pandemic rendered face to face engagement and on site auditing a challenge to complete in the last 15 months. We were unable to implement our audit plans for 2020 but we remain committed to getting these back on track for 2021. Notwithstanding the challenges we had, we were able to carry out some virtual auditing with our suppliers to support our compliance goals.

The unexpected duration of the pandemic, and consequential business disruption, also meant that we were unable to finalise a modern slavery specific risk assessment on the potential impacts of COVID-19. Our general risk management for the business considers, assesses and monitors the impacts of the pandemic and the general risks to the business.

### 2020

- We concluded the temporary labour tender process.
- Our vendor assessment process was extended to encourage the use of the Supply Chain Sustainability School modern slavery training.
- Review, update and issue our Policy Statements for Ethical Business and Sustainable Business.
- A modern slavery interview was carried out with one of our site security suppliers.

### 2021

- We will prepare our audit questions for the temporary trades and labour category in readiness for the conclusion of this tender process.
- We will consider the potential need for a separate modern slavery policy and implement if appropriate.
- We will commence work on a response protocol to provide minimum requirements for site teams and guidance on what to do should an instance of modern slavery be identified.
- We will evaluate the need for materials vendors to undertake a full vendor registration.

**KPI:** By the end of 2021 to undertake an official audit of at least one vendor within The 2020 Categories defined in the 'Hotspots and Risks of Exploitation' section of this Statement.



## Summary

BAM Nuttall remains fully committed to stamp out slavery.

We acknowledge that the impacts to our business of COVID-19 have slowed our progress but we are confident in achieving our future plans and commitments to combat modern slavery. We know that COVID-19 presents a further risk to modern slaves being used in our industry and our 2021 actions will mitigate that risk.

Our people are fundamental to our success. By continuing to train our people on modern slavery training, we continue to create greater awareness not only within our business but within society at large.

Our supply chain is an intrinsic part of our business. As such, it is essential that we engage with all our suppliers and subcontractors.

Together, we will stamp out slavery.

## Due Diligence

We recognise that we need to carry out diligent checks as part of our modern slavery action plan for our employees and our supply chain. Some examples of how we do this are:

- Right to work eligibility checks, including questions and guidance for our supply chain partners on how to ensure they are employing people legally and therefore combatting modern slavery.
- At induction, all BAM Nuttall employees are given access to and required to complete our online modern slavery training.
- Our supply chain engagement process includes a requirement for all subcontractors and major materials vendors to have a complete profile on Builders Profile, including answers to questions relating to modern slavery as well as employment of labour and responsible sourcing.
- We continue to discuss modern slavery as part of

our regular relationship meetings with many of our supply chain partners.

- Supplier audit sessions. BAM Nuttall maintain the right to audit and investigate any member of the supply chain and focus on areas of perceived risk.
- Modern slavery is a consideration when we assess the suitability of potential joint venture partners for the delivery of major projects.

Underpinning these specific activities, the fight against modern slavery is made by all of our people, starting with our senior leaders. Our board are aware of the issues of modern slavery and are instrumental in incorporating measures into our strategy and approach to help tackle this. They have appointed the Company Secretary as our Compliance Officer, to oversee compliance with the Modern Slavery Act and annual preparation of the Modern Slavery Act Transparency Statement. Our Company Secretary leads a team incorporating our Business Process and Quality, Human Resources and Procurement departments with the remit of ensuring the robustness of and compliance with anti-slavery and human trafficking processes within BAM Nuttall.

**This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our modern slavery statement for the financial year ending 31st December 2020.**



**Adrian Savory, Chief Executive**

BAM Nuttall Ltd

28 June 2021



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