

Modern Slavery and Human Trafficking Transparency Statement 2019

Built for **people**

COVID-19

The UK Modern Slavery Act 2015 (the 'Act') requires businesses to state the actions they have taken during the financial year to ensure modern slavery is not taking place in their operations and supply chains. Multiplex has delayed the publishing of its 2019 statement due to unprecedented operational pressures, the prioritisation of response plans for business continuity, and resource constraints during the furlough period presented by COVID-19. Now more than ever, Multiplex's response to the risks of modern slavery and labour exploitation is essential to prioritising the health, safety, wellbeing and rights of all workers in our operations. This is our fourth Modern Slavery Statement. We published our first Modern Slavery Statement in June 2016, and since then we have continued to take steps to tackle modern slavery in our business and supply chain.

Introduction

We are fully committed to playing our part in eradicating modern slavery and supporting ethical labour practices. We firmly support transparency and collaboration to eliminate the risks of modern slavery.

Multiplex has taken a leading role during the current COVID-19 pandemic, establishing a COVID-19 Emergency Working Group that has enacted our Crisis Management & Business Continuity Plans across the regions in which we operate. Protecting the health, safety and rights of all workers in our supply chain has been a priority during this critical time. For specific details on our approach to managing the impact of COVID-19, and the actions we have been taking to protect workers in the Middle East, please see our response to the [Business and Human Rights Resource Centre](#).

In March 2020, we actively led the Building Responsibly COVID-19 worker roundtable to share our approach to protecting human rights during the pandemic alongside key stakeholders from the engineering and oil and gas sectors, as well as Humanity United, which led to the drafting and publishing of [the COVID-19 Guidance Note](#). Construction and engineering companies have had to grapple with differing governmental restrictions, from contrasting definitions of 'critical workers,' changing health and safety measures, and site disruptions, making it critical to ensure a sector-driven response to addressing some of the key risks at play which focus on the [Building Responsibly Principles](#); these address a wide range of worker welfare issues including working and living conditions, respect for labour standards, and worker representation. Respecting human rights,

promoting ethical labour practices and combatting the risks of modern slavery are integral to driving our business principles: Built for People, Built for Precision, Built for Positive Impact and Built for Evolution.

About Multiplex

Multiplex is a leading international contractor with a focus on sustainable growth and a presence in Europe, Canada, the Middle East, Australia and India. We have been bringing large-scale, complex structures to life for over 50 years.

Established in Australia in 1962, our work to date comprises more than 1000 projects with a combined value in excess of US\$80 billion. Multiplex entered the United Kingdom in 1999, becoming a UK-registered company in 2016 based in London. We employ over 6,000 people around the world and our current global workbook has a value of over £10bn.

Our supply chain is complex, extensive and global. It comprises consultants, subcontractors and suppliers delivering materials, equipment and services.

We actively work with local governments, industry bodies, NGOs and our construction peers to establish a common approach and implement effective measures to tackle modern slavery across the construction industry.

We publish this Modern Slavery Statement on behalf of our operations in Europe, the Middle East and Canada. Since publishing our first statement in 2016, we have gained greater insight into the trends and risks relating to modern slavery and labour exploitation, which has led to continual developments in our approach, process, and management systems, underpinned by the Building Responsibly Principles. During 2019 our key focus areas have been:

Key focus areas in 2019

- Reframing our human rights approach with a greater focus on forced labour, both in the UK and internationally
- Reviewing our management systems and controls to ensure our monitoring programme responds to worker grievances, leading to improvements in day-day working conditions
- Driving and supporting stakeholder collaboration workshops and sessions to increase awareness
- Advocating and building our engagement with Building Responsibly, Stronger Together, the World Green Building Council and the Institute for Human Rights and Business

Our Policies, Formal Documents and Contracts

At Multiplex, we maintain policies and procedures to set out minimum requirements and promote the highest standards of ethical behaviour and social responsibility. These policies and procedures are regularly reviewed and amended (where required) to ensure we develop and improve. These policies and procedures include:

- [Anti-Slavery and Human Trafficking Policy](#), which sets out our commitment to combatting all forms of modern slavery and human trafficking within our business and supply chain
- [Anti-Slavery and Human Trafficking Charter for Suppliers and Service Providers](#), which sets out the requirements for our suppliers and service providers
- [Code of Business Conduct and Ethics](#)
- [Anti-Bribery and Corruption Policy](#)
- [Operation of a toll-free reporting hotline](#)
- Validation of the right to work of all employees and construction workers
- Implementation of high standards of health and safety in the workplace for all employees and construction workers on our sites
- The requirement in the UK for key construction materials to be responsibly sourced from suppliers holding certificates such as the Programme for the Endorsement of Forest Certification (PEFC) and the Forest Stewardship Council (FSC) for timber, or BES 6001 (BRE Global's Framework Standard for Responsible Sourcing of Construction Materials).

CASE STUDY | GLOBAL

Multiplex elected Co-Chair of Building Responsibly

Collaboration is essential to achieve best practice in the field of workers' welfare and rights. In 2019, we were [elected Co-Chair of the Steering Committee for Building Responsibly](#). Since January 2020, we have co-led and drafted two Guidance Notes using practical case study examples from our work in the Gulf; [Guidance Note 2](#) on Forced Labour, and [Guidance Note 3](#) on Ethical Recruitment, which offers a common baseline to ensure recruitment practices are ethical, legal, voluntary, and adopt the 'employer pays principle'. These Guidance Notes were launched in London in October 2019 and have subsequently been reviewed, informed and endorsed by multiple external stakeholders from the human rights community, engineering and construction industry, and members from the oil and gas sector. Further stakeholder workshops were hosted in Paris and London where Multiplex led the table discussions.

At the heart of our approach to ethical labour practices are a number of important internationally recognised declarations, standards and codes, including, but not limited to:

- The UN Universal Declaration of Human Rights
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- Building Responsibly Principles
- BES 6002 Ethical Labour Sourcing Standard
- OECD Guidelines for Multinational Enterprises
- The Dhaka Principles
- The Base Code of the Ethical Trading Initiative (ETI)

CASE STUDY | UNITED KINGDOM

Encouraging our supply chain to sign the Gangmasters and Labour Abuse Authority (GLAA) Construction Protocol

In November 2019, we encouraged over 1000 of our supply chain to sign the GLAA Construction Protocol. In 2018 we signed it ourselves; endorsing its mandate to tackle labour exploitation and protect vulnerable workers by sharing information and intelligence, raising awareness in supply chains, and maintaining momentum within the construction industry. The initiative to engage with our supply chain supported the launch of the Multiplex Ethical Labour Management System across our European operations.

Grievances and Whistle-blowing

Grievance mechanisms and access to remedy are essential components of Multiplex’s human rights due diligence activities and management system processes. While the nature of the grievance mechanisms available may differ from region to region, all of our employees and direct supply chain are provided with information on the Multiplex Reporting Hotline in accordance with our Ethics Hotline Policy. All workers are encouraged to submit feedback either directly, through their representatives, or anonymously on issues such as working and living conditions, pay, and recruitment processes, as part of our grievance and reporting mechanisms. This feedback is investigated and resolved as appropriate.

Multiplex has introduced regional and bespoke operational-level grievance mechanisms to provide actual or potential victims of adverse human rights impacts with an easy and accessible way to report risks and initiate remedy. In 2019, in the Middle East, our grievance mechanisms led to 385 grievances being closed out, with an average of 98.6% of grievances being resolved and

redressed per month. Our grievance mechanisms are designed to be open and transparent and in line with the ‘UN Guiding Principles.’ They currently include:

- Reporting hotlines
- Raising awareness via posters, toolbox talks, inductions and training
- Worker representative meetings
- Drop boxes
- Interviews and focus groups
- Audits

CASE STUDY | UNITED KINGDOM

Piloting worker interviews

As part of the testing of our Ethical Labour Management System, 30 worker interviews were conducted, which led to the resolution of one employment contract issue that was identified. Our worker interview process was shared with our peers in the Stronger Together Construction Working Group and with the [Responsible Construction Recruiters Forum](#).

Formal Documents and Contracts

Contractual controls are an essential component of our ethical labour approach, supported by robust due diligence. We continue to educate our people on their employment rights, duties and benefits by ensuring all employees have employment contracts and associated documents (such as working visas) with easy access to Multiplex’s policy and procedures, which are hosted on our intranet. We continue to review our standard contract terms to ensure they are relevant and that obligations in relation to modern slavery and worker welfare are embedded within our supply chain. In the UK, we have expanded our contract terms to include our new [Ethical Labour and Modern Slavery Policy Statement](#) and [Ethical Labour Principles](#).

Multiplex requires compliance (through contractual agreements) with our policies and procedures relating to modern slavery and worker welfare from all subcontractors, suppliers and recruitment agents. We continue to work with and assist our supply chain to implement their own equivalent policies, procedures and systems to identify and manage their own supply chain risks. We aim to foster long-term relationships with our value chain partners, creating an environment conducive to tackling modern slavery and promoting ethical labour practices.

CASE STUDY | UNITED KINGDOM

Principles for Dignity in the Built Environment

Multiplex was actively involved in supporting the Institute for Human Rights and Business's (IHRB) work on advancing dignity in the built environment to ensure that human rights standards are upheld, focusing on the cross-cutting principles of transparency, accountability, participation and non-discrimination. In November 2019, we hosted a roundtable at our offices in London bringing together architects, OSH professionals, designers and sustainability professionals to review and discuss the draft [Principles for Dignity in the Built Environment](#) to strengthen human rights in the construction lifecycle, leveraging the inter-relatedness of the different actors. The workshop examined the synergies between climate change, human dignity and social inclusion in the built environment.

CASE STUDY | GLOBAL

International Human Rights Day

To celebrate International Human Rights Day, Multiplex hosted the Business and Human Rights Resource Centre by broadcasting a talk with over 300 viewers from all our regions, relaying insights on supply chain complexity and migrant worker voice in the UK and the Middle East.

CASE STUDY | UNITED KINGDOM

Ethical Labour Management System launched October 2019

To mark Anti-Slavery Day 2019, we launched our [Ethical Labour Management System across our European operations](#), strengthening our action to tackle labour exploitation across construction sites.

Improvements include:

- A new [Ethical Labour and Modern Slavery Policy Statement](#) and [Ethical Labour Principles](#)
- Enhanced subcontractor due diligence measures
- Clearer contractual requirements for our subcontractors, including a requirement to provide evidence of training on tackling modern slavery
- All Multiplex site inductions now include a standardised section on workers' rights
- Roll out of grievance mechanisms through which workers can seek help and support
- Worker interviews where team members can provide anonymous information about how they are being treated, supported by enhanced subcontractor auditing and training

To support the roll out of the system, internal training and site level toolbox talks were delivered to all staff, including our supply chain, with more than 380 people taking part.

Governance, Due Diligence and Risk Management

Governance

We continued to operate our Global Human Rights Committee throughout 2019. Governed by a terms of reference, the Committee reports to our Executive Board and is made up of representatives from human resources, health and safety, quality, sustainability, commercial, and legal, from across Multiplex's European, Canadian and Middle Eastern operations. The Committee met twice during 2019, and has been tasked with overseeing Multiplex's human rights approach and operational risk management systems. In 2019, the Committee led the updates on contractual terms, the global campaign on International Human Rights Day, and disseminated key learnings around specific supplier issues, with a view to sharing experiences and pooling knowledge to respond to and tackle labour exploitation. In the Middle East, Multiplex employs a regional team of ethical labour specialists to enforce, monitor and implement the Welfare Management System to manage and address all labour related issues captured by our policy and principles. They play a critical role in responding to and managing grievances raised by workers in our supply chains, as well as conducting site inspections, accommodation inspections and ethical audits.

Due Diligence and Risk Management

Supply Chain Procurement and Screening

Pre-procurement screening is critical to assessing supply chain risks. We expect our supply chain to embrace our values and support the Multiplex approach to sustainability and being an ethical contractor. In 2019, we continued to implement our pre-qualification questionnaire, which includes questions on modern slavery, human rights and worker welfare, and requires

confirmation that subcontractors subscribe to our business ethics for health and safety, environmental and social sustainability requirements. This means that 100% of all new subcontractor appointments have been screened for modern slavery risks. In the Middle East, we continue to conduct due diligence, with 100% of our subcontractors being screened for risks relating to our Worker Welfare Principles. In 2019, all of our UK projects conducted identification checks to screen for cases of identity fraud or potential victims of modern slavery.

Supply Chain Monitoring and Audits

Across all our regions our monitoring and auditing approach is risk-led, with a particular focus placed on contextual drivers which are incorporated in our auditing framework and the specific questions we adopt. This year our auditing regime targeted our Middle East and UK operations, where we have continued to conduct audits on our key supply chain partners working on our projects.

Our Middle East operations continue to face specific regional challenges and risks. To meet these challenges, we continually improve our bespoke Welfare Management System (WMS), designed in accordance with the 'Plan-Do-Check-Act' model, which is implemented by dedicated ethical labour specialists. In 2019, our WMS was reviewed by a third-party human rights consultant over a detailed six-month review period, which included extensive worker participation and interviews; where their recommendations have driven operational improvements. Our in-house team works across all live projects and provide a dedicated resource to conduct audits, interviews, inspections, training and capacity building with our supply chain. In 2019, we conducted 49 subcontractor audits and 39 accommodation inspections with key suppliers and subcontractors. The outputs of these findings have been used to develop a database that houses information to support our monthly dashboard reporting, as well as steering specific future developments and process improvements. These dashboards have helped us to identify and mitigate high-risk grievances, as well as seek out trends relating to:

- Forced labour
- Labour exploitation
- Poor working and living conditions
- Poor terms of employment
- Timesheet calculations
- Wage payment issues or deductions
- Detained passports
- Poor recruitment practices
- Coronavirus concerns

Ethical Labour Audits, Knowledge Sharing and Understanding Responsible Recruitment in the UK

In 2019, we conducted pilots of our ethical audit process to ensure the ethical labour auditing regime was fit for purpose in the UK. Opportunities for improvement

were identified with our auditing process and with the subcontractor who participated in the audit. Our audit framework has been designed to meet best practice international labour standards as set out in the Building Responsibly Principles and the Stronger Together toolkits. We shared and presented our findings at the Responsible Construction Recruiters Forum held in 2019, with members from recruitment agencies, government officials, HMRC, the GLAA and other NGOs to drive responsible recruitment and labour supply practices in the construction sector, focusing on the ever-growing challenges around agency workers. The session enabled Multiplex to share our findings and other sector specific issues around the use of umbrella agencies. A healthy debate ensued, exploring how the construction industry can better assess, select and engage with recruitment agencies throughout the supply chain to prevent labour exploitation. For more information, please [click here](#).

Recruitment Agent Due Diligence in the Middle East

Migrant workers account for 90% of the workforce in the Middle East, and recruitment between South Asia, Southeast Asia and the Middle East continues to be a key challenge for Multiplex and the wider industry. In 2019, we conducted Recruitment Agent Due Diligence Audits on our key recruitment agents, operational monitoring and training to identify, mitigate and control risks arising from recruitment practices.

As highlighted in our 2018 Modern Slavery Statement, we have tried and tested our due diligence tools and shared our recruitment model with our construction peers at workshops and roundtables, as well as with the International Labour Organization (ILO), the Business and Human Rights Resource Centre (BHRRC) and the Institute for Human Rights and Business (IHRB). In 2019, we engaged an independent human rights consultant to conduct a detailed review of our recruitment agent due diligence processes as well as the application of these on our recruitment drives from Nepal and India into the UAE and Qatar. During the review, workers were randomly sampled and interviewed by trained investigators and a detailed analysis of all our documentation, methodology and contractual clauses was completed. The findings of the review identified challenges and risks that were presented to our executive leadership team, leading to process improvements, practical improvements to our post arrival checks, and changes to our due diligence review periods. Our work on ethical recruitment has been shared with our peers at Building Responsibly and is reflected in the [Guidance Note on ethical recruitment](#) that we co-drafted. We have also shared our lessons and thoughts with the ILO to provide practical insights and opportunities in the recent guidance tool entitled '[Guidance Tool for Construction Companies in the Middle East](#)'.

Investigating Modern Slavery Risks

When we receive intelligence through ethical audits, our worker interviews, or from other sources such as NGOs or media reports, we immediately investigate. Where our subcontractors identify possible indicators of modern slavery within their own operations, we support and monitor their investigations. We have a risk-based escalation protocol, which means in all cases appropriate response action is taken by the relevant region and team. One risk we monitor particularly closely is wages being paid on time and in full. Where wage payment issues are identified, we work with our supply chain partners to remediate the situation in a timely manner.

Another significant risk to our business operations in the UK includes fraudulent documentation and right-to-work checks. Through the introduction of identity scanners across all of our UK sites, we have identified 17 cases of fraudulent documentation, with one case leading to further subcontractor worker interviews and capacity building.

Specific and Targeted Training

Training is a fundamental component of our strategy. It is critical to raising the profile of modern slavery and human rights risks within our business and our supply chain. This year, we continued to run targeted training for the colleagues in our business who have direct contact with workers in our supply chains, including:

- Mandatory training for employees on our policies and procedures and their roles. Our e-learning training module ‘Tackling Modern Slavery’ raises awareness of the risks of modern slavery in construction and is founded on video content from the Chartered Institute of Building (CIOB). In 2019, we continued to deliver this module to our UK employees.
- Our annual mandatory Code of Business Conduct and Ethics Training also includes a section on Modern Slavery.
- Fair employment conditions are a vital enabler for delivering ethical labour practices. In 2019, all of our UK construction sites included mandatory training in site inductions, founded on GLAA best practice slides, to empower workers on our sites with knowledge on their rights and remediation processes. This includes reference to our modern slavery escalation protocol and the Modern Slavery Hotline.
- We also launched our modern slavery site-based escalation chart on 100% of our UK projects to provide our staff with a process for escalating potential modern slavery issues on our sites and supply chains. To support capacity building on this, we delivered toolbox talks on our Ethical Labour Management System and principles to over 380 employees and supply chain members.

- In the UK, three trainers have been successfully certified as Stronger Together Modern Slavery trainers. They have delivered training to 207 frontline construction staff across London and Glasgow to spot the signs of modern slavery and implement our company escalation protocol.
- In September 2019, Multiplex engaged the Mekong Club to deliver a presentation to our Canadian staff on human trafficking and modern slavery, detailing legislation updates and lessons from an expert in the field.
- We will review our company induction next year to ensure it is up-to-date and accessible.

CASE STUDY | UNITED KINGDOM

Stronger Together training delivered to 47 subcontractors

Multiplex is a founding member of Stronger Together and the Chartered Institute of Building’s joint construction programme, which aims to combat modern slavery, particularly hidden forced labour, human trafficking and other third party exploitation of workers. In 2019, this led to 47 of our suppliers and subcontractors receiving specialist training to gain industry specific awareness of the risks and the steps to be taken to safeguard the rights of construction workers.

Reporting on Key Performance Indicators

In our 2018 Modern Slavery Statement, we committed to report on several focus areas. The table below details our performance in these areas and our points of action in 2019:

1. Supply chain procurement due diligence

- Multiplex continued to implement pre-qualification questionnaires across our supply chain to screen for ethical labour risks.

2. Supply chain operational monitoring

- Recognising the limitations of pre-qualification questions, Multiplex continued to identify and implement region-specific tools (including audits, worker surveys and worker representative committee meetings) to support the identification and remediation of any issues regarding modern slavery and labour practices.
- In the UK, we have developed an auditing framework and trialled one audit. We also conducted 30 worker interviews, which have informed our actions for 2020.
- In the Middle East, we continue to implement our Welfare Management System. As highlighted earlier, our WMS and recruitment agent due diligence processes were reviewed in detail by a third party human rights consultant with relevant process improvements made.

3. The adoption of analytics to capture high risk areas of the business

- In the Middle East, Multiplex continues to capture 12 key performance indicators. The dashboard is reviewed on a monthly basis with project teams, steering proactive decision-making relating to subcontractor performance against our principles and project level KPIs.

- We have developed our UK Ethical Labour Management System, which is being rolled out across our projects and will be supported by a dashboard in 2021.

4. Grievance mechanisms and access to remedy

- We continue to maintain and strengthen our grievance mechanisms, which have proven successful in the early detection of wage payment and forced labour risks in particular.
- In the UK, we have implemented our escalation process in our operations across our project sites.

5. Capacity building for key internal and external stakeholders

- As detailed earlier in the statement, Multiplex is a member of the Stronger Together Construction Working Group, which delivers specific training to our subcontractors. We also have three certified trainers conducting training in house.
- In the Middle East, we continue to implement subcontractor management training on ethical labour practices, which in 2019, has been delivered to 175 subcontractor management staff.

Influence, advocacy and thought leadership



Building Responsibly

Multiplex maintains a position on the Building Responsibly Steering Committee and in 2019 we were elected Co-Chair of the initiative. We also co-developed two Guidance Notes on forced labour and ethical recruitment, which were subsequently endorsed by 13 construction companies www.building-responsibly.org



Stronger Together

Multiplex continues to be a programme sponsor of the Stronger Together Construction Working Group, which provides a platform to share resources and supplies free modern slavery training for our supply chain and employees. The Stronger Together website also offers a range of free downloadable materials and resources, which have informed some of our forms and checklists. In 2019, 47 of our supply chain members attended Stronger Together interactive workshops across the UK, which are open to all of our supply chain. We also have three certified Stronger Together in-house trainers to deliver construction specific modern slavery training www.stronger2gether.org/construction



Gangmasters &
Labour Abuse Authority

Gangmasters and Labour Abuse Authority (GLAA) Construction Protocol

In July 2018, Multiplex signed the GLAA Construction Protocol to help tackle labour exploitation. We have continued to support the GLAA by encouraging 1000 of our supply chain to sign the protocol. This protocol aims to protect vulnerable workers through sharing information and intelligence, raising awareness in supply chains, and maintaining momentum within the construction industry. We have also widely adopted their tools in our induction materials. www.gla.gov.uk/i-am-a/i-use-workers/construction-protocol



Institute for Human Rights and Business (IHRB)

Multiplex is an active supporter of the IHRB's Framework for Dignity in the Built Environment. We hosted them in London in November 2019 to help develop the [Principles for Dignity in the Built Environment](https://www.ihrb.org/focus-areas/built-environment/framework-for-dignity-built-environment) and will continue to propagate their work to embed human rights in the built environment. <https://www.ihrb.org/focus-areas/built-environment/framework-for-dignity-built-environment>



International
Labour
Organization

International Labour Organization (ILO)

Multiplex continues to leverage thought leadership by sharing insights to support the work of the ILO in the Middle East, including the [Guidance Tool](#).



International Institute of Risk and Safety Management (IIRSM)

Multiplex's pioneering work on heat stress management and human rights in the Middle East has been externally recognised by the International Institute of Risk and Safety Management at an awards ceremony in London.

Next Steps

We are committed to the highest ethical standards and will continue to review the effectiveness of our policies, procedures and training to improve our ability to detect, mitigate and reduce the risk of modern slavery and human trafficking within our business and supply chain. Our modern slavery work cannot stand still. We will continue to assess, develop and extend our approach to modern slavery and broader forms of exploitation in the regions where we operate. For 2020/21, we have identified the following key actions:

1. Further strengthen our supply chain auditing and due diligence assessments;
2. Review our data to improve our site-based controls; and
3. Leverage our influence by encouraging industry efforts through our network with the Institute for Human Rights and Business, Building Responsibly and the World Green Building Council to promote greater awareness of the synergies between modern slavery, human rights, climate action and inclusive growth.

Multiplex publishes this statement on behalf of its operations in Europe, the Middle East and Canada, in accordance with section 54 of the UK Modern Slavery Act 2015, for the financial year ending December 31, 2019.



John Flecker
Chief Executive Officer, Multiplex
December 2020