

Modern Slavery and Human Trafficking 2020



This statement is made by John Wood Group PLC¹ and is made pursuant to the UK Modern Slavery Act 2015 setting out the steps the company has taken to prevent modern slavery across the business and supply chain

Our commitment

Wood is committed to stamping out all forms of modern slavery and human trafficking. We are committed to upholding the Universal Declaration of Human Rights (UDHR), driving these principles throughout our business and supply chain.

About our organisation and supply chain



We have an optimised operating model that is service defined. We deliver three principal services:



Across two broad end markets:



Wood is a global leader in consulting, projects and operation solutions in energy and built environment.

We operate in more than 60 countries, employing around 55,000 people, with revenues of over \$9 billion. Internally we are aligned into two broad reporting business groupings. Our Asset Solutions Business Provides projects and operations services across the life cycle, ranging from initial feasibility and design, through construction, operation, maintenance and decommissioning. Our Technical Consulting Solutions (TCS) business provides the innovative thinking and delivery excellence needed to maximise value at every stage of the asset life cycle

Our clearly defined purpose and strategy, underpinned by our culture, is fundamental to sustaining value over the longer-term, working closely with our subcontractors and suppliers to deliver to our stakeholders.

Our suppliers are fundamental to our ability to deliver services to our clients safely, on time, within budget and to the quality standards we and our clients expect. Making sure that modern slavery and human trafficking is not part of our supply chain helps us to maintain healthy and sustainable relationships.

Our values and code of conduct

Wood's values of Care, Courage and Commitment underpin the ethical culture at Wood we seek to sustain.

So much of our success depends on feeling part of a team with people around us that we can rely on. What unites us is our values. They set the tone, help create our culture and provide a common set of principles for our people to follow. These values extend through our business into our supply chain.

Care

Working safely, with integrity, respecting and valuing each other and our communities

Commitment

Consistently delivering to all our stakeholders

Courage

Pushing the boundaries to create smarter, more sustainable solutions

At Wood, doing the right thing guides how we work and live. Our Code of Conduct, helps us meet our ethical and



legal commitments ensuring we stay on track when there are questions or situations where the right course of action may be unclear. Specifically, Wood strives to protect and enhance the human dignity of our personnel and everyone who has dealings with our Company. By following the Code, we maintain, strengthen and protect our strong reputation for adhering to both our values and legislative requirements.

In addition, our [Supply Chain Code of Conduct](#) aligns with our values and principles and sets the expectations of those we work with to meet Wood’s ethical standards. We require our supply chain partners to adhere to these principles, formalised in our supply chain contracts and expect them to enforce these same principles upon their own supply chain partners.

Governance

Leadership for human rights issues including modern slavery and human trafficking comes from our Executive Leadership Team (ELT). Informed by our Human Rights and Modern Slavery Steering Oversight Committee and functional reporting, accountability for managing human rights risks is shared across Woods functional and operational teams. Our Human Rights and Modern Slavery Oversight Committee helps connect our Supply Chain, Commercial, People & Organisation and Sustainability teams in our commitment to prevent, detect and remedy human rights issues within Wood and our supply chain. Led by our sustainability programme, the committee is influenced by Wood’s involvement UN Global Compact, the industry led initiative Building Responsibly on worker welfare, as well as Wood’s sustainability strategy.



In 2019, the committee remained focused on the management and development of Wood’s annual Modern Slavery and Human Trafficking Statement, whilst efforts continued to advance our sustainability strategy towards setting human rights targets that will become the future focus of the committee’s agenda.

Additionally, our sustainability programme is regularly reviewed as part of monthly leadership reporting and ELT Safety Days, Chaired by our CEO.

Our [Human Rights policy](#), documents and affirms Wood’s commitment to upholding basic human rights. This policy is supported by global policies that address how Wood conducts business to maintain high standards of ethics and integrity, promoting dignity and respect for how we treat our people and with those we interact. Wood’s Code of Conduct and Supplier Code of Conduct guides our approach to business and are reflected in all Wood’s policies and procedures as we continue to revise and strengthen our approach to protecting people.

Assessing the Risk of Modern Slavery

At Wood, we recognise our position as a global leader in delivery of project, engineering and technical services creates challenges and risks for the manifestation of human rights and modern slavery issues, that require dedication to identify and mitigate in our operations or of those we work with. Captured as a principal risk to our business under failure to meet our ESG responsibilities, modern slavery is captured in our group risk process and monitored through ELT and Board reporting.



Direct employment and temporary staff (excluding contractor personnel)

Where we directly employ people, including temporary staff (excluding contractor personnel), Wood exercises the greatest control over employment and working conditions and the risk of modern slavery and/or human trafficking is regarded as low. This is due to the corporate governance processes, policies and procedures we have in place to guide and protect our people. All our governance materials are aligned with both our Code of Conduct and Wood’s Human Rights Policy, implemented to ensure that Wood employees have access to rights and conditions in line with all aspects of the UDHR within Wood’s sphere of influence, including but not restricted to:

- Equality and anti-discrimination policies
- Right to paid holidays
- Fair pay
- Safety and security
- Fair and just culture





Indirect employment and supply chain

Wood's diverse service offering in over 60 countries and across multiple industries requires a flexible and responsive workforce, resulting in many different forms of contractual relationships. We recognise that third party labour, unlike our directly employed personnel, can give rise to differing standards in working conditions and compensation where we have, in some cases more limited control over our supply chain.

We continue to engage with our supply chain in the following ways:



Direct Influence

Where we contract directly with and can mandate and require our suppliers and subcontractors and their sub-tiers to meet our Supply Chain Code of standards.



Shared Influence

Where we manage contractors and other third parties who are contracted by our customers, on their behalf, necessitating a collaborative approach.



Procurement Services

Where we procure on behalf of our customers, necessitating the need to work closely with our customers to build upon their controls and processes.

We recognise the continually evolving nature and scale of our business, brings significant challenge to our supply chain management systems and we are cognisant of the need to continually strengthen our approach to identify and mitigate the risks we face from modern slavery and human trafficking. In 2019 we renewed our commitment to ensuring our suppliers adopt the highest ethical standards of operation through enforcement of our Supplier Code of Conduct as well as continual work to consolidate supplier due diligence tools that ensure we retain and enhance human rights components to ensure continuous improvements. We continued to focus efforts on our

category management approach, to rationalise our supply base & develop stronger strategic partnerships with core vendors, including those in high risk categories such as employment agency providers; this process has allowed for cross business unit agreements to be put in place and more robust pre-contract assessments prior to commencement.

FOCUS: Areas of heightened risk

Wood has identified that the greatest risk for modern slavery and human trafficking exists in our third-party relationships, where contractors utilise recruitment agencies and labour brokers for the employment of low skilled personnel. This is a particular risk in countries where human rights are not well enshrined into domestic legal frameworks or are applied less vigorously to migrant worker populations.

Wood is committed to ensuring that suppliers falling into these areas of heightened risk are identified, assessed and monitored as part of our routine supply chain governance and approach to managing the risk from modern slavery and human trafficking.

Wood is a founding member of the industry-led and business-financed initiative Building Responsibly. Promoting the rights and welfare of workers, specifically for those in the engineering and construction industry, the initiative is part of Wood's approach to uphold basic human rights and welfare of those that work for, or on our behalf.



In 2019, building upon the publication of the initiatives 10 Worker Welfare Principles, establishing a common baseline for the treatment of workers, the collaboration released further co-developed guidance material to support each of the principles, providing practical advice on implementation.

In addition, Wood also developed a gap analysis tool, built around the Building Responsibly worker welfare principles. Updated in Q4 2019, the gap analysis tool incorporates the most recent guidance notes and has been adopted as a Building Responsibly tool for use of all member companies to benchmark areas of high risk.

Due Diligence



Compliance with our Code of Conduct is mandatory for our directors, officers and employees as well as all contractors, consultants, representatives, intermediaries and agents retained by Wood.

Our companywide business ethics hotline provides our personnel means to self-report, in confidence, breaches of our code of conduct, which includes human rights and modern slavery concerns. The hotline is independently operated and available in over 100 languages 24 hours a day, seven days a week in all the countries where we operate.

Wood conducts third party due diligence using a risk-based approach. In particular, Wood's Ethics & Compliance risk profile is such that the highest risk exposure it faces in terms of third parties, is in relation to third parties that act as an agent for Wood and joint venture partners (by which we mean any entity that Wood enters into a joint business arrangement with, for example, a consortium partner, a bidding agreement counter party, or a joint venture joint shareholder). All third parties are subjected to due diligence and verification in accordance with the Wood Commercial Intermediaries Policy and Wood conducts due diligence and verification on all joint venture partners on a case by case basis in line with our Joint venture Policy. In 2019, Wood reduced the total number of commercial intermediaries in our register by 50%.

In our supply chain, where Wood has direct control, we have established due diligence procedures designed to assist us in identifying supply chain partner risks and sets out our expectations as a partner. Where we work with our client's supply chain we collaborate to identify and mitigate potential modern slavery and human trafficking, sharing our tools and processes to assist in addressing issues.

In 2019, we continued to focus our attention on measures to manage labour agency partners and their supply chains, to ensure they live up to our values and principles, minimising the risk of potential exploitation, particularly around the employment of more vulnerable working groups. We continue to raise awareness of potentially fraudulent offers of employment, with our focus on ensuring that all recruitment costs are born by the employer; offering advice through our dedicated external website, anyone receiving a potentially

fraudulent offer employment can report this through a dedicated email address, reviewed by our security team.

In addition, Wood's collaboration on Building Responsibly supports our focus on embedding the employer pays principle, through a focus on supplier pre-qualification question sets, that will further strengthen the management and selection of recruitment partners.

Training and Capacity Building

In 2019, Wood conducted a global Ethical Culture Survey, conducted with input gathered from a sampling of staff across the business. With favourable results, the output from this survey will be used to inform future training and communication efforts.

In addition, our annual mandatory Code of Conduct computer-based training launched to 43,000 office based employees in 2019, alongside 14,000 site-based employees required to receive face to face ethics training, facilitated through group discussions.

Across the course of 2019, our business conducted targeted awareness training on modern slavery and human trafficking to all new supply chain professional hires, complimenting our work the previous year to train existing supply chain personnel. As we continue to enforce our code of conduct and supply chain code we will continue to refresh and regularly review the content within our modern slavery awareness training.

As part of our commitment towards Building Responsibly, we continue to communicate our work with the initiative through a variety of means, including through our dedicated internal intranet site, housing all materials available and access to our newly published gap analysis tool.

Look ahead

Wood is committed to continually developing our approach to human rights management and seeks to enact globally acknowledged good practice.

In this light, our Safety, Assurance and Business Ethics (SABE) Committee, responsible for overseeing the Group's management of Health, Safety, Security, Environmental (HSSE) and regulatory compliance &



Business Ethics matters, will also expand to provide oversight on Wood's sustainable development approach and progress, including our approach on modern slavery and human trafficking.

In 2020, we commit to strengthen our assessment of modern slavery risk across the business and will work closely with our business and supply chain managers and partners to advance our approach.

Following on from the publication of our gap analysis tool for assessing compliance with the Building Responsibly worker welfare principles, we will seek to assess compliance across our projects on a risk based approach and train our operational assurance audit teams to recognise issues as they conduct their work. We will continue to work with Building Responsibly to build capacity, knowledge and understanding of worker welfare issues to drive continuous improvement across our sectors. We will also continue to collaborate with customers, partners, peers and industry to enhance our own and wider industry response to human rights issues.

This statement was approved by the board of directors on 12 August, 2020



Name Robin Watson
Position Chief Executive
Date 12 August 2020

Footnotes:

1. This statement is applicable to all John Wood Group plc subsidiaries, required to publish a statement as required by the Act these include;

Amec Foster Wheeler Group Limited
Amec Foster Wheeler Energy Limited
Amec Foster Wheeler International Limited
Mustang Engineering Limited
Wood Environment & Infrastructure Solutions UK Limited
Wood Group UK Ltd

Subsidiaries full addresses can be found in our Annual Report and Accounts 2019, available at www.woodplc.com

