



Fighting Against Forced Labour and Child Labour in Supply Chains Report 2025



1. Background

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C. 2023* (the “Act”) sets out the obligations for certain government institutions and private-sector entities to implement measures that prevent and reduce the risk that forced labour or child labour is used by these institutions, entities or their supply chains. The reporting obligations under the Act aim to contribute to the fight against forced labour and child labour regarding the production, purchasing or distributing of goods in Canada or elsewhere or, in importing goods produced outside Canada.

In 2023 it was estimated that G20 countries were importing more than US\$468 billion worth of products at risk of being produced with forced labour, compared to US\$354 billion estimated in the 2018 Global Slavery Index, an increase of US\$61 billion when accounting for inflation. The estimation also showed that US\$20 billion in products purchased in Canada were at risk. The Walk Free Foundation estimates that on any given day in 2021, 50 million people were living in situations of modern slavery. Of this estimate, approximately 27.6 million people were in forced labour and 22 million people were in forced marriages. This global estimate has worsened since 2018 with a marked increase of 10 million in the men, women, and children forced to work against their will or in a forced marriage. The Americas had the lowest prevalence of modern slavery among the five regions, with 5 in every thousand people living in modern slavery. The countries with the lowest prevalence in the region are Canada, Uruguay, and Chile.

The Act defines forced labour and child labour as follows:

Forced labour means labour or service provided or offered to be provided by a person under circumstances that:

- a) could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour or service; or
- b) constitute forced or compulsory labour as defined in article 2 of the Forced Labour Convention, 1930, adopted in Geneva on June 28, 1930.

Child labour means labour or services provided or offered to be provided by persons under the age of 18 years and that:

- a) are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada;
- b) are provided or offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them;
- c) interfere with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or
- d) constitute the worst forms of child labour as defined in article 3 of the Worst Forms of Child Labour Convention, 1999, adopted at Geneva on June 17, 1999.

Ausenco Canada ULC, Ausenco Sustainability ULC, and Ausenco Engineering Canada ULC (together “Ausenco”) is dedicated to fulfilling our obligations under *the Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C. 2023*. We recognise the importance of safeguarding human rights and are committed to upholding ethical business practices. Forced labour and child labour is a pressing human rights concern that necessitates global awareness and action.

At Ausenco, we prioritise the protection of the rights of all individuals, including our employees, clients, and those within our supply chains. We are working to address forced labour, child labour and the various forms of modern slavery according to the Act.

1.1 Reporting Entity

This is Ausenco's second year of reporting under the Act. This joint statement is made in respect of Ausenco Engineering Canada ULC, Ausenco Sustainability ULC, and Ausenco Canada ULC, for the financial year 31 May 2024 to 31 May 2025. This statement was approved by the Board of Directors (Board) and the Ausenco Audit and Risk Management Committee (ARMC) in their capacity as the principal governing body of Ausenco Pty Ltd on May 26, 2025. Ausenco Pty Ltd is also required to report jointly under Australia's *Modern Slavery Act 2018* (Cth).

The role of the ARMC related to the Act is to:

- Be responsible for reviewing the risk management framework and policies within Ausenco and monitoring their implementation.
- Advise on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Ausenco.
- To provide the Board with necessary assurances regarding the quality and reliability of financial information prepared for use by the Board in determining policies or for inclusion in the financial report.

1.2 Stakeholder Consultation

During the reporting period, Ausenco consulted with its reporting entities outlined in Section 1.1 and internal stakeholders. The actions outlined in this report were implemented in consultation with Ausenco's Legal Team, Procurement Team, People and Performance Team, and Vendor Team.

Ausenco commenced North America's annual ethics refresher training in February, 2025 and expects to continue this training through December, 2025. The training is mandatory for all personnel and provides the business with a legislative overview of the relevant modern slavery legislation in Canada and Australia, including Ausenco's annual reporting requirements under the Act and Ausenco's modern slavery risk mitigation strategies. In addition to the ethics refresher training, new hires are required to learn about this legislation as part of their onboarding into Ausenco.

2. The Ausenco business structure and operations

Ausenco is a global engineering consulting company, with its headquarters located in Australia. We are a global company redefining what's possible. Our team is based across 21 offices working across five continents to deliver services worldwide. Combining our deep technical expertise with a 30-year track record, we deliver innovative, value-add consulting, studies, project delivery, asset operations and maintenance solutions to the minerals and metals and industrial sectors.

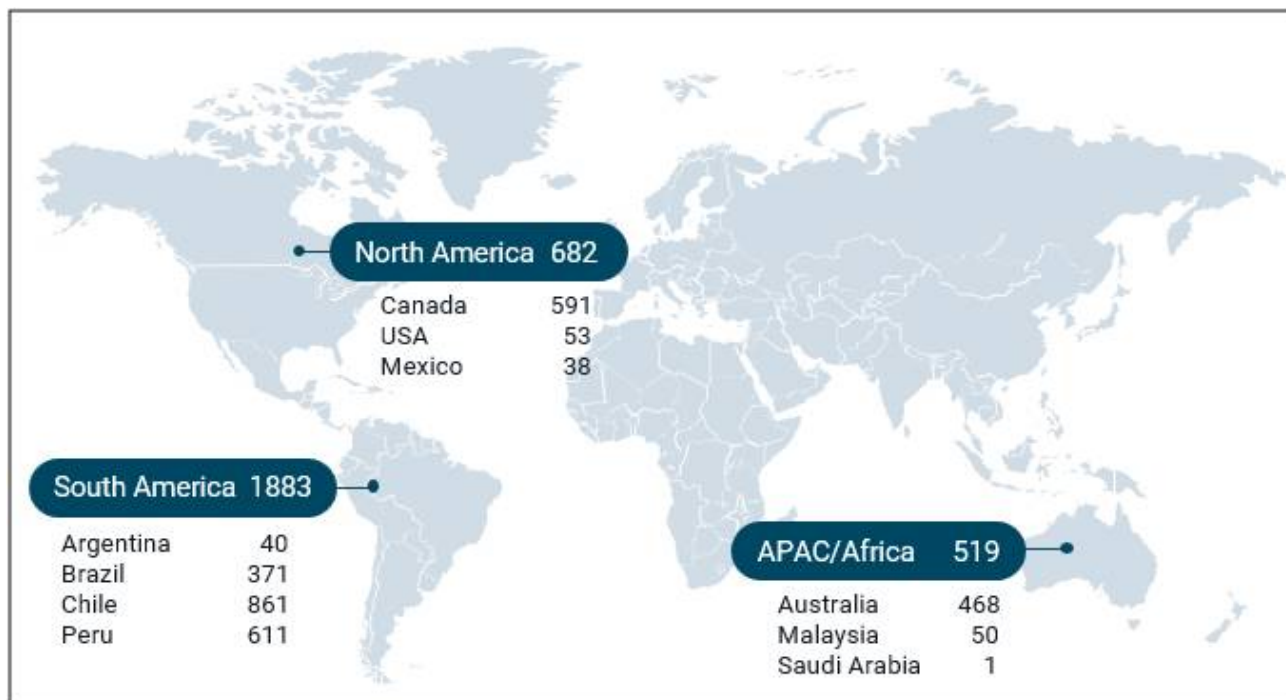


Figure 1.1 Highlights of People Numbers in Various Ausenco Offices Around the World

Throughout our growth, our commitment to innovation continues. We are dedicated to finding ingenious solutions that create value for our clients - on every project. We are always looking to deliver practical solutions to complex problems – and sometimes that means pushing the boundaries of what has been done before.

We are also committed to having a positive impact on the world around us. Wherever we work, we strive to collaborate with clients **and communities to achieve truly sustainable outcomes in health, safety, the environment, and community**. We are committed to operating to the highest standards of ethical behaviour, honesty, and fairness in all relationships with our employees and stakeholders.

2.1 Our Values

Our core values are the cornerstone of everything we do. They enable us to discover through ingenuity and lead by example.

Safety in all we do

Regardless of where our people work across the globe, they deserve to be safe and feel safe. We let nothing compromise our safety performance and have safety initiatives in place to achieve our target of Zero Harm.

The client is our focus

We develop trusting and open relationships with our business partners and clients, ensuring we meet their needs and exceed their expectations. By delivering extraordinary results, we build their business and our own.

Our people are our strength

We value our people's ability, diversity, and creativity, and do all in our power to nurture their existing talents and develop new ones. The way we care for, grow and encourage our people is a key part of our culture, and is governed by our People Practices.



Respect the community and environment

Wherever we operate, we respect the diverse communities and environments and strive to achieve sustainable outcomes for all. Our footprint must engender a positive outlook for future generations, both abroad and at home.



We seek ingenious solutions

We encourage our people to continually expand their knowledge and experience to become life-long learners. By constantly striving to find the best solution, we foster innovation.

We are open, honest and collaborative

We respect the diversity and differences of our people, clients and the communities in which we live and work. We are straightforward and collaborative in all our communication.

3. Our Approach

3.1 Policies and Due Diligence Processes

Ausenco's Modern Slavery Policy

In 2020, Ausenco established a Modern Slavery Policy (Policy) outlining our stance on modern slavery including forced labour and child labour. The Policy reinforces our commitment to address the risks of forced labour and child labour in our business and supply chain.

Our Policy outlines our obligations under the Act and our implementation strategies to communicate and introduce processes including employee training, supplier and vendor due diligence and statutory reporting. The Policy is available on our company website and is included in Ausenco's internal document management system.

The policy provides that Ausenco will not knowingly engage in or conduct business with clients, subcontractors, subconsultants, independent contractors, business partners, suppliers, vendors, or other third parties who contravene the Act.

An additional level of compliance is included to capture the responsibility Ausenco employees, officers and directors of Ausenco, as well as all agents of Ausenco, joint-venture partners, and any third parties doing business in Ausenco's name, to ensure that any suspected activity in regard to the contravention of Modern Slavery laws is reported to their manager, to the People & Performance Team or to the Company Secretary. Ausenco will support those coming forward and will ensure they are protected under our Whistleblower Policy.

Ausenco's Policy has been built into Ausenco's standard Purchase Order Terms and Conditions and our Subconsultant and Independent Contractor Agreements in Canada.

Ausenco's Standard Contracts

Before preparing our first report last year, Ausenco introduced amendments to its standard terms and conditions at multiple levels to further ensure that suppliers are aware of their obligations under modern slavery legislation, and to further embed Ausenco's Policy into our operations.

Every purchase order (or contractual document) issued to a supplier, includes Ausenco's standard Purchase Order terms and conditions. Ausenco has included provisions in these terms and conditions aligned to the Act and our Policy and to indicate that the supplier must comply with these laws and Policy. Ausenco is entitled to terminate a purchase order (or contractual document) if the supplier contravenes any obligation or duty about the Act and Policy.

Subconsultants and Independent Contractors

In Canada, the majority of Ausenco's suppliers are subconsultants and independent contractors who provide either project specific services or work with Ausenco on a continuous basis.

Ausenco has amended its standard subconsultant and independent contractor agreements to ensure:

- The supplier's personnel do not engage in modern slavery activities;
- Compliance with the Act and Ausenco Policy;
- The supplier establishes and implements the Act, policies and procedures (including training), if applicable to that entity;
- The supplier has similar protections in place with its own suppliers;
- The supplier will provide Ausenco with its assistance in investigating any occurrence of a breach of the Act;
- Termination of the agreement (purchase order or contractual document) with the supplier if the supplier fails to comply with the Policy or is found guilty of contravening the Act.

3.2 Supply Chain Risks and Due Diligence

As part of Ausenco's approach to supplier management, since last year we have incorporated a Modern Slavery Questionnaire into our onboarding process for our vendors in Canada. This questionnaire aims to identify and assess any potential risks related to forced labour and child labour in our supply chains. The following are the key findings revealed by their responses:

- **Geographical Distribution:** Out of the responses received to date, ten Canadian provinces and territories represent approximately 77% of vendor responses. Approximately 15% of responses were from vendors in the United States of America, 3% from Australian vendors, and the remaining 5% from vendors from Singapore (1%), South Africa (1%), Spain (1%), UAE (1%), and UK (1%). The Canadian respondents represented approximately 76% of the 40,653 workers employed by the total number of responders to the questionnaire.
- **Supply Chain Visibility:** Organizations have varying levels of policies and processes to address modern slavery, forced labor, and child labor, with some having comprehensive anti-slavery policies and others lacking formal measures. Training on these risks is provided by some organizations, though not universally implemented. Due diligence on suppliers is a common practice, including audits and requiring suppliers to adhere to similar standards, with actions such as ceasing trade and conducting internal audits if issues are suspected. Compliance with international standards, particularly the United Nations ILO Conventions, is a key theme, ensuring child labor is not used. Grievance mechanisms are in place for anonymous reporting of labor concerns, with some organizations taking measures to support vulnerable families affected by the elimination of forced labor.

- **Service Composition:** 55% of the respondents were in the Professional, Scientific and Technical Services sector, followed by 16% in Information and Cultural Industries, 6% in Accommodation and Food Services, 4% in Administrative and Support, Waste Management and Remediation Services, 4% in Educational Services, 3% in Real Estate and Rental and Leasing, 3% in Retail Trade, 3% in Transportation and Warehousing, 3% in Health Care and Social Assistance, 2% in Construction, and 1% in Manufacturing sectors.
- **Risk Mitigation Efforts:** Out of the responses received, 42% of organisations have a policy or process that prohibits modern slavery including all forms of forced labour, child labour, bonded labour and human trafficking in its operations and in those of its suppliers. This is an increase of 5% from the previous year. 78% of the responses confirmed that the organisations comply with the United Nations ILO Conventions that prohibit the worst forms of child labour, hazardous child labour and minimum age for work, which a 6% increase from the results gathered in last year's survey. 28% of responders confirmed their organisation conducts due diligence for modern slavery, forced labour and child labour risks on their suppliers. 89% of responders confirmed that all their workers are provided with a written contract in a language they understand, where terms of employment including wage rates and hours of work are clear, and another 4% confirmed this is not applicable based on that responder being a sole proprietor.

Remediation: Most responders stated that this was not applicable since they have implemented due diligence processes, codes of conduct and various screening of their business partners to ensure that there was adequate mitigation of these types of issues. Additionally, if any instances of modern slavery were suspected, they would address the issue by potentially terminating business relationships with the suppliers involved. Overall, the respondents' practices reflect a commitment to ethical labor standards, though the extent of formal policies and procedures varies.

These findings provide valuable insights into the composition, visibility, and risk mitigation efforts of our new vendors during the reporting period. We will use this information to further enhance our supplier management processes and ensure responsible practices are upheld throughout our supply chains.

We acknowledge that certain industries, products, and geographic locations have a higher prevalence of modern slavery risks. Industries such as cleaning, specific manufacturing sectors, textile production, and agriculture are identified as higher-risk areas. It's important to note that our primary service offering, engineering consulting services, falls within the lower-risk category concerning modern slavery.

However, during our assessment, we identified industries posing higher risks, including the provision of computer goods, food and beverage, commercial cleaning services, and corporate clothing. Notably, vendors offering commercial cleaning and food services demonstrated the highest compliance in completing the Modern Slavery Questionnaire. They showed a commitment to addressing modern slavery risks by providing employee training, maintaining modern slavery policies, and conducting due diligence within their supply chains.

By recognizing the varying risks associated with different industries and product categories, we can prioritize our efforts to address modern slavery and focus on engaging with vendors in higher-risk sectors.

3.3 Remediation

Workplace Relations

Ausenco places paramount importance on cultivating a workplace free from discrimination, recognising the invaluable strength and innovation that arises from its diverse workforce. We are committed to fostering an environment where all individuals can collaborate professionally and without prejudice.

Every member of our team, including employees, contractors, and consultants, shares the responsibility of maintaining this discrimination-free workplace. To address any concerns regarding labor practices or workplace grievances, we have implemented comprehensive remediation processes across all our operations. Our personnel

are encouraged to report any issues to their line manager, the People & Performance team, Ausenco management, or through our dedicated Whistleblower Alertline.

Our employment procedures and policies outline clearly defined processes for escalating issues and are made accessible to all personnel, ensuring transparency and accountability. With these mechanisms in place, we aim to swiftly and effectively address any concerns, upholding a fair and respectful working environment for all.

Dispute Resolution

Ausenco's standard contracts contain provisions for dispute resolution, providing suppliers with the opportunity to raise concerns and escalate issues to our personnel and management. These contracts also stipulate that suppliers must adhere to our Policy and all applicable laws. Failure to comply with the Policy or Act can result in the termination of the agreement (purchase order or contractual document).

Ausenco's Whistleblower Protection Policy and Alertline

Ausenco's Whistleblower Protection Policy is readily available on our website and internal document management system, accessible to all personnel within our organisation and subcontractors and consultants. Ausenco's business ethics training is conducted annually and encompasses comprehensive instruction on the Whistleblower Protection Policy and the utilisation of the "Alertline." The Whistleblower "Alertline," is accessible to all personnel globally. This confidential reporting channel serves as a means for individuals to report any infringements of our policies, including any potential modern slavery risks present in our business operations.

The primary objectives of Ausenco's Whistleblower Protection Policy are as follows:

- Encourage the prevention of wrongdoing and the promotion of ethical behavior within our organisation.
- Outline the legal protections available under Australia's statutory whistleblower protection regime for individuals who report actual or suspected wrongdoing.
- Establish clear guidelines on how we handle and investigate disclosures made by whistleblowers regarding actual or suspected wrongdoing.

We fully support and encourage individuals who come forward to report any violations, and to date, there have been no reported instances of modern slavery through the Alertline or to management.

We remain committed to maintaining a transparent and accountable environment where individuals feel empowered to raise concerns without fear of retaliation.

Employee Awareness

We prioritise the education of our employees regarding modern slavery and its potential presence in a company's supply chain. Throughout the remainder of 2025, we will conduct a comprehensive global ethics training program, which includes modern slavery awareness, for all our personnel. The training is mandatory for personnel. Additionally, we will continue to highlight this issue in our monthly town halls to ensure that our personnel remain vigilant to situations we need to investigate.

By providing such training initiatives and making essential resources readily available, we aim to equip our employees with the knowledge and understanding necessary to identify and address modern slavery risks within our operations and supply chains.

4. Look ahead

Ausenco is fully committed to enhancing our approach to identifying and managing modern slavery risks within our operations and supply chains. To strengthen our response, we are implementing the following actions:

- Aligning procurement and vendor registration processes across different regions and business lines to ensure consistency and compliance with the laws of each country and our Policy.
- Conducting supply chain risk reviews using Modern Slavery Questionnaires in multiple jurisdictions to comprehensively assess potential risks.
- Constantly review existing policies, processes, and documentation to identify areas for improvement.
- Continuing supplier risk assessment and due diligence activities to enhance our understanding of modern slavery risks within our supply chains.
- Providing ongoing employee awareness training for Ausenco employees, including updating Ausenco's e-learning modules and annual business ethics training.
- Ongoing collaborating with Ausenco's project execution group, procurement, supply chains and People and Performance team to implement strategies to evaluate modern slavery risks in execution work worldwide.

Ausenco remains dedicated to upholding ethical standards and making continuous improvements in our efforts to combat modern slavery.

APPROVAL AND ATTESTATION

Reporting Entities:

- [Ausenco Engineering Canada ULC](#)
- [Ausenco Sustainability ULC](#)
- [Ausenco Canada ULC](#)

Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Rod Baxter

Non-executive Director and Chair of the Ausenco Audit and Risk Committee

Date: May 26, 2025



Signature

I have the authority to bind the Reporting Entities above in my capacity as the principal governing body of Ausenco Pty Ltd



Finding a better way,
every day.

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