Modern Slavery Act Declaration

Modern Slavery Statement

1. Reporting entity

This is a modern slavery statement of Frazer-Nash Consultancy Limited (Frazer-Nash) (Company number 02562870 & ABN 20 578 377 332), a reporting entity pursuant to the Modern Slavery Act 2018 (Cth) and the Modern Slavery Act 2015 (UK). This statement is for the year ending 31 December 2021. This modern slavery statement covers both the UK and Australian operations of the Frazer-Nash branch offices.

2. The structure, operations and supply chains of the reporting entity

Corporate structure

Frazer-Nash is a wholly owned subsidiary of KBR Limited which is based in Leatherhead, UK. KBR Limited is a wholly owned subsidiary of KBR Inc (NYSE: KBR), a Delaware corporation.

Frazer-Nash is an incorporated company established in the United Kingdom with a branch office in Australia. Frazer-Nash employs approximately 1,000 people (about 925 in the UK and 75 in Australia). We currently have nine offices in the UK and four in Australia.

Frazer-Nash operations

Frazer-Nash provides professional advice in systems, engineering and technology to a wide range of government and private sector customers. The services we provide are predominately in the government, defence, energy and infrastructure sectors. Our operations are focused on delivery of differentiated professional solutions and services, covering domains such as engineering, project and programme management systems engineering and assurance, and Integrated Logistical Support (ILS).

In Australia, Frazer-Nash delivers our core offerings predominately to the Commonwealth of Australia (Department of Defence), State Governments (and State Government entities such as infrastructure and health departments), local government and infrastructure constructors/managing contractors.

In the UK, Frazer-Nash delivers a broader spectrum of work, ranging from Government and private activities across defence, energy, infrastructure, healthcare, transport, space, and process and manufacture optimisation.

Supply chain operations

Frazer-Nash's supply chain comprises approximately 400 suppliers, providing various services to Frazer-Nash. The companies within our supply chain are generally small-medium and micro businesses, though there are some larger companies involved in our UK supply chains. The types of services procured by Frazer-Nash can be broadly categorised into two categories:

- Project/programme procurement – this includes subcontractors and subconsultants providing services to Frazer-Nash in direct support of a project or programme of work being executed by Frazer-Nash to a client or end-client. Usually these are smaller businesses and/or sole traders. There are also some instances where Frazer-Nash manages a supply chain of subcontractors on behalf of our clients. These frameworks include similar types of suppliers (primarily smaller suppliers and usually always providing services, though occasionally some large companies also). Typically, services are delivered under back-to-back (or broadly back-to-back) contracting arrangements, where our client's terms and conditions are also flowed down to

our supply chain. In respect of our services delivered to defence clients, these include provisions for compliance with national security and confidentiality obligations.

- Corporate procurement – this includes suppliers providing general corporate goods and services directly to Frazer-Nash. This includes the usual range of goods and services procured by most companies, including office consumables, cleaning, real estate, travel and corporate memberships.

Across the two categories above, the vast majority of goods and services provided to the Australian operations are delivered by Australian companies in Australia. In the UK similarly, the vast majority of goods and services provided are delivered by UK companies in the UK.

3. The risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls

Frazer-Nash's risk of engaging in modern slavery practices or inadvertently procuring services from a supplier who has engaged in modern slavery is considered to be low. The vast majority of Frazer-Nash's operations do not appear to trigger any of the high-risk areas or indicators for modern slavery. This assessment is based on the below risk analysis:

- Corporate and business operations: Frazer-Nash provides services and usually does not deliver goods or products. Our services are predominately delivered by degree qualified professionals (many at Doctorate level). In addition, given that our client or end-clients comprise of both Commonwealth and State government departments or agencies their additional audit and oversight obligations (including national security obligations) further prevent modern slavery practices or behaviours.

- Employee relations: Frazer-Nash's workforce is predominately professionals (engineers, physicists, project managers, commercial professionals, etc.). Frazer-Nash does not substantially operate under the Australian awards system relying on common law contracts, given the majority of Frazer-Nash employees are degree qualified and members of relevant professional organisations. Our standard employment agreements are consistent with industry and market practice. The type and complexity of the services we offer to our clients prevent the use of unskilled labour or foreign labour.

- Industry and geography: The industry sectors that we operate within are not generally considered to be susceptible to the use of vulnerable labour categories or persons. In the defence sector, the standards set to meet qualification levels, experience and national security requirements prevents the use of at-risk labour. As many of our services are delivered by persons authorised to work in their respective countries for government clients (or prime contractors to government entities), the geographic risks associated with modern slavery are considered to be extremely remote for Frazer-Nash.

4. The actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including diligence and remediation processes

Employees: Frazer-Nash requires all employees (and direct contractors) to agree to Frazer-Nash company policies, including the Code of Business Conduct (PPP1070) and a Business Ethics Compliance Policy (PPP1065). These policies encompass employee's adherence to, among other things, avoidance of behaviours or practices that would breach the Code of Business Conduct, and a set of standards that promotes a culture of safety, accountability and integrity in every project.

Supply Chain: Our Supplier Code of Conduct (SCOC) sets out Frazer-Nash's zero-tolerance policy on modern slavery and human trafficking. This raises awareness of the issue of modern slavery and sets out our expectations for our supply chain. Our SCOC is published on our website. We ask suppliers to confirm adherence to our SCOC as part of due diligence screening. Ongoing compliance is required once a supplier is on contract under our standard terms and conditions. Additionally, our standard procurement contracts require suppliers to comply with the UK Modern Slavery Act (2015) in the UK, and the Modern Slavery Act 2018 (Cth) in Australia.

During due diligence screening, we also ask suppliers who meet the legal requirements to provide a copy of their Modern Slavery Statement. Where suppliers are providing services which may be deemed a higher risk in respect of modern slavery, we may review their statement and practices in detail to ensure risks are mitigated, and continue an ongoing dialogue throughout the contract term to ensure good practice.

5. How the reporting entity assesses the effectiveness of such actions

We recognise the importance of being able to assess the effectiveness of our actions. As a company, and even though the risks to our business are considered low, we continue to improve our understanding of modern slavery risks and how such risks may be present in our operations and supply chains.

In the last reporting period, we relied primarily on a whole of company risk register and reporting mechanisms in our operations to assess the effectiveness of our actions. Based on this monitoring and risk register, we have we have not had any incidents of modern slavery occurring within our business or reported within any of our supply chains.

We recognise that this is an ongoing process, and we continue to evolve the frameworks and processes to be able to measure the effectiveness of the actions we are taking. We will explore opportunities to provide modern slavery awareness training to our suppliers, and also more detailed training for employees working in key areas of our business including procurement and support functions. Amongst other actions, our goal for the upcoming period is to assess the effectiveness of our actions against specific metrics, which may include:

1. completion rates for modern slavery awareness training of employees working in the key areas of procurement and support functions;
2. the number of modern slavery cases (if any) identified and remediated.

As a company we will remain vigilant against any signs of modern slavery in any form. Both employees and suppliers are under a duty to report any incidents of modern slavery to us so that such matters can be thoroughly investigated should they occur. Reporting can be via line management or through our anonymous Whistleblowing phone line, accessible to all staff in the UK and Australia.

Our actions

- Frazer-Nash acknowledges its corporate responsibility to respect human rights as delineated in the United Nations Guiding Principles on Business and Human Rights. Frazer-Nash further recognises that modern slavery is a heinous crime that affects communities and individuals across the globe.

- Frazer-Nash has existing policies and procedures in relation to Human Rights that include acknowledgement of the principles contained in the United Nations Universal Declaration of Human Rights.

- Frazer-Nash's SCOC recognises promoting human rights as its corporate responsibility and expects

all of its employees and suppliers to adhere to this.

- Frazer-Nash's Legal Department would be responsible for promptly and thoroughly investigating any report that may include indications of human rights' abuses, and contacts the appropriate authorities when appropriate.
- We recognise the United Nations Universal Declaration of Human Rights and the standards established by the International Labour Organisation.
- Frazer-Nash is proud to be a UK Living Wage accredited employer.
- Frazer-Nash's SCOC affirms that Frazer-Nash has zero tolerance for modern slavery including human trafficking, and that we expect suppliers to ensure that no underage workers are employed, either directly or indirectly.

6. Describe the process of consultation with any entities the reporting entity owns or controls

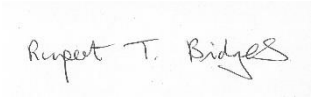
Frazer-Nash does not own or control any other entities and therefore the requirement to consult with such entities under the Australian Modern Slavery Act (2018) is not applicable.

7. Any other information that the reporting entity, or the entity giving the statement, considers relevant

The restrictions on travel and movement put in place by governments across the globe due to the coronavirus (COVID-19) pandemic have impacted business operations internationally. Our primary focus continues to be the health, safety and wellbeing of our people. As a result of this focus, Frazer-Nash has been able to provide continuity of service to our clients, and demand from our clients has remained consistent with levels seen prior to the pandemic or, in some cases, increased. Frazer-Nash, like many other businesses, has successfully transitioned to widespread use of online video and audio collaboration platforms, which can be used as a temporary replacement for face-to-face contact with clients and our supply chain. Frazer-Nash will continue to be vigilant to the risk of, and the consequences caused by, modern slavery and people trafficking.

Approval of statement

This is the modern slavery statement of Frazer-Nash Consultancy Limited for year ending 31 December 2021, having been agreed by the Board of Directors on 30 June 2022. It is made in accordance with Section 54(1) of the UK Modern Slavery Act 2015 and Section 13 of the *Modern Slavery Act 2018* (Cth).

Signed: 

Rupert Bridges