

Building Responsibly

Collaborating to promote the welfare of workers in the engineering and construction industry

Member Newsletter | April 2022

Editor's Note

Dear Stakeholder.

We are delighted to share the first edition of Building Responsibly (BR) News, where we'll connect, update, and inspire the diverse community of people and organizations promoting worker welfare in the engineering and construction industry. This newsletter covers the latest activities of BR and our members, and keeps you up to date on the tools, resources, and events that are relevant to your work and ours.

In this edition, we are sharing highlights from our December 2021 Stakeholder Roundtable, a virtual gathering of representatives from companies, civil society, the investor community, and international organizations.

We hope this biannual newsletter will help you keep connected with our community and up to date on the important work that BR and our members are undertaking to advance the worker welfare agenda. We welcome your feedback, ideas, and questions. Please **get in touch**.

Best regards.

Building Responsibly Members

BR Highlights

Vision, Long-Term Goal-Planning

We are developing a framework for BR's vision and long-term goals that captures stakeholders roles and responsibilities, as well as BR's foundational values: governance, networking, leadership, support and guidance, and driving improvement. The framework gives members a structure to strengthen impact inside and outside company operations, and it establishes accountability through a set of minimum expectations for BR members.

During the BR Stakeholder Roundtable event in December 2021, we discussed the framework, goals, and expectations with attendees, who praised our efforts to foster impact and provide an accountability structure for members. We will continue to refine the framework with stakeholders' comments.



New Board Members, JGC and Subsea 7

As part of our effort to establish global standards and leadership in addressing worker safety, security, and welfare, we welcomed new board members **JGC** and **Subsea 7**. With the addition of Japanbased JGC, an engineering and construction company operating in 80 countries, BR now has representation from Asia. Subsea 7, based in London with a presence in 33 countries, provides project management, engineering, and construction services for oil and gas and offshore wind farm developments.

New Associate Members

BR also welcomed two new associate members, Japan-based global engineering firm **Chiyoda Corporation**, and Italy-based **Saipem**, a multinational oilfield services company.

Dialogue and Partnership

BR Stakeholder Roundtable Highlights

In December, we held BR's first virtual stakeholder roundtable to share updates about membership, activities, and progress. We hold our roundtables annually as a way to connect members with our wide-reaching stakeholder base and ensure that both members and stakeholders remain aligned as this initiative evolves.

Our December roundtable included a presentation about BR's draft vision and long-term goals framework, as well as presentations by Wood and Technip Energies about how they have integrated the BR Worker Welfare Principles into their internal standards, targets, policies, and practices. Thirty-five stakeholders from national and international organizations, clients, peers, civil society organizations, and service providers joined the event.

Our last Stakeholder Roundtable took place in October 2019 at an in-person gathering in London, where we presented and collected feedback on our <u>Guidance Notes</u> based on our 10 Worker Welfare Principles. We plan to hold our next roundtable in the second half of 2022.

Partnering with Investors

We have begun conversations with investors, ESG rating agencies, and others in the investor community to discuss ways to promote BR's principles and sustain membership growth. Engaging with the ESG community is a crucial way for us to operationalize the BR Worker Welfare Principles globally and advocate for the worker welfare agenda in our industry. We hope to continue this dialogue and receive the support of the investors community in promoting our initiative.

Members Engage Peers

BR members companies continue to promote our initiative withing their peer and partnership networks. BR steering committee members have also advanced our initiative, taking part in seminars to introduce our collaboration, including with the Chartered Institute of Procurement & Supply (CIPS) in November 2021. Discussions focused on industry challenges and how BR addresses them. Members are also holding network calls with companies from across the value chain to share their practices, views, and challenges related to worker welfare.

Learning about New Tools and Standards

We continue to invite organizations to share with our members their respective work on matters of common interest. Impactt limited introduced its repayment standards, which provide guidance for estimating and repaying migrant worker-paid recruitment fees and related costs in a way that is fair, transparent, and practical. Vérité presented Cumulus, its solution for identifying forced labor and human trafficking risks in global supply chains, including in the construction industry.

BR Members in Action

Technip Energies Implements Worker Welfare Principles

Technip Energies integrated the BR Worker Welfare Principles into its human rights strategy by operationalizing them into the company's internal standards and policies. Technip Energies also developed a risk-based due diligence process for subcontractors, integrating the BR Prequalification Questionnaire (PQQ) tool, which helps members understand subcontractors' human rights practices and risks. The company highlighted its work through a campaign on International Human Rights Day.

Wood Integrates Principles into Company Governance and Sets 2025 and 2030 Goals

Wood integrated the BR Principles into its core governance as a minimum standard on how to treat workers. The company conducted an internal benchmark based on the Principles, looking at performance internally and across its value chain. This work is helping Wood set the agenda and the expectations for the company and its business partners. In 2021, Wood announced two goals supporting compliance with the principles across its supply chain, targeting 100% of labor suppliers by 2025 and all suppliers by 2030.

Results of ILO, VINCI Fair Recruitment Pilot in Qatar

Results have been published for a pilot project with ILO and VINCI that focused on creating a migration corridor between Qatar and Bangladesh with no recruitment fees for workers. An independent assessment found that the capacity-building program—which targeted recruitment and placement agencies in Qatar and home country—resulted in an "immediate and profound" improvement of placement agency practices. Placement agencies improved the drafting and terms of contracts with recruitment agencies in home countries and followed the use of subagents more closely. ILO plans to replicate the pilot in other countries and industries. VINCI also presented the methodology and results to BR members.

BR Tools and Resources

In addition to promoting the worker welfare agenda and connecting with interested stakeholders, BR members also dedicate resources and time to creating tools that help members implement the **BR Principles** and contribute to their workers' welfare journey.

Recent tools include:

BR finalizes Pregualification Questionnaire (PQQ) tool

In 2021, we finalized the Suppliers and Subcontractors PQQ Tool, which is designed to help operational teams and procurement staff assess suppliers' and subcontractors' risk profiles, with a view to differentiate the level of due diligence, engagement, or support provided. The tool allows companies to aggregate, rate, and manage questionnaire responses provided by suppliers and subcontractors. In 2022, we will develop a training module for procurement

teams to learn how to use this tool and give them the knowledge they need to integrate worker welfare components at the tender stage.

BR, IPIECA Offer Modern Slavery Training

Together with IPIECA, we are gathering construction and engineering contractors and oil and gas companies to develop a common labor rights training program. The modules, which build on best practice guidance on worker welfare, are geared towards site- or field-level personnel on construction projects. Training topics include forced labor, non-discrimination, worker representation, grievance mechanisms, fair recruitment, and more. Ergon, a leading labor rights training organization, is developing the modules with a core team of companies: BP, ENI, ExxonMobil, Repsol, and Schlumberger. BR members McDermott, JGC, SBM, VINCI, and Wood have contributed case studies and reviews. Training materials will be available in the first quarter of 2022.

For more news and resources, please visit building-responsibly.org.



Building Responsibly

Collaborating to promote the welfare of workers in the engineering and construction industry

Building Responsibly is a group of leading engineering and construction companies working together to raise the bar in promoting the rights and welfare of workers across the industry. We believe in common principles designed by the industry for the industry. Through Building Responsibly, we are working collectively to create and adopt common principles and practices; develop tools; drive innovation and improvement; and engage workers, clients, governments, and civil society organizations. Consistent with our corporate values, we have come together to foster and ensure a better working environment for workers in the engineering and construction sector. Doing so will allow us to more effectively respond to stakeholder and regulatory expectations, and manage a more productive workforce.

Secretariat

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