



# GHD Group

# Modern Day Slavery Statement

## 2020 - 2021

### Purpose

This statement is provided in satisfaction of the requirements of United Kingdom and Australian reporting requirements, pursuant respectively to the *Modern Slavery Act 2015 (UK)* and *Modern Slavery Act 2018 (Cth)*.

The reporting entity is GHD Group Limited as the parent company of the GHD Group of Companies. In this statement, unless expressly mentioned otherwise, references to GHD and the GHD Group, the Company, we, us and our, refer to GHD Group Limited and its related bodies corporate as defined in s50 of the *Corporations Act 2001 (Cth)*.

GHD has reported its Modern Day Slavery performance in the United Kingdom since 2016 and this report is GHD's second annual response to the Australian legislation.

### About GHD

GHD is a professional services company operating in the global markets of water, energy and resources, environment, property and buildings, and transportation. We provide engineering, architecture, environmental, construction, and advisory and digital services to a diverse range of private and public sector clients.

Established in 1928 and privately owned by our people, GHD operates across five continents - Asia, Australia, Europe, North and South America, and the Pacific region.

GHD is a signatory to the United Nations Global Compact and supports the United Nations Sustainable Development Goals. This includes the commitment to work towards eradicating the many forms of Modern Day Slavery that exist and improving Human Rights across our value chain. GHD does not tolerate and is committed to the elimination of modern slavery.

We report on our overall sustainability performance on GHD's [sustainability@ghd](mailto:sustainability@ghd) webportal and within our [UN Global Compact Communication on Progress](#).

### Organisational structure

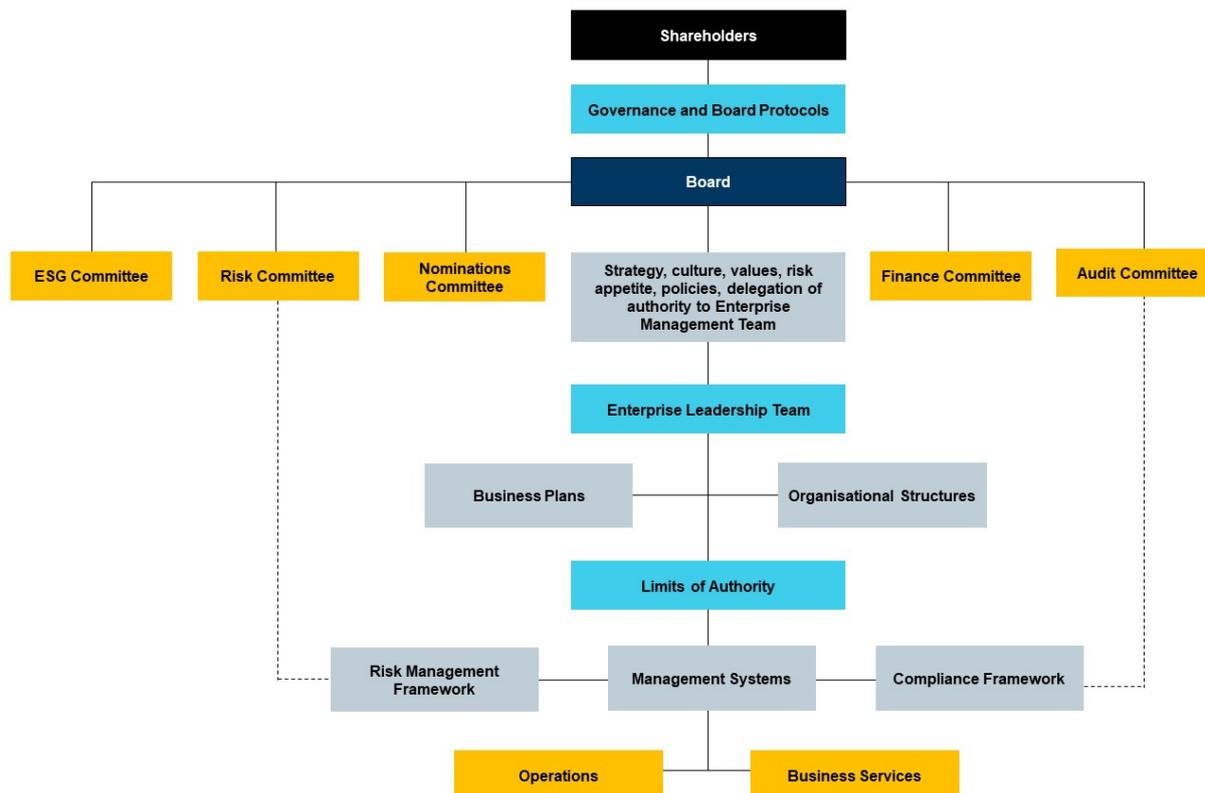
Good corporate governance is critical to the long term, sustainable success of GHD. It contributes to creation of opportunities and positive outcomes for all in our supply chain. Good governance is embedded throughout GHD and is the collective responsibility of the Board and all levels of management. Illustrated below is GHD's Governance Model.

Consistent with the risk management approach to human rights more generally, the risk of Modern Day Slavery in GHD's organisation and supply chain is assessed within the enterprise-wide risk management framework. The Board's Audit and Risk Management Committees have been responsible for providing oversight on behalf of the Board. GHD's Board has recently established an ESG Committee and governance of GHD's commitment to the elimination of Modern Day Slavery has been transitioned to the ESG Committee.

GHD's operations are organised geographically within three Economic Regions – APAC, Americas, and Europe & the Middle East (EMEA). Each of these reports into the Enterprise Leadership Team, chaired by the CEO. The enterprise operates under a common Risk Management Framework, Compliance Management Framework and Management System (including procurement systems). This management structure is shared by all GHD operating entities covered by this report.

## Governance model

# Governance Model



## Policy framework

GHD's management of modern slavery risks falls within its overall approach to protecting human rights.

The foundation policy documents for human rights protection within GHD are:

- [Sustainability Policy](#)
- [Code of Conduct](#)
- [Integrity Management Guidelines](#)
- [Human Rights Statement](#)

These documents outline GHD's approach to establishing the essential standards of personal and corporate conduct and the behaviour expected of everyone who works for or with GHD (including Directors, employees and vendors). Supporting these documents are specific guidelines and processes that ensure the highest standards are achieved across our business.

For more information regarding GHD's Sustainability program, please visit [sustainability@ghd](mailto:sustainability@ghd).

## Risk management and due diligence

We are a diversified, global operation with a large workforce and, where appropriate, a vendor base that assists in delivering projects on behalf of our clients. Our commitment to identifying and eradicating Modern Day Slavery from our supply chains applies to all GHD locations worldwide.

GHD has identified that Modern Day Slavery has the potential to exist:

- in our operations where we employ technical professionals and support staff
- in our supply chain which consists of the following:
  - subconsultants and subcontractors to support the professional services we provide, typically other professional services but also services such as laboratory services, materials testing and investigations
  - goods and services that support our office environment, typically the supply of office accommodation, utilities, IT hardware and software, office equipment, marketing collateral, stationary supplies, catering and cleaning services
  - goods and services to support our site-based work, typically PPE, site materials and equipment, and subcontracted construction work and materials
- in the community

Using tools such as the [Global Slavery Index](#) we identify the heightened risks of exposure to Modern Day Slavery in specific economies as well as those that may occur in developed markets. We recognize that Modern Day Slavery is unlikely to thrive where human rights, including fundamental labour rights, are respected. Therefore, to improve our understanding of the different Modern Day Slavery risks we may face in different locations as well as exposure to related issues such as broader human rights risks and corruption, we are investigating the use of human rights targeted risk tools such as Verisk Maplecroft Human Rights Risk Index and the Freedom House rankings.

We understand that due diligence is a continuous process and we have policies and processes in place in furtherance of this commitment. In particular, we undertake the following activities:

1. assess the potential Modern Day Slavery risks in our operations and supply chains with emphasis on high-risk geographical locations and business transactions
2. develop and review company policies and processes that may affect Modern Day Slavery in our operations and supply chains (see [GHD Vendor Webportal](#))
3. develop training for staff to help identify and address the risk of modern slavery
4. conduct due diligence on local and global supply chains via [GHD's Vendor Prequalification](#) processes
5. review supplier contracts to ensure they contain terms that are consistent with the Act
6. take steps to address any potential modern slavery risks identified, and
7. establish measures to test effectiveness

## 2020/2021 Performance

The global pandemic has illustrated how quickly the landscape can change, leaving behind long-lasting effects on governments, business and the community. The objectives of many organisations were challenged during financial year 2020/21, whilst business continuity measures were deployed. GHD's Modern Day Slavery performance against expected outcomes was adversely affected as a result of limited staffing arising from business continuity efforts throughout the pandemic. However, in attempt to maintain the momentum created in 2019/20, the following actions were undertaken:

### Training

Given the importance and breadth of Modern Day Slavery, it was included as a mandatory item within GHD's organisational HSE Learning and Development Matrix. During the latter stages of 2020, GHD took the opportunity to refresh employee internal training completions and utilising our seven-minute animation video called "[Modern Day Slavery](#)", our people were reminded of GHD's commitment to eradicating Modern Day Slavery, including key aspects of where it might exist and the measures GHD is implementing to eradicate it from its supply chain.

This video has also been made available to all vendors, who were requested via a vendor communication to undertake the eLearning module via the GHD [Vendor Webportal](#).

### Vendor management

There remains ongoing work to complete further examination of identified supply chains as planned (i.e. marketing collateral, IT hardware etc.). GHD has completed its review of its relationships with personal protective equipment (PPE) suppliers.

The review and subsequent outcomes resulted in GHD's Australian business partnering with a new national supplier who shares our commitment to eradicating Modern Day Slavery and had implemented a complementary level of governance within their own supply chains.

A review of the supplier's practices in action will occur at strategic milestones in the relationship.

GHD also undertook a review of its general vendor contractual clauses and Vendor Code of Conduct to confirm applicability and appropriateness of Modern Day Slavery provisions.

For more information, please visit the GHD [Vendor Webportal](#).

### Grievance mechanisms

We communicated with our people, reminding them of our [Integrity Management System](#) expectations and encouraging them to report any suspected breaches of our policies and/or the presence of Modern Day Slavery in our supply chain through our whistle-blower mechanisms.

## Remediation

The abovementioned grievance mechanisms provide the vehicle for matters to be reported by GHD employees, vendors and those connected with GHD. Where we identify impacts associated with GHD activities, these will be investigated and remedied using the guidance provided within the United Nations Guiding Principles on Business and Human Rights (UNGPs).

We will continue to evolve our approach to deal with such issues, including development of external grievance procedures for third parties, which we will make available to our suppliers and business partners.

## Effectiveness

While there is extensive work being undertaken around the world to understand and address human rights abuses, there is currently no foundational metric of measurement or international standard for measuring human rights impact.

The creation of credible measurement units will be a complex issue that requires serious consideration, to not introduce unintended consequences. GHD will use its position in the United Nations Global Compact *Modern Day Slavery: Community of Practice* to facilitate discussion and create a comparable suite of performance indicators.

We understand we are at the beginning of our Human Rights and Modern Day Slavery journey and we will be reviewing this commitment every two years to ensure it is effective.

## Consultation

During the development of this Statement, we consulted the relevant companies we own or control. Executives representing each of the entities were included in the drafting and provided feedback regarding the actions we intend to take to address these requirements.

## Future commitments

Over the next year, our focus will be on:

- **Operations** - reviewing employment arrangements globally and making the necessary amendments to mitigate risk of Modern Day Slavery entering our direct employment practices
- **Supply chains**
  - maturing our approach to Modern Day Slavery risk through inclusion of an integrated risk and compliance program, dovetailing into GHD's wider Governance, Risk and Compliance electronic systems
  - continuing to develop of our vendor selection, management and verification program, including taking the new Modern Day Slavery provisions beyond that of the UK and Australia
  - a detailed assessment of identified supply chains (for example, marketing products) and taking the necessary action to tighten
- **Community** – Identifying and executing an initiative that helps promote Modern Day Slavery in the community
- **Effectiveness** – determine a suite of performance indicators in consultation with other members of the United Nations Global Compact Modern Day Slavery: Community of Practice

This statement was approved by the Board of GHD Group Limited on 27 August 2021.

**Rob Knott**  
Chairman

**Ashley Wright**  
Chief Executive Officer

August 2021

