



GHD Group

Modern Day Slavery Report

2020

Purpose

This report aims to satisfy the requirements of both United Kingdom and Australian reporting requirements, pursuant 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 first in 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 Principles on Business and Human Rights 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.

We report on our overall sustainability performance on GHD's 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.

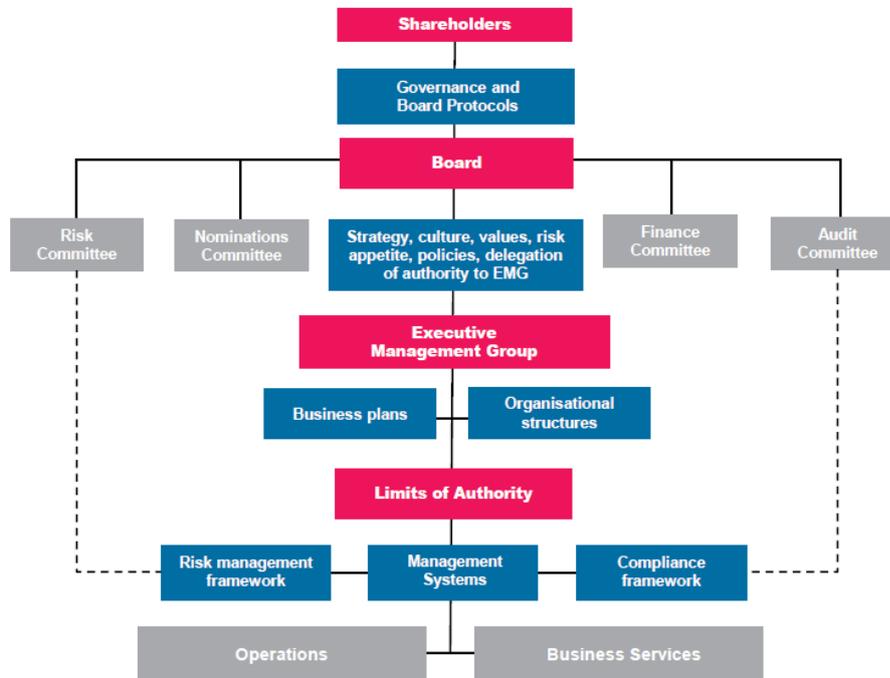
Consistent with the risk management approach to human rights more generally, the risk of Modern Day Slavery in GHD's organisation and supply chain is assessed within the enterprise-wide risk management framework. The Board's Audit and Risk Management Committees are responsible for providing oversight on behalf of the Board.

GHD's operations are organized geographically with four Businesses – Australia, APAC, Europe Middle East and North America. Each of these Businesses reports into the Executive Management Group, chaired by the CEO. All Businesses operate 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.



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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 (e.g. 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.



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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, IS 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 use tools such as Transparency International's Corruption Perceptions Index.

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 processes that may affect Modern Day Slavery in our operations and supply chains
3. Develop training for staff in modern slavery requirements
4. Prepare to conduct due diligence on local and global supply chains
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



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2019/2020 Performance

During financial year 2019/20 GHD delivered the following outcomes:

Human Rights Statement

Through our Professional Services we believe we have an opportunity to positively impact the protection of human rights within our sphere of influence. To this end, during 2019/2020 the GHD Board endorsed our first Human Rights Statement.

For more information regarding GHD's Sustainability program, please visit sustainability@ghd.

Modern Day Slavery Statement

During 2019/2020 the GHD Board endorsed our first Modern Day Slavery Statement for Australia and our fifth Statement for UK. This illustrates our commitment to eradicating Modern Day Slavery from our operations and supply chains.

For more information regarding GHD's Sustainability program, please visit sustainability@ghd.

Training

We created a seven-minute animation video called "Modern Day Slavery", which was released on our enterprise-wide intranet, explaining the principles behind Modern Day Slavery, where it exists and the measures GHD is implementing to eradicate it from its supply chain.

This video will be made available to all employees as 'mandatory' component of on-boarding and also made available to GHD vendors globally, via our [Vendor Webportal](#).

Vendor management

GHD profiled its supply chain and identified the highest risk industries we connect with where Modern Day Slavery may exist. We have identified the following components of our supply chain as focus areas for further due diligence:

- PPE
- Marketing collateral
- IT hardware

This review led to both a detailed review and strengthening of our management protocols relating to vendors and also a target list of vendors and product lines. Each year, we will be identifying one supply chain and undertaking deep dive analysis to determine if GHD's Modern Day Slavery expectations are satisfied.

We have reviewed and enhanced our general vendor contractual clauses to include Modern Day Slavery expectations.

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



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Vendor code of conduct

GHD's new [Vendor Code of Conduct](#) establishes minimum expectations of GHD's Vendors (including employees, subsidiaries and subcontractors and all of the Vendor's supply chains) and assist us to select vendors who operate in a manner consistent with our expectations.

This Code of Conduct covers the following topics:

- compliance with applicable laws
- ethical behaviour
- trade and export controls
- money laundering prevention
- quality management
- modern day slavery and human rights
- health safety and wellbeing of employees
- sustainability and environmental responsibility
- privacy and personal data
- monitoring and evaluation of performance against expectations

As part of the education of our vendors regarding our expectations, GHD makes available applicable enterprise policies for vendor reference.

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

Vendor prequalification

Vendors wishing to do business with GHD are required to be assessed and approved on the GHD Vendor Prequalification Scheme.

GHD's Vendor Prequalification Questionnaire has been updated to include a greater scrutiny and includes key information pertaining to Modern Day Slavery and prequalified vendors in Australia and the UK have been notified of these changes.

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

Grievance mechanisms

We encourage our people and suppliers to report any suspected breaches of our policies and/or the presence of Modern Day Slavery in our supply chain through the Whistle-blower mechanisms in our Integrity Management System.

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.



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Effectiveness

While there is extensive work being undertaken around the world to understand and value respect for human rights, 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.

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**
 - continuing to develop the maturity of our vendor selection, management and verification program, including taking the new Modern Day Slavery provisions beyond that of the UK and Australia
 - deep dive assessment of identified supply chains (e.g. Personal Protective Equipment and Marketing products) and taking the necessary action to tighten
 - making available [GHD's Modern Day Slavery video](#) to all GHD vendors via the [GHD Vendor Webportal](#)
- **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 3 June 2020.

Rob Knott
Chairman

June 2020

Ashley Wright
Chief Executive Officer