

# Modern Slavery 2023 Statement

Grant Thornton is committed to working towards the eradication of modern slavery in all its forms.

We have a responsibility to respect and uphold human rights in our operations and supply chains. This responsibility includes taking action to prevent, mitigate and, where appropriate, remedy instances of modern slavery wherever it is found.

This Grant Thornton Modern Slavery Statement is given by Grant Thornton Australia Limited (ABN 41 127 556 389) and covers its subsidiaries and related entities.

This Statement has been prepared in accordance with the requirements in the Modern Slavery Act 2018 (Cth) for the reporting period 1 July 2022 to 30 June 2023.



## OUR PURPOSE AND COMMITMENT

We care for our people, clients and communities and support them to thrive. Making a commitment to actively work towards eradicating modern slavery is the critical first step in our modern slavery program. This commitment is not a one-time exercise. It needs to be continually revisited and renewed. Our 1,600+ people working in offices in Sydney, Brisbane, Cairns, Perth, Adelaide and Melbourne are at the centre of this commitment.

We know there is no easy solution or one course of action that will safeguard against modern slavery. It is an ongoing and systemic issue which requires us to continually test and review our systems and relationships.

This Statement outlines the actions we are taking to prevent, mitigate and remedy instances of modern slavery. It also describes our future commitment to understand and address modern slavery risks in our operations and supply chains.

## OUR STRUCTURE AND OPERATIONS

Grant Thornton Australia Limited (Grant Thornton) is an unlisted public company with wholly owned special purpose subsidiaries. All shareholders are associated investment entities of the Partners of Grant Thornton Australia. There are no outside shareholders.

We are a professional services firm providing audit, tax and advisory services to clients located primarily in Australia, but also overseas. We are committed to being responsive to our clients' needs and to working with them to align our activities regarding upholding human rights, and to making continuous improvements to our modern slavery program as part of our clients' supply chain.

### **Our services include:**

- Audit
- Tax
- Private Business Tax and Advisory
- Financial Advisory, and
- Consulting

Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership and are each a separate legal entity.

Grant Thornton Australia has access to the expertise of fellow Grant Thornton professionals in over 135 countries. We are active on Grant Thornton Global Committees and work to influence these committees to promote continuous improvement in risk management, compliance and quality across the network.

## OUR SUPPLY CHAIN

As a professional services provider our activities are primarily focused on the provision of accounting, advisory and consulting services to our clients. To provide these services and support our operations, we utilise various third-party products and services.

Using an automated tool to map our supply chain, we know that most of our suppliers are registered and operate in Australia. However, we also use a limited number of overseas based suppliers to support our operations including using the services of global providers that supply the Grant Thornton network.

### Key areas of supply include:

#### Technology

Including computer hardware, computer software, cloud services, virtual data room services, virtual document exchange services, printers, audio/visual equipment and services, mobile phones, and wide area network and internet connection.

#### Professional services

Including external legal, tax and auditing, marketing, professional lines insurance, consulting, education and professional development services.

#### Property related

Covering premises leasing, our office building upgrades and fit outs, workspace design, office furniture and facilities, property maintenance, property insurances, and utilities.

#### Operations

Including document management and storage, stationery, cleaning, security, general insurances, subscriptions, courier and postal services.

#### Business travel

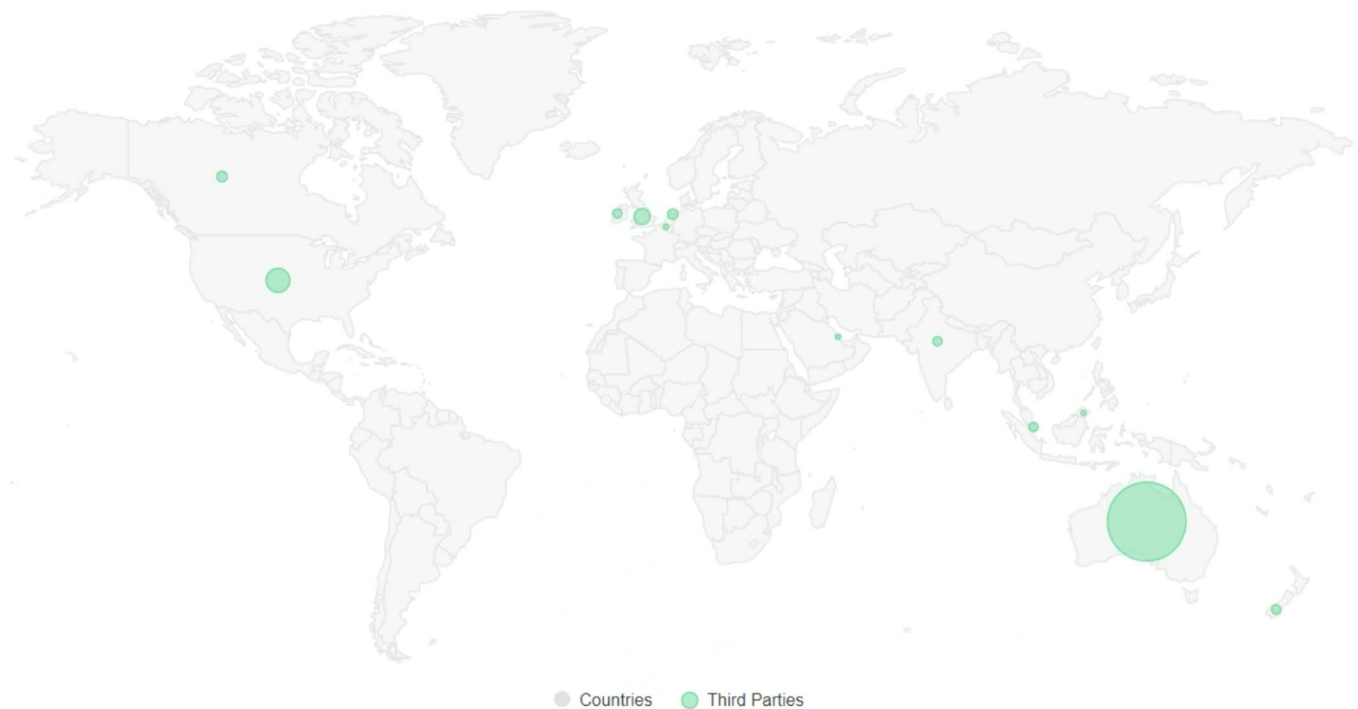
Including air and ground transport and accommodation.

#### Hospitality

Including events management and in-house and external event catering.

The map below shows the location of our suppliers as at 30 June 2023.

### Supplier Business Operations



# ASSESSMENT OF OUR MODERN SLAVERY RISKS

## Grant Thornton's Operations

We commenced our Modern Slavery Program in FY20 and have developed and improved it in subsequent years. We continue to review and update existing policies and procedures to make sure they align with our risk management methodology for identifying and dealing with Modern Slavery risks.

We launched our Social Procurement Statement in 2023. We use this Statement to communicate with our clients, suppliers, and other third parties to raise awareness regarding our commitment to social and sustainable procurement across our organisation.

Our Supplier Code of Conduct is an important part of our Modern Slavery program. We ask all of our suppliers to commit to complying with this Code. If a supplier refuses to commit to the Code we factor this into our Supplier Risk Assessment process and into the decision about whether to appoint them as a supplier. The Code reflects our Human Rights and other relevant policies, as well as our Code of Conduct.

In FY22 we completed a full revision of our Code of Conduct. We included more detailed guidance to encourage our people to stand up and speak out if they identify any contraventions of the Code, including any instances of actual or suspected modern slavery in our operations or supply chains, and reaffirmed that we will support them when they do so.

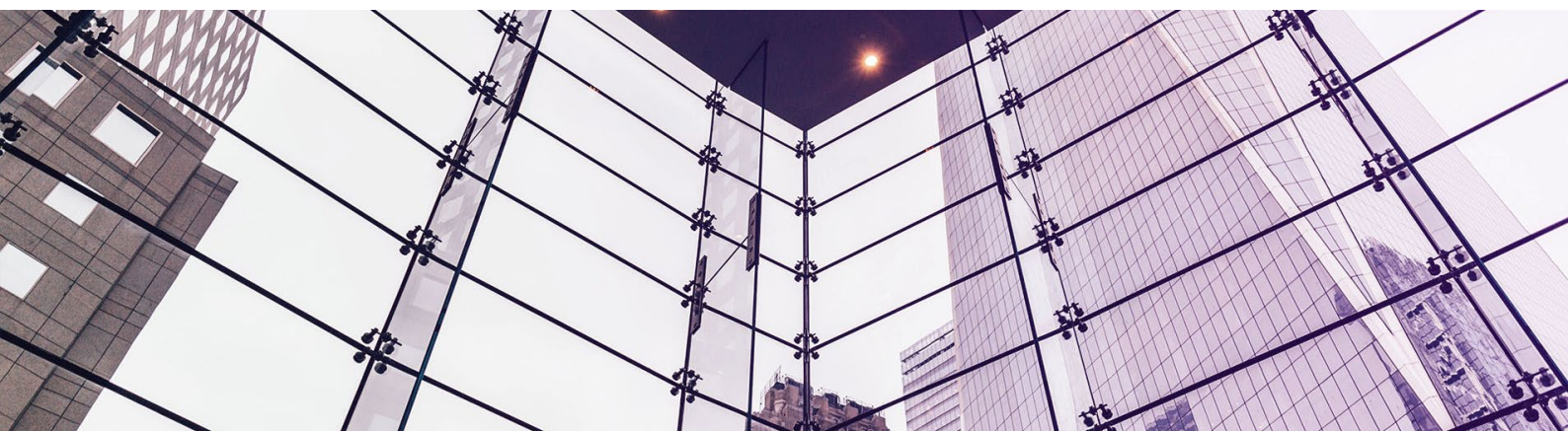
We also implemented our Human Rights Policy which is aligned with the UN Guiding Principles on Business and Human Rights. This policy sets out our commitment to avoiding human rights abuses in our operations and identifying opportunities to support human rights where we feel our actions can have a positive impact. Our Human Rights Policy provides the template for operationalising our modern slavery program and outlines the principles upon which our framework to identify and prevent modern slavery is based.

Policies that form the basis of our efforts to create a workplace which is safe, inclusive, fair, and rejects human rights abuses; and that promotes our social procurement program include:

- Human Rights Policy
- Code of Conduct
- Supplier Code of Conduct
- Equal Employment Opportunity Policy
- Gifts, Benefits and Hospitality Policy
- Anti-Bribery and Corruption Policy
- Grievance and Disputes Handling Policy for employees
- Talent Sourcing and Selection Policy
- Whistleblower Policy
- Workplace Health and Safety Policy
- Social Procurement Statement

Our robust approach to policy governance ensures that modern slavery risk is considered at every review of an existing policy or the drafting of a new one. This involves including content promoting and facilitating the reporting of suspected or actual instances of modern slavery by both internal and external sources. People from within and from outside the firm should be able to bring modern slavery risks that they identify, or suspect are occurring, to the attention of Grant Thornton personnel who are trained and have the authority to act on the reports.

As providers of professional services our operations inherently carry a low risk of modern slavery. This, along with the controls we have in place to manage our modern slavery risk, means that we have assessed our overall residual risk rating for modern slavery as low. However, this does not mean we can be complacent. The modern slavery landscape is constantly evolving, and we know that we need to be alert and able to quickly adapt to changes in the way modern slavery is perpetrated. We also need to be agile enough to rapidly implement improved methods to assess our modern slavery risk, identify instances of modern slavery, and deploy remediation strategies. We will continue to review and re-assess our residual risk in this space to make sure that our modern slavery risk controls – including our policies, procedures, and reporting protocols – are operating as intended.





### Grant Thornton's supply chain

We commenced the process of assessing the risk of modern slavery in our supply chains in FY20 by initiating a desktop review of Tier 1 suppliers.

In FY21, FY22 and FY23 we continued this process using our existing data and tools. We also engaged a third-party provider, Ethixbase, and use their platform to facilitate the sending of modern slavery questionnaires to existing and new suppliers, asking suppliers about their approaches and measures to prevent and mitigate instances of modern slavery and human rights abuses in their operations and supply chains.

At the same time, suppliers are asked to confirm their commitment to complying with our Supplier Code of Conduct.

Our modern slavery risk assessment rates each supplier as a high, moderate, or low risk of modern slavery using the following criteria:

- product or service supplied
- industry the supplier operates in
- jurisdiction (country of registration)
- countries where the supplier has operations
- workforce and the possibility/probability that the workforce contains vulnerable workers
- supplier commitment to human rights
- suppliers conducting their own human rights impact assessment
- contracts with suppliers containing clauses regarding human rights and prevention of prohibited practices including modern slavery, bribery, and corruption
- supplier committing to comply with our Supplier Code of Conduct

We look at whether or not there are any modern slavery risks associated with the particular supplier, including any known history of non-compliance with laws or regulations related to modern slavery, or evidence of human rights abuses. By combining the information gathered from our desktop reviews and the supplier completed questionnaires from the Ethixbase platform we arrive at an overall risk rating for each supplier.

Suppliers identified as potential medium to high risk of modern slavery are enrolled into an enhanced due diligence solution. This Ethixbase solution screens and monitors suppliers on an ongoing basis against risk profile databases (e.g. sanctions, watchlists, law enforcement) and global media coverage sources. Any risk alerts generated are reviewed by our Risk and Compliance team and are remediated as appropriate.

Based on our risk assessment activities, and data collected since we commenced our modern slavery program, we have identified the following supplier groups who carry an inherently higher risk of modern slavery.

### Technology suppliers

Technology suppliers covers hardware supply including mobile phones, coding, virtual services and supply involving cloud services, particularly those product and service types where suppliers may utilise a high proportion of outsourced workers, or where product inputs may be sourced from industries or countries with a known risk of modern slavery.

#### Key risk areas for technology suppliers include:

- Product – sourcing manufacturing inputs and raw materials
- Industries – certain industries carry an inherently higher risk of modern slavery
- Countries of operation – whether a country is known to have a higher risk for modern slavery (particularly when combined with the risk assessment result for product and industry)
- Workers – prevalence of the use of outsourced workers

### Property related, Operations and Hospitality suppliers

Property related suppliers include office fit out and furniture where the manufactured product contains product and raw materials from countries with a higher risk of modern slavery. Operations and Hospitality suppliers which includes cleaning, security, courier and catering and accommodation services, especially where the services might be procured indirectly, and the workforce generally includes a higher proportion of migrant workers and those paid at or close to the minimum wage (vulnerable workers).

#### Key risk areas for Property related include:

- Product – sourcing manufacturing inputs and raw materials
- Countries of operation – manufactured goods and raw materials from countries with a higher risk of modern slavery

#### Key risk areas for Operations and Hospitality include:

- Industry – certain industries carry an inherently higher risk of modern slavery
- Workers – is any part of the workforce likely to include vulnerable workers and where, due to the indirect nature of supply, there is less transparency of the workforce

## ACTIONS TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

In our first three reporting periods we focused on researching and setting up our modern slavery program, including factoring modern slavery risk into our Supplier Risk Assessments.

- We prepared our Modern Slavery Compliance Plan and commenced drafting materials to support our program.
- Modern slavery training was provided to those directly involved in procuring supply and conducting Supplier Risk Assessments.
- We liaised with teams in the business to gain an understanding of particular areas in our operations which might require deeper investigation and engaged with those teams who are integral to the effective development and ongoing operation of the modern slavery program.
- We reviewed our policies and our Code of Conduct and updated them as necessary.
- We collated our supplier list and determined the risk criteria that would be applied to each.
- We commenced rating our existing Tier 1 suppliers for each of the criteria and highlighted those where we considered conducting further due diligence. We enhanced our process to conduct more in-depth research into risk factors generally, as well as on an individual supplier basis.
- We created our Human Rights Policy and Supplier Code of Conduct.

- We introduced tougher sanctions for non-compliance with internal modern slavery training requirements. Enrolment and completion records are tracked through our Learning Management system and non-compliant personnel have their system access restricted until they become compliant.
- We engaged a provider, Ethixbase, who is facilitating our communications with suppliers and applying risk assessment methodology to questionnaire responses, as well as using external research databases to build a more comprehensive and complete picture of our supply chain.
- We started asking all our suppliers to commit to active compliance with our Supplier Code of Conduct.
- We launched our Anti-Bribery Anti-Slavery contract addendum for inclusion in all supplier contracts. This addendum requires suppliers to provide a commitment against Prohibited Practices which include bribery, corruption and modern slavery, and to commit to complying with all applicable laws, statutes and regulations in force in the countries in which it operates relating to the Prohibited Practices.

#### In FY23 we continued to build on those foundations:

- We revised our Code of Conduct and included additional guidance regarding reporting procedures and information about our Whistleblower Policy
- We trained additional team members on the Ethixbase platform and related processes
- We implemented an enhanced supplier due-diligence solution using the Ethixbase platform.
- We improved our reporting procedures and outputs to regularly inform and update management on progress and program improvements
- We recruited and trained a procurement manager who ensures that requisite compliance processes, including those to identify and respond to instances of modern slavery, are performed for every new supply application.
- We continue to progress our desktop review of Tier 2 suppliers.

As at the date of this statement we have identified no instances of modern slavery in our operations or supply chain and so have not been required to take steps to mitigate risk or undertake remedial action.

## ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

While our focus to date has been to set up a robust and effective modern slavery program and develop a risk assessment model for our supply chain, our attention has moved to assessing how effectively the program is operating. We have adopted similar processes for assessing the effectiveness of our modern slavery program, as we do for our enterprise risk management and compliance frameworks.

Our ongoing review process will continue to monitor the outputs from the various reporting mechanisms that are in place. We will use those reports to assess, update and modify our program so that its effectiveness is continually strengthened, and it remains relevant and fit for purpose.

We will continue to monitor employee participation in modern slavery training modules, and assess feedback provided by participants on the effectiveness of the training.

All Grant Thornton policies are subject to periodic review. The review includes consideration of any legislative or regulatory changes, new or updated standards or codes, and changes to Grant Thornton International Ltd Policies for member firms. We will also continue to look at feedback and reports from internal and external sources and will take steps to benchmark our policies against best practice.

We continue to evaluate the continued relevance of the criteria used to assess supplier risk, and we will determine whether or not the ratings applied are consistent across the risk criteria for each supplier.

## CONSULTATION

This Statement was prepared by the Grant Thornton national Quality and Excellence team. Parties consulted throughout the reporting period included the People and Culture, Data and Technology, and Finance teams; Office Support teams; and other business units. These discussions helped us to understand and map our supply chains, assess our operations for possible modern slavery risks, and prepare this Statement.



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## FORWARD COMMITMENTS

We are committed to the continuous improvement of our modern slavery program.

### During the next reporting period we plan to:

- release further internal training on Modern Slavery and our Code of Conduct
- consider ways to improve the response rate for our supplier Modern Slavery Questionnaire
- enhance our remediation measures by offering training and other supporting materials to suppliers who we identify via their Modern Slavery Questionnaire responses and our enhanced due diligence monitoring as having gaps in their Modern Slavery/human rights program
- analyse data to look for trends and systemic issues allowing us to identify and implement controls to enhance our reporting capability and thereby better manage modern slavery risk in our supply chain, including improved and more informed supplier selection
- continue to examine ways to apply technology to certain processes, including threshold supply chain risk assessments and supplier contract reviews
- create opportunities to collaborate with others, including our suppliers, clients, and those active in the field of human rights and
- revise our policies and draft new policy where necessary, so we continue to reflect our commitment to combatting modern slavery in all its forms.

Signed by

A handwritten signature in blue ink, appearing to read "Greg Keith".

**Greg Keith**  
Chief Executive Officer / Director  
Grant Thornton Australia Limited

12 December 2023

As authorised signatory on behalf of Grant Thornton Australia Limited.

This statement has been approved by the Board of Grant Thornton Australia Limited ABN 41 127 556 389 on 12 December 2023 and applies to Grant Thornton Australia Limited and its subsidiaries and related entities.