

INTRODUCTION

Abt Associates is committed to the elimination of all forms of modern slavery within our operations and supply chain. To this end, Abt Associates is a signatory to the United Nations Global Compact (**UNGC**), and supports the Ten Principles of the UNGC on human rights, labour, environment and anti-corruption, including the elimination of all forms of forced and compulsory labour (principle 4), and the effective abolition of child labour (principle 5). In addition, we are committed to continual improvement so that our policies, procedures, and processes remain effective with the aim to prevent modern slavery.

REPORTING PERIOD AND SCOPE

This statement sets out actions taken by the Abt Australia and Abt Britain Corporate Group (referred to in this statement as **the Group**) to assess and address modern slavery risks in its global operations and supply chain for financial year starting 1 April 2021 and ending 31 March 2022, pursuant to s54(1) of the United Kingdom *Modern Slavery Act 2015* and the Australian *Modern Slavery Act 2018 (Cth)*.

The Group is wholly owned by Abt Associates Inc. (F.I.D. 04-2347643), a company incorporated under the laws of the Commonwealth of Massachusetts and registered in the State of Maryland in the United States of America (collectively referred to as **Abt Associates**).

REPORTING ENTITIES

This joint statement is prepared and submitted by Abt Associates Australia Pty Ltd (A.C.N. 161 695 156) on behalf of the following reporting entities which are wholly owned subsidiaries: (1) Abt Holdings Australia Pty Ltd (A.C.N. 129 332 681); (2) Abt Group Australia Pty Ltd (A.C.N. 120 662 026); and (3) Abt Associates Pty Ltd (A.C.N. 091 591 294) for the Australian *Modern Slavery Act 2018 (Cth)*; and (4) Abt Britain Limited (Company Number 10633588) (referred to as **Abt Britain**) for the United Kingdom *Modern Slavery Act 2015*. Abt Associates Australia Pty Ltd has prepared this statement in consultation with the reporting entities listed above.

Abt Associates Australia Pty Ltd and its Australian reporting entities are collectively referred to as **Abt Australia**. A joint statement has been prepared because these entities use the same policies and processes, operate in the same sector, and have shared suppliers. This also applies to the other Australia-based and overseas entities that Abt Australia owns or controls.

Abt Britain has adopted Abt Australia's compliance framework and has comparable policies and procedures as Abt Australia, operates in the same sector, and has comparable procurement needs.

The Abt Australia and Abt Britain boards comprise substantially the same directors and company secretary. Both Abt Australia and Abt Britain own and control other entities to facilitate the delivery of services in its home office locations and overseas.

ABOUT ABT ASSOCIATES

Abt Associates is defined by its mission to improve the quality of life and economic wellbeing of people worldwide. We are a mission-driven, global leader in research and program implementation in the fields of health, social and environmental policy, and international development. Known for our rigorous approach to solving complex challenges, Abt Associates is regularly ranked as one of the top 20 global research firms and has been recognised as one of the top 40 international development innovators.

Our global staff of over 3,700 work in more than 50 countries and includes national and international experts who are recognised for their knowledge, innovative research techniques, and insightful analyses and recommendations.

The Group's operations include direct employment of workers, predominantly in professional services roles, with provision of program management services and specialist advisory services including but not limited to governance and public sector reform, health services, policy and systems, research monitoring and evaluation, and gender equality and social inclusion. As part of our program management services, we may manage the following on behalf of our clients: procurements (including of technical assistance), grants, delivery of remote health services, subcontracting of construction projects, security and/or subcontracting of local security services, impact investing, and behavioural change initiatives.

Abt Australia's home office locations are based in Australia, with overseas operations in the Asia Pacific region. Abt Britain's home office is based in the United Kingdom with overseas operations in Asia, Africa, and Eastern Europe. The Group's supply chain is complex and dispersed across these regions. In addition to standard procurement required to support a professional services firm, the supply chain also consists of downstream partners engaged to support delivery of international development programs overseas. The diverse supply chain includes NGOs, research institutions and universities, consultancy companies, church partners, local in-country suppliers, travel and accommodation providers, security firms, and suppliers of medical and IT equipment and consumables.

RISK ASSESSMENT AND CONSULTATION

In 2020, the Group conducted an initial group wide risk assessment. Resources were dedicated to understanding key risk factors related to modern slavery, including the ILO indicators of forced labour, and private sector best practice in managing and mitigating the risk of modern slavery practices in operations and supply chains. Briefing sessions were held to ensure program and home office personnel informing the group wide risk assessment were briefed on the key risk factors.

All programs and home office locations completed a local risk assessment (inherent risk evaluation only) pertaining to their local operations and supply chain and informed by their country/regional context. These local risk assessments were then analysed and consolidated to produce the Group's overall risk assessment. Consultation with overseas entities owned and controlled by Abt Australia and Abt Britain was conducted at the program level as the Group's overseas entities are set up to facilitate the delivery of programs overseas. Australia-based entities owned and controlled by Abt Australia were represented by the higher entity.

This year, in preparing this statement, the group wide risk assessment was reviewed by key stakeholders. As part of their review, they considered whether there have been material changes to the environment/context (e.g. COVID-19) and our ways of operating that would change or impact the likelihood or severity of modern slavery in the Group's operations and supply chain. These key stakeholders represented home office and program locations, with executive responsibilities for operations and safeguarding. The review concluded that there have been no material changes to the Group's risk profile since the initial risk assessment was conducted in 2020.

FINDINGS

The Group's inherent risk of being directly linked to, causing or contributing to modern slavery practices in its operations are assessed as mostly medium risk, except for child labour which is assessed as high risk; and the inherent risk of Abt's supply chain causing or contributing to modern slavery practices is assessed as high to very high given the lack of transparency in the supply chain, which is aggravated by its complexity and that it includes high risk locations and high-risk industries, such as medical equipment, cleaning services and the hotel industry.

Please note that the inherent risk rating does not account for existing controls such as safeguarding policies and measures, and procurement due diligence processes.

Key risk sources identified include:

- Lack of transparency in the supply chain and procurements from high-risk locations and high-risk industries.
- Prevalence of modern slavery in the Asia Pacific region – the region accounts for 62% of the global estimate (even though it only accounts for 56% of the world's population). It also has a high prevalence of forced labour compared to other regions. Abt Australia has programs in Papua New Guinea, the Philippines, Timor-Leste, and Indonesia, where the estimated prevalence of modern slavery victims per 1,000 population are 10.3, 7.7, 7.7, and 4.7, respectively. Australia and the United Kingdom rates are 0.6 and 2.1 for every thousand people in the country, respectively.¹

SAFEGUARDING POLICIES

Abt Associates is committed to taking steps to promote the rights of all, to strengthen protections and to prevent harm and abuse to individuals we work for and who work for us. Abt Associates multi-pronged approach to safeguarding addresses unequal power dynamics and vulnerabilities that are relevant to combatting modern slavery, as well as more broadly preventing exploitation and abuse of individuals. Our commitment to safeguarding is embedded in organisational practice and workplace culture; and clearly communicated to staff, contractors, partners, and communities associated with our programs in all contexts.

¹ The Walk Free Foundation, 2018 Global Slavery Index: Asia and the Pacific Report (accessed 18 September 2020) <<https://www.globallslaveryindex.org/2018/findings/regional-analysis/asia-and-the-pacific/>>

The Group's suite of safeguarding policies are outlined in the table below.

Abt Britain	Abt Australia
Modern Slavery and Human Rights Abuses Policy	Prevention of Sexual Exploitation, Abuse and Harassment Policy
Safeguarding and Child Protection Policy	Child Protection Policy
Whistleblower Protection Policy	Whistleblower Protection Policy
Safeguarding Code of Conduct	Safeguarding Code of Conduct
Underpinned by the Group's Respect at Work Policy	

Both Abt Australia and Abt Britain's **Safeguarding Codes of Conduct** prohibit personnel from: engaging in any sexual relationships with beneficiaries of assistance (as they are based on inherently unequal power dynamics); and hiring children for domestic or other labour, which is inappropriate given their age and developmental stage, which interferes with their time available for education and recreational activities, or which places them at significant risk of injury. These standards of conduct contribute towards a safer environment for all, aimed at reducing the risk of sex trafficking, and the worst forms of child labour.

Under **Abt Britain's Modern Slavery and HRA Policy**:

- Human rights abuses, including any form of modern slavery and human trafficking, are strictly prohibited regardless of jurisdiction in which Abt or its programs are registered or doing business.
- Abt is committed to ensuring transparency including our disclosure obligations under the UK Modern Slavery Act and expects the same high standards of all our partners.
- Abt personnel working in high-risk countries, sectors and in the procurement of goods or services are expected to be particularly vigilant for signs of modern slavery in Abt's supply chain.
- Further, Abt personnel are prohibited from procuring commercial sex acts; using forced labour; and conduct which can contribute to modern slavery and human trafficking such as:
 - destroying, concealing, confiscating, or otherwise denying access by an employee to the employee's identity or immigration documents
 - charging employees recruitment fees
 - failing to provide return transportation or pay for the cost of return transportation upon ending of employment for any employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working on an Abt contract or subcontract.
- The ethical training package was expanded to include a module on recognising and reporting human rights abuses such as modern slavery and human trafficking. The ethical training package is provided to all staff upon induction, and then completed every two years after that.

All partners are required to comply with all relevant UK and local legislation, including labour laws in relation to child labour and the UK Modern Slavery Act. These requirements are passed down to our partners (suppliers, subcontractors, consultants, and grantees) through the Safeguarding Code of Conduct which must be signed with every contract agreement.

In early 2021, Abt Britain completed the UK Government Modern Slavery Assessment Tool (**MSAT**). The MSAT is a modern slavery risk identification and management tool designed to help public sector organisations work in partnership with suppliers to improve protections and reduce the risk of exploitation of workers in their supply chains.

Abt Australia intends to also introduce its own Modern Slavery Policy based on the UN Guiding Principles on Business and Human Rights (**UN Guiding Principles**), being the global standard for preventing and addressing business-related human rights harm. This year, we conducted a review of the Abt Britain Modern Slavery Policy to understand how it can be leveraged for Abt Australia and began consultation with key stakeholders as part of this process.

We also reviewed Abt Australia and Abt Britain's existing Safeguarding Incident Management Procedures to determine if it can be enhanced to govern management of modern slavery reports and incidents, including remediation processes. The Group's incident management framework takes into consideration key elements that will also be relevant to any modern slavery remediation process: be flexible and responsive to the needs and wishes of victims; understand risks and sensitivities present in the local context; respond to local understanding of the drivers of safeguarding incidents; incorporate measures to prevent further abuses; and align with local law and international standards.

To encourage reporting of any suspected modern slavery cases, personnel have access to protections under Abt Australia and Abt Britain's Whistleblower Protection Policies, and can report anonymously through the Abt Associates Ethics and Compliance Helpline. Personnel also have access to country specific focal points to report safeguarding incidents; and all Abt Britain personnel are informed of the Foreign, Commonwealth & Development Office (**FCDO**) reporting channels as well.

PROCUREMENT DUE DILIGENCE

As identified above, the risks of modern slavery practices are highest in our supply chain. We have in place baseline and comprehensive due diligence assessments when engaging downstream partners as part of our procurement management. Although the inherent risk of modern slavery exists in the supply chain, Abt Britain has few high-risk suppliers because of the nature and size of current operations. In this reporting period, Abt Britain have not identified any purchasing practices that could put pressure on suppliers, leading to modern slavery. Currently, our baseline due diligence measures include:

- Abt Britain's procurement policies and processes follow the FCDO Supply Partner Code of Conduct and other client contract requirements, including safeguarding checks when undertaking UK Government-funded procurement.
- Abt Australia's procurement policies and processes follow the principles of the Commonwealth Procurement Rules and other client contract requirements, including child

protection risk-based assessments and control strategies when undertaking Australian Government-funded procurement.

- The due diligence framework requires that all downstream partners are checked against sanctions lists, such as the World Bank Listing of Ineligible Firms and Individuals and the Asian Development Bank Anticorruption Sanctions List. This prevents funds being diverted to terrorist organisations or individuals, who may engage in modern slavery practices to fund or further their objectives. We are aware that there is a growing nexus between modern slavery and terrorism.

MEASURING EFFECTIVENESS

Abt Australia and Abt Britain measures the effectiveness of actions taken to combat modern slavery by measuring:

- Percentage of programs and home office locations that provided input into the group-wide risk assessment – being 100% for the initial risk assessment, and all key stakeholders for this year’s review of the risk assessment.
- Percentage of Abt Britain personnel who received the ethical training package during their induction.
- Percentage of Abt Britain personnel who completed training on modern slavery and human rights abuses.

As Abt Australia and Abt Britain introduce other control measures in response to the Group’s Modern Slavery Risk Assessment to identify, and aim to prevent, mitigate and account for how the group addresses modern slavery, we expect that other key performance indicators will be introduced to measure the effectiveness of our actions.

SUMMARY OF ACTIONS DURING THIS REPORTING PERIOD

As described above, Abt Associates undertook the following activities during this reporting period:

- Review of the Abt Britain Modern Slavery Policy with the intention to leverage and extend policy application to Abt Australia and commenced stakeholder engagement.
- Review of Abt Australia and Abt Britain Safeguarding Incident Management Procedures with the intention to extend application to modern slavery incidents and remediation processes.
- Continued delivery of modern slavery training for Abt Britain personnel.

LOOKING AHEAD

Abt Associates is committed to protecting the welfare and human rights of people associated with our work, and to this end, we will continue improving our safeguarding policy framework. In particular, we will continue stakeholder engagement processes to:

- Introduce a risk-based and proportionate modern slavery policy framework for Abt Australia.
- Refine the existing safeguarding incident management framework to ensure it is suitable for modern slavery incidents and remediation processes, including detailing the processes to enable mitigation and remediation to the extent that we caused or contributed to modern slavery and have control over the incident and its causes.
- Introduce modern slavery training to Abt Australia personnel.

Abt Australia and Abt Britain are committed to identifying and aim to prevent and mitigate modern slavery in our operations and supply chain. We have a zero-tolerance approach towards modern slavery in our operations, and to the extent that we can influence the different tiers of our supply chain, in our supply chain as well. This means that we will continue to monitor the effectiveness of our policies and actions, investigate reports of policy non-compliance, investigate all complaints about suspected and confirmed modern slavery activities in our operations and supply chain, and take prompt corrective action wherever required. To date, we have not received any such complaints or identified any incidents.

STATEMENT APPROVAL

This statement was approved by the board of Abt Associates Australia Pty Ltd on 24 September 2022, on behalf of each of the reporting entities it owns and controls.

This statement was approved by the board of Abt Britain Limited on 24 September 2022, on behalf of each of the reporting entities it owns and controls.

Signed on behalf of Abt Australia and Abt Britain:

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Jacqui De Lacy

Managing Director, Abt Australia

DocuSigned by:

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Sarah Dunn

Managing Director, Abt Britain