

Modern Slavery Statement 2021

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 2020 to 30 June 2021.

Our purpose and commitment

We care for our people, clients and communities and support them to thrive. Making a commitment to play our part in 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 1200+ 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 easily safeguard against modern slavery. It is an ongoing and systemic issue which will require our organisation 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, as well as our forward commitments 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 dynamic businesses 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. In order to provide these services and support our operations, we utilise various products and services.

Through the process of mapping out our supply chain we know that the majority of our suppliers are registered and operate in Australia.

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 and 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, professional 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.

Assessment of our Modern Slavery Risks

Grant Thornton's Operations

We commenced our Modern Slavery program in FY20 by looking at our operations and, in particular, by reviewing our policies to make sure they were aligned with our risk management methodology for identifying and dealing with modern slavery risks.

We continued to develop our Modern Slavery program during FY21 by continuing to work on our policies. We reviewed all policies to make sure that where appropriate, they were outward looking, beyond our organisation's internal operations, and requiring compliance by third parties such as suppliers.

We have created a Human Rights Policy that 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 also our commitment to identifying opportunities to support human rights where we feel our actions can have a positive impact.

We have also launched our Supplier Code of Conduct. Existing and new suppliers are required to agree to comply with this Code. The Code reflects our Human Rights and other relevant policies, as well as our Code of Conduct.

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 and Hospitality and Anti-Bribery and Corruption Policy
- Grievance and Disputes Handling Policy for employees
- Talent Sourcing and Selection Policy
- Whistleblower Policy
- Workplace Health and Safety Policy

We have built into our policy development framework the requirement to create policies and procedures which promote and facilitate the reporting of suspected or actual instances of modern slavery. 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.

While as providers of professional services our operations inherently carry a low risk of modern slavery, we cannot be complacent and 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 current suppliers. Our review of Tier 1 suppliers.

In FY21 we continued this process using our existing data and tools. However, we also enlisted the assistance of a third party provider who could facilitate sending questionnaires to existing and new suppliers, asking them 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 they 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, medium, or low risk of modern slavery against 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

For each of these we assess the modern slavery risks that attach to each criteria and rate the supplier accordingly.

Finally, 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.

Based on this desktop assessment 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

Operations and Hospitality suppliers

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 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 reporting period 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 (product, industry, jurisdiction, operations, workers and supplier specific) that would be applied to each.
- We commenced rating our existing Tier 1 suppliers for each of the criteria and highlighted those where we may consider conducting further due diligence, particularly as regards their supply chain (our Tier 2 and subsequent tier suppliers).

In FY21 we have built on these foundations:

- We have continued to develop our Modern Slavery Compliance Plan and supporting materials.
- We created our Human Rights Policy and Supplier Code of Conduct.
- We have introduced Modern Slavery training to the whole of our workforce. The training is included in our induction program for new starters. The training is mandatory and enrolment and completion records are tracked through our Learning Management system.
- We continued to assess our existing Tier 1 supplier list and to conduct more in depth research into risk factors generally, as well as on an individual supplier basis, across products and services, industries, jurisdictions, geographic operations, and workforce.
- We have engaged with a provider 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 are asking all of our suppliers to commit to active compliance with our Supplier Code of Conduct and recording their response.
- 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.

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.

Our modern slavery supplier risk assessment methodology follows the same review protocol as our enterprise risk management framework. For modern slavery risk assessments, this includes an evaluation of 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 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.

Forward commitments

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

During the next reporting period we plan to:

- develop and launch training based on our new Human Rights Policy and, where appropriate, consider making such training available to suppliers on request so that they can supplement their own human rights and modern slavery programs
- conduct analysis and derive insights from the results of our supplier questionnaires. The new software platform we are using will help us to gather information from our suppliers and look for trends and systemic issues allowing us to identify and implement controls to 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, to enhance data collection and analysis
- collate and assess feedback and reports that include information in relation to matters of concern regarding modern slavery, and disseminate these reports across our organisation to increase awareness of modern slavery and human rights matters
- continue to develop our Social Procurement Framework, and
- continue to 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



Greg Keith
Chief Executive Officer/Director
Grant Thornton Australia

10 December 2021

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 10 December 2021 and applies to Grant Thornton Australia Limited and its subsidiaries and related entities.

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