

MODERN SLAVERY ACT TRANSPARENCY STATEMENT

UK & IRELAND

January 2022

Version control

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1	August 2016		Legal HR Procurement	Compliance Committee UK CEO
2	December 2017	Updated Policy	Legal HR Procurement	Compliance Committee UK CEO
3	December 2018	Updated Statement	Legal HR Procurement	Compliance Committee UK CEO
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5	January 2021	Updated Statement	Legal HR Procurement Office of COO	Compliance Committee UK CEO
6	January 2022	Updated Statement	Legal HR Procurement	Compliance Committee UK Country Director

Modern Slavery Act Transparency Statement 2022

This statement is made in accordance with section 54 of the Modern Slavery Act 2015 on behalf of Arcadis UK (Holdings) Limited, its UK subsidiaries and Arcadis Ireland Ltd.

Our Structure

Arcadis is a global design, engineering, project, and cost management consultancy providing professional services in the construction, infrastructure, and environment sectors. We operate across 70 countries worldwide and have over 28,000 members of staff.

We are committed to improving quality of life through maximising our impact for our people, for clients and society. We put sustainable solutions and digital leadership at the heart of everything we do - through our projects, in our communities and in our work for clients, we enhance human experiences and foster personal, societal, and business growth.

For further information on the sectors in which we operate please click [here](#).

Our Policies and Standards on Modern Slavery

As a member of the Arcadis Group of companies trading in the UK and Ireland ("Arcadis UK&I") carry out their business activities in compliance with the Arcadis General Business Principles ("AGBP") which can be found [here](#). The AGBP are expressed as a set of commitments: commitments towards our clients, shareholders, business partners and employees, the public, and to governments and the laws and culture of the countries in which we operate.

Integrity is one of the core values under which Arcadis operates. The AGBP specifically provides that *"Arcadis values its employees as a key asset and respects their human and labour rights so that they may work in a safe, healthy, professional, and supportive environment."*

In addition, we have embedded this culture through the following policies:

- [Global Human and Labour Rights Policy](#)
- [Arcadis Global Supplier Code of Conduct](#)
- [Arcadis Global Sustainability Policy](#)

To help us further assess the risk of modern slavery, we have internal policies and guidance for working in sanctioned countries and risk based due diligence processes for engaging with third parties that should help flag any potential modern slavery issues at an early stage. In addition, we have Dignity at Work and Grievance policies which help provide a supportive and safe environment for our employees.

Risk Assessment

Due to the professional services nature of our work, we believe the risk associated with slavery and human trafficking within our business is relatively low.

However, we acknowledge that the key risk areas regarding slavery and human trafficking lie within:

1. Our supply chain; and
2. Our recruitment processes.

We manage these risk areas through the procedures referred to within this Statement.

As part of our roadmap, we will further develop screening processes and engagement with our business partners. We expect our business partners to provide clear information on how they prevent situations of modern slavery.

We will continue identifying actual and potential human rights risks with regular and continuous risk assessments, including identifying risks we are linked to via our business relationships.

Our Supply Chain

Our supply chain generally comprises the following:

- Professional services organisations such as sub-consultants, contingent workers, agencies, and suppliers; and
- Business operational support such as suppliers who provide goods and/or services to facilitate the running of the business.

However, regardless of business relationship, (1) our standard contractual terms with third parties contain appropriate clauses confirming that they carry out their business in accordance with principles consistent with the AGBP and in compliance with the Modern Slavery Act and (2) every supplier must acknowledge and sign up to Arcadis Global Supplier Code of Conduct.

Our Global Supplier Code of Conduct states:

“These commitments extend to our supply base. We expect you as a supplier to have the same commitment to respect human rights and to operate your business in keeping with international principles, including the UN Guiding Principles for Business and Human Rights and the Arcadis Human Rights and Labor Policy. This concerns your conduct towards all stakeholders, including but not limited to your own staff, temporary staff, suppliers, and customers.

We expect you as a supplier to respect the full scope of human rights, including:

- *Health, safety, wellbeing and security.*
- *Avoiding Modern slavery, including forced labor and human trafficking.*
- *Diversity, equity and inclusion and respectful treatment.*
- *Freedom of association and collective bargaining.*
- *Children’s rights.*
- *Wages, working hours and benefits.*
- *Privacy.*
- *Land and engagement.*
- *Environmental impact and engagement.”*

We are committed to maximizing positive impact, also through our supply chains, based on a collaborative approach with our suppliers. For that reason:

- We will evaluate and monitor the performance of suppliers to trace improvement opportunities and potential non-compliances to our business principles as set out in this Supplier Code of Conduct.
- We will seek a collaborative solution in case of non-compliances to our business principles as set out in this Supplier Code of Conduct.
- We expect our suppliers to prevent, address or remediate these non-compliances and Arcadis will terminate relationships with suppliers with whom we cannot agree on a solution.

Our Recruitment Processes

To manage the risks associated with our recruitment processes, our approach usually includes an interview process which is carried out in person. This process is designed to ensure that prospective employees share our values and behaviours, have the necessary competence but also that they have applied to work with us of their own free will.

In addition, right to work checks are carried out on all new Arcadis UK&I employees and an individual’s employment with us is conditional upon them having the legal right to work in the UK or Ireland as appropriate.

During the initial stages of the Covid-19 pandemic Arcadis put in place a temporary restriction on recruitment of non-critical roles including contingent workers. Once the recruitment restriction was lifted,

and in accordance with Home Office guidance, we adapted our Right to Work process to allow for virtual checks.

In 2021, we have reflected long and hard on our inclusion successes, challenges, and opportunities, and we are charting a path to a new inclusive culture; an era that is aligned with the new Global Diversity, Inclusion & Belonging framework. Informed by an independent inclusion audit, as well as the experiences of our people during COVID-19, and by continuous learning through our diversity networks, we are confident that our new Strategic Inclusion Framework will deliver the company's inclusion ambitions. This means that the company's leaders are inclusive and as a team we are all inclusive.

Arcadis UK&I's first Inclusion Report will soon be published in response to the transformational change that Arcadis UK and Ireland is experiencing. One of the drivers for the audit was the gender pay results from 2018 and 2019, which showed that we were some way off achieving our new global target of increasing the percentage of women in Arcadis from 37% to 40%. We support the principle of equity, and the UK Government's intention to request businesses to report on their ethnicity pay gap. Arcadis UK&I is therefore voluntarily sharing the company's ethnicity pay gap data for 2020/21.

This will be the first time Arcadis reports on pay gap using an ethnicity lens. As a transparent and accountable business, it is important to the company to share its ethnicity data.

Due Diligence

We undertake various steps to prevent modern slavery or human trafficking from occurring within our business and supply chain. For example, we undertake risk based due diligence on engagements with all third parties such as JVs, Agents etc. Part of that due diligence includes carrying out searches for reputational or integrity related issues.

If we identify any human rights infringements, we are linked to via the activities of our business partners, we will expect our business partner to address and remediate such infringements. We will set up systems of consequences when business partners do not meet these expectations. This can include using our leverage on our business partners to seek a collaborative approach. However, in cases where business partners are not willing to assume the responsibility to respect human rights and /or we do not have any leverage on the business partner, we will phase out those relationships.

All new sub-consultants, sub-contractors, agencies, and suppliers must be approved through our onboarding process to be added to our ERP system for the raising of purchases orders and remittance. The onboarding process is a risk-based approach with a question set that includes a mandatory section on Modern Slavery. Existing sub-consultants, sub-contractors and suppliers are required to periodically provide updated submissions or information to ensure that we have consistent and up to date assurances around compliance with modern slavery legislation.

In 2020, Morson International was appointed as Arcadis' partner for the procurement of Contingent Workers (CWKs). Morson's appointment as Arcadis dedicated contingent worker managed service provides consistency of experience for the Contingent Workforce as well as additional benefits to both parties. There can be no direct engagement of CWKs without Morson acting as our intermediary party.

Arcadis works with integrity and so we only work with CWKs who are also committed to the highest standards of ethical behaviour and integrity. Working with Integrity alongside Arcadis means that CWKs are required to comply with our Supplier Code of Conduct as well as other relevant policies. Before any worker is issued a contract, Morson require the worker to adhere to AGBP and Supplier Code of Conduct which includes a commitment to identify, mitigate and manage the risks associated with Modern Slavery.

Our CWKs are required to report and escalate issues of concern whether it is not right or does not feel right – it is unethical, illegal, unsafe, not secure – through various sources including via line management or supervisor. However, if they consider that their concern is not addressed then they can report to it us anonymously on Arcadis Integrity or via UK Compliance Office.

Reporting

We have a reporting procedure for our employees to report suspected misconduct or irregularities that relate to our core values, the Arcadis General Business Principles (AGBP), or other (including human rights-related) laws and regulations. This reporting procedure includes an anonymous and global Integrity Phone Line managed by a third party, in the event our people are uncomfortable reporting to their immediate supervisor or further in the line, or to their local Compliance Committee. The AGBP describes this procedure and refers to the quarterly Compliance Oversight meeting.

External stakeholders can raise a concern or report suspected misconduct or irregularities directly with their contact person in the business. Arcadis will investigate, address, and respond to the concerns of employees and external stakeholders and will take appropriate corrective action in response to any violation. We will monitor the effectiveness of our grievance mechanism, including for human rights-related topics and adapt, where appropriate. We expect our business partners to also have such grievance mechanisms in place for human rights, including processes to handle complaints from external stakeholders.

All issues reported through the Integrity Line are followed up by Arcadis UK&I Compliance Officer and/or Compliance Committee as appropriate.

Measuring Effectiveness

As the risk of slavery and trafficking occurring in our business is low, we normally monitor our suppliers through our robust onboarding procedures, project auditing, site walks and through supply chain feedback.

There have been no issues raised internally or externally relating to modern slavery.

However, as a result of the global Covid-19 pandemic, we have had to review and reprioritise some of our usual monitoring actions. We focused on ensuring that our supply chain remained robust through:

- project auditing.
- performance / observational feedback; and
- daily monitoring of credit & financial reporting

In normal circumstances, we would conduct on site audits of our suppliers, however, this has been placed on hold until it is safe to resume such activities.

Training for Staff

We train all our employees on ethics and integrity. Compliance with our core values and AGBP is a mandatory part of the induction process. A refresher of the AGBP is carried out by all employees every two years with the most recent training cycle undertaken in 2020.

We also communicate about our policy and the due diligence process within Arcadis via guidance materials and training, internally and externally with stakeholders via our website, other appropriate communication channels, and our Arcadis Group annual integrated report.

Targeted training on the Modern Slavery Act continues to be provided to those most relevant within the business, for example, our contingent workers team.

Covid-19

We do not believe that the pandemic has increased the overall risk of modern slavery or human trafficking occurring within our business and so our key risk areas have remained the same. Our priorities during this time have been employee health and safety, supply chain management and our recruitment process.

We continue to monitor the impacts of Covid-19 on our business and adapt processes accordingly.

Approved by: Simon Bimpson, UK&I Country Director, Arcadis UK & Ireland

Date: 07 January 2022

A handwritten signature in black ink, appearing to read 'S Bimpson', with a large, sweeping underline.