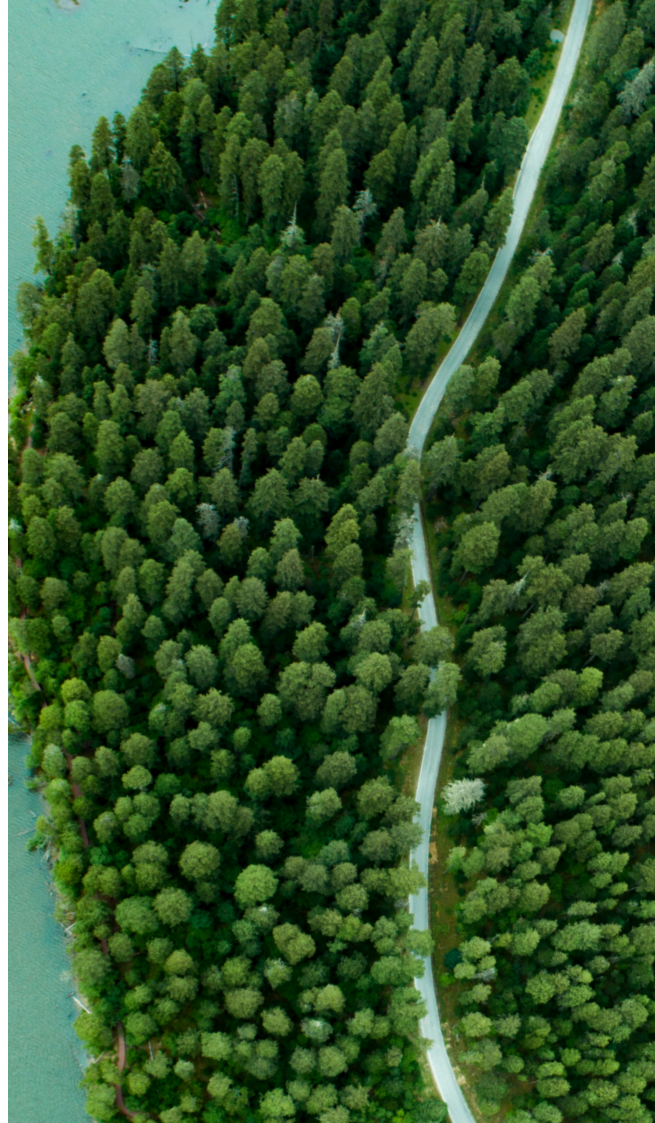




Committed to creating a more

***resilient
future**

→ The Power of Commitment



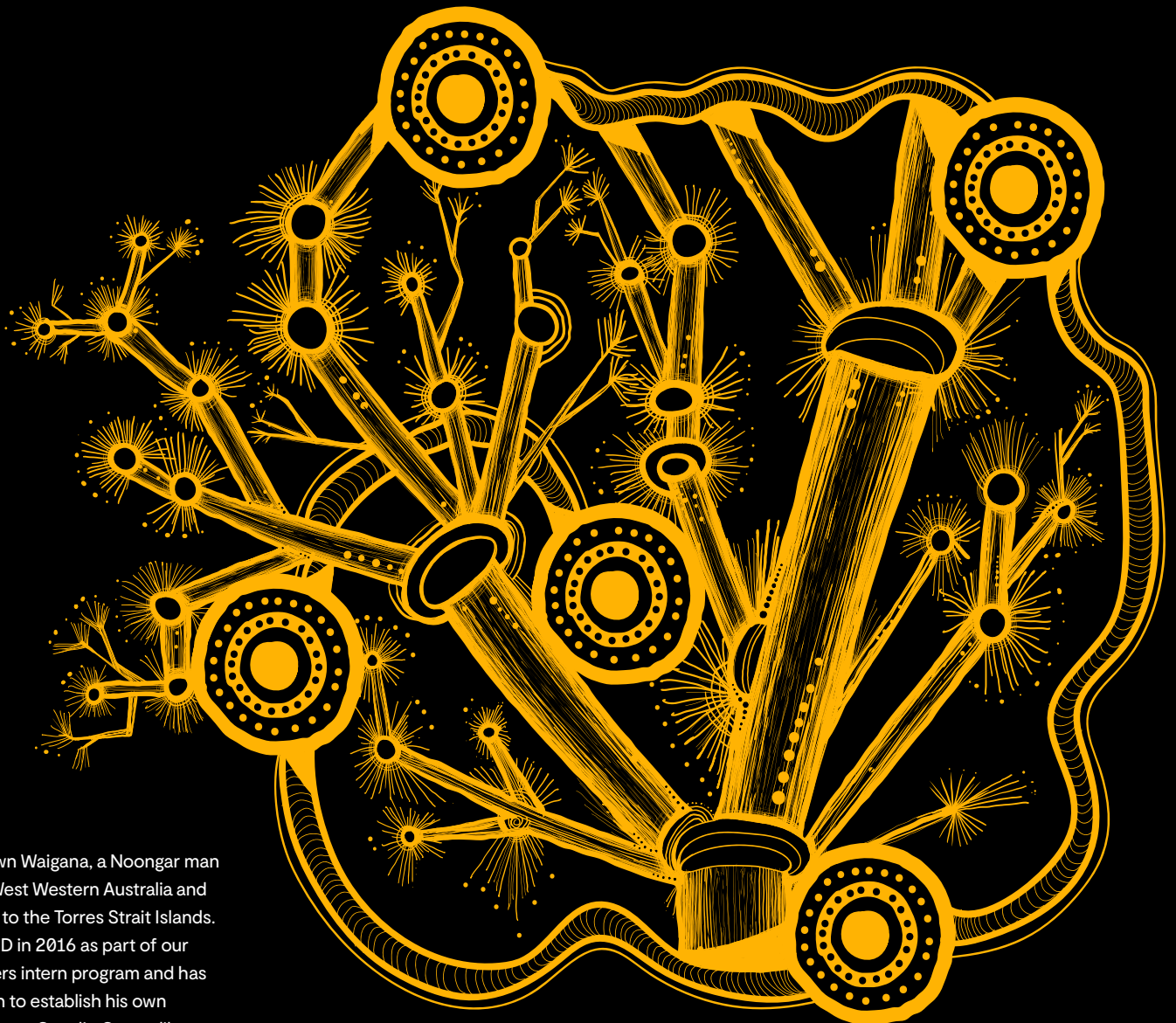
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ESG
Report

Acknowledgement to Indigenous Peoples

GHD acknowledges the Indigenous Peoples as Traditional Custodians of the land, water and sky on which we conduct business globally. We pay our respects to Elders of the past, present and future, as they hold the memories, knowledge, and spirit of the lands on which we live and work.

GHD recognises the history of accomplishments of Indigenous Peoples and we are deeply committed to learning from them in the work that we carry out across the world.

We respect and value the knowledge, abilities, and culture that Indigenous Peoples contribute to creating strong communities. We recognise their strength, diversity, resilience, and deep connections to the lands we live and work upon.



Artist is Tyrown Waigana, a Noongar man from South West Western Australia and is connected to the Torres Strait Islands. He joined GHD in 2016 as part of our CareerTrackers intern program and has since gone on to establish his own design business – Crawlins Crocodile.

Welcome



Ashley Wright
Enterprise Chief Executive Officer

GHD's commitment to sustainability is fundamentally aligned to our company's purpose: that together with our clients, we create lasting community benefit.

Today, the heightened global concern with Environment, Social and Governance (ESG) performance has lifted the scope of our longstanding purpose to a new dimension. Importantly, it affords us both a significant responsibility and an exciting opportunity.

Our vision of creating a more resilient future is set against a backdrop of dynamic, converging forces that are impacting our clients' organisations and our global business. These include: climate change, a rise in environmental and social consciousness, the need for greater inclusion, shifting industry dynamics which include decarbonisation, global energy transition, water scarcity and natural disasters, and the critical demand for new technical solutions.

Our ESG efforts are aligned with the United Nations Global Compact (UN Global Compact) and the United Nations Sustainable Development Goals (SDGs) for 2030. This ESG Report is our statement of intent and represents a formal reporting commitment that we will build upon annually.

Our strategy reaffirms our unrelenting desire to work with our clients to solve the world's most urgent challenges. Our strategic initiatives (Future Energy, Future Communities and Future of Water) form part of our commitment to help navigate an uncertain future, mitigate risk and unlock opportunity. Collectively, they are a mandate to look beyond the horizon to manage and mitigate the great waves of disruptive change being experienced globally.

We know that our greatest impact comes from integrating sustainability into our decision making and building it into our culture. Accordingly, we are striving to embed our Sustainability Way into everything we do, including strategic sourcing/sustainable procurement, and establishing Project Selection Guidelines. In addition to helping clients decarbonise their operations, we are committed to reducing our own environmental impact, including achieving carbon neutrality by 2025.

Our support for the social component of ESG is evident in the establishment of the GHD Foundation, which comprises separate charitable companies registered in Australia, Canada and the United States. The Foundation is committed to advancing equitable access to Science, Technology, Engineering, Arts and Mathematics (STEAM) education and careers for underrepresented communities around the world.

At GHD, we strive to be an inclusive community, where everyone feels they belong. Since 2014, we have built a foundation for Inclusion & Diversity (I&D) as we continue to evolve a workplace culture that values belonging. In June 2022 we launched an updated three-year I&D strategy built around a focus on our "ABC" pillars to Attract, Build and Commit. We recognise that this is a continuous process that will take time, commitment, consistency, flexibility and engagement from everyone, but we know that the benefits of creating a more diverse, inclusive and equitable workplace have broader benefits for us all.

As we reflect on our achievements in 2022 and consider the ESG challenges facing us and our clients, our driving force remains our vision: to make water, energy and communities sustainable for generations to come. In this, our inaugural ESG statement, we present an overview of recent efforts across our business to deliver on this vision, along with enterprise-wide focus areas for the future. We look forward to keeping our clients, partners and stakeholders updated on our progress across key ESG and sustainability measures, in the years to come.

Executive Summary

Sustainability is enshrined in our purpose and vision and operationalised through our enterprise ESG strategy. At GHD, we are committed to creating a more resilient future through the solutions we bring to our clients and in the way that we run our organisation.

Every day we strive to bring to life our purpose to create lasting community benefit and our vision to make water, energy and communities sustainable for generations to come. Our 2022 ESG report outlines our progress and ESG strategy to date and it articulates our commitment to continuous improvement.

Creating a brighter, more sustainable future against a backdrop of volatility and uncertainty requires wide-ranging collaboration, constant innovation and unwavering commitment. These are fundamental aspects of how we operate at GHD, and how we partner with our clients.

> Our strategy

Committed to embedding sustainability

Through our purpose and vision, we are committed to building a more sustainable world. It is our enterprise ESG strategy – including the guiding principles of our Sustainability Way – that underpins our commitment in everything we do. Through our strategy, our objectives are to ensure environmental and social performance is integrated into decision-making, understood and actioned by our people, and embedded in how we understand and measure our performance.

[**\[Find out more about our strategy\]**](#)

> Our work

Committed to sustainable development

Future Energy, Future Communities and Future of Water are our collective commitment to building a future that we can all be proud of. Our Future Energy work is helping to accelerate the shift towards low-carbon energy, our Future Communities programs are creating sustainable, human-centered places and spaces, and our Future of Water projects are delivering positive water outcomes, respectful of both nature and communities. Through our work, we strive to support our clients to advance their ESG strategies and improve their sustainability performance.

[**\[Find out more about our work\]**](#)

> Our people

Committed to our people and culture

Our employee-owned structure and our rich, diverse culture define our organisation. Our structure empowers us to make decisions that prioritise long-term value over short-term returns. We are a global network of more than 10,000 technical professionals, united by our core values of Safety, Teamwork, Respect and Integrity. We embrace diversity of thought, background and experience, which helps us create imaginative and responsive solutions for our clients and the community. Our community impact program, GHD in the Community, involves volunteering, provision of pro-bono services and partnerships with not-for-profit organisations. The GHD Foundation focuses on equitable access to Science, Technology, Engineering, Arts and Mathematics education (STEAM), and receives annual financial support from GHD.

[**\[Find out more about our people\]**](#)

> Our operations

Committed to our values and policies

Our Sustainability Way and Project Selection Guidelines guide us as we strive for sustainability best practice in GHD's operations, supply chain and projects. In our monthly Risk Report, we consider the business risks and opportunities including health and safety, business practices and integrity. Our Environmental Stewardship Program focuses closer to home, aiming to address issues around commuting, energy consumption, office accommodations and activities, water and waste. Through our efforts in procurement, we are working toward a sustainable, ethical supply chain. The intent is for our vendors to share our values and ambitions, helping us to achieve our sustainability goals.

[**\[Find out more about our operations\]**](#)

Through these aspects of our organisation – our purpose and vision, our strategy, our work, our people and our operations – we are committed to sustainability.

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About us

GHD is an employee-owned company with a vision to make water, energy and communities sustainable for generations to come.

We are a global professional services company that leads through engineering and architectural skills and experience. Looking at our clients' challenges through a holistic, human-centered lens, we offer sophisticated, fully integrated solutions, leveraging the diverse skills and capabilities of our globally connected network of engineers, architects, advisors, designers and scientists. We bring together our strategic management consulting capability and deep technical skills developed over almost 100 years of engineering service, and digital innovation solutions.

We can help clients to establish and work toward delivering ESG goals; build organisational and operational resiliency to shocks and threats; and with their desire to deliver on their decarbonisation ambitions. Our forward-looking, innovative approaches connect and sustain communities around the world.

» Our purpose:

Together with our clients, we create lasting community benefit.

We are proudly 100 percent owned by our employees, giving them the opportunity to build their stake in the company and pass it on to the next generation. Our employee-owned status is a powerful point of differentiation and helps drive our passion and accountability in how we serve our clients, deliver projects, and pursue new opportunities.

With one in every four of our people being a shareholder, the sustained growth, direction, and success of GHD is determined by the people who work here. We believe that this positively impacts the way we operate and how we pursue growth and new opportunities. It empowers us to make decisions that provide long-term value for our stakeholders, rather than only focusing on short-term returns. Our ongoing focus is to plan for the future by setting strategies that enable growth and develop some of the best technical capabilities in the world.

Our people are united by the core values of Safety, Teamwork, Respect and Integrity. We live these values to strengthen our relationships with our clients, our people and within the communities in which we operate. They define who we are. Our model of employee ownership encourages a commitment to client service excellence and collaboration driven by a shared bond of proprietorship.

» Our vision:

Water, energy and communities made sustainable for generations to come.

The disruption that the world is currently facing presents huge risk, but also great opportunity.

As we work on solving some of the world's biggest challenges in water, energy and communities, we are committed to creating a more resilient future for us all.

Our Future Energy, Future Communities and Future of Water strategic initiatives are our collective commitment to helping clients pre-empt and prepare for what's next, to mitigate risk and unlock opportunity. With them, we are building a future that we can all participate in, contribute to and be proud of.

→ The Power of Commitment

Our strategy

Integrating sustainability across GHD is key to us achieving our purpose to create lasting community benefit, and our vision to make water, energy and communities sustainable for generations to come.

Global forces – including climate change and the exponential rise of technology – are changing the face of our industry faster than in any other time in history. These powerful influences, together with shifting industry dynamics and social disruption, are shaping the way we organise our business and deliver services to our clients.

Climate change is creating massive disruption across all aspects of our industry sectors and will continue to impact the world's natural, rural and urban systems. Technological change is happening at breakneck speed, and its advance is complex and multi-dimensional. Collective consciousness has become the source of increasingly sophisticated social movements and associated activism. Prioritisation of human health and increased awareness of biosecurity and general safety is giving rise to new social system dynamics that interplay in new ways with economic systems.

As businesses and communities face increasingly complex social, cultural, environmental and economic challenges, the need for sustainable solutions has become more urgent. At GHD, we believe that this challenge is also bringing great opportunity: it is an opportunity to bring together our innovation, expertise, global perspectives and diverse experience to partner with our clients to create a more resilient future.



Sustainability at GHD

GHD's focus on sustainability is not new. In fact, it is central to our purpose and vision. Our commitment to bring lasting benefit to communities can be traced back to when we were established in 1928; it has driven our work and united our people for over 90 years.

To ensure sustainability is at the heart of everything we do, we strive to integrate sustainability into decision-making and business relationships, generate ownership of sustainability performance among all our employees and business partners, and drive continuous improvement through collaboration in the enterprise's environmental and social performance. We aim to actively partner with clients and our wider value chain on sustainability initiatives to help broaden our impact.

As outlined in our **Sustainability Policy**, we are committed to developing our people, contributing to our world positively, demonstrating good governance, managing our risk profile, and assisting clients in being more sustainable.



Sustainable Development Goals

Our strategy is directly aligned to the United Nations Sustainable Development Goals (SDGs), the ambitious goals that aim to tackle the world's most urgent challenges and improve the wellbeing of present and future generations by 2030.

The SDGs inform the continuous improvement of our sustainability approach and help us to identify opportunities to further lift our contribution in partnership with other organisations. Our work touches on many of the SDGs, but our focus on Future Energy, Future Communities and Future of Water is aligned with the goals where we believe we can have the greatest impact: SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation and Infrastructure) and SDG 11 (Sustainable Cities and Communities).

We have been a signatory to the UN Global Compact (UNGC) since 2010 and are committed to making its principles for responsible and sustainable business part of our strategy, culture and day-to-day operations.

In line with the SDGs, the UNGC and with the support of our environment, water, energy, transportation and urban planning experts, we strive to make cities inclusive, safe and resilient, play a leading role in guiding clients and their communities through the energy transition, and help public and private sector clients manage their environmental footprint.



Materiality assessment

We have conducted materiality assessments to assist us to understand the current ESG issues affecting our business, our clients and our people to ensure the work we do – and the way we do it – aligns with our sustainability priorities and focuses on the areas that are most important to our stakeholders.

This analysis helps us determine the environmental, social and governance issues that are most important and enables us to identify sustainability trends and priorities, respond to internal and external expectations and shape our strategy and operational programs in a focused way, informed by holistic insights and data.

Our latest materiality assessment was conducted between February and May 2022 and included GHD stakeholder workshops, client interviews, interviews with GHD's financial services partners and employee surveys. The data from this research was used to create a materiality matrix; a visual representation of the environmental, social and governance factors that are most important to our internal and external stakeholders as well as Indigenous rights holders.

The assessment shows that the top three priorities for both external and internal stakeholders – health and safety, carbon emissions, and business ethics and integrity – span across each of the categories of environmental, social and governance. The results validate the focus of our current ESG strategy, policies and practices.

We are committed to updating our materiality assessment every two to three years.

Please see **A-1 Materiality matrix**.



Sustainability reporting

At GHD, we believe transparent sustainability reporting as contained in this ESG Report, is central to protecting the long-term value of our business.

We reference our industry specific reporting framework from the Sustainability Accounting Standards Board (SASB) to continuously improve our non-financial reporting to our shareholders each November.

By aligning our sustainability reporting with the SASB standards, we can better understand the material factors that are most relevant to our business, identify risks and opportunities, continue to refine our approach, and share meaningful and comparable information in a manner that best showcases our efforts.

We also address the various components of the Task Force on Climate-Related Financial Disclosures (TCFD) reporting framework as part of our sustainability reporting. This critical information explains how we are managing climate-related risks and opportunities.

Please see **A-2 TCFD table**.





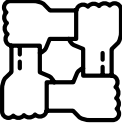
Sustainability Way

Our Sustainability Way has been developed to support the operationalisation of our sustainability commitments and work alongside the building blocks of our strategy – our values, our Sustainability Policy, the UN SDGs and UNGC, and the output of our materiality matrix – to realise our purpose and vision.

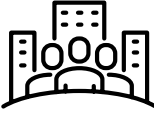
The guiding principles of our Sustainability Way articulate the specific environmental and social themes we will focus on and represent the ESG issues that arrive at the intersection of our organisation's values and culture; the priorities of our people, local communities and global stakeholders; our technical expertise; and our enterprise business strategy.

We have committed to embedding the seven principles in our operations, supply chain and philanthropic efforts as part of a sustainable business that respects human rights and encourage our clients to support these through our project work:


- 01




Social inclusion
Empower diverse and underrepresented voices and enable equitable access and opportunity for all.
- 02




Community vitality
Create thriving places, vibrant spaces and resilient structures that balance wellbeing, connectivity and productivity.
- 03




Generational value creation
Prioritise long-term social, economic and environmental value over short-term gains, for lasting community benefit.
- 04




Indigenous Peoples
Respect, promote and honour Indigenous Peoples and their rights, cultural heritage and knowledge.
- 05



Decarbonisation
Accelerate the transition to a low-carbon future, including a reduced reliance on fossil fuels, in line with pathways to a 1.5° C climate.
- 06



Environmental stewardship
Protect and enhance natural values in line with planetary boundaries and the ability of future generations to meet their needs.
- 07



Technical and scientific integrity
Apply and promote technical endeavour supported by continuous learning in understanding, managing and mitigating our impacts on people and planet.

Project Selection Guidelines

We have developed Project Selection Guidelines to guide what projects we will work on. The guidelines are based on the Sustainability Way, developed by our ESG Working Group and further refined and endorsed by senior leadership teams from across our global business.

General guidelines

When we select projects in the future, we will consider factors including cultural heritage, ecosystem values, human rights, ethics and suppliers. Specifically, we will strive to:

- Promote and support engagement with traditional custodians where projects interact with cultural heritage.
- Promote and support work to preserve ecosystem values where projects interact with sites recognised by Ramsar, World Heritage or International Union for Conservation of Nature (IUCN) biodiversity designations.
- Implement the necessary measures to ensure respect for human rights* in our project work and will not knowingly participate in projects that violate human rights of impacted stakeholders.
- Seek work and participate in projects that we believe have high standards of corporate ethics, with complete integrity and “zero tolerance” towards unethical business practices.
- Require that suppliers act in a similar manner in accordance with GHD's Vendor Code of Conduct.

* as outlined in the United Nations Universal Declaration of Human Rights.

Fossil fuel project selection guidelines

Our vision to make energy sustainable for generations to come and our commitment to decarbonisation includes a responsibility to reduce the world's reliance on fossil fuels. In addition to our Future Energy work to accelerate the shift towards low-carbon energy, we have revised our pursuit of fossil fuel-related projects to align with our sustainability commitments. We have developed a set of fossil fuel project selection guidelines that complement the Project Selection Guidelines and that provide direction on the types of projects we will continue to consider and those we will seek to avoid.

Projects we will seek to avoid include those related to greenfield thermal coal mines, brownfield thermal coal mine expansions (except in support of low-carbon energy solutions), new coal-fired or oil-fired power stations, expansion of existing coal-fired or oil-fired power stations, greenfield oil exploration or production, and expansion of oil production facilities.

We will continue to work on natural gas projects as an essential component of the global energy mix in the short to medium term, as we transition to renewable sources. We will support our clients to progress the development and adoption of carbon capture and storage solutions as a lever to rapidly decarbonise existing energy systems. Our aspiration is to balance access to secure, reliable and affordable energy with low-carbon alternatives, to ensure no one is left behind in the energy transition.



Our work

Our projects have sustainability at their core, driven by our commitment to make water, energy and communities sustainable for generations to come and to create lasting community benefit in partnership with our clients.

Delivering for our clients is where we can make the biggest impact. We design urban spaces that are socially sustainable and foster community connections; we work on renewable energy projects at the forefront of the transition; we help our clients manage their environmental and social impacts; and we develop and manage water and sanitation programs that bring clean water to some of the most remote parts of the world. This powerful, human-centered work is guided by our Sustainability Way, contributes to the UN SDGs and relates to the material factors that are most important to both our internal and external stakeholders, including carbon emissions and climate resilience and adaptation. Please see A-1 Materiality matrix.

Our sustainability consulting services provide a blend of technical, digital and management consulting to help clients achieve ESG-driven performance improvements and sustainable outcomes.



Our collective commitment

Amid unprecedented change and complexity, our Strategic Growth Initiatives – Future Energy, Future Communities and Future of Water – represent GHD's response to the dynamic, converging global forces and industry shifts impacting our clients and communities. Together, these 'Futures' are our collective commitment to solving increasingly complex social, cultural, environmental and economic challenges.

Through a Futures lens, we are looking beyond the horizon to help clients pre-empt and prepare for what's next, reflecting our business-wide belief that with great change comes great opportunity. Our Futures commitments are complementary; they share consistent goals and work in harmony to integrate and elevate our core capabilities and market expertise to provide clients with leading-edge, future-focused services and solutions. With a focus on the 'new', our Futures leverage our enterprise-wide ecosystem and seek to partner and collaborate with our clients to co-create best possible outcomes.

Through our Futures, we have a unique opportunity to drive continuous innovation as agents of change – to help clients navigate an uncertain future, mitigate risk and unlock opportunity.

Future Energy

Our commitment to lead and accelerate the shift towards a future of affordable, reliable, secure and low-carbon energy.

Decarbonisation is an urgent global challenge that requires us to work together to achieve a net zero future. We believe that we have reached an important tipping point, with many industries taking action to enable swift changes. The stage is set for a truly global transformation.

At the heart of this transformation is the energy transition. More than a transition of energy systems, it is a transformation of communities and economies. Sustainability, affordability, and accessibility are vital elements of any energy system design – whether it is a high-density urban community, an island nation seeking improved energy security and reliability, a remote off-grid mine site wanting to decarbonise operations, or an industrial or water asset owner – the ingredients are similar.

Thanks to unprecedented growth in low-emissions electricity generation, renewable power has the potential to significantly reduce global CO2 emissions and underpin our future energy systems. Advancements in green and sustainable fuels like hydrogen show promise to decarbonise high energy-consuming sectors such as transportation, heavy industry and heating. Meanwhile, forward-thinking oil and gas companies are also making bold commitments to achieve net zero carbon emissions.

The old energy order is rapidly changing, for the better; through our Future Energy commitment, we are helping our clients and communities navigate the energy transition, wherever they are in their decarbonisation journey.



Future Communities

Our commitment to deliver thriving places and spaces that put people first.

While the concept of “community” is simple and universally understood, communities are inherently complicated organisms, with multiple, dynamic global forces and local challenges impacting the physical and virtual realms they occupy. No two communities are the same.

Increasingly complex challenges require sophisticated, integrated solutions; we believe communities are at their best when they are connected, resilient, inspired and productive. Future Communities is our commitment to helping clients achieve the right balance of these four key enablers:

- Connected: seamlessly connecting people, goods and services via virtual and physical networks.
- Resilient: protecting the assets and systems we rely upon to be resilient to threats and change.
- Productive: improving workforce and asset performance to underpin community-wide productivity.
- Inspired: creating investable, inspiring and loveable places that foster belonging and a sense of identity.

Infrastructure in all its forms exists to serve the communities for which it is created. By prioritising the end user, we're helping clients unlock long-lasting, shared value that supports social, cultural, economic and environmental objectives. This human-centered approach enables positive, elevated outcomes, while laying the foundation for future success and sustainability.

Future of Water

Our commitment to deliver positive water outcomes that respect nature, nurture communities and enable transformation.

In the same way that our collective history has always been tied to the history of water – our future will forever be tied to the future of water. The health of our planet – indeed, of all humankind – is inextricably linked to how well (or otherwise) we manage our water resources.

From extreme water scarcity to rising sea levels, from crippling drought to flooding rains, all have an increasing impact on people and places in every corner of the globe. With climate change upon us, this vital and all-too-often devastating interplay calls for a major rethink of our traditional relationship with water – accepting that its power can no longer be tamed nor fully unleashed for good through conventional methods alone.

Our Future of Water commitment recognises that it's time for change; time to move away from seeing water as a commodity to be controlled, to instead, recognising its intrinsic value as a natural, balanced cycle. Time to shift to integrated, system-wide solutions and embrace circular thinking; time to combine engineering and artistry to deliver long-term, sustainable outcomes.

Through Future of Water, we are exploring new, creative approaches and partnerships that are needed to drive positive change. We're helping our clients and communities adapt, respond, regenerate and build resilience, leveraging strategic thinking, dynamic planning, digital tools and innovative solutions.



Picture courtesy of Trevor Mein



Sustainability services

GHD leverages the combination of expertise that organisations need now more than ever. We bring together strategic management consulting capability, deep technical skillsets built through nearly 100 years of engineering service, and digital innovation solutions.

Our advisory services help create sustainable commercial outcomes for those who design and operate infrastructure and manage the world's resources. We support clients across the business value chain from capital deployment and investment optimisation to value preservation, sustainability and resilience. We offer a range of ESG and climate related services, including ESG strategy development, decarbonisation and climate change mitigation strategies, and sustainability reporting and climate disclosure.

Our engineers, scientists, planners and social research specialists can help clients to maximise the environmental, economic and social benefits of their projects and organisations. We offer a range of services, including infrastructure sustainability, green building strategies, planning and design, social impact assessments and community engagement, and human rights due diligence, risk and impact assessments.

With the use of advanced technology, we can help our clients to transform their businesses and unlock innovation to solve complex challenges and create positive change for generations to come. We provide ESG data solutions and work with clients on data collection, management, verification, tracking, reporting, visualisation, automation and ESG risk management. We transform the value of ESG data through software platforms, Artificial Intelligence- and Machine Learning-based Data Analytics, interactive dashboards, local intelligence and advanced visualizations like Virtual Reality.

Innovation

What innovation means to us

We believe that innovation is a key catalyst for positively and continuously transforming both our organisation and the communities that we serve.

Innovation supports strategic growth and unlocks new value. It is by finding new ways to serve our clients and better understanding their needs that we can truly add value to their business. Innovation allows us to create value for and with our clients while protecting the natural environment and strengthening communities. This means business models and a culture that follow principles aligned with our values, Sustainability Way and SDG goals.

Our approach to innovation

Technology is an important tool that will help enable our work, but we believe that the success of innovation sits with our people.

Innovation starts with a mindset. Our commitment to building an innovation culture rests on our capacity to learn and improve. In relation to sustainability, we want to unlock the ideas of GHD people around the world and enable them to instinctively lead change both within our enterprise and with our clients. Our intent is to develop ways to make innovation happen; in order to deliver ongoing value for our clients. This culture enables us to strive for client experiences that are innovative, entrepreneurial and sustainable.



Our people

The success of our business is built by our people, for our people, to bring lasting benefit to our clients and the wider community. GHD is entirely employee-owned, which means that the sustained growth, direction and success of our company is determined by our people.

Our employee-owned business model is considered a demonstrably sustainable one, based on shared responsibility and a long-term view of value rather than focused on short-term returns. Shareholders feel that they are custodians of the company, responsible for leaving a positive legacy for the next generation.

We are incredibly proud of our rich, diverse culture. Our global, connected network of more than 10,000 professionals spans Asia Pacific, the Americas, Europe and the Middle East. We believe it is our diversity that contributes to our work being authentic, innovative and impactful.



Inclusion and diversity

Our people are as unique as the communities we serve across five continents from over 200 offices. Embracing diversity of identity, thought, background and experience helps us develop imaginative and responsive solutions for our clients. While representation is critical and we are working harder to create a more diverse workforce we also work to create an environment of belonging and trust where everyone can be their authentic self and feel safe, valued and heard.

Today GHD people can contribute to more than nine employee groups that deliver programs that foster greater inclusion in the workplace. Our employee communities include, but are not limited to, focus areas such as diverse abilities/disabilities, neurodiversity, ethnic/cultural identities, gender, education/work experience, sexual orientation and technical excellence.

In 2021 we appointed our first Global Inclusion & Diversity (I&D) Leader and built a global I&D team. In 2022 we launched our three year I&D strategy focussed on our activities on our “ABC” pillars to Attract, Build and Commit. In this strategy we focus on both the systems/processes and the culture at GHD. At the systems level, we have set a goal to attain a level 4 or higher on the Global DEI Benchmarking Tool by 2025. In order to build a culture of trust and belonging where all our people can thrive, we will:

- **Be open:** continue to build a workplace where our people can thrive.
- **Be informed:** use data and analytics to make more informed decisions.
- **Be accountable:** refine how we measure and drive accountability for inclusion and belonging.
- **Be empathetic:** enhance the inclusive leadership capabilities of our people.
- **Be bold:** raise the level of conversation as a leading voice and strong supporter of I&D in our industry and implement leading practices of I&D.

We recognise that this is a continuous process that will take time, commitment, consistency, flexibility and engagement from everyone, but we know that creating a more diverse, inclusive and equitable GHD benefits us all.

We aim to strengthen and embed I&D considerations across our talent management, performance management and career planning practices and structures. We respect individual needs and situations and offer adaptable and flexible working arrangements to support family and caring responsibilities, and to enable people to pursue personal interests.

GHD is deeply committed to reconciliation with the Indigenous communities where we live and work. In Australia, our Reconciliation Action Plan reflects our commitment to ‘closing the gap’ between Indigenous and non-Indigenous people through economic development and participation. By promoting respect and awareness of Indigenous and other cultures, we continue to build positive relationships with people as friends, clients, stakeholders and colleagues.



Health and safety

To be sustainable and successful, an organisation needs to prioritise health and safety, both of its employees and of the wider community and stakeholders. Our culture of safety is very important to us, and our latest materiality assessment shows that health and safety is a key priority for our internal and external stakeholders, rated “extremely important” by both groups. Please see A-1 Materiality matrix.

We have a five-year strategic health and safety plan, and we regularly review our achievements against this, working collaboratively across the organisation on the priorities and actions that it identifies. We have an internationally certified HSE Management System (ISO 45001, AS 4801 and ISO 14001) that together with our behaviour-based safety model – SMART Behaviours – establish clear and concise expectations for all GHD people, including compliance with safeguards and initiatives, dealing with unsafe behaviours, and accepting clients’ measures to reduce risk and comply with HSE rules.

We also understand that improving our safety culture is not just about our people, but is also about a commitment from our leaders to act as safety stewards. Our Executive Leadership Team sets the tone and direction of what is important through visible leadership.

Wellbeing

We are creating a culture where our approach to wellbeing empowers the personal and professional growth of our employees. We believe that what is good for our people is good for business, and good for the wider environment in which we operate. We believe that prioritising wellbeing is not only critical to our people but will also have a positive impact on the company’s performance, enhancing our innovation, client experience, and the quality of our products and services.

Our company-wide wellbeing program was first launched in 2020, in response to the physical and mental challenges employees were facing due to the COVID-19 pandemic. In 2022, we appointed our first Global Wellbeing Leader – a new senior role that has been created to reflect the importance of wellbeing at our organisation – who is responsible for developing, promoting and embedding a company culture that is supportive of employee wellbeing. To support this appointment, we have developed a new, holistic wellbeing strategy, which will establish a program that improves individual wellbeing and prioritises the long-term health and productivity of our people. This program aims to improve individual wellbeing as well as driving changes in the workplace environment and a culture that supports the wellbeing of all employees.

In our latest materiality assessment, wellbeing was rated “extremely important” by both internal and external stakeholders (see A-1 Materiality matrix), and the physical, emotional and occupational wellbeing of our employees continues to be a strong focus for GHD.

In our latest employee survey, our people recognise our commitment to safety, with

↑ 99%
agreeing with the statement,

“GHD is committed to the safety of our people”. Inspiring our people to become more committed and proactive in relation to HSE continues to be a major focus for GHD.



Community impact

We believe in having a positive social and environmental impact on the communities in which we operate. Our community impact program includes GHD in the Community and GHD Foundation.

GHD in the Community

GHD in the Community (GITC) enables our people to give back to their communities, by supporting them to undertake fundraising, volunteering and pro-bono services. In 2022 GHD undertook an enterprise-wide review of our community contributions, with a view to informing an update of the program.

The outcome of the GITC review project is a proposal including structure, guidance, internal communications and resourcing to support implementation of an updated GITC program. This will aim to better support local contributions, allow for larger partnerships with strategic links, and will include methods to track and report our contributions.

See some examples of our GITC work.



GHD Foundation

The GHD Foundation – established in October 2020 – is an independent not-for-profit that enables GHD's people, clients and partners to support charitable enterprises that provides equitable access to Science, Technology, Engineering, Arts and Mathematics (STEAM).

The Foundation seeks to multiply the impact of every dollar, establish multi-year partnerships with like-minded organisations, and enable tax-effective giving for GHD people and the wider public. GHD also provides financial support and is committed to give at least 1% of profits to Foundation programs for the next three years.

The Foundation amplifies the impact of GHD's fundraising and volunteering efforts by focusing on the engine room of GHD's expertise – STEAM. The Foundation funds a range of STEAM initiatives, including building partnerships that promote accessibility and affordability through grants, scholarships and research.

Find out more about the GHD Foundation.



Our operations

We are committed to our values and policies. This is reflected in the way we operate our business and interact with our clients and our people.

Governance

The GHD Board focuses on strategic issues, governance and policy development and is comprised of people from within GHD plus independent non-executive directors from outside the enterprise. Four of our current nine Board members are women.

The GHD Board has ultimate authority over the company and regards corporate governance as a critical element in achieving our objectives. Accordingly, the Board has adopted appropriate standards and policies and established a number of committees to discharge its duties. Board committees include the Audit Committee, ESG Committee, Finance Committee, Nominations Committee and Risk Committee.

The Chief Executive Officer (CEO) reports directly to the Board and is separate from the Board Chair role. The CEO is supported by the Enterprise Leadership Team (ELT) which is the senior leadership team responsible for managing the company's operations.

The ELT advises our CEO with regard to planning, managing and leading our business and is tasked with developing and implementing our business strategy. The ELT includes the Chief Risk Officer, who has accountability for our enterprise ESG strategy and our HSE strategy, and the Chief People Officer, who has accountability for inclusion and diversity and employee wellbeing performance.

Enterprise ESG

The ESG Committee of the Board has oversight of our environmental and social performance, including how we are managing our carbon footprint, fostering a culture of ESG where ESG principles will be embedded in strategic and everyday business decision-making processes and activities/operations, reviewing GHD's strategic ESG goals and milestones, and referring identified ESG risks and opportunities to the Risk Committee. ESG risks and opportunities include climate-related risks.

Our ESG working group – a standing working group with a staggered rotation of membership to ensure diverse perspectives – works with our Chief Risk Officer, our Head of Enterprise Sustainability and their teams to develop and operationalise our approach to sustainability. This group has developed our Sustainability Way and Project Selection Guidelines and is working to ensure that best practice sustainability principles are applied to GHD's operations, supply chain and projects. This working group is currently in the process of developing enterprise-wide ESG key performance indicators and sustainable procurement guidelines.

Integrity management

Integrity is a key GHD value that affects everything we do, every day. We embrace honesty and trustworthiness through professional and ethical behaviour with our clients, communities and ourselves.

Protecting the integrity of how we do business is an ongoing responsibility for all our stakeholders and the pivotal element of our approach is a zero tolerance for unethical or unacceptable business conduct.

In 2021, we appointed our first full-time Integrity Compliance Officer who is responsible for further embedding our approach to integrity across the enterprise. This includes upholding our strong Integrity Management System and continuing to improve our systems and policies for the complex and rapidly changing global environment in which GHD operates.

When it comes to matters of integrity, everyone at GHD has a voice. Often it is our people who are best placed to identify behaviours or actions that could be inconsistent with our commitment to ethical business practices. We are working to ensure our people have the knowledge and skill to deal with situations they may encounter and require our employees to participate in an annual training as well as observing an Annual Integrity Day.

View our [Integrity Management Policy](#) and [Integrity Management Guidelines](#).

Risk management

GHD has processes to systematically identify, assess and report on both financial and non-financial business risks. A strategic and operational Risk Report is prepared monthly and considered by both executive management and the Audit and Risk Committee of the Board four times a year. The report addresses impacts, risks and opportunities with respect to health and safety, reputation, business practices and integrity.

Respective corporate teams – such as Business Services Finance, HSE, Quality – provide objective assurance and advisory functions for GHD systems of risk management, internal compliance and control.

The commercial risks and opportunities of decarbonisation

Decarbonisation and the rapid shift away from fossil fuels is changing our energy systems beyond recognition. To address this, we are shifting our energy-related service offerings towards services related to emerging, low-carbon energy technologies and other energy transition projects. We are doing this by supporting our clients through the complexities of the energy transition, while continuing to provide support to improve the sustainability and reduce the environmental impact of clients' existing fossil fuel assets, in line with our Project Selection Guidelines.

The financial sector is increasingly focusing on their clients' transition preparedness, which can impact access to capital and other financial services. Increasing expectations and scrutiny of companies' climate-related commitments and performance from broader stakeholders can affect company reputation. GHD is responding to increasing stakeholder expectations and scrutiny of our own climate-related commitments and performance through our carbon neutral efforts and fossil fuel Project Selection Guidelines, among other actions.

The physical risks of climate change could impact our offices and could interrupt our clients' operations which may affect our ability to offer them services. Our enterprise Business Continuity Plan outlines strategies we can implement to maintain our operations during disruptive events. Where climate resilience has been integrated into our services this supports our clients in preparing for physical climate risks to their assets, including those that we design and deliver for them.

Planning for multiple scenarios gives us options, which help us to make choices and prepare for the events that we believe are most likely to happen. We currently have a 'watching brief' on nine potential scenarios. For those that are live, we have already made and continue to make choices that are in line with our purpose and values – so that we are able to continue delivering transformative, sustainable solutions when the time comes.

Carbon neutrality

GHD has both opportunities and challenges in the face of the urgent global challenge of climate change. We are in a position to influence global carbon reductions through our projects and client work, with carbon emissions being an extremely important issue for many of our stakeholders. Projects present an opportunity to make a difference, with our collective commitment – Future Energy, Future Communities and Future of Water – contributing to carbon reductions and resiliency. While the biggest opportunity for impact is the influence we have on our clients' carbon footprint through projects, our actions in our own operations need to reflect our commitments and capabilities. We are doing this through reducing GHD's greenhouse gas emissions globally. GHD is on target to achieve carbon neutrality in our Scope 1 and 2 emissions by the end of 2023 and Scope 3 by the end of 2025. Our commitment to achieving carbon neutrality is a step forward on GHD's climate action journey. We are committed to making this happen by placing resources and effort in the right places for this to become a reality.

We will do this by:

- Establishing a robust verifiable carbon baseline, including gathering reliable energy consumption data for all our offices.
- Identifying opportunities and setting targets for carbon avoidance and reductions, moving towards 100% renewable energy.
- Offsetting residual emissions through certified/verified mechanisms.



Environmental stewardship

GHD's HSE Management System is internationally certified to ISO14001. Our approach to environmental stewardship is based on proactive identification of measures that will positively affect our environmental footprint. Currently, the Environmental Stewardship Program is focused on reducing impacts related to commuting, energy, office accommodations and activities, water and waste. These efforts also support our objectives for Scopes 1 and 2 carbon neutrality by 2023 and Scope 3 carbon neutrality by 2025.



Human rights

We are guided and sustained by our core values of safety, teamwork, respect and integrity that serve as a compass for how we conduct business and a common value set that the fundamental rights and dignity of all people must be respected. We are committed to respecting human rights in our own operations and complying with the laws of the countries in which we do business.

We have an opportunity to positively impact the protection of human rights within our sphere of influence. To this end, we encourage and support our clients and other business partners in their efforts to act in accordance with internationally recognised human rights standards.

The guiding principles of our Sustainability Way and Project Selection Guidelines provide the basis for our human rights due diligence and promoting respect for human rights across our value chain.

[View our Human Rights Statement.](#)

Supply chain

Our commitment to sustainable business extends beyond our own operations to our supply chain. We are committed to building and maintaining a sustainable, ethical supply chain and seeking relationships with vendors who share our values and who are equally devoted to helping us achieve our sustainability goals.

In support of this, we have established a vendor prequalification program that includes a Vendor Code of Conduct, which establishes minimum expectations of our vendors (including their employees, subsidiaries, subcontractors and supply chains) and assists us to select vendors who operate in a manner consistent with our expectations. Our Vendor Code of Conduct prohibits any form of child, forced, bonded or prison labour and participating in any stage of human trafficking.

[View our Modern Slavery Statement.](#)



» Appendices

A-1 Materiality matrix

Our latest materiality assessment was conducted between February and May 2022. We compiled a longlist of environmental, social and governance issues with a view to reporting on the most important topics. This longlist was developed and reviewed through workshops with panels of subject matter experts within our organisation to ensure we had included the factors that are relevant and important to us as a business.

We created interview outlines and online questionnaires to complete with our external stakeholders and employees to understand and explore the current material issues that were identified as important in the materiality assessment. External stakeholders were comprised of clients – representing sectors including energy, automotive, government and public sector – and our insurers. The employees who took part included sustainability specialists within GHD, function leaders and representatives of our wider employee network.

All perspectives on the final 27 issues under the ESG categories were analysed to ascertain the most critical material factors to our business, and to our clients.

GHD materiality matrix

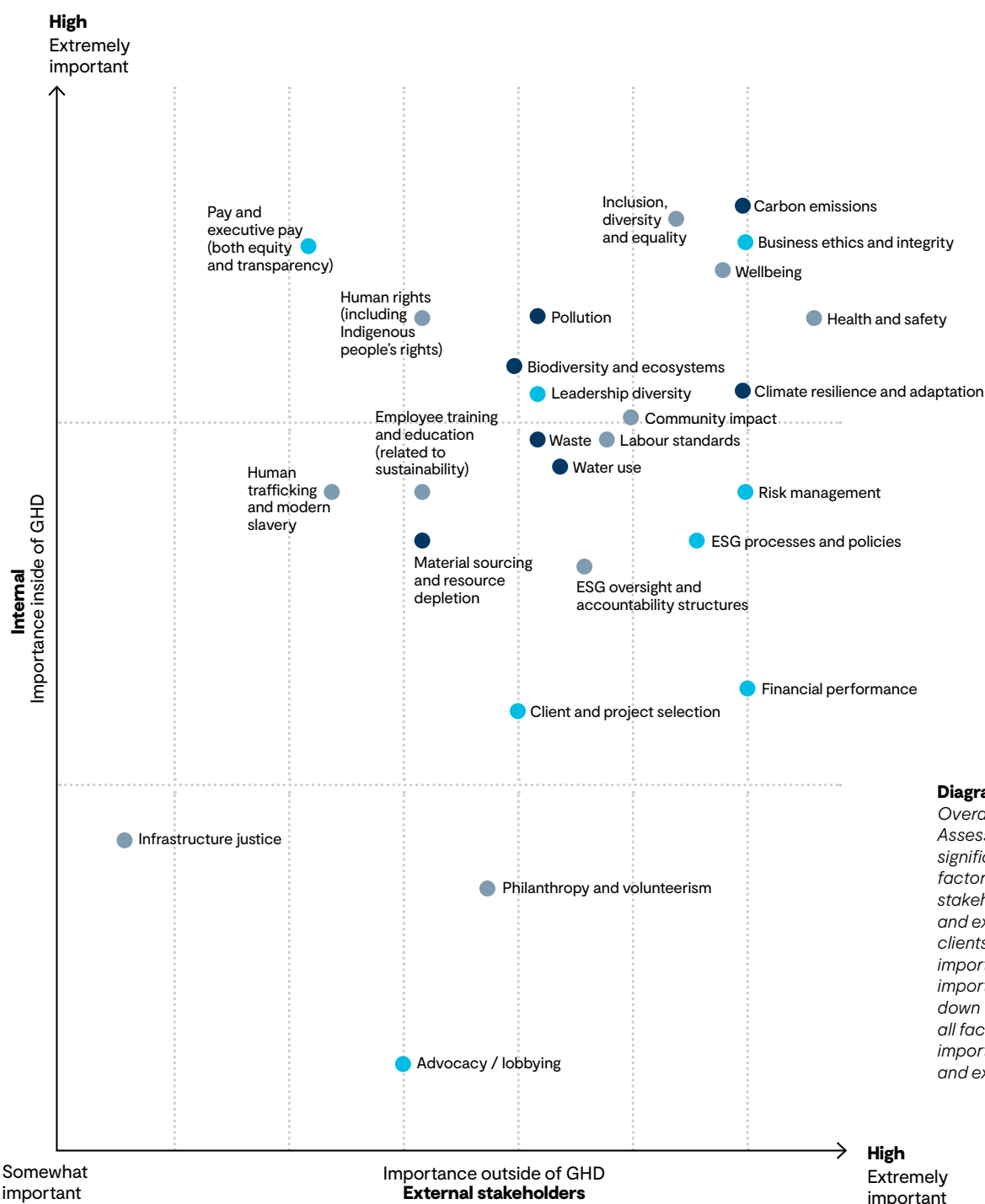


Diagram 1
Overall GHD Materiality Assessment, showing the significance of selected ESG factors in relation to internal stakeholders within GHD and external peers such as clients. Scale: Somewhat important to extremely important – axes scaled down to demonstrate that all factors had some level of importance to both internal and external audiences.

Key:

- Environmental factor
- Social factor
- Governance factor

A-2 TCFD table

Topic	Recommended disclosures	Ref	Narrative
Governance The organisation's governance around climate-related risks and opportunities	a. Describe the board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	p. 20-21	<p>The ESG Committee of the Board has oversight for our environmental and social performance, including managing our carbon footprint, fostering a culture of ESG where ESG principles are embedded in strategic and everyday business decision-making processes and activities/operations, reviewing GHD's strategic ESG goals and milestones, and referring identified ESG risks and opportunities to the Risk Committee. ESG risks and opportunities include climate-related risks.</p> <p>The Enterprise Leadership Team (ELT) is led by our Chief Executive Officer and is tasked with developing and implementing our strategy. It also manages the company's operations. The ELT includes the Chief Risk Officer, who has accountability for our enterprise sustainability strategy, and the Chief People Officer, who has accountability for inclusion & diversity performance. Reporting to the Chief Risk Officer is a Global Head of Enterprise Sustainability.</p>
Strategy The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	p. 21	<p>Decarbonisation and the rapid shift away from fossil fuels is changing our energy systems beyond recognition. This could reduce the demand for fossil fuel-related services. To address this, we are shifting our energy-related service offerings towards services related to emerging, low-carbon energy technologies and other energy transition projects.</p> <p>The financial sector is increasingly focusing on their clients' transition preparedness, which can impact access to capital and other financial services. Increasing expectations and scrutiny of companies' climate-related commitments and performance from broader stakeholders can affect company reputation. GHD is responding to increasing stakeholder expectations and scrutiny of our own climate-related commitments and performance through our carbon neutral efforts and fossil fuel Project Selection Guidelines, among other actions.</p>

Topic	Recommended disclosures	Ref	Narrative
			<p>The physical risks of climate change could impact our offices and could interrupt our clients' operations which may affect our ability to offer them services. Our enterprise business continuity plan outlines how we can maintain our operations during disruptive events. Additionally, the integration of climate resilience into our services supports our clients in preparing for physical climate risks to their assets, including those that we design and deliver for them. Planning for multiple scenarios gives us options, and these options continue to help us to make choices and prepare for the events we believe are most likely to happen. We currently have a 'watching brief' on nine potential scenarios. For those scenarios that are live, we have already made and continue to make choices that are in line with our purpose and values – so that we are able to continue delivering transformative, sustainable solutions when the time comes.</p>
Risk management The processes used by the organisation to identify, assess and manage climate-related risks	a. Describe the organisation's processes for identifying and assessing climate-related risks. a. Describe the organisation's processes for managing climate-related risks. b. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	p. 21	<p>GHD has processes to systematically identify, assess and report on both financial and non-financial business risks. A strategic and operational Risk Report is prepared and analysed by both management and the Audit and Risk Committee of the Board four times a year. The report addresses impacts, risks and opportunities with respect to health and safety, reputation, business practices and ethics. The Board receives regular reports on risk, sustainability, health & safety, inclusion & diversity, unethical practices, among other topics.</p>
Metrics and targets The metrics and targets used to assess and manage relevant climate-related risks and opportunities	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	p. 22	<p>We will achieve carbon neutrality in our Scope 1 and 2 emissions by the end of 2023 and Scope 3 by end of 2025 through:</p> <ul style="list-style-type: none"> – Establishing a robust carbon baseline, including gathering reliable energy consumption data for all our offices. – Identifying opportunities for energy savings and reducing travel carbon footprint. – Moving towards 100% renewable energy with recognised certified/verified electricity providers. – Responding to short-, medium- and long-term opportunities that align with the carbon neutral hierarchy (i.e. reduction/sequestering/offset). – Offsetting residual emissions through recognised high quality mechanisms.



→ The Power of Commitment