

RAMBOLL

Ramboll has always had a strong focus on social responsibility and has strived to set a high ethical standard. A good example of this is Ramboll's Code of Conduct from 2004, which is based on the guidelines from the International Federation of Consulting Engineers. Joining the UN Global Compact in 2007 was a natural step for Ramboll as it wanted to work with social responsibility in a more structured way.

Challenge: Ramboll's developer in Dubai used contractors, who were accused of serious human rights violations of migrant workers

In February 2011 Ramboll was criticised in the Danish media when DanWatch in a report *The Hidden Slaves* documented that two contractors in Dubai, Arabtec Construction and Al Habtoor Leighton, had violated the human rights of migrant construction workers. Ramboll worked for a developer in Dubai where it offered design services to eight construction projects. Arabtec Construction and Al Habtoor Leighton had been hired by the developer as contractors. Both companies had collaborated with Ramboll on several projects. Arabtech Construction is a multinational corporation which is headquartered in Dubai and has about 50,000 employees. In 2008 Arabtech Construction signed the UN Global Compact. Al Habtoor Leighton Group is also a multinational corporation that consists of Australian Leighton International and Al Habtoor from the United Arab Emirates. The company has about 40,000 employees and has not signed the UN Global Compact.

DanWatch alleged that the passports of migrant workers were confiscated, and workers were paid lower wages than promised, they could not to enter into collective bargaining agreements with their employers, and Dubai law did not allow them to create unions or go on strike. They also were not allowed to look for a new job without the consent of their employer. Living conditions in the work camps were also poor with overcrowded rooms and flooded sewers.

Ramboll had traditionally screened all projects but the screening focused primarily on corruption risks and not on human rights. On 17 February, 2011 DanWatch approached Ramboll to let the company know that it was about to publish a critical report about Ramboll and its project partners in

Dubai. According to DanWatch, Ramboll was by silent complicity indirectly responsible for the behaviour of the contractors. The report by DanWatch found its way to the Danish media a few days later and more than 60 articles were published about the case. Ramboll quickly acknowledged that the case was serious and required action

Acknowledgement of the problem and a focus on solutions

Stine Jeppesen, Ramboll's Corporate Responsibility Manager, recalls that Ramboll quickly acknowledged that it had not been properly prepared for how to deal with its obligation under the UN Global Compact's 2nd Principle, which requires Ramboll to make sure that it is not complicit in human rights abuses. Ramboll had a blind spot regarding third parties not respecting human rights.

Ramboll recognized that as a member of the UN Global Compact it had an obligation to act if a project partner violates the human and labour rights of workers even if Ramboll did not have a contractual relation with the project partner (contractor). Furthermore, Ramboll made clear that this was not a problem that only concerned Ramboll – rather this was an industry-wide challenge. Ramboll therefore suggested that the industry should work towards developing a common solution and set up meetings with the Danish Association of Consulting Engineers, the Confederation of Danish Industries, and FIDIC (the International Federation of Consulting Engineers).

In May 2011 Ramboll's Executive Board approved a proposal for how to manage Ramboll's social responsibility. Furthermore, in September 2011 Ramboll launched a new policy "Obligation to Act" for all employees. Ramboll also informed more than 5,000 customers about the new policy. In January 2012 Ramboll had prepared a "Suppliers' Declaration" and requested that all suppliers, sub-consultants and consortium partners had to accept this when they collaborated with Ramboll. Furthermore, Ramboll's focus on human rights in relation to a third party – including integration in the product screening phase (due diligence process) - is also in line with the OECD Guidelines for Multinational Enterprises and the 2011 UN Human Rights Council's Guiding Principles for Business and Human Rights. According to these guidelines companies must act if a company involved in the same project is violating human rights.

Lessons learned

It is no longer sufficient only to focus on collaborators with whom Ramboll has a contractual relation. Today the crucial issue is *information*. Ramboll employees are required to act if they obtain information about potential violations no matter where. At first Ramboll was concerned that customers would object to the "Obligation to Act" policy but instead they have supported the initiative. Ramboll's CEO Jens-Peter Saul sum's up Ramboll's approach in the following manner:

"We believe that the best way forward is to be transparent about our dilemmas and to have a constructive and open dialogue about potential problems with our collaborators".

Today Ramboll conducts a more nuanced screening process before a project is initiated. The investigation is particularly thorough if the collaboration involves a company that Ramboll does not know in advance. Ramboll follows a thematic step-by-step check list. This method is aimed at identifying potential violations of human rights as an integrated element of Ramboll's quality management systems. The method also includes labour rights, environment and anti-corruption. Ramboll continually follows up to ensure that the "Obligation to Act" policy and the Suppliers' Declaration" are included in internal management systems so that social responsibility becomes an integrated part of doing business.

Ramboll also seeks to comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights and is presently carrying out a general risk assessment concerning human rights. The next step will be to make sure that all key policies are in line with Ramboll's social responsibility requirements and that employees receive adequate training regarding how to manage social responsibility challenges.