

Slater and Gordon Lawyers

Modern Slavery Statement FY21

About this Statement

This Modern Slavery Statement (**Statement**) is made by Slater & Gordon Ltd (ABN 93 097 297 400) and each of its wholly owned operating subsidiaries (together **Slater and Gordon**) under the *Modern Slavery Act 2018* (Cth) (**Act**) for the financial year ending 30 June 2021 (**FY 2021**).

The Slater and Gordon business operates through various legal entities. These separate entities largely reflect historical asset acquisitions, the structures of which have been retained for legal/tax/accounting purposes only.

However, the overall business functionality of Slater and Gordon is overseen by the Board of Directors and Executive Leadership Team of Slater & Gordon Ltd. The vast majority of supplier contracts are entered into by Slater & Gordon Ltd.

Accordingly, this Statement is a consolidated description of the actions taken to address modern slavery risks by the Slater and Gordon group of companies as a whole.

The Board of Directors of Slater & Gordon Ltd has reviewed and approved this Statement for publication as a joint statement of all reporting entities in the Slater and Gordon group of companies in accordance with section 14(2)(d)(ii) of the Act.

This Statement has been prepared to meet the mandatory reporting criteria set out under the Act.

The table below identifies where information relating to each of the mandatory reporting criteria can be found in this Statement:

Reporting Criteria	Heading and page reference
Identify the reporting entity	About this Statement page 1
Describe the reporting entity's structure, operations and supply chains	Our Structure, Operations and Supply Chain: page 3
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity	Modern slavery risks within our operations and supply chain: page 4
Describe actions taken to assess and address these risks, including due diligence and remediation processes	Actions taken to address modern slavery risks: page 4 Measuring our effectiveness: page 6 Looking Forward: page 8
Describe the process of consultation with entities you own or control	Consultation: page 8 Approval: page 9
Provide any other relevant information	Overview: page 2 Looking Forward: page 8 Approval: page 9

Overview

As a law firm built on social justice values, Slater and Gordon has a long and proud history of championing the rights and entitlements of people who need our help. Slater and Gordon respects the fundamental rights of all human beings, including the right to freedom from modern slavery of any kind.

Slater and Gordon is committed to safe workplaces and to limiting the risk of modern slavery within its own business and supply chains. Slater and Gordon is also committed to continuously improving strategies to identify and mitigate modern slavery and ethical sourcing risks.

In FY20, we started our formal journey of addressing and preventing modern slavery risks in our supply chain.

In FY21, we progressed our commitment to work towards the eradication of modern slavery in our supply chain. We did this by:

- Establishing a formal procurement framework, consolidating processes, protocols and controls to enable us to better assess and manage the risk of modern slavery in our business and supply chains
- Building on the awareness of modern slavery risks introduced to staff in FY20
- Continuing to work with suppliers to undertake appropriate due diligence into the risk of modern slavery in their businesses and supply chains
- Embedding contractual terms dealing with modern slavery risks in new and renewing supply contracts

This Statement provides details of the steps we have taken to address and mitigate the risk of modern slavery both within our business and in our supply chain in FY21.

We recognise that there is more work to be done in the eradication of modern slavery practices worldwide and therefore commit ourselves to addressing that task, recognising that it will be a continuous process of improvement. In pursuing this goal, we know that the steps we take today will help to build a better tomorrow.

Our structure, operations and supply chain

Founded in 1935, Slater and Gordon is a leading consumer law firm providing specialist legal and complementary services in a broad range of areas, including:

- Personal Injury
- Superannuation and Insurance
- Class Actions
- Employment Law

Serving over 50 locations in Australia, the operations of Slater and Gordon are conducted primarily by Slater & Gordon Ltd (ACN 097 297 400), a public company listed on the Australian Stock Exchange.

In addition, Slater and Gordon operates through the following reporting entities, all of which are wholly owned subsidiaries and each of which is subject to the direct influence and control of Slater & Gordon Ltd:

- Slater & Gordon Lawyers (NSW) Pty Ltd (ACN 119 864 881)
- SG NSW Pty Ltd (ACN 161 483 414)
- All States Legal Co Pty Ltd (ACN 125 001 818)
- Slater and Gordon (TML) Queensland Pty Ltd (ACN 128 949 753)
- Schultz Toomey O'Brien Lawyers Pty Ltd (ACN 136 676 714)
- Conveyancing Works (Qld) Pty Ltd (ACN 127 912 074)

All subsidiaries were acquired via historical M&A activity and currently operate in “run-off” mode only, to finalise the legal matters of legacy clients (no new business is being entered into by any of these entities). Whilst the subsidiaries each have their own boards, none of the subsidiaries employ any staff directly or undertake any significant procurement activity (other than engaging professional advisers to progress the resolution of clients’ claims). The overwhelming majority of the group’s procurement activity is undertaken by the head company.

Slater and Gordon’s supply chain predominantly consists of goods and services acquired to assist in the delivery of legal services. By spend, our largest suppliers are our financiers, litigation funders and other professional service providers: in this regard we work in conjunction with barristers, other law firms, legal, medical and other subject matter experts who are engaged on behalf of our clients to assist with the progression of our clients’ legal matters.

In addition, our supply chain includes the physical premises we occupy, facilities we use (photocopiers, office supplies, etc), branded products used for promotional purposes, maintenance contracts, software licences and IT infrastructure.

Modern slavery risks within our operations and supply chain

As a professional services business whose workforce is employed solely in Australia, there is negligible risk of modern slavery within our direct business operations.

Further, as our supply chain consists largely of the supply of goods and services which support the delivery of professional services, we consider there is minimal risk to our firm being directly linked to modern slavery practices through our supplier contractual relationships.

Nonetheless, we have developed risk management processes and undertook in FY20 an initial risk assessment to identify those aspects of our supply chain that might be more vulnerable to modern slavery risk thereby indirectly exposing Slater and Gordon to modern slavery practices.

In FY21, we identified the promotional products supply industry as an industry in our supply chain with higher vulnerability to modern slavery in terms of the production of those products, which tend to be low cost and high volume. Slater and Gordon undertook further due diligence enquiries into its primary supplier of promotional products in FY21: further details of those enquiries are set out in the section below.

Actions taken to address modern slavery risks

Slater and Gordon adopted an Ethical Sourcing and Modern Slavery Policy in FY20. The policy is designed to ensure that the company sources products and services in accordance with its legal obligations and in line with community expectations and its own values, while working with suppliers to prevent, mitigate and where appropriate, remedy modern slavery practices in their operations and supply chains.

Slater and Gordon also has a Whistleblower Policy, which sets out the protections applicable to employees who report suspected unethical or illegal behaviour. This Policy was reviewed and updated in FY21.

In FY21 we undertook the following actions to mature our response to addressing modern slavery risks in our operations and supply chains:

1. Formalising the procurement function

In FY21, we took active steps to embed a centralised and formal procurement function by the appointment of an experienced Procurement Manager, supported by a team of dedicated procurement personnel.

The procurement team is working with the business to ensure that all procurement is facilitated by or with the involvement of the procurement team, in order to guide procurement in a way that ensures efficient, effective, fair and ethical sourcing of goods and services.

2. Commenced development of a Procurement Policy

In line with the evolving maturation of the procurement function, in FY21 we commenced development of a formal Procurement Policy, designed to apply to all employees engaged in the procurement of goods and services for Slater and Gordon.

It is intended that employees must ensure that the procurement process is handled in compliance with the Procurement Policy, including by addressing modern slavery in the supplier assessment process and incorporating appropriate contractual terms to hold vendors accountable for the management of modern slavery risks.

3. Update of the Whistleblower Policy

During FY21, we reviewed and updated Slater and Gordon's Whistleblower Policy to expressly include as a "reportable matter" breaches of the Modern Slavery Act and conduct which endangers the health, well-being or safety of any person. The Whistleblower Policy sets out the protections available to employees, contractors and consultants who report suspected violations and provides details of other reporting channels they may access if they feel uncomfortable in reporting violations that are suspected to be related to unethical or illegal behaviour.

4. Supplier due diligence and risk assessment

In FY21, we built upon the initial supplier risk assessment processes developed in FY20, by documenting a formalised process for undertaking a thorough supplier due diligence and risk assessment, including examining modern slavery risks in the supplier's business and supply chains.

In FY21, we determined that to build on the preliminary risk assessment process commenced in FY20, we would undertake further due diligence risk assessments of suppliers in additional industries deemed by us to have vulnerability to modern slavery.

To this end, we identified the promotional products industry (producing low cost, high volume branded products) as an industry with higher vulnerability to modern slavery. We accordingly undertook due diligence in relation to Slater and Gordon's primary supplier of promotional materials. That supplier identified a number of manufacturing facilities in their supply chains designated as either "medium risk" or "high risk" in a commissioned Sedex Forced Labour Indicator Report.

In considering whether it would be appropriate to continue using that supplier, Slater and Gordon took the following factors into consideration:

- Their publicly stated commitment to transparent and continuous improvement in the identification and mitigation of modern slavery risk in their supply chains, as exhibited through their ethical sourcing program and remediation policy; and
- The fact that they had been responsive and cooperative in responding to our due diligence enquiries, readily providing details of their ethical sourcing policies and standards.

In future reporting periods, we will continue to monitor that particular supplier's progress in terms of identifying and remediating instances of unethical behaviour and modern slavery in its business and supply chains.

5. Contractual terms with suppliers

Throughout FY21, all new and renewing supplier contracts were negotiated to include a version of the template modern slavery clause we developed in FY20 as appropriate to the supplier's maturity in addressing modern slavery risks in their business and supply chains.

Our template modern slavery clause includes rights of audit and the ability to terminate in the event of non-compliance.

6. Vendor on-boarding

In FY21, we prepared a new “Vendor Induction Pack” which includes Slater and Gordon’s Ethical Sourcing and Modern Slavery Policy, setting out our expectations around the management of modern slavery risks.

7. Embedding staff awareness of modern slavery risks

In FY21, we continued to require, as part of the induction program, that all new Slater and Gordon employees review and be familiar with all corporate policies, including the Ethical Sourcing and Modern Slavery Policy and the Whistleblower Policy.

Measuring our effectiveness

Our progress against our goals for FY21 are set out below:

Goal	Action	Effectiveness
Improving our understanding of the modern slavery risks in our supply chains	Undertaking targeted due diligence in relation to suppliers operating within designated industries deemed to have higher vulnerability to modern slavery	In FY21 we identified suppliers in the promotional product industry for further due diligence. Enquiries of our primary supplier of promotional products confirmed that although they had identified modern slavery risks, they were committed to transparent reporting and continuous improvement in the identification and remediation of modern slavery in their supply chains.
Establish frameworks to guide procurement in a way that ensures efficient, effective, fair and ethical sourcing of goods and services	<p>Establishment of centralised Procurement Team, headed by an experienced Procurement Manager and supported by dedicated procurement personnel</p> <p>Development of a Procurement Policy</p> <p>Updated Whistleblower Policy</p>	The establishment of a formal procurement framework, consolidating processes, protocols and controls will enable us to better assess and manage the risk of modern slavery in our business and supply chains in future reporting periods.

<p>Embed awareness of modern slavery in the business</p>	<p>All staff are required to review and be familiar with the Ethical Sourcing and Modern Slavery Policy and Whistleblower Policy</p>	<p>All new staff are required, as part of their induction, to review and be familiar with all corporate policies, including the Ethical Sourcing and Modern Slavery Policy and the Whistleblower Policy.</p>
<p>Continuing engagement with our suppliers</p>	<p>All new and renewing suppliers are required to commit to combatting modern slavery in their own operations and supply chains</p>	<p>During FY21, all new and renewing suppliers were required, as part of the procurement process, to demonstrate their commitment to limiting the risk of modern slavery within their own businesses and supply chains.</p> <p>Wherever possible, appropriate modern slavery clauses were included in the contractual terms. Where this was not possible to negotiate, we were satisfied that the supplier had adopted policies and issued statements confirming their commitment to the eradication of modern slavery within their own businesses and supply chains.</p>

Consultation

The Slater and Gordon group consists of a number of wholly owned subsidiaries sitting under the head entity, Slater & Gordon Ltd. Slater & Gordon Ltd is the only entity in the group:

- actively writing new business;
- employing staff; and
- leasing office space.

All other entities are in “run off” mode, operating only for so long as necessary to finalise the legal matters of legacy clients.

The overwhelming majority of Slater and Gordon’s procurement activity is contracted through Slater & Gordon Ltd, with the subsidiary entities only engaging directly with professional services providers where required to progress the legal matters of legacy clients (ie: barristers, medical experts, etc).

The Executive Leadership Team of Slater & Gordon provides oversight and direction for the operations of all companies in the group. The boards of the various subsidiaries are comprised of senior executives who are also members of the Executive Leadership Team.

The Ethical Sourcing and Modern Slavery Policy binds all entities in the Slater and Gordon group.

Looking forward

In the next reporting period, we propose to further develop our response to the risk of modern slavery in our business and supply chains by undertaking the following actions:

- Ongoing due diligence into the supply chains of suppliers of low cost, high volume promotional products
- Incorporating Modern Slavery Awareness Training into the rolling categories of topics chosen each year for inclusion in the mandatory governance and compliance training assigned to all Slater and Gordon employees bi-annually (note: failure to undertake mandatory training has consequences for achievement of KPIs and, where applicable, short term incentives)
- Review of our policies and procedures against the UN Guiding Principles on Business and Human Rights (UNGPs)
- Review and update the Ethical Sourcing and Modern Slavery Policy
- Developing a Supplier Code of Conduct

Approval

The Board of Slater & Gordon Ltd authorised and approved the publication of this Statement on 15 December 2021 as a joint statement for all entities in the Slater and Gordon group.

Slater & Gordon Ltd confirms that is in a position to directly influence and control each reporting entity covered by this Statement, for the purposes of satisfying the approval requirements as set out in section 14(2)(d)(ii) of the Act.

Slater and Gordon is pleased to publish this FY21 Modern Slavery Statement and commits to continuing to track and publicly report on our progress in combatting all forms of modern slavery in our supply chain.



John Somerville
Chief Executive Officer
Slater & Gordon Ltd

20 December 2021



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