

CLYDE&CO

Clyde & Co Australia

Modern Slavery
Statement

October 2022

Clyde & Co Australia – Modern Slavery Statement

This statement has been prepared for Clyde & Co Australia trading as Clyde & Co (ABN 72 157 316 912) pursuant to the *Modern Slavery Act 2018* (Cth) in respect of the financial year ended 30 April 2022. References to “Clyde & Co Australia”, “we”, “us”, “our” or the “firm” are to Clyde & Co Australia. This statement identifies the steps we have taken to mitigate the risk of modern slavery and human trafficking occurring in our operations or supply chains.

Where reference is made to “Clyde & Co”, this refers to the global law firm comprised of Clyde & Co LLP and its subsidiaries and affiliates which practise law under the trading name Clyde & Co.

Our structure and operations

Clyde & Co Australia is an unincorporated legal practice, regulated by the Law Society of New South Wales (NSW). Clyde & Co Australia has offices located in Sydney, Perth, Melbourne and Brisbane. We have 39 Partners and employ 409 employees across our Australian offices.

Clyde & Co Australia is part of Clyde & Co, a global law firm operating in various jurisdictions and locations. Further information about Clyde & Co and where it operates can be found on the firm’s legal notices page by [clicking here](#).

Clyde & Co Australia primarily provides professional services to clients located in Australia and overseas. As a law firm providing professional services, Clyde & Co Australia predominantly employs professionally qualified lawyers. In our offices, we also employ staff who provide administrative, facilities and business services. Our supply chain consists of suppliers who provide goods and services to us in order to enable the firm to deliver these professional services. The majority of goods and services we procure are based in Australia. The main categories of goods and services that we procure both directly and indirectly are:

- Information and communications technology (**ICT**) services and goods: which includes computer hardware and software, cloud services and SAAS providers, printers, online subscriptions and mobile phones.
- Professional services: such as external tax advice or legal counsel, foreign legal counsel, barristers, forensic experts, consulting services, and training programs.
- Labour hire services: such as temporary administrative support services or paralegal services.
- Document management services: such as printing, electronic document management services and use of document management platforms.
- Workplace services and goods: such as stationary, services relating to office fit outs, leasing, office management, utilities, cleaning, waste management and security, and stationary and kitchen supplies.
- Hospitality, catering and event services: catering on-site and for events, venue providers and branded merchandise.

Our approach

Clyde & Co has a zero-tolerance approach towards any form of slavery, servitude, forced or bonded labour, or human trafficking (collectively referred to as '**modern slavery**' in this statement). We will not support any arrangement or relationship with an entity that is knowingly involved in modern slavery. We are committed to ensuring that there is no modern slavery in our business or in our supply chains, and to acting ethically and with integrity in all our relationships.

Clyde & Co is a signatory to the United Nations ("UN") Global Compact. This is a global initiative that calls upon companies to align their strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.

As a signatory, we produce an annual Corporate Responsibility and Inclusion Report that sets out how the principles of the UN Global Compact are integrated across our business environment, including principles one ("the protection of internationally proclaimed human rights") and four ("the elimination of all forms of forced and compulsory labour").

Our practices in relation to combating modern slavery

We consider Clyde & Co Australia to be relatively low risk in relation to modern slavery, given the sector in which we operate. Our current practices in relation to combating modern slavery are set out below.

Employment

We apply high standards of review in the recruitment and employment of our people. We conduct due diligence on our prospective employees prior to them joining Clyde & Co. This includes checking their qualifications, conducting reference checks and ensuring their legal right to work in Australia. When recruiting, we comply with all local employment legislation and any applicable regulations.

Additionally, in the APAC region, the firm has recently appointed a new comprehensive Employee Assistance Provider (**EAP**), developed a working mothers and fathers programme, and has launched a podcast series on D&I topics aimed at both employees and clients. The use of a comprehensive EAP system also allows for employees and family members to speak up where they see practices that might be concerning, including human rights abuses or instances of modern slavery.

Procurement processes

Clyde & Co Australia has long standing relationships with many of its suppliers. Clyde & Co expects its suppliers to adopt the same high standards that we adhere to as a global law firm. Clyde & Co Australia does not make any demands of such suppliers that may lead them to violating laws, including modern slavery and encourages them to improve their own compliance with anti-slavery laws.

Prior to engaging with a supplier, the contract for delivery of services or goods with Clyde & Co Australia will be reviewed internally by the Legal & Risk Team or the Procurement Team.

This allows for an assessment to be made of the supplier, and provides an opportunity to ensure that the contract terms are adequate to meet our high standards. Where suppliers will deal with personal or confidential information relating to staff or clients, our firm's Information Security Team will also conduct a review of the supplier.

In 2020 Clyde & Co introduced a Supplier Code of Conduct and in the last 6 months, Clyde & Co Australia has undertaken an exercise to survey its existing moderate to high risk suppliers to confirm that they comply with our Supplier Code of Conduct which includes our zero tolerance approach to modern slavery and human rights abuses.

As noted in our future actions below, we plan to ensure that going forward all new suppliers are asked to comply with the Supplier Code of Conduct prior to engaging with them and that their compliance is monitored.

As our Global Procurement Team formalises its process and expands under the leadership of a new Head of Global Procurement who joined in 2022, the further enhancement and formalisation of procurement processes across the global firm will occur, including in Australia.

Third party professionals

When we instruct a third-party professional, such as an expert or a foreign lawyer, we ensure that engagement terms are in place which warrant that they comply with applicable labour, anti-slavery and human trafficking laws and that any subcontractor used by the third-party professional in relation to the engagement does likewise.

Training

We organise online training on modern slavery that must be completed by key individuals globally who we have identified as dealing with any aspect of procurement on behalf of Clyde & Co. The Firm-wide Anti-Slavery and Human Trafficking Policy forms part of the induction pack that is given to employees when they join the Firm, and regular training is provided as necessary. This training empowers our staff to identify and then raise concerns of modern slavery if it is suspected.

Policies and procedures

All of our staff must comply with relevant laws and professional codes of conduct, as well as Clyde & Co's internal policies and procedures outlined below, as part of their contract of employment at the firm.

Clyde & Co has a global policy framework which applies to all partners and staff, and outlines Clyde & Co's commitment to addressing and minimising any modern slavery and human trafficking risks in our business and supply chains. Relevant policies include:

- Anti-Slavery and Human Trafficking Policy: makes clear that the firm takes a zero-tolerance approach to modern slavery and that it is the responsibility of every person to within their role assist with the prevention, detection, and reporting of modern slavery in any part of our business or supply chains.
- Business Development Agents and Intermediaries Policy: acknowledges that when instructing third party agents and intermediaries to assist with business development

activities there are risks to the firm with respect to bribery and corruption and criminal finance. The policy outlines measures to minimise these risks and an approval process to be followed before instigating these relationships on behalf of the firm.

- Clyde & Co Code: The Code reflects legal obligations to which we are subject worldwide, and ethical and quality standards we regard as fundamental.
- Anti-Bribery and Corruption Policy: the policy confirms that the firm does not tolerate bribery and corruption and is committed to upholding all laws relevant to countering bribery and corruption in the jurisdictions where we operate.
- Supplier Code of Conduct outlines the firm's expectations of its suppliers which our vendors are required to adhere to.
- Diversity & Inclusion Policy: provides the framework by which the firm actively manages, encourages, and celebrates diversity and inclusion across the organisation.
- Work, Health and Safety Policy and Manual sets out the firm's policies, procedures, roles, responsibilities, and accountabilities to ensure a proactive risk management approach to health, safety, and wellbeing.
- Workplace Bullying, Discrimination and Harassment Policy: outlines the firm's procedures and the firm's commitment to providing a safe, flexible, and respectful environment for employees and clients free from all forms of discrimination, bullying and harassment.

All of these policies are accessible through our intranet pages and are reinforced through regular training and firm wide communications.

Compliance with these policies is monitored as part of everyday line manager oversight.

Risk assessment and management

The Clyde & Co Global Procurement Team conducted a risk assessment of the modern slavery risks in the supply chain for Clyde & Co Australia, during the reporting period.

The risk assessment was undertaken as a desktop exercise and included suppliers that the firm engaged with throughout 2021 and 2022. This identified 2339 suppliers that were used across business operational and matter spend in Australia during the relevant period.

The analysis considered the level of risk associated with each supplier against the following criteria:

- The supplier has operations outside of Developed Economies (as defined by the UN);
- Workers outside of Developed Economies (as defined by the UN) could be involved in the provision of the goods or services, at any level of the supply chain;
- The supplier will be manufacturing products specifically for Clyde & Co, including branded merchandise;
- The manufacture, transport, use and disposal of the products could pose a significant risk to health and safety;

- The supplier will be handling or managing waste produced by Clyde & Co;
- The supplier will be providing facilities management services including cleaning, catering, and security;
- The supplier will be providing construction or building maintenance services;
- The supplier will be providing agency labour; and
- The supplier will be providing services with a high labour content or involving seasonal or unskilled workers.

Based on the responses to the above criteria, the supplier was allocated a score of 0-5, which was then used to classify that supplier into one of three categories based on risk level.

The firm decided to adopt a risk based approach as to the level of due diligence required. For category 3 suppliers, no further action was deemed necessary. For category 1 and 2 suppliers, it was decided that the following steps be taken:

- A modern slavery questionnaire be completed by the supplier;
- The supplier be provided with our Supplier Code of Conduct and confirm they comply with the requirements.

This exercise categorised 59 suppliers into category 1 and 2, which equates to 2.5% of total suppliers. These suppliers primarily delivered professional services and workplace services or workplace related goods to the firm during the relevant period.

In accordance with our risk based approach explained above, a modern slavery questionnaire was sent to these 59 suppliers, as well as a copy of our Supplier Code of Conduct asking that they confirm that they comply with the Code. At the time of finalising our Modern Slavery Statement, we are in the process of following up with these suppliers and reviewing responses received.

In accordance with our firm's internal policies and procedures, if there are concerns raised by the response to the questionnaire or the responses are not satisfactory, the matter will be escalated to the firm's Head of Risk Management for review. If the due diligence is not satisfactory or identifies a modern slavery issue then the firm will discuss remediation with the supplier or where necessary terminate the relationship.

Overall, our risk assessment confirmed that there is a very low risk of modern slavery in our supply chain based on the following:

- The majority of our suppliers fell into the low or no risk category.
- Of the 59 suppliers categorised into category 1 or 2 (the **59 suppliers**), 17 suppliers were foreign lawyers or law firms which provided legal and professional services to Clyde & Co Australia, which are regulated in their home jurisdictions.
- The majority of the remaining 59 suppliers relate to workplace service providers located in Australia, which is a low risk jurisdiction for modern slavery risk based on the criteria listed above. As mentioned above, we are working with these suppliers as part of our modern slavery questionnaire engagement process.

Monitoring and assessing the effectiveness of our actions

Clyde & Co is committed to continuous improvement in how modern slavery risks are managed in its supply chain and ensuring sustainable procurement. The firm will use the following indicators to assess whether the firm is meeting its targets, including:

- The number of staff who deal with procurement related activities that have received training on modern slavery risks;
- The number of suppliers who agree to the firm's Supplier Code of Conduct; and
- The number of suppliers completing modern slavery questionnaires.

A high level review of the procurement processes for Clyde & Co Australia was also undertaken by the Procurement and Legal & Risk Teams, to identify where enhancements to the processes and procedures could be implemented, including bringing the processes in line with global procurement processes.

This review identified various enhancements which could be undertaken to improve the local procurement processes and supply chain management for Clyde & Co Australia.

A separate project will be commenced in 2022-2023 by the firm's Global Procurement Team, to enhance the procurement processes for Clyde & Co Australia.

During the reporting period, regular updates on the progress of the risk assessment of the firm's supply chain and review of existing procurement processes in Australia, were provided to the Risk Management Steering Committee for Australia (comprised of the COO for Australia, Risk Partners for Australia, senior members of the APAC Legal & Risk Team and key Australian partners involved in risk related projects from time to time).

Regular reporting to the Steering Committee by the Global Procurement and Legal & Risk Teams, on the further enhancement of procurement processes for Clyde & Co Australia will continue.

Steps we will be taking to combat modern slavery in the 2022-2023 financial year

- We will start rolling out updated online training on modern slavery to all relevant staff involved in procurement activities.
- We will be increasing the levels of due diligence performed both on new and existing suppliers to Clyde & Co Australia, including in relation to modern slavery, and ensuring that such checks are built into our global Procurement Policy.
- We will continue to roll out our Supplier Code of Conduct to our supplier base.
- We will start to introduce pro-forma supplier contracts with suppliers that directly supply goods and services to the firm.

Management Approval

The Board of Clyde & Co approved this statement on behalf of the Partners on 19 October 2022.



Michael Tooma, Managing Partner,
Clyde & Co Australia

440

Partners

1,800

Lawyers

4,000

Total staff

2,500

Legal professionals

50+

Offices worldwide*

www.clydeco.com

*includes associated offices

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