



HERBERT SMITH  
FREEHILLS  
KRAMER

# Modern slavery and human trafficking statement 2025

This statement is made on behalf of Herbert Smith Freehills Kramer LLP and its wholly owned subsidiary Exchange House Services Limited, Herbert Smith Freehills Kramer Paris LLP and Herbert Smith Freehills Kramer New York LLP. It is also made on behalf of Herbert Smith Freehills Kramer an Australian Partnership and Exchange House Services Australia Pty Ltd as reporting entities under the Australian Modern Slavery Act 2018 (Cth). References to "we", "us", "our" or the "practice" are references to each of those six entities.

This statement is made pursuant to section 54 (1) of the UK Modern Slavery Act 2015 and sections 14 and 16 of the Australian Modern Slavery Act 2018 with respect to the financial year ending 30 April 2025.

It is noted that the UK Government published new Transparency in Supply Chain Statutory Guidance in March 2025. Herbert Smith Freehills Kramer will take account of the guidance when preparing its next statement.

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## Our structure

On 1 June 2025 we combined with United States law firm Kramer Levin Naftalis & Frankel LLP to become Herbert Smith Freehills Kramer. Herbert Smith Freehills Kramer LLP, Herbert Smith Freehills Kramer Paris LLP, Herbert Smith Freehills Kramer New York LLP, and Herbert Smith Freehills Kramer an Australian Partnership are separate member firms of the international legal practice known as Herbert Smith Freehills Kramer, providing legal services to clients around the globe. During the financial year ending 30 April 2025, the firm was called and operated under the name Herbert Smith Freehills LLP. We have 26 offices spanning across 17 countries, including the United Kingdom, Australia, the United States of America, Europe, the Middle East and Asia. Globally, we employ in excess of 6,000 people.

Exchange House Services Limited and Exchange House Services Australia Pty Ltd are separate service entities, incorporated in England & Wales and Australia respectively, which provide administrative and support services to the practice. We do not make material investments outside of funding our

global operations and we do not engage in any external financing of other entities. Further details on the Herbert Smith Freehills Kramer structure can be found on our [website](#).

## Our operations

Our principal activity is the provision of commercial legal services to our clients. We operate across 26 offices located in the United Kingdom, Australia, the United States of America, Europe, the Middle East and Asia.

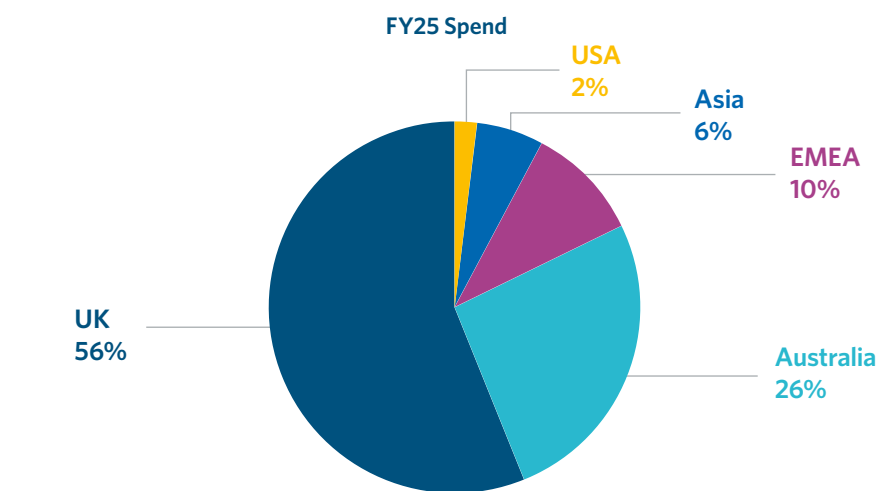
We have a number of associations with other independent law firms. We have these formal agreements with Prolegis LLC (Singapore), Hiswara Bunjamin Tandjung (Indonesia) and Shanghai Kewei Law Firm (China). In the 'Our policies' section of this statement, we describe how we work with our associated firms to support them developing policies aligned to our approach to reduce modern slavery risks.

## Our supply chain

Our work is conducted from various offices across our global network and our supply chain predominantly comprises of goods and services procured for use in those offices enabling our people to deliver legal services to our clients. The key categories of goods and services that we procure are property space, facilities management, human resources, hospitality and catering, other professional services, and information technology.

We have a variety of arrangements with our suppliers, which can be structured as either short-term or long-term agreements.

Our short-term engagements are often used for our suppliers that provide goods or services on an as-needed basis. These contracts are usually less than a year in duration and can be renewed based on performance and necessity. Longer-term arrangements, on the other hand, are established with suppliers that are critical to our operations. These contracts typically span 3-5 years and include detailed terms regarding pricing and service level agreements.



In evaluating our overall supply chain risk, we consider several factors, such as the geographic location of the supplier and the industry they operate in. The pie chart illustrates the percentage of our total spend for our financial year 2024/25 by supplier location. It shows that 82% of our expenditure is concentrated in the UK and Australia, reflecting the larger size of our offices and the location of our operations management functions in these countries.

### Risks of modern slavery in our operations and supply chain

We consider the risk of modern slavery and human trafficking existing within our operations to be low given that we are a regulated practice providing legal services to clients and primarily employ legal and business services professionals.

Despite this, we may be exposed to potential modern slavery risks in our operations through our workforce, employment relationships and business relationships with associated firms. However, given the degree of control we exercise over our operations, including our comprehensive labour and risk management systems, the nature of our services and specialist workforce, and the policies our associated firms have in place we consider that our material risk exposures relate to our supply chain.

We have identified the highest risk areas within our supply chain as those involving the procurement of goods/services in industries where a large segment of the workforce receives low wages. Based on our latest risk assessment conducted in July 2024, the key risk areas identified include:

- Office cleaning services; and
- Office fit out and build.

We maintain a list of offices and spend sub-categories that we consider carry the

highest risk, and these are subject to ongoing monitoring and review.

To identify and assess modern slavery risks, we use a combination of approaches including:

- desk-based research drawing on recognised resources;
- supplier questionnaires, which we issue to selected suppliers. These questionnaires are then independently assessed and evaluated, with follow-up conducted on any responses that raise concerns; and
- digital monitoring platforms including SEDEX, which provides tools and a network to help improve working conditions across our supply chain.

### Our modern slavery risk mitigation measures

We take a range of steps to manage and address these risks, with a focus on our highest-risk categories:

- Placing emphasis on value, quality, and responsible practices over price alone during procurement decisions.
- Avoiding policies that promote extensive outsourcing.
- Operating primarily in low-risk locations for both our offices and our suppliers.
- Mandating modern slavery and human trafficking training for our global procurement team to ensure a comprehensive understanding of global supply market risks.
- Following up on any supplier questionnaire responses that raise concerns, working collaboratively with suppliers to mitigate risks or taking further action as appropriate.

We follow a structured three-step process for supplier risk management:

1. **Monitoring & Assessment:** We monitor and assess our suppliers using third-party risk intelligence tools and review the inherent risk associated with each office location.

2. **Qualification:** Our procurement team and contract managers review alerts from these assessments and determine appropriate action based on the level of risk identified.

3. **Audits and Follow-Up:** We ask certain suppliers to complete an audit questionnaire specifically focused on modern slavery, and their responses are independently evaluated. If concerns arise, we investigate further and engage directly to resolve them.

### Compliance and enforcement

We require our suppliers to comply with our standard services agreement, which explicitly mandates adherence to all relevant laws and regulations, including those pertaining to modern slavery. We continue to issue our [Third-Party Compliance Standards](#) to all key suppliers and new suppliers, setting clear expectations.

In the event that we discover a potential case of modern slavery within our supply chain, we will first seek to work with the supplier to investigate and implement corrective and remedial action, including appropriate training. Where appropriate, we will terminate the supplier relationship and notify relevant authorities.

### Our policies

Our approach to the identification of modern slavery risks and the steps to be taken to reduce the risk of modern slavery and human trafficking in our operations is supported by a number of global policies and standards. These include:

- **Human Rights Policy:** this policy is informed by our commitments under both the United Nations Global Compact and United Nations Guiding Principles. The policy includes commitments to respect internationally recognised human rights and taking steps to encourage our clients, suppliers, sub-contractors and other business partners to observe standards similar to our own.
- **International Standards of Conduct:** these Standards set an ethical framework for decision-making and guiding principles for consistent standards of behaviour. This includes making continuous efforts to ensure that our supply chain is free from modern slavery and human trafficking.
- **Procurement Policy:** this policy seeks to ensure we have consistency in our approach towards procuring goods and services and that our Procurement function has visibility over procurement activities.
- **Responsible Procurement Policy:** The policy emphasises the commitment to prevent any negative impacts on human rights, including modern slavery, when procuring goods or services. It involves reviewing and surveying

suppliers who are at high risk of modern slavery based on the services they provide or the geographical locations in which they operate.

- **Contract Management Policy:** The policy outlines specific actions and notifications for different levels of modern slavery scenarios, from unsatisfactory questionnaire responses to proven legal breaches.
- **Third Party Compliance Standards:** these complement the Responsible Procurement Policy and set out our expectations of service providers and other suppliers to the firm and to our clients (where we are involved in their engagement as an agent). They include a set of specific requirements with regards to addressing the risks of modern slavery and human trafficking.
- **Whistleblowing Policy:** The purpose of this policy is to encourage and empower people across our offices to raise concerns to us, including in relation to modern slavery issues, as soon as possible, and to feel safe in doing so.

As described in the 'Our operations' section, we have associations with three independent law firms. These firms have adopted a form of our International Standards of Conduct. We work with these firms to continue to develop their policies relating to modern slavery risks.

### Our people

We are committed to complying with all applicable laws relating to the recruitment, engagement and employment of staff at Herbert Smith Freehills Kramer. We ensure that our people are paid at least the minimum wage in the local jurisdiction.

Occasionally, we engage recruitment providers to provide us with temporary workers. Where applicable, we ensure these providers hold a current labour hire licence prior to engaging their services. We always aim to use standard contractual controls to help protect temporary workers' human rights, including:

- recruitment providers are required to ensure that the temporary workers they supply to the firm are eligible to work in the relevant country and they hold all necessary insurances to protect their workers; and
- we require transparency in our recruitment agreements regarding agreed basic and overtime rates of pay to temporary workers.

We also undertake specific global procurement exercises to ensure that our suppliers are aligned with us in relation to modern slavery risk and workers' conditions.

In addition to the above, we work closely with visa holders to ensure any relevant visa conditions are complied with. We diligently consider and act in accordance with relevant immigration legislation in relation to any visa-related repayment clauses.

### Evaluating the effectiveness of our actions

We assess the effectiveness of our actions in respect to modern slavery risks through several measures:

- **Incidents of modern slavery within our supply chain:** We are committed to capturing any reported incidents of modern slavery within Herbert Smith Freehills Kramer as well as within our supply base.
- **Training & awareness of modern slavery risks internally:** We monitor the number of people who have completed internal training on modern slavery. During the last twelve months, 87% of our staff, made up of members of our procurement team and individuals within the firm practice who are involved in sourcing and supplier management activities, completed specific training on preventing modern slavery and human trafficking.
- **Internal & external review:** We review our policies and processes with regards to modern slavery on a regular basis, and these are also subject to internal audits. We were last audited in 2022, by the Internal Audit team who reviewed our processes and internal controls to mitigate risks related to modern slavery and human trafficking. They produced a set of findings and observations to improve our approach, which we have continued to address.

### External engagement

We understand the importance of collaborating with other organisations and the sharing of good practice on modern slavery and human trafficking. During the reporting period we have, for example, continued to actively participate in the activities of the Business and Human Rights Lawyers Association (of which we are a founding member firm) and the UN Global Compact Networks in the UK, Australia and Thailand.

### Consultation and board approvals

This statement was prepared by our global Human Rights Working Group which consists of members of In-House Counsel, New Business & Enterprise Risk, HR, Procurement teams and ESG Practice Partners, in consultation with the reporting entities covered by this statement and the entities they own and control, prior to its formal approval by our Sustainable Business

Committee, Global Executive and the entities covered by the statement.

Herbert Smith Freehills Kramer LLP Council approved this statement on behalf of the members of Herbert Smith Freehills Kramer LLP on 18 September 2025.

Herbert Smith Freehills Kramer, an Australian partnership, Board approved this statement on behalf of the Partners of Herbert Smith Freehills Kramer, an Australian partnership on 18 September 2025.

The Designated Members of Herbert Smith Freehills Kramer New York LLP approved this statement on behalf of the Members of Herbert Smith Freehills Kramer New York LLP on 21 October 2025.

Exchange House Services Australia Pty Ltd board of directors approved this statement on 25 September 2025.

Exchange House Services Limited board of directors approved this statement on 1 October 2025.

The Designated Members of Herbert Smith Freehills Kramer Paris LLP approved this statement on behalf of the Members of Herbert Smith Freehills Kramer Paris LLP on 14 October 2025.

**Michael Poulton, Designated Member, Herbert Smith Freehills Kramer LLP**

**Rebecca Maslen-Stannage, Herbert Smith Freehills Kramer Australian Partnership**

**Alison Brown, Designated Member, Herbert Smith Freehills Kramer New York LLP**

**Melissa Malkior, Director, Exchange House Services Australia Pty Ltd**

**Clare Wilson, Director, Exchange House Services Limited**

**Regis O'Real, Designated Member, Herbert Smith Freehills Kramer Paris LLP**

