

Modern Slavery Statement

July 2019 – June 2020

Our structure, operations and supply chain

This statement is made pursuant to section 14 of the *Modern Slavery Act 2018 (Cth)* (**Modern Slavery Act**) for the period 1 July 2019 to 30 June 2020.

This statement is made on behalf of King & Wood Mallesons Australia (comprising the Australian partnership of King & Wood Mallesons and its associated entity Dabserv Pty Ltd).¹

KWM Australia is committed to the identification, assessment and reduction of modern slavery risks in the management of our supply chain and business operations.

This, our first Modern Slavery Statement, explores our foundational work during FY20 in addressing modern slavery risks across our Australian business.

Our structure

KWM Australia is part of King & Wood Mallesons, a global law firm headquartered in Asia, with offices in 28 locations around the world.

Globally, King & Wood Mallesons operates under a Swiss Verein structure (a legal entity formed under Swiss law) and is comprised of member firms across different regions, including independent partnerships in Australia, the People's Republic of China and the Hong Kong Special Administrative Region of the People's Republic of China (**Hong Kong Partnership**).

Legal services are provided independently by each of the separate King & Wood Mallesons member firms. See our website at kwm.com for more information on the King & Wood Mallesons global structure including KWM Australia's status within that global structure.

This Modern Slavery Statement is made by the Australian business, noting that, for the purposes of the Modern Slavery Act, the Australian business is conducted primarily through two "entities":²

- **the Australian Partnership:** which provides our legal services to our clients; and
- **Dabserv Pty Limited:**³ which provides various support services (such as premises, finance, technology, travel, people & development and business development services) to the Australian partnership,

(collectively "**KWM Australia**").

Each entity has its own employees and suppliers.

For convenience, a reference in this statement to KWM Australia refers collectively to both entities unless otherwise specified.

Our operations

KWM Australia is a full-service commercial law firm delivering a range of transactional and disputes based legal services and capability. We have market leading legal expertise in cross-border mergers and acquisitions; private equity; public M&A; employment; intellectual property; competition; international funds; commercial litigation; international arbitration; projects, energy and resources; real estate; construction; environment; tax; banking and finance; and restructuring and insolvency.

Our core business function involves the delivery of specialist professional legal services to our clients.

We advise and support our clients, both domestically and internationally on complex Australian law matters across a range of sectors.

While KWM Australia's operations are predominantly based in Australia, as a member of the King & Wood Mallesons global network, KWM Australia has relationships with other members of that network which have operations outside Australia, as part of the pursuit of a common global strategy. The members of the network trade under a common name to provide seamless multi-jurisdictional legal services to the world's leading commercial and other entities.

As part of the global arrangements, some management, IT, procurement and other support services are provided by foreign Verein subsidiaries to member firms including KWM Australia.

KWM Australia has an affiliate entity, King & Wood Mallesons LLP (a Singapore limited liability partnership) which carries on a foreign law practice in Singapore (Singapore LLP). Under the arrangements with Singapore LLP, the Singapore LLP provides legal and representative services to KWM Australia in the South East Asian region, and KWM Australia provides professional legal services and a range of support services to the Singapore LLP.

KWM Australia's relationship with the Hong Kong Partnership has also included the provision of some support services, the mutual exchange of professional legal services and the transfer of KWM Australia partners and employees. KWM Australia does not control the Hong Kong Partnership or its operations.

¹ Dabserv Pty Ltd is trustee of the firm's service trust which provides various support services to the partnership as described further below.

² As that term is defined in the Modern Slavery Act

³ ACN 008 551 993 with its registered office located at Level 61 Governor Phillip Tower, 1 Farrer Place, Sydney

KWM Australia's relationship with other parts of our global network includes:

- providing professional legal services to international clients;
- providing professional legal services to, and receiving professional legal services from, other King & Wood Mallesons offices, including offices located in the Peoples Republic of China, the United States of America, United Kingdom, Europe and the Middle East;
- the transfer of KWM Australia partners and employees to other King & Wood Mallesons offices; and
- receiving services from other entities within the network.

While our relationship with members within the King & Wood Mallesons global network is very important to KWM Australia and our clients, we do not control the foreign business operations of these independent member firms of King & Wood Mallesons. We recognise that some of these foreign jurisdictions may carry a perceived increased risk of modern slavery under the Global Slavery Index 2018 by comparison to the Australian jurisdiction, however that risk may also be diminished somewhat by the nature of the supply chains involved in providing the professional services involved.

KWM Australia employs approximately 1,460 people in Australia and operates in Australia from five centres located in Brisbane, Canberra, Melbourne, Perth and Sydney.

Our workforce includes a small number of workers from outside Australia who have arrived in Australia on working visas. We use labour hire agencies in Australia in limited circumstances to support casual personnel requirements within our legal, hospitality and other shared services teams.

In addition to the provision of professional legal services, in Australia we also offer clients resourcing support through a short-term contract engagement service known as KWMCnexion.

Our supply chain

KWM Australia procures goods and services to enable our delivery of legal services to our clients. Goods and services are sourced from both Australia and overseas. During the reporting period, we engaged approximately 2,600 suppliers and contractors, with 98.6% of those suppliers and contractors based in Australia. The remaining 1.4% of suppliers or contractors were based in 12 regions (including China Hong Kong SAR, Singapore, United Kingdom, United States, New Zealand, Canada, Cayman Islands, Thailand, Indonesia, Uruguay, South Africa and Papua New Guinea).

Our supplier base primarily comprises professional services personnel, such as barristers, expert witnesses (forensic accountants, engineers, technical specialists), foreign law firms (e.g. in jurisdictions where we do not have local offices), sophisticated commercial suppliers and our KWM member firms.

Our major expense categories include professional services, premises, travel and accommodation, information technology (software and hardware), human resources and staffing services, print and mail management.

Key supply chain categories



Professional services



Premises



Travel and accommodation



**Information technology
(software and hardware)**



**Human resources and
staffing services**



Print and mail management

Managing modern slavery risks

Identification of our modern slavery risk areas

Following assessment of our Australian business operations and supply chain and having regard to the regulated nature of the practice of law in Australia, we consider that the risk of modern slavery existing within our immediate Australian operations is low.⁴

We have categorised modern slavery risks for our business into the following key areas:

- **Domestic contractor and service arrangements:** for premises or business services where the services procured primarily involve work types such as cleaning services, indoor plant maintenance, document production and printing services;
- **Offshore suppliers and contractors:** particularly in those countries or jurisdictions that are recognised on the Global Slavery Index as having a higher prevalence of modern slavery practices. Our offshore supply arrangements are varied and relate to items such as legal services and software subscriptions. As identified above, we also engage independent members of our King & Wood Mallesons global network (which are not controlled by KWM Australia) and other foreign law firms or professional services providers in countries where the perceived risk of modern slavery may be elevated;
- **Suppliers of suppliers:** our supply chain, as with all supply chains, has multiple tiers and we accept that there are certain sectors and industries, products and services, geographic regions and supplier entities which carry a higher risk of modern slavery than others. While we can coordinate due diligence of our tier 1 suppliers, we have less immediate visibility or control of the business practices and operations of the suppliers of our suppliers (tier 2 and beyond), but we understand that in our procurement at tier 1, we have an ability to influence outcomes at tier 2;
- **Our people and workforce:** this includes our recruitment and onboarding processes but also the use of labour hire agencies, short-term contractors and foreign workers who are in Australia on visas.

Actions taken to assess and address our modern slavery risks

During this first reporting period, KWM Australia commenced the foundational work to assess and address modern slavery risks in our Australian business. Each year we aim to build on this initial foundational work, striving towards increased maturity and sophistication of our modern slavery response from year to year.

During FY20, the actions taken by our Australian business to assess and address our modern slavery risks relate to four key areas:

- procurement and supplier due diligence;
- governance and policy review;
- employment terms and conditions; and
- modern slavery education and awareness.

Procurement and supplier due diligence

During the reporting period, various modern slavery elements were introduced into our procurement process, in that KWM Australia:

- developed and introduced a Supplier Code of Conduct, which sets out the minimum standards of behaviour that we expect from a member of our supply chain. Our Supplier Code of Conduct requires contractors and suppliers to responsibly manage the risk of modern slavery within their business and their own supply chain and to act in a manner which reflects a commitment to ensuring human rights;
- reviewed and updated our standard request for tender document (RFT) and our standard contractual terms, to ensure that our tender process specifically requires tenderers to commit to our Supplier Code of Conduct (and the modern slavery obligations within our Supplier Code of Conduct);

⁴ In assessing the supply chain, consideration has been given to the geographical prevalence of modern slavery as set out in the Global Slavery Index 2018. 98.6% of the KWM Australia supply chain involves suppliers and contractors based in Australia. Australia carries a low risk rating in the Global Slavery Index 2018

- undertook an initial desktop due diligence of our suppliers, to ascertain their geographic location, sector or category and publicly available market reputational information on for FY20 and used that desktop analysis to support an initial assessment of our modern slavery risk profile; and
- introduced a modern slavery lens to our supplier evaluations carried out by our procurement team for material contracts. Our procurement personnel evaluate corporate factors such as geographic location, ownership, solvency/credit rating, capacity, market reputation and adverse media coverage. In performing the evaluations, our procurement team look for indicators that may flag a heightened modern slavery risk profile for a supplier.

Procurement across our business operations does not operate on a completely centralised basis, with the more material contracts (above a monetary threshold) being managed by our procurement team and lower value procurement arrangements being managed by managers across various disciplines within our business.

Looking forward, we plan to:

- appoint a lead person responsible and accountable for ensuring that our modern slavery procurement initiatives and supplier evaluations are being applied consistently across our decentralised procurement function;
- begin the process to evaluate, select and commence working with a third party platform to assist with an external assessment of our supply chain. This third party platform will be used to distribute modern slavery questionnaires to those suppliers external to our network that are identified as our higher risk suppliers, so as to gain a deeper assessment of the activities being undertaken to manage their own modern slavery supply chain risks; and
- increase, even further, our general engagement with our suppliers and industry bodies on issues associated with modern slavery. We will also take further steps to ensure our suppliers are consistently bound by a contractual commitment to comply with our Supplier Code of Conduct (and the modern slavery obligations within that Code).

Governance, policies and procedures

Our policies and procedures are a key method for setting out what we expect from our people in the responsible conduct of our business.

During the reporting period, KWM Australia undertook a modern slavery review of our governance, policies, and procedures. Our review resulted in the following policy documents either being introduced or updated and then republished:

- **Modern Slavery Policy:** this policy affirms our approach to modern slavery and our commitment to ethical business practices and to ensuring our suppliers' values align to our own. All KWM Australia employees are required to avoid any activity that might result in a breach of this policy, understand the importance of human rights and identifying modern slavery risks, and report any concerns;
- **Procurement Policy:** this sets out the firm's expectations for selecting and dealing with suppliers. This requires employees to only work with suppliers who are reputable and are committed to ensuring compliance with legal and ethical obligations;
- **Supplier Code of Conduct:** under our Supplier Code of Conduct KWM Australia suppliers are required to engage and manage people ethically and to comply with all laws, regulations and standards, including in relation to human rights, such as not engaging in or being associated in any way with any form of human trafficking, exploitation, forced labour or child labour; and
- **Representations to clients:** when seeking to become a supplier to clients, we recognise our role in their supply chain. In response to modern slavery questions within a client's request for tender, we confirm our commitment to combatting modern slavery to our clients and have introduced standard commitment language into our legal engagement terms.

We have also measured the extent to which our people have accessed these policy documents during FY20. Going forward we plan to conduct annual refresher training on these policy documents and their intersection with modern slavery for those people who participate in procurement activities. In preparing our next modern slavery statement, we plan to measure and compare metrics on the use and interaction with these policy documents, with the aim of year on year improvement.

In addition to our workplace policies and investigation process, during FY20, the firm nominated and identified representatives across the business who can act as a conduit for others to raise concerns on an anonymous basis. Looking forward into FY21, we will consider establishing a further policy approach for people to report modern slavery risks (among other things).

Employment terms and conditions

A modern slavery lens has been applied to some of our recruitment procedures and a review of certain employment arrangements during the reporting period to ensure that the sourcing of personnel, via short-term contracts, labour hire arrangements or foreign workers on international visas, does not give rise to additional modern slavery risk for our business. This reporting period we have:

- reviewed our employment terms and conditions;
- reviewed our standard terms and conditions for the engagement of recruitment agencies; and
- reviewed our reimbursement terms with respect to those employees who may be subject to a reimbursement obligation associated with relocation, sponsorship or study assistance.

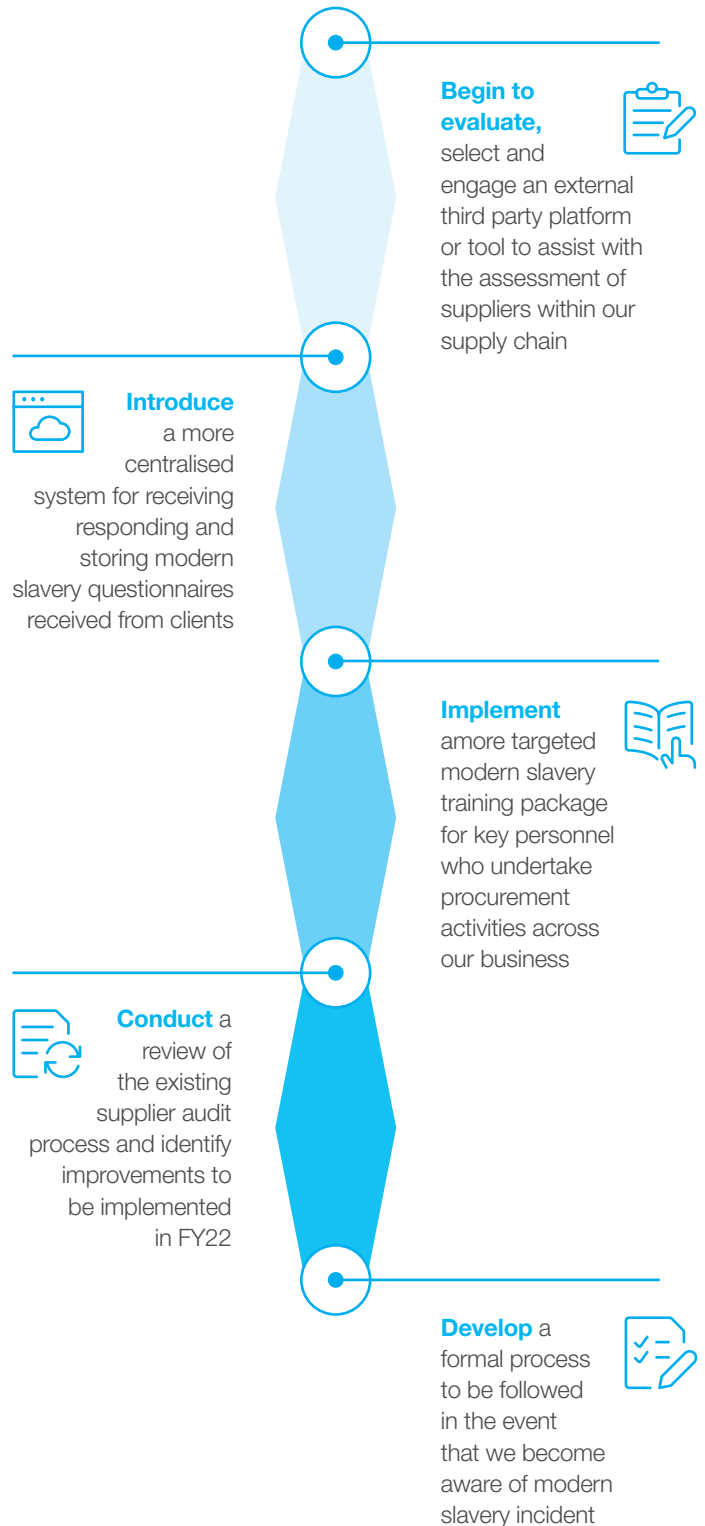
Education and awareness

In the first instance, our core procurement team has focussed on building their knowledge and awareness on modern slavery. The firm has also published a database of alerts and articles on our website to help inform our people more generally around the risks of modern slavery and to support our clients in managing their own modern slavery risks.

Looking forward, we plan to roll out specific modern slavery training to those people carrying out procurement activities within our decentralised procurement model. In the following year, we expect to roll out our modern slavery awareness training more generally across the business.

Looking forward

In the financial year ending 30 June 2021, we plan to:



Measuring the effectiveness of our actions

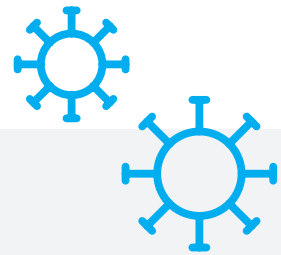
Not only is there the imperative to address modern slavery risks, but that response needs to be effective.

In measuring effectiveness for this reporting period, we have relied upon:

- the fact that no material modern slavery incidents have been identified within our immediate supply chain during the relevant period;
- the requirement under our policies for those involved in procurement on a day to day basis, to ensure that the firm's expectations are met;

- the implementation and publication of new or updated policies or procedures across the firm. We have measured the extent to which those new or updated policies and procedures are accessed by our people and we aim to focus on increased awareness and use on an ongoing basis; and
- senior management review of grievance and complaint registers and actions to address complaints.

We have identified areas for continuous improvement during FY21 and beyond (refer to the "looking forward" section on [page 6](#)), and we are committed to ensuring more effective participation across our due diligence, training and governance processes.



Additional considerations due to COVID-19

Supply chain disruption and the elevation of modern slavery risks (due to the adoption of alternative supply arrangements) is a well-documented global consequence of COVID-19, particularly in those geographic regions where COVID-19 has had a more significant and devastating human and economic toll compared to Australia.

In terms of our immediate business operations and tier 1 suppliers, during COVID-19, we have experienced:

- limited need to urgently source alternative supply arrangements during this period;
- a decreased reliance on labour hire agencies to supplement our hospitality and business / shared services workforce given extended periods of work from home.

We maintained our long standing supplier relationships, were flexible and accommodating, and had open communication about reasonable or unavoidable variations to contractual terms.

We adopted a strategy of seeking to give our people security during an unsettling and challenging time and took transparent measures to avoid active workforce reduction.

Our unprecedented and urgent business response to COVID-19 meant that certain modern slavery initiatives across our business were resource constrained and slowed compared to what they would have been without the outbreak of COVID-19.

Other relevant information

Our response to modern slavery also includes the following:

- our Australian social impact practice, KWM Community Impact, is centred on creating a more just society, by reducing inequality and poverty among young people;
- the pro bono legal services provided by KWM Community Impact includes advice to community organisations on their modern slavery reporting obligations;
- KWM Community Impact also offers social mobility projects to provide or assist disadvantaged youth to secure meaningful and fair employment; and

- we have delivered seminars, tailored presentations and published publicly available resources on our website which help organisations understand their role and obligations and what services we are able to provide.

These measures demonstrate the effectiveness and importance of collaborating with communities and stakeholders to raise awareness of, and contribute to, combating modern slavery.

Consultation and Board approvals

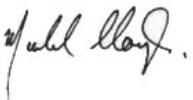
This statement was prepared by a small team of representatives from our Executive, Procurement, Finance, People & Development, Strategy and Community Impact functions, and reviewed by the Office of General Counsel.

The King & Wood Mallesons Australia Board approved this statement on behalf of the partnership on 16 March 2021.

The board of directors of Dabserv Pty Ltd approved this statement on 25 March 2021.

“Our first Modern Slavery Statement explores our foundational work in identifying and addressing modern slavery risks across our Australian business. As with most things, we view this as a journey of continual learning, growth and improvement. Moving forward, we look forward to building and maturing the foundational work that we have done to date.”

**KING & WOOD
MALLESONS**
金杜律师事务所



Michael Clough
Chairman
King & Wood Mallesons, Australia

DABSERV PTY LIMITED



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Chief Executive Partner
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King & Wood Mallesons refers to the firms which are members of the King & Wood Mallesons network.
Legal services are provided independently by each of the member firms.

See kwm.com for more information.

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