



Hall & Wilcox Modern Slavery Statement FY22

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Acknowledgement of Country

Hall & Wilcox acknowledges the traditional custodians of country throughout Australia and recognises their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging and to all First Nations people.

Introduction

The COVID-19 pandemic, climate change and armed conflicts have had the compounding effect of increasing the risk of all forms of modern slavery. It is estimated that 49.6 million people were living in modern slavery in 2021, a rise of 9.3 million people since 2016.¹

Although the principal responsibility for eliminating modern slavery lies with governments, a whole-of-society approach is needed, and this includes businesses. Hall & Wilcox is dedicated to our community and corporate social responsibility. We recognise our responsibility to contribute to the elimination of modern slavery and that responding effectively to modern slavery is a process of continuous improvement. Our approach aims to be consistent with the UN Guiding Principles on Business and Human Rights (**UN Guiding Principles**).

This Modern Slavery Statement (**Statement**) has been prepared in respect of the year 1 July 2021 to 30 June 2022 (**Reporting Period**). It is made pursuant to the mandatory reporting criteria in section 16 of the *Modern Slavery Act 2018* (Cth) (**Act**). The table below identifies where each criterion of the Act is addressed in this Statement:

Reporting entity

Hall & Wilcox (ABN 58 041 376 985) is a reporting entity under the Act. This Statement is made in accordance with section 13 of the Act on behalf of the partnership of Hall & Wilcox and the entities it controls, being Francis Gillman Pty Ltd as trustee for the Francis Gillman Unit Trust (**Francis Gillman**), Francis Gillman Finance Pty Ltd as trustee for the Francis Gillman Finance Trust, Francis Gillman Holdings Pty Ltd and H&W Nominees Pty Ltd (**Associated Entities**).

Mandatory criteria for modern slavery statements	Page of this Statement
Identify the reporting entity	3
Describe the reporting entity's structure, operations and supply chains	4-5
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	6
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address those risks, including due diligence and remediation processes	7-8
Describe how the reporting entity assesses the effectiveness of these actions	9
Provide any other relevant information	9
Describe the process of consultation with any entities the reporting entity owns or controls	9

¹ *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*, International Labour Organization, Walk Free, and International Organization for Migration, September 2022

Our structure

Hall & Wilcox is a leading independent Australian law firm with offices in Melbourne, Sydney, Canberra, Newcastle, Brisbane, Perth, Darwin and Adelaide.² We are a firm of more than 950 people, including 118 partners. We build partnerships with and service corporate, public sector and private clients, both Australian-based and those offshore doing business in Australia. Our success depends upon the success of our clients, our people, and the communities in which we work and live.

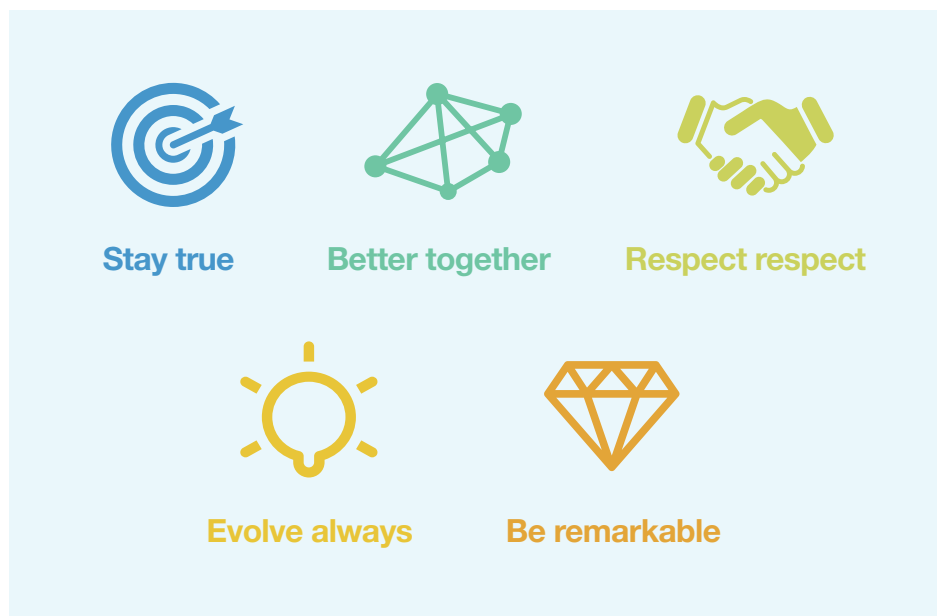
Our core practice areas are: Banking and Financial Services, Corporate and Commercial, Commercial Dispute Resolution, Employment, Insurance, Private Clients, Property and Projects, and Tax. We also have a thriving pro bono and community practice, with a dedicated Pro Bono Partner.

Our commitment to contributing to our communities is embedded in our firm culture. Our pro bono practice embraces our ethical responsibility as a firm to help those in need and enriches the personal and professional lives of the Hall & Wilcox lawyers who get involved.

Our industry focus is on Technology and Digital Economy, Financial Services and Insurance, Health and Community, Public Sector, Environmental Social & Governance (ESG), Retail & FMCG (fast-moving consumer goods), Social & Affordable Housing, Education & Training, Transport & Trade, Energy, Resources & Utilities, Gaming, Sports & Entertainment, and Fashion & Beauty.

Our approach

Hall & Wilcox is committed to ESG principles and a sustainable future. We believe that success should not be at the expense of doing the right thing, and we consider our long-term impact on our people, communities and the planet in our decision making. Addressing modern slavery, climate change and other ESG considerations in our operations and supply chains is aligned with our purpose of enabling our clients, our people and our communities to thrive. It is also aligned with our Hallmarks which are our core values and an expression of how we expect our people to go about their work.



As part of the firm's commitment to a sustainable future, Hall & Wilcox has joined the UN Global Compact (**UNGC**). The UNGC is a call to businesses to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take action to advance social goals. We are committed to implementing the 10 UNGC principles and to advising and supporting clients to implement them also.

² The head office of Hall & Wilcox is 525 Collins Street, Melbourne, Victoria 3000

Our operations

Hall & Wilcox is a professional services business which predominantly employs professionally qualified and highly skilled people. We have a well-established human resources framework of policies and procedures to ensure compliance with labour laws and regulations and with our core values.

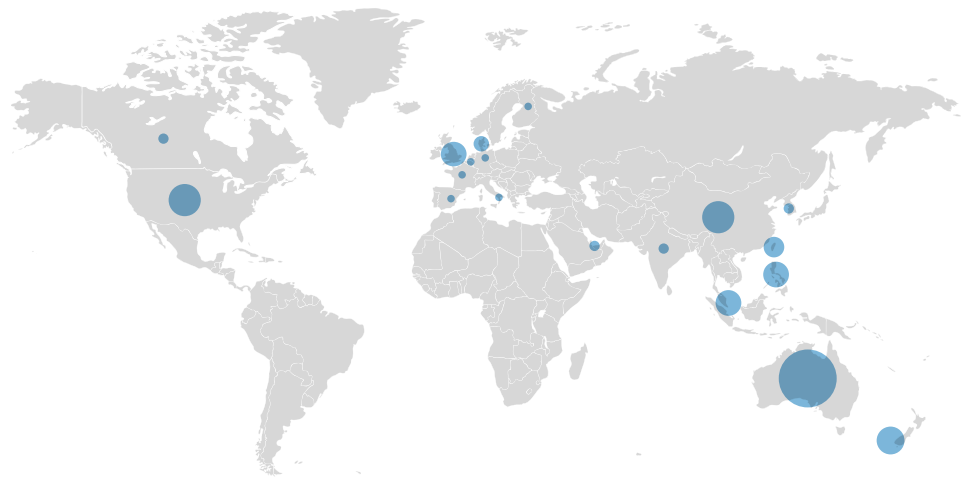
The conduct of our lawyers is regulated by legal profession legislation in each jurisdiction in which we operate, so we consider the risk of causing modern slavery in our operations to be very low.

Francis Gillman provides administrative and support services to Hall & Wilcox and employs all non legal staff. Corporate Services roles in our operations (including IT, People & Culture, Finance and Operations) are also considered low risk due to their location within Australia and our commitment to operating in compliance with our human resources framework.









Our supply chains

Our supply chains consist of products and services procured to enable our people to deliver our services. Our procurement is decentralised, with purchasing control granted to departments and to a lesser extent local offices. Most of the products and services we procure are from suppliers with headquarters and/or operational facilities in Australia or other countries with a low risk of modern slavery.³

The location of suppliers who completed our modern slavery and human rights questionnaire is shown on this map:



Our main categories of procurement

-  Information Technology
-  Facilities Management and Property Maintenance
-  Financial and Insurance Services
-  Rental, Hiring and Real Estate Services
-  Professional and Technical Services
-  Accommodation, Food and Entertainment
-  Construction
-  Motor Vehicles and Travel

³ Global Slavery Index 2018

Our risk areas

Hall & Wilcox considers the risk of modern slavery in our operations to be very low due to our commitment to operating in compliance with our human resources framework (as described under 'Our operations'). We recognise that there is a risk that we, like other businesses, may be directly linked to the modern slavery practices of other entities deep within our supply chains, including entities with which we do not have a direct contractual relationship.

We have not identified any specific instances of modern slavery and our analysis has found that most tier one suppliers pose a low overall risk of modern slavery. Where suppliers were connected to an industry/sector and products/services associated with higher modern slavery risk, the risks were mainly associated with the following categories:

Information technology – hardware and services

We procure electronic goods and IT support and consulting services directly and through third parties who procure these goods and services on our behalf.

Modern slavery risks are most pervasive in the raw material extraction, manufacturing and disposal stages that are known to attract vulnerable populations in high-risk countries. Our visibility of risks relies on suppliers providing information on their standards and risk management and compliance systems.

Most of these goods and services are procured from multinational IT companies whose modern slavery statements are publicly accessible. Our review of the modern slavery statement of our main supplier of laptops, Hewlett Packard Enterprise Company (HPE), confirms that they continue to put in place standards and systems to manage modern slavery risks within their operations and supply chains. HPE have identified that these risks include the risk of forced labour with students

and dispatch labour in China and migrant workers in certain high-risk countries in Asia.⁴

In the case of certain smaller sized suppliers in this and other categories, we will make available our new supplier modern slavery awareness training module where they have indicated to us in questionnaire responses that their workforce has not completed such training.

Construction – building and services

During the Reporting Period our procurement in this category related mainly to completion of office fit-outs, some of which had been disrupted by COVID-19 related restrictions or affected by longer lead times.

We recognise that the subcontracting of base-skill labour is a factor that heightens the risk of modern slavery in this category. We engage quality builders who are aware of the modern slavery risks within their industry and have policies and controls in place to reduce the risks.

We also recognise the risks in the materials and labour used in manufacturing processes, and the possible high-risk geographic location of their manufacture. We prioritise procurement from local manufacturers, particularly of finished goods such as loose furniture and workstations, and we intend to prioritise procurement of locally or Australian produced raw building materials by our builders/subcontractors in future construction projects, wherever possible.

Rental, Hiring and Real Estate Services, Facilities Management and Property Maintenance

Cleaning, security, waste, property maintenance and building operations services are procured by the managers of the larger offices we lease. For our smaller offices, many of these services are procured directly by us.

Labour exploitation in the cleaning industry is well documented. A combination of factors heightens the risk of modern slavery, including the high demand for base-skill labour, reduced visibility of labour standards due to outsourcing, and workers from vulnerable populations, including migrant backgrounds.

As discussed in our previous modern slavery statement, COVID-19 exacerbated the risks for those already in situations of labour exploitation, including in the cleaning industry. Our routine office cleaning returned to almost pre-COVID-19 levels in the Reporting Period and we continued to review our additional cleaning regimes.

The cleaning service engaged by our building managers in larger offices (and which we engage directly for additional cleaning regimes) is a participant in the Cleaning Accountability Framework, a multi-stakeholder initiative which seeks to improve labour practices in the cleaning industry.

Accommodation, food, entertainment

This category includes hospitality and catering services used for our events. We must consider that providers in this sector may also rely on base-skill labour procured through outsourcing arrangements and that food industry supply chains have a high risk of modern slavery.

Our procurement in this category started returning to pre-COVID-19 levels towards the end of the Reporting Period, and together with Motor Vehicles and Travel, it is again one of our main categories of procurement.

⁴ modernslaveryregister.gov.au/statements/8248/

Our actions to assess and address potential modern slavery risks

Modern slavery working group

Our modern slavery working group is responsible for determining and implementing our modern slavery response. It includes our Chief Operating Officer, General Counsel, Operations Manager and Risk team members, and draws on a range of expertise across the firm. The group met each quarter during the Reporting Period with key actions managed by respective group members.

Modern slavery and human rights questionnaires and due diligence

During the Reporting Period the firm engaged an external provider to assist us with modern slavery and human rights risk assessments of our suppliers. Modern slavery and human rights questionnaires were sent to 148 suppliers that we identified as at a higher risk of modern slavery.

We took the further step of introducing the questionnaire as part of our sourcing process for new suppliers where we identify them as at a higher risk of modern slavery. The modern slavery and human rights risk assessment has become a factor in deciding whether to approve those suppliers and is a means by which we can consider and reduce modern slavery risks in our supply chains.

Suppliers are asked a range of questions, including if they have assessed whether their business has or is causing, contributing, or is linked to adverse human rights impacts and if they have adequate policies, controls, procedures and training designed to prevent, detect, assess, manage and remedy modern slavery in their operations and supply chains.

The following five key indicators are used by our external provider to assess a supplier's modern slavery risk:

- 1 country of operations/headquarters;
- 2 industry;
- 3 products attributed to a high risk of modern slavery;

4 workforce characteristics; and

5 risk-mitigating measures specific to individual suppliers,

in order to provide an indicative modern slavery risk rating of high, moderate or low.

We engage further with suppliers who have not responded to the questionnaire as part of ongoing supplier management and will also use contract renewals as an opportunity to seek outstanding responses.

82% of suppliers who responded during the Reporting Period were assessed to be at a low risk of modern slavery. No supplier that completed the questionnaire was assessed to be at a high risk. The suppliers assessed to be at moderate risk operated predominantly in the Information Technology, Construction and Facilities Management and Property Maintenance categories.

Guided by the results of questionnaires, we determine the level of due diligence we undertake. We have followed up directly with suppliers where there has been a need to clarify or investigate issues raised by answers to the questionnaire. Where further monitoring or specific action is considered appropriate, we will put in place a program to foster collaborative efforts to address potential risks.

We will also make available a modern slavery awareness training module which we have developed specifically for suppliers, focussing on suppliers with a moderate risk rating whose workforce has not completed training on human rights related issues.

In future years we intend to deepen the examination of our supply chains and assessment of modern slavery risk beyond tier one of our supply chains. Increasing our level of engagement with suppliers will enable us to develop an understanding of where Australian-based suppliers are sourcing goods and services.

Policies, processes and templates

During the Reporting Period we progressed the development of the following policies for managing modern slavery and human rights risks:

Procurement policy and framework (forthcoming)

We continued to develop an overarching procurement policy and framework with the assistance of the firm's procurement consultant. It states that our approach to procurement will aim to be consistent with the UN Guiding Principles. We expect to finalise and implement this policy before the end of the next reporting period.

The procurement policy references all policies, processes and guidelines relating to procurement, including the social and sustainable procurement policy. It sets out the firm's processes around ESG-related risk assessments, including the modern slavery and human rights risk assessment, further supplier due diligence, and the reporting and remediation of modern slavery incidents (existing and forthcoming).

It provides that approval of a supplier may be conditional on the inclusion of contractual provisions giving the firm rights and assurances with respect to modern slavery that are commensurate with the risk presented. Alternatively, supplier agreement templates may be used which incorporate modern slavery controls for our suppliers and their supply chains.

Human rights policy (forthcoming)

The policy will set out the firm's commitment and approach to respecting human rights in a way that is consistent with the UN Guiding Principles. We intend to implement the policy in 2023.



Training

One of our key actions to address modern slavery risks in the last Reporting Period was to launch a mandatory modern slavery awareness module for personnel. The module aims to develop awareness of how we all intersect with modern slavery in our daily lives and covers the following topics:

- what is modern slavery and the *Modern Slavery Act 2018* (Cth);
- the firm's response to the Act; and
- what each of us can do to help eliminate modern slavery.

In this Reporting Period we took the further step of incorporating the module into our induction program for all new personnel.

Other training initiatives included:

- Modern slavery masterclass webinar co-presented by representatives from the firm's Business & Human Rights practice, Risk team and Operations team
- Training by the firm's procurement consultant for personnel involved in procurement on supplier due diligence, the social and sustainable procurement policy and modern slavery
- Webinar as part of our ESG CPD series: *Human rights due diligence for providers of professional services: best practice and what it means for business* with guest speaker Professor Justine Nolan, Director of the Australian Human Rights Institute
- Development of a modern slavery awareness module specifically for suppliers (to be launched in early 2023)

External engagement and other activities

Our Business & Human Rights practice, part of our Employment practice, aims to help businesses, non-profit and public sector entities to develop an approach to human rights that integrates seamlessly with their operations, objectives and brand, and which reflects international human rights standards and best practice. It provides advice and representation to enable businesses to comply with all of their legal obligations in all areas relating to human rights, including by working with clients at all stages of the modern slavery reporting cycle. Our pro bono practice also provides specialist advice on human rights law to a variety of clients, including non-profit entities.

The firm participated in the following engagements and initiatives in the Reporting Period:

- The firm assisted with the review of approximately 100 modern slavery statements for the Modern Slavery Research Project run by Australian Human Rights Institute at UNSW. This is a collaborative project assessing the effectiveness of the reporting requirement of the Act. A comparative analysis of these modern slavery statements (published by companies in the second reporting cycle of the Act) has been presented in *Broken Promises: Two years of corporate reporting under Australia's Modern Slavery Act*
- Firm representatives attended the Australian Legal Sector Alliance (**AusLSA**) Modern Slavery Round Table (webinar) on 9 May 2022. Since 2012, Hall & Wilcox has been a member of AusLSA, an industry-led association working collaboratively to promote best practice sustainability commitments and performance across the legal sector

We also responded to modern slavery questionnaires issued to us by numerous clients as part of their own modern slavery and human rights risk assessments.

How we assess the effectiveness of our actions and our next steps

To assess the effectiveness of our actions:

- we have compared the response rate to questionnaires for the current and previous reporting periods;
 - we have assessed our suppliers against our risk framework and categorised suppliers by risk;
 - we have compared questionnaire responses for the current and previous reporting periods for changes in the risk profiles of suppliers and have identified some areas where we will work with the supplier to collaborate further on modern slavery awareness;
 - we have monitored the completion rate and feedback on internal training initiatives. We sought 100% completion of our modern slavery awareness module for personnel by 30 June 2022 and were pleased to achieve 99.4% completion by that date; and
 - we will continue to develop measures to assess the effectiveness of our actions as further social procurement and modern slavery initiatives are implemented.
- expand the modern slavery controls for our suppliers and their supply chains;
 - adopt a human rights policy, supplier code of conduct and human rights due diligence framework;
 - continue to regularly review our policies and processes; and
 - provide further modern slavery and broader human rights training to key personnel, including those involved in procurement, which will cover (among other things) the cause, contribute and direct linkage framework and the firm's suite of policies and processes (existing and forthcoming) relating to procurement.

Consultation and Board approval

This Statement was prepared by our Risk team in consultation with our broader modern slavery working group, relevant Corporate Services heads and our Pro Bono Partner. The process was inherently consultative due to the shared management and governance of the partnership and Associated Entities.

This statement was approved by the Board of Partners of Hall & Wilcox on 22 November 2022.

Other relevant information – our next steps

Hall & Wilcox is taking a continuous improvement approach to combatting modern slavery, including the following immediate and longer term actions:

- follow up various suppliers who did not respond to the request to complete the questionnaire as part of ongoing supplier management;
- identify suppliers requiring further due diligence and develop a program with suppliers to address potential risks, as required;
- make available our supplier modern slavery awareness training module;
- identify potential risks of modern slavery in our tier 2 suppliers;
- finalise and implement an overarching procurement policy and framework;



Tony Macvean
Managing Partner



Mark Dunphy
Chair of Partners

