

Hall & Wilcox Modern Slavery Statement FY20

Introduction

*'Where, after all, do universal human rights begin? In small places, close to home – so close and so small that they cannot be seen on any maps of the world. Yet they are the world of the individual person; the neighbourhood he lives in; the school or college he attends; the factory, farm, or office where he works. Such are the places where every man, woman, and child seeks equal justice, equal opportunity, equal dignity without discrimination. Unless these rights have meaning there, they have little meaning anywhere. Without concerted citizen action to uphold them close to home, we shall look in vain for progress in the larger world.'*¹

Freedom from slavery is a fundamental human right. The term 'modern slavery' describes situations where offenders use coercion, threats or deception to exploit victims and undermine or deprive them of their freedom. It includes serious exploitative practices such as human trafficking, forced labour, the worst forms of child labour, servitude, forced marriage, debt bondage and deceptive recruiting for labour or services.

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 will aim to be consistent with the UN Guiding Principles on Business and Human Rights (**UN Guiding Principles**), which require that businesses avoid causing or contributing to adverse human rights impacts and seek to prevent or mitigate impacts directly linked to their operations or services by their business relationships, even if they have not contributed to those impacts.²

The Modern Slavery Act 2018 (Cth) (**Act**) requires reporting entities to report what they are doing to assess and address modern slavery risks in their operations and supply chains. This is our first Modern Slavery Statement and has been prepared in respect of the year 1 July 2019 to 30 June 2020. It sets out the risks of modern slavery practices in our operations and supply chains and the actions taken by us to assess and address modern slavery risk over the year. It also outlines how we assess the effectiveness of these actions, together with other steps we propose to take in future reporting cycles to strengthen our response.

¹ Excerpt from Eleanor Roosevelt's speech at the presentation of 'IN YOUR HANDS: A Guide for Community Action for the Tenth Anniversary of the Universal Declaration of Human Rights', March 27, 1958. United Nations, New York

² Guiding Principle 13, UN Guiding Principles on Business and Human Rights

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 Finance Pty Ltd as trustee for the Francis Gillman Finance Trust, Francis Gillman Holdings Pty Ltd and H&W Nominees Pty Ltd (**Associated Entities**).

Our structure

Hall & Wilcox is a leading independent Australian law firm with offices in Melbourne, Sydney, Canberra, Newcastle, Brisbane, Perth and Darwin.³ We are a firm of around 750 people, including 92 partners, delivering outstanding legal services to corporate, public sector and private clients, both Australian-based and those offshore doing business in Australia.

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 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. A core focus of this work is enabling Aboriginal and Torres Strait Islander communities to thrive and our Reconciliation Action Plan (launched on 19 March 2020) provides us with a plan to fulfil that purpose. We currently receive pro bono referrals from several inspirational organisations, including: Public Interest Advocacy Centre; Justice Connect; Refugee Advice & Casework Service; Human Rights Law Centre; The Cancer Council and Victorian Aboriginal Legal Service, to name a few.

Our industry focus is on Technology and Digital Economy, Financial Services and Insurance, Health and Community, Public Sector, Retail & FMCG (fast-moving consumer goods), Agribusiness, Education & Training, Transport & Logistics, Energy, Resources & Utilities, and Sports & Entertainment.

Our approach

At Hall & Wilcox, our purpose is to enable our clients, our people and our communities to thrive. This is reflected in our firm's Hallmarks. These are our core values and an expression of how we expect our people to go about their work.



Stay true



Better together



Respect respect



Evolve always



Be remarkable

Our purpose and Hallmarks are integral to our practice of Smarter Law. Smarter Law means we look beyond the status quo to think differently and find better and more efficient solutions. Smarter Law includes enabling technology, challenging business models, innovative pricing and creative resourcing.

Beyond compliance, Hall & Wilcox has long been dedicated to community and corporate social responsibility and is fully committed to a continuous improvement approach in relation to modern slavery that will be consistent with the UN Guiding Principles.

Our commitment to contributing to our communities is embedded in our firm culture. We deliver this through a range of areas, including our substantial pro bono work, community initiatives and partnerships, and sustainable environmental and supply chain practices.

³ The head office of Hall & Wilcox is
525 Collins Street, Melbourne, Victoria 3000

Our operations and supply chains

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. 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 chain consists 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.⁴

Our main categories of procurement include:



Administrative and Support Services



Information Technology



Professional and Technical Services



Financial and Insurance Services



Travel



Accommodation



Food and Entertainment



Memberships and Subscriptions



Construction



Marketing and Advertising

⁴ Global Slavery Index 2018

Our risk areas

Hall & Wilcox recognises 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 chain, including entities with which we do not have a direct contractual relationship.

An audit and gap analysis of modern slavery risks in the firm's supply chain was commenced in the reporting period (completed September 2020) with the aims of:

- identifying modern slavery risks with suppliers and supply chains;
- supporting collaboration and transparency between Hall & Wilcox and its suppliers; and
- identifying areas for further attention and any key gaps in current policies and practices that may require action to address those risks.

To identify any modern slavery risks with our suppliers and in our supply chains, a two-step risk analysis process was used. A preliminary risk assessment of tier one suppliers was conducted to identify suppliers to be prioritised for further analysis. Primary consideration was given to the spend category and spend amount, and also the supplier's potential association with a category of supply documented in the Global Slavery Index 2018 as being associated with an industry and/or product or service of greater vulnerability to modern slavery risks. A self-assessment form was then issued to prioritised suppliers to establish a modern slavery rating.

Spend data and responses to supplier self-assessment were analysed against four dimensions that inform modern slavery risk: Geographic risk, Supply category risk (Industry & Sector Risk and Products & Services Risk) and Entity risk. Consideration was also given to the business criticality of suppliers to align future modern slavery due diligence and remediation activities where further action may be required. Risks were categorised as being either significant, high, medium or low.

Most tier one suppliers were found to pose a low overall risk of modern slavery. Three suppliers identified as having a medium geographic risk. These suppliers declared multiple locations of operation, some of which included countries at higher risk to modern slavery such as India, Mainland China, Hong Kong, Singapore and the Philippines.



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.

Monitoring information technology supply chains is challenging. 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.⁵ Our visibility of risks relies on suppliers providing information on their standards and risk management and compliance systems.

Construction – building and services

Several of our offices moved to new premises during the reporting period. Our procurement in this category includes office fit-outs, building maintenance and repairs.

While we prioritise procurement from local manufacturers, we recognise that the components of manufactured products may involve complex supply chains. Additionally, raw materials may be sourced from countries considered at high risk for modern slavery.⁶

Administrative and support services

Our procurement in this category includes office cleaning services, which may feature a combination of factors that heighten 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 backgrounds.⁷

Accommodation and food services

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.

Manufacturing – primarily associated with retail trade

Our procurement in this category includes branded products and merchandise such as clothing and stationery.

While our suppliers are Australian based, modern slavery risks may exist within the supply chains of the products that we buy, with evidence of human rights issues in apparel manufacturing and a lack of visibility of how suppliers or agents manage these issues.⁸

As in all areas, Hall & Wilcox aims to work with key suppliers who can demonstrate their adoption of safe and fair employment standards and practices. Our suppliers of promotional products and merchandise include Australasian Promotional Products Association (APPA) member organisations which agree to abide by the APPA Code of Conduct.

The impact of the coronavirus (COVID-19) global pandemic

Hall & Wilcox recognises that the coronavirus (COVID-19) global pandemic has exacerbated risks for those already in situations of labour exploitation, increased the risks of exploitation and disrupted anti-slavery efforts.⁹

We maintained most supplier relationships but some aspects of our operations were unavoidably reduced or ceased due to COVID-19 related government restrictions. We are working with affected suppliers to recommence services and supplies and implementing changes to operations to ensure a COVIDSafe workplace for our people and contractors. Existing supply chains have been prioritised to source supplies of protective equipment, hand sanitiser and additional cleaning products in order to comply with government regulations or industry-body recommendations related to COVID-19.

The pandemic has brought unprecedented challenges to businesses and impacted our ability to engage with some suppliers, and the ability of some suppliers to prioritise completion of the self assessment questionnaire. In some instances this meant providing more time for suppliers to respond. Some still did not respond and those identified as of significant or high criticality to the business warrant further follow up as part of ongoing supplier management.

⁵ *Modern Slavery Risks, Rights & Responsibilities, A guide for Companies and Investors*, commissioned by the Australian Council of Superannuation Investors and conducted by KPMG, February 2019 (**ACSI/KPMG guide**)

⁶ *Property, construction & modern slavery*, KPMG and the Australian Human Rights Commission, 2020

⁷ Ibid

⁸ ACSI/KPMG guide. Also *Soon There Won't Be Much to Hide*, Transparency in the Apparel Industry, Brian Stauffer for Human Right Watch, 2018 <https://www.hrw.org/world-report/2018/country-chapters/global>

⁹ *The Impact of COVID-19 on Modern Slavery*, James Cockayne and Angharad Smith, 2020 <https://ourworld.unu.edu/en/the-impact-of-covid-19-on-modern-slavery>

Our actions to assess and address modern slavery risks

Our actions to assess and address modern slavery risks include due diligence, the introduction of policies and other measures set out below.

Social procurement project and audit and gap analysis

During the reporting period the firm established a social procurement steering committee and working group to support a social procurement project. Social and sustainable procurement is a crucial enabler of our Smarter Law approach and our approach to modern slavery.

The key objectives of the project are:

- to ensure that all purchasing activities support Hall & Wilcox corporate strategies and contractual obligations, including our Reconciliation Action Plan;
- to achieve compliance with relevant legislative requirements including the *Modern Slavery Act 2018* (Cth) and our social procurement framework;
- to develop a social procurement policy and plans to enhance procurement knowledge, Hall & Wilcox specific objectives and our ability to measure our success;
- to manage and mitigate risks associated with procurement;
- to facilitate preferential treatment to suppliers who provide environmentally sustainable benefits and social benefits;
- to facilitate preferential treatment to local suppliers of each firm office;
- to achieve high standards of probity, transparency and accountability; and
- to establish a firm structure for the social procurement policy.

The audit and gap analysis discussed above was carried out as part of this project. We consider it to be the commencement of an ongoing program of due diligence which we anticipate will include new suppliers entering term-based contracts and/or new suppliers associated with a higher risk industry/sector or which supply higher risk products/services completing the self assessment as part of the sourcing process.

Our focus is on addressing modern slavery risk in our supply chain through social procurement and continuous improvement approaches and, especially for higher value/higher risk procurement, putting additional measures in place to ensure we work with key suppliers who can demonstrate their adoption of safe and fair employment standards and practices.

Policies and programs

Social procurement policy (forthcoming)

This policy will recognise our vision to make a positive difference to our communities – socially, economically and environmentally – through our purchasing decisions. It will affirm our approach to providing a safe and fair workplace, working towards the elimination of modern slavery risks in our supply chain and to ensuring we work with key suppliers who uphold safe and fair workplace standards and practices.

A separate implementation plan will be developed that will give consideration to:

- existing organisational procurement processes;
- KPIs and targets against priority objectives and outcomes;
- capability development and continuous improvement priorities;
- social procurement governance; and
- key actions and timeframes.

Diversity and inclusion policy

We are committed to creating and maintaining a diverse and inclusive workforce that reflects our community and our clients. Hall & Wilcox's overarching objectives for diversity and inclusion include ensuring that all of our people have equal opportunities at work and are recognised for their contributions.

The Workplace Gender Equality Agency named Hall & Wilcox as an Employer of Choice for Gender Equality in 2019 and 2020.

Complaint resolution policy

This policy deals with complaints and issues that arise under the firm's anti-discrimination and harassment policy or anti-bullying policy and applies to the partners, employees and contractors of Hall & Wilcox and Francis Gillman Pty Ltd.

Anti-bribery and corruption policy

Our firm is built on integrity and the highest ethical standards and has a zero tolerance for bribery and corruption. All firm personnel are expected to conduct themselves in a manner consistent with this policy and with the principles, values and Hallmarks of the firm.

The firm will not enter into any business arrangements with third parties if it cannot be satisfied that those third parties will not act in a manner that is likely to be inconsistent with this policy and the Australian or other applicable anti bribery and corruption laws.

Work, health and safety policy

Hall & Wilcox is committed to providing a safe and healthy workplace for partners, employees, contractors and visitors.

In fulfilling its commitment, Hall & Wilcox recognises its legal obligations to provide and maintain a working environment that is safe and without risks to health, including to identify and reduce the risks of all types of work activities that have the potential to result in personal injury or illness and ensure that everyone (including visitors and contractors) complies with appropriate standards and workplace directions to protect their own and others' health and safety at work.

Employee Assistance Program (EAP)

Hall & Wilcox provides access to free and confidential advice and assistance by independent third party providers through the EAP to help our people to resolve issues or challenges arising in the workplace or in their personal life in a positive way.

External engagement

Our national Employment team plays an active role in advising clients on modern slavery risks in their operations and supply chains. Our pro bono practice also provides specialist advice on human rights law to a variety of clients, including non-profit entities.

We also recognise the ways in which exchanging information and collaborating with industry bodies and non-government organisations strengthens our response to modern slavery and facilitates long term change. Our firm has been involved in raising awareness of the magnitude of modern slavery and supporting charitable organisations working to end modern slavery by hosting events in Melbourne and Sydney in October 2019 with over 250 attendees. In June 2020, we were represented at the United Nations Virtual Forum on Responsible Business and Human Rights (Asia and the Pacific).

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

We assess the effectiveness of our actions through our established risk management framework, including our reporting processes.

We also regularly review our policies to evaluate their effectiveness, ensure they remain up to date and ensure that adequate resources are made available to continue to address modern slavery risks.

We will continue to develop measures to assess the effectiveness of our actions as further social procurement and modern slavery initiatives are implemented.

Hall & Wilcox will implement a continuous improvement roadmap, including the following immediate and longer term actions:

- adopt a social procurement policy;
- follow up various suppliers who did not respond to the request to complete the self-assessment questionnaire as part of ongoing supplier management;
- undertake ongoing monitoring of suppliers identified at medium risk to modern slavery;
- establish modern slavery controls for our suppliers and their supply chains, including contractual clauses, and incorporate those controls into an overarching procurement policy, procurement processes and template documentation;
- for all new term-based contracts and/or for any new supplier associated with a higher risk industry/sector and products/services, require completion of the self assessment as part of the sourcing process. This will be incorporated into the modern slavery controls;
- formally establish a modern slavery working group drawing on expertise within the firm;

- engage and ensure consistency with the UN Guiding Principles. Underpinning this commitment is our recognition that businesses have a responsibility to respect human rights;
- continue to regularly review our policies and processes; and
- extend our modern slavery training offering to raise awareness across the firm, with targeted training in the cause, contribute and direct linkage framework for those people involved in procurement.


Consultation and Board approval

This statement was prepared by our Risk team in consultation with relevant Corporate Services heads and our Employment team. 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 16 February 2021.



Tony Macvean
Managing Partner



Mark Dunphy
Chair of Partners

