

Modern Slavery Statement FY23

1 JULY 2022 – 30 JUNE 2023



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Modern Slavery Statement (FY23)

This statement outlines:

SECTION 1: Introduction

SECTION 2: Structure, Operations and Supply Chain

SECTION 3: Modern Slavery Risks in Wotton + Kearney's Operations and Supply Chain

SECTION 4: Actions to Assess and Address Modern Slavery Risks

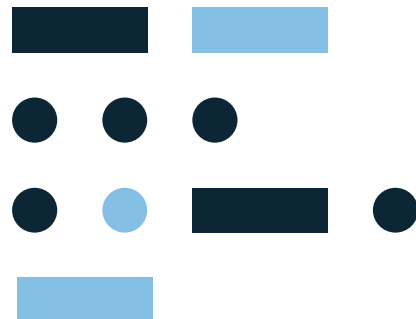
SECTION 5: Measuring the Effectiveness of our ongoing Modern Slavery Response

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SECTION 1: Introduction

This statement is made pursuant to the *Modern Slavery Act 2018* (Cth) (Modern Slavery Act) by Wotton + Kearney Holdings Ltd (ABN 60 632 647 306) on behalf of itself and its two wholly owned subsidiaries, Wotton + Kearney Pty Ltd (ABN 94 632 932 131) and Pinsani Pty Limited (ABN 84 099 079 802), which operate as part of the Wotton + Kearney group. The statement sets out the actions taken by the Wotton + Kearney group ("Wotton + Kearney") to address modern slavery risks in our supply chains and operations for the financial year ending 30 June 2023, and will be reviewed and updated annually.

This is Wotton + Kearney's second Modern Slavery Statement, pursuant to our obligations under section 13 of the Modern Slavery Act.

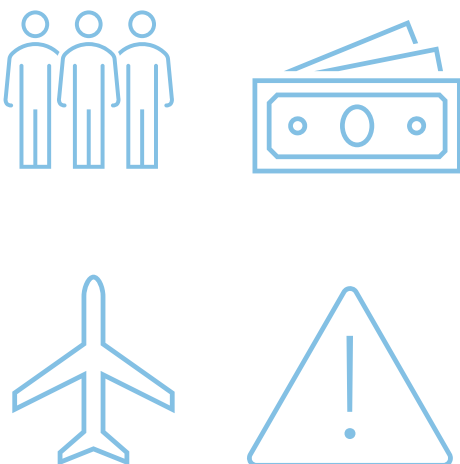


What is Modern Slavery?

Wotton + Kearney is committed to respecting human rights and addressing modern slavery. In 2018 and 2019, Wotton + Kearney partnered with [International Justice Mission](#), the largest anti-slavery organisation in the world, to raise awareness about modern slavery amongst our staff, clients, and broader network. The partnership educated us about the scale of modern slavery – there are more than 50 million slaves globally today – and the importance of a business response.

Modern slavery is a broad concept relating to systematic abuse of fundamental human rights in contemporary workforces. It is generally accepted as encompassing eight types of serious exploitation namely: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or service and the worst forms of child labour.

Modern slavery breaches the most fundamental freedoms and human rights of individuals. Wotton + Kearney rejects all forms of modern slavery and recognises that modern slavery is never acceptable in any of its forms.



SECTION 2: Structure, Operations and Supply Chain

Founded in 2002, Wotton + Kearney has grown from two partners to be one of Australasia's undisputed leaders in the provision of legal services to the insurance industry with more than 500 staff across offices in Adelaide, Brisbane, Canberra, Melbourne, Perth and Sydney in Australia. For more information about our services, please [click here](#).

Under the Modern Slavery Act, Wotton + Kearney Holdings Ltd (**ABN 60 632 647 306**) is a reporting entity pursuant to section 5(1). Wotton + Kearney Holdings Ltd is an unlisted public company limited by shares, incorporated and domiciled in Australia.

Wotton + Kearney Pty Ltd (**ABN 94 632 932 131**) is an incorporated legal practice registered in Australia. Pinsani Pty Ltd (**ABN 84 099 079 802**) is a private company incorporated and domiciled in Australia. The principal activity of the group is the provision of legal services in Australia.

Wotton + Kearney Limited (**NZBN 9429031331227**), is a separately constituted and regulated legal entity registered in New Zealand, with offices in Auckland, Christchurch, and Wellington.

Wotton + Kearney procures goods and services for the purpose of providing legal services. In FY23, our supply chain involved 1988 suppliers of goods and services across the following main categories:

- Business services and products such as printing and cleaning.
- Computer and IT services.
- Construction and fit out.
- Education and training.
- Occupancy of premises and parking.
- Professional services such as accounting, legal and travel services.
- Retail trade services such as stationery and office supplies.
- Legal creditors such as barristers and experts.

SECTION 3: Modern Slavery Risks in W+K’s Operations and Supply Chain

There is generally a low risk of modern slavery occurring in our operations. As a law firm, most of our operations relate to the provision of legal services to commercial clients. The majority of our employees are legal and business service professionals situated in Australia. The 2023 Global Slavery Index ranks Australia 26 out of 27 countries within the Asia and the Pacific region in terms of prevalence of modern slavery, and 149 out of 160 countries globally. Australia is among the least vulnerable countries to modern slavery in the Asia Pacific region and globally.

In partnership with Fair Supply, a global ESG data provider and consultancy, Wotton + Kearney undertakes a detailed mapping of its supply chain each year. This financial year’s assessment considered 348 suppliers with the highest spend amounts. Legal creditors such as barristers and experts were excluded from the assessment. Risk was determined based on the industry, amount spent and the geographical location of the products or services. The overall risks of modern slavery occurring in our supply chains have been assessed as being relatively low.



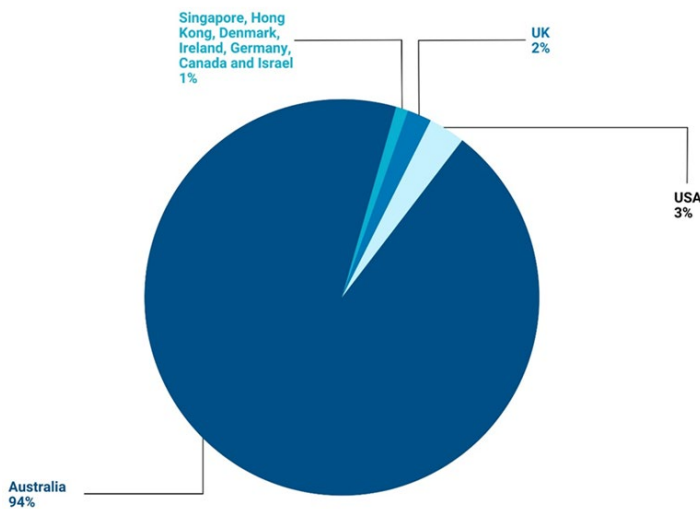
Suppliers Engaged by W+K During FY23

Total Number of Suppliers:	1988
Suppliers that underwent Fair Supply modern slavery risk assessment:	348
Suppliers that underwent additional risk assessment:	33
Suppliers assessed as having elevated risk of modern slavery	6
Number of reported or identified instances of modern slavery in W+K’s supply chain:	0

Fair Supply’s FY23 Risk Assessment of Forced Labour in our Supply Chain



The pie chart below shows our total spend for our FY23 financial year by supplier location. 94% of our spend was within Australia. Our overseas expenditure spanned suppliers based in 9 countries, including the USA (3%), the United Kingdom (2%), Singapore, Hong Kong, Denmark, Ireland, Germany, Canada and Israel (1%). This was largely confined to IT, consulting and business development services.



Our spend of goods and services by supplier location (FY23)

The 2023 Global Slavery Index lists the top five products imported into Australia at risk of modern slavery as (refer also to the table below).

- Electronics
- Garments
- Solar panels
- Textiles
- Fish

While we have not identified any instances of causing modern slavery in our operations or supply chains, Wotton + Kearney acknowledges that modern slavery risk exists across all sectors and organisations which may mean we are directly or indirectly exposed to the risk of modern slavery.

Our risk assessment has identified 5 industries within our supply chain with an elevated risk of modern slavery. We have set out below some context for that elevated risk. In response, we have tailored our modern slavery actions for the next financial year to focus on suppliers that fall within these industries. We have also sought to mitigate the risk through due diligence criteria and risk controls in the procurement and tender process.

Product at risk of modern slavery	Import value(in billions of US\$)	Source countries
Electronics	8.9	China, Malaysia
Garments	6.4	Argentina, Bangladesh, Brazil, China, India , Malaysia
Solar panels	1.3	China
Textiles	0.5	China
Fish	0.4	China, Ghana, Indonesia, Taiwan, Thailand

Source: 2023 Global Slavery Index

Computer and IT services

The raw material extraction and the manufacture of IT hardware and software are particularly vulnerable to forced labour. The production of electronics may rely on low skilled, low paid and vulnerable labour. Walk Free's 2023 Global Slavery Index identified electronics as the top imported product in Australia at risk of modern slavery.¹

While most of Wotton + Kearney's direct electronic suppliers are based in Australia, we recognise there is an elevated risk of modern slavery when IT services are provided offshore in countries with a higher prevalence of modern slavery.

Construction and fit-out

Wotton + Kearney had a higher spend in FY23 on construction and fit out costs associated with new office openings as well as the initial stages of relocating our Sydney and Melbourne offices in 2024.

Subcontracting is common in the construction industry which can make it harder to oversee working conditions and ensure compliance with labour standards. This can be compounded by the use of labour-hire agents and reliance on migrant workers. Migrant workers are more vulnerable to exploitative working conditions because of visa conditions, fear of reporting, lack of awareness of Australian workplace rights, as well as language and cultural barriers.²

The production and movement of construction raw materials for construction also involves intricate supply chains, which can be marred by instances of forced labour.

Printing and office supplies

Printing products can carry an elevated risk of modern slavery due to the complexity of their supply chains. Many printing materials, like paper, ink, and chemicals, are sourced from countries with less stringent labour regulations. This lack of oversight can lead to exploitation and forced labour in those supply chains.

In addition, outsourcing and subcontracting creates a heightened risk of vulnerability for workers because there is less visibility and control over the contractual arrangements.

Real estate services and premises

Cleaning has been recognised as a key risk area for modern slavery in Australia by the Department of Home Affairs.³ Underpayment of wages, subcontracting arrangements, excessive working hours and occupational health and safety issues are all practices that can be found in the cleaning industry in Australia. The use of foreign workers or temporary or unskilled labour is also prevalent.

Wotton + Kearney engages cleaners across our offices through contracting and subcontracting arrangements. We mitigate the risk of modern slavery by ensuring our contractors are paid award wages and preferencing direct contractual relationships where possible. Our New Zealand offices have been accredited as [Living Wage Employers](#) and have ensured cleaning services are paid the New Zealand Living Wage with annual increases.

Recruitment

Recruitment services can pose a risk for employees by restricting workers' freedom of movement, requiring workers to pay recruitment fees, withholding documents, and using wage deductions as a disciplinary measure. Migrant workers are particularly at-risk of being subject to deceptive recruitment practices or being charged recruitment fees.

At times Wotton + Kearney engages third party providers to supplement our recruitment services. Recruitment providers are required to ensure workers have a right to work in the relevant country, with contractual controls to help protect the human rights of our staff. We also ensure salaries paid to our people meet or exceed the minimum wage in the local jurisdiction.

¹ Walk Free, *The Global Slavery Index 2023* (Report, 2023) 155 <<https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf>>.

² Australian Institute of Criminology, *Labour exploitation in the Australian construction industry: risks and protections for temporary migrant workers* (Report, 2017) <<https://apo.org.au/sites/default/files/resource-files/2017-03/apo-nid74204.pdf>>

³ Cleaning Accountability Framework (CAF), *Cleaning Contractors Modern Slavery Guidance v.10* (Report, 2020) <https://www.cleaningaccountability.org.au/wp-content/uploads/2020/12/CAF_ModernSlaveryGuidance_Contractors_v1.0.pdf>.

SECTION 4: Actions to Assess and Address Modern Slavery Risks

While our first year (FY22) focused on setting the foundations for our modern slavery response, our second year has sought to build on these and proactively address modern slavery through a rights-based approach.

Our efforts in FY23 took into account reviews by Fair Supply and the Human Rights Law Centre⁴ of the modern slavery statements published since the Modern Slavery Act came into force. Recommendations we incorporated into our modern slavery plan for FY23 include:

- Review of our responsible purchasing practices.
- More effective remediation with appropriate outcomes for workers where a company is implicated in harm.
- Improving the accessibility of our grievance mechanism.
- Collaboration with peers to better understand modern slavery risks in common supply chains.

Our key actions in FY23 are listed to the right.

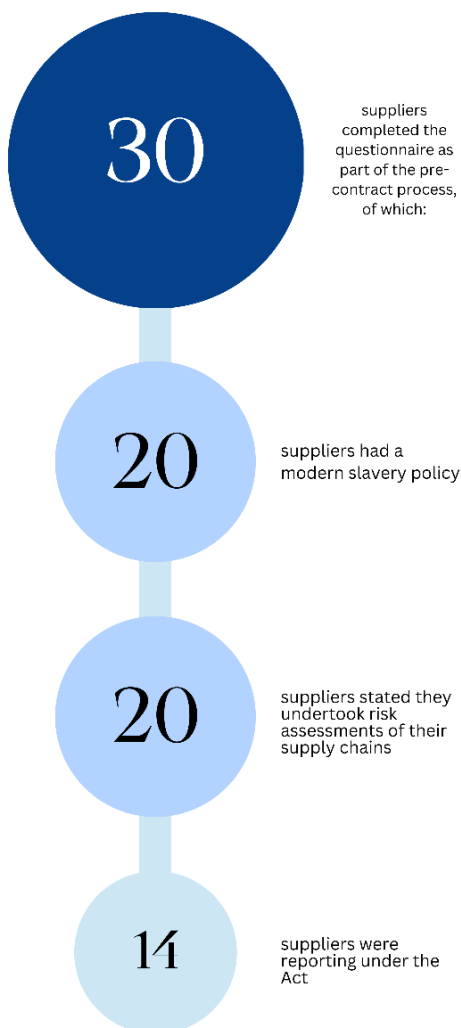
<p>Understanding the impact and risk of causing, contributing to or being directly linked to modern slavery</p> 	<ul style="list-style-type: none"> • Annual modern slavery risk assessment of our supply chain carried out by Fair Supply • Supplier risk assessments (new and existing suppliers) • Give weight to modern slavery risk assessments in tender process • Demonstrate responsible purchasing practices
<p>Reviewing our policies and procedures</p> 	<ul style="list-style-type: none"> • Improve our modern slavery risk register • More effective remediation for modern slavery harms contributed by W+K • Explore a rights-based approach to remediation measures through our pro bono partnership with the Australian Human Rights Commission
<p>Building staff awareness and capacity</p> 	<ul style="list-style-type: none"> • Raise awareness of Modern Slavery Policy and Grievance Policy and publish Modern Slavery Policy, Grievance Policy and Supplier Code of Conduct on website • Inform staff of our modern slavery risks • Modern slavery training for staff and tailored training for procurement teams
<p>Collaboration and engagement</p> 	<ul style="list-style-type: none"> • Collaborate with peers to better understand modern slavery risks in common supply chains. • Build awareness of modern slavery through pro bono work and partnerships • Support advocacy of our pro bono partner organisations to strengthen modern slavery legislative requirements

⁴ Dinshaw et al., *Broken Promises, Two years of corporate reporting under Australia's Modern Slavery Act* (Report, 2022) 19 <https://www.hrlc.org.au/s/HRLC_Broken_Promises_2022_11_17.pdf>.

Understanding the Risk

We continue to assess modern slavery risks pre-contract by requiring new suppliers to complete a modern slavery questionnaire. The questionnaire addresses a supplier’s awareness of the risks of modern slavery, training to its staff and suppliers, and mitigation measures. Responses to the questionnaire can be used to guide engagement with suppliers and identify corrective actions.

We also took steps to ensure our suppliers were paid promptly in line with responsible purchasing practices. We recognise responsible purchasing can mitigate the modern slavery risks associated with impractical timeframes and downward financial pressures.⁵



⁵ Dinshaw et al., *Broken Promises, Two Years of Corporate Reporting under Australia’s Modern Slavery Act* (Report, 2022) 19 <https://www.hrlc.org.au/s/HRLC_Broken_Promises_2022_11_17.pdf>.

⁶ Global Compact Network Australia, *Effective Modern Slavery Grievance Mechanisms: A Case Study Publication for Business* (Report, March 2021) <<https://unglobalcompact.org.au/wp-content/uploads/2021/03/4261-UNGC-Grievance-Mechanisms-CASE-STUDY-10-FA.pdf>>.

Reviewing our policies and procedures

As part of our focus on improving remediation and remedy, we amended our Modern Slavery Policy and Grievance Policy to improve its accessibility and effectiveness. We also introduced an online reporting form to improve the process for making anonymous and confidential reports of modern slavery. While there were zero reports of instances of modern slavery this reporting year, we recognise that usage of a grievance mechanism does not necessarily reflect our modern slavery risk.⁶ Looking ahead, we will continue to review the effectiveness of our grievance mechanism and explore ways in which we can improve its accessibility.

This reporting period we also sought to improve our remediation provisions for modern slavery harms caused or contributed to by Wotton + Kearney. We seconded a lawyer on a pro bono basis to the Australian Human Rights Commission to contribute to the Commission’s work in building a rights-based approach to remediation measures in Australia. We have sought to incorporate insights from that secondment into our own policies and procedures.

Building staff awareness and capacity

We provided training for staff outlining the nature of modern slavery risks, indicators of modern slavery and ways to respond. We also delivered tailored training to key personnel involved in procurement and/or supplier contracts outlining our modern slavery assessment and supplier engagement responsibilities.

We have created a dedicated page on modern slavery on our staff intranet, with links to training, policies and other resources.

Collaboration and engagement

We acknowledge the importance of collective action to enhance our capacity to address high risk suppliers and tackle the systemic challenge of modern slavery. This year we continued to build our engagement with external partners to share good-practice and enhance our modern slavery response.

We worked closely with our pro bono partners to support their advocacy and research in addressing modern slavery risks in Australia.

We are an active member of the Modern Slavery Co-Lab hosted by the Australian Legal Sector Alliance, a collaborative network sharing expertise to improve modern slavery responses within the legal sector.

SECTION 5: Measuring the Effectiveness of our ongoing Modern Slavery Response

The focus of our second year of reporting has been to build upon our FY22 efforts and continue developing appropriate steps to minimise our modern slavery risks. We continue to monitor and track our progress through a process of reviews, oversight, and tracking KPIs.

KPIs to track actions to address modern slavery are listed to the right.

We will continue to review our systems to ensure our policies and processes are operating effectively to mitigate the risk of modern slavery within our operations and our supply chain.

<p>Understanding the impact and risk of causing, contributing to or being directly linked to modern slavery</p> 	<ul style="list-style-type: none"> • Number of modern slavery questionnaires completed • Number of new and existing suppliers screened • Assigning suppliers with a risk rating following a risk assessment
<p>Reviewing our policies and procedures</p> 	<ul style="list-style-type: none"> • Number of suppliers who have incorporated modern slavery provisions in contracts and/or our Modern Slavery Supplier Code of Conduct • Annual review of our Modern Slavery Policy and Modern Slavery Grievance Policy • Number of suppliers engaged via online training modules • Number of visits to our online modern slavery grievance form, to assess whether the online form is an effective channel to bring instances of modern slavery to our attention • Number of recorded modern slavery incidents, the type of human rights issue raised and the outcome
<p>Building staff awareness and capacity</p> 	<ul style="list-style-type: none"> • Number and percentage of staff trained in identifying and addressing modern slavery • Number of key personnel who completed targeted training • Number of training sessions conducted (included format and topics covered)

LOOKING AHEAD

We will continue to build on and improve our modern slavery response in FY24. Some of our key initiatives include:

- Work collaboratively with industry peers, worker organisations, civil society and human rights experts to develop more efficient and effective modern slavery responses.
- Review and strengthen our risk assessment process.
- Explore capacity building activities in our key risk areas including offering training to our suppliers on modern slavery.
- Develop a social procurement policy that prioritises suppliers with demonstrated respect for human rights.
- Continue directing our pro bono work and partnerships to make a meaningful contribution to the sector and global effort to address modern slavery.

CONSULTATION AND STATEMENT APPROVAL

Because of the shared management and governance of Wotton + Kearney Holdings Ltd, Wotton + Kearney Pty Ltd and Pinsani Pty Ltd, the preparation of this statement was inherently consultative.

In accordance with section 13 of the Modern Slavery Act, this statement was approved by the Board of Wotton + Kearney Holdings Ltd on 7 December 2023 and is signed by David Kearney, Director and Chief Executive Partner.

Signed:



David Kearney
Chief Executive Partner
Wotton + Kearney

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