

Modern Slavery and Human Trafficking Statement

2024

[View guide](#)

Acknowledgement of Traditional Owners

Chartered Accountants ANZ acknowledges the land throughout Australia as Traditional Lands of the Aboriginal and Torres Strait Islander peoples and we respect their spiritual relationship with their Country and to their Elders past and present.

We also acknowledge them as the custodians of the Land and Waters, and that their cultural and heritage beliefs are important to Aboriginal and Torres Strait Islander peoples today.

Artwork acknowledgement:
Rhys Paddick, a Yamatji/Noongar digital artist from Boorloo (Perth, WA)

Te Tūtohu i te Tangata Whenua

Nō roto mai i te kauanuanu, e tūtohu ana a Chartered Accountants ANZ ko ngā iwi Māori te tangata whenua o Aotearoa.

Acknowledging Tangata Whenua

Chartered Accountants ANZ acknowledges and respects ngā iwi Māori as tangata whenua of Aotearoa New Zealand.

He aha te mea nui o te ao?
He tāngata! He tāngata! He tāngata!

What is the most important thing in the world?
It is people! It is people! It is people!

Modern Slavery and Human Trafficking Statement 2024

This is our fifth annual Statement since Australia's *Modern Slavery Act 2018* (Cth) came into force. It explains the policies, systems and processes we have adopted to assess our modern slavery risks, eradicate or minimise the risks we do identify and uphold mechanisms that keep our management team vigilant and accountable.

List of controlled entities that have reviewed and/or been consulted on this Statement:

- CA ANZ (Malaysia) SDN. BHD. (1151886-X)
- Chartered Accountants Australia and New Zealand (Hong Kong) Limited (2189419)
- CAANZ (UK) Limited (9576461)
- Chartered Accountants Australia and New Zealand (Singapore) Private Limited (201435304C)
- New Zealand Institute of Chartered Accountants (9429042576563)

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Note from the Chair and CEO

At Chartered Accountants Australia and New Zealand (CA ANZ), we strive to build a culture that values respect, dignity, diversity and inclusivity. Modern slavery is the antithesis of this culture.

Modern slavery refers to situations of exploitation where people cannot refuse or leave because they face threats, violence, coercion or deception. This includes debt bondage, forced labour, forced marriage, forced commercial sexual exploitation, human trafficking and the sale and exploitation of children. Modern slavery affects an estimated 50 million people globally.¹

We welcome our legal obligation, along with every organisation in Australia with annual consolidated revenue of \$100 million or more, to report on the risks of modern slavery in our operations and supply chain and actions to ensure those risks are properly addressed. This is our fifth annual Modern Slavery and Human Trafficking Statement since Australia's *Modern Slavery Act 2018* (Cth) came into force.

Since our last Statement, we have expanded our EcoVadis IQ Plus ESG risk assessment to suppliers who provide us with goods and services worth more than \$15,000 (exclusive of GST) from \$50,000.

We have also reviewed many of our policies including for workplace behaviour, human rights, anti-bribery and corruption, procurement, recruitment and selection, leave and absences, injury management and performance management, as well as our Supplier Code of Conduct. We have also created a new Wellbeing Leave and Time in Lieu Policy to ensure our people are appropriately compensated for the work they do.

We introduced new tools, resources and training for our members that encourage diversity, equity and inclusion to thrive.

Our aim is to enable a profession known for being inclusive, safe, and respectful – one that represents the diverse community that our members serve.

We will continue to play our role in the global community to contribute to a better world where modern slavery is unable to thrive.

That is our commitment, as detailed in this statement.

This Modern Slavery and Human Trafficking Statement was approved by the Board of Chartered Accountants Australia and New Zealand in its capacity as principal governing body of Chartered Accountants Australia and New Zealand on 10 December 2024. John Palermo FCA has signed this Statement in his role as Chair of that body on 10 December 2024.



A handwritten signature in black ink, appearing to read 'Ainslie van Onselen'.

Ainslie van Onselen
Chief Executive Officer



A handwritten signature in black ink, appearing to read 'John Palermo'.

John Palermo FCA
Chair

¹ [Global Slavery Index | Walk Free 2023](#)

Structure, operations and supply chains



Statement

This Modern Slavery and Human Trafficking Statement (Statement) has been prepared by Chartered Accountants Australia and New Zealand (ABN 50 084 642 571) (CA ANZ) on behalf of itself, its subsidiaries and the New Zealand Institute of Chartered Accountants (NZICA), a regulatory body established under the New Zealand Institute of Chartered Accountants Act 1996 and controlled by CA ANZ (we, us, our).²

This Statement has been prepared to comply with section 16 of the *Modern Slavery Act 2018* (Cth) and section 54 of the *Modern Slavery Act 2015* (UK) (the **MS Laws**). CA ANZ is an Australian registered body corporate that is governed by its Supplemental Royal Charter and the CA ANZ By-Laws and is domiciled in Australia. CA ANZ operates in six jurisdictions: Australia, New Zealand, Hong Kong, Singapore, Malaysia and the United Kingdom.

This Statement sets out how we manage and minimise the risk of modern slavery and human trafficking (together, modern slavery) in our business and supply chains and how we comply with our obligations under the MS Laws. It has been prepared for the financial year ending **30 June 2024**.

Our commitment

We believe respecting and protecting human rights enables individuals, societies and businesses to flourish. We are committed to promoting responsible business and upholding high ethical standards in all aspects of our working practices.

As part of that commitment, we do not tolerate modern slavery within our businesses or our supply chains, wherever they operate. We have systems and processes in place to address modern slavery risks where they are identified.

We hold our members accountable to professional codes of ethics and professional standards.³ They must act with integrity and in the public interest, as well as respond to non-compliance with laws and regulations.

Organisation

At a glance, as at 30 June 2024

139,162 members

139,162

Around 550 full time equivalent employees

550

14 offices across six countries

14

\$61 million spent on goods and services

\$61m

CA ANZ was formed on 31 December 2014 through the amalgamation of the former Institute of Chartered Accountants Australia and the New Zealand Institute of Chartered Accountants.

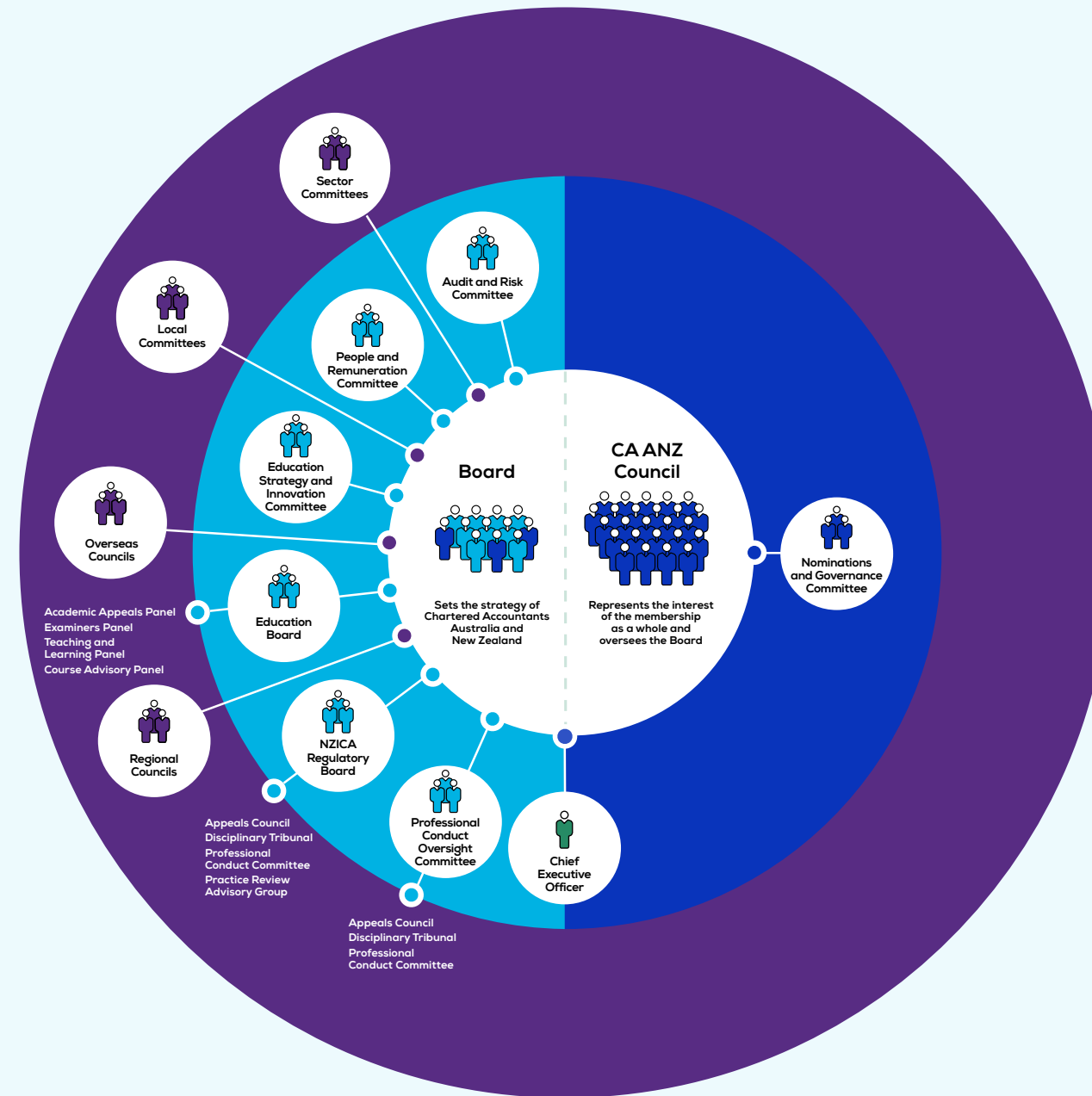
Our principal objectives include:

- advocating on behalf of the accounting profession and our members
- training and educating present and future members
- prescribing and regulating high standards of practice and professional conduct
- advancing the profession of accounting.

² The reporting entity is Chartered Accountants Australia and New Zealand (ABN 50 084 642 571). Members of CA ANZ are not liable for the debts and liabilities of CA ANZ.

³ Accounting Professional and Ethical Standards Board Code of Ethics in Australia and the New Zealand Regulatory Board of the New Zealand Institute of Chartered Accountants Code of Ethics.

Governance ecosystem



Board Committee

Council Committee

Member-based Committee

Members



Members

Our professional body represents 139,162 members globally, as of 30 June 2024. We support our members to make a difference in the communities in which they work and live. We are committed to advancing the profession through high ethical standards, delivering world class services and education, and advocating for the public good.

CA ANZ offers lifelong learning opportunities, networking events and professional support. We maintain a robust process to discipline poor conduct and support Chartered Accountants who offer services directly to the public. We also review chartered accounting practices to protect the public and the reputation of the profession.

We promote prosperity in the countries in which we operate by supporting our members to work effectively.

As a thought leader, we actively engage with governments, regulators and standard setters in Australia and New Zealand, on behalf of members and the accounting profession, to advocate in the public interest. Our members expect us to keep them informed about the latest regulatory and topical issues.



Locations



Locations

Our main offices are in Sydney, Australia and Wellington, New Zealand. We employ around 550 people in full time equivalent roles plus casual employees, mostly in Australia and New Zealand.

The legal entities that comprise CA ANZ include wholly owned subsidiaries formed in the UK, Hong Kong, Malaysia and Singapore.

Consultation

As an organisation, we take a global approach to modern slavery compliance. Both CA ANZ's senior management and local members serve as directors on our subsidiaries' boards. Each board has reviewed and contributed to this Statement, and our people in our subsidiaries are trained to recognise and mitigate modern slavery risks in our operations and our supply chain.

Our people in these subsidiaries are required to follow CA ANZ policies and procedures, including those relating to modern slavery. In the **2023-24** financial year, the CA ANZ Procurement team continued to consult with and educate employees and suppliers about modern slavery risks, both locally and internationally to minimise these risks in our supply chain.



An aerial photograph of a coastline at sunset. The ocean is on the left, with waves breaking onto a sandy beach. To the right of the beach is a dense, green forest. The sky is a mix of blue and orange, indicating the time is either dawn or dusk. A white curved line is visible in the upper right corner of the image.

Supply chain

Supply chain

Across our supply chain our total spend in the year ending 30 June 2024 was approximately \$61 million to support our members and run our business operations.

CA ANZ's major areas of expenditure



Professional services:

- management, business, marketing
- insurance, finance, legal services
- editorial, design
- computer support and administration
- property and maintenance.



Goods and services to support learning for our members and future members, such as:

- educators
- speakers and facilitators.



Information and communications technology (ICT) for:

- course delivery
- online purchases
- examinations
- member engagement and CA ANZ operations.



Travel, events and catering:

- travel and accommodation
- event delivery.

Supply chain (continued)

The risks associated with the following categories of supplier relevant to CA ANZ are classified by a third-party risk ratings provider. The EcoVadis IQ Plus tool factors in the inherent country risk of the sourced goods or services and the industry risk. This helps CA ANZ identify potential risks in our own supply chain and prioritise steps to mitigate those risks.

CA ANZ predominately purchases its goods and services from Australia and New Zealand, where modern slavery and human trafficking are less prevalent.

During the financial year ending 30 June 2024, CA ANZ received a report of modern slavery allegations involving second tier suppliers. CA ANZ's response to this report is discussed in the case study on the next page.

High risk

- Printing
- Audio and visual equipment
- IT hardware such as computers and printers
- Electronic products
- Office supplies and furniture
- Merchandise (promotional goods)
- Building and construction
- Offshore IT services

Moderate risk

- Research and technology services
- Educational equipment
- Travel and events
- Commercial cleaning
- Property and maintenance services
- IT support services
- IT software
- Catering

Low risk

- Professional services
- Utilities



CASE STUDY

Managing modern slavery allegations

In December 2023, CA ANZ received advice that EcoVadis had revised the sustainability assessment of a hotel group which was a second-tier supplier to CA ANZ after an investigation discovered alleged labour abuses in the hotel group's supply chain in the Middle East. This information prompted EcoVadis to reduce the hotel group's sustainable procurement theme score from 70 to 60 and drop their overall score from 60 to 58.

We immediately contacted our travel management company that books all our travel, including hotels, so we could conduct an incident reporting review.

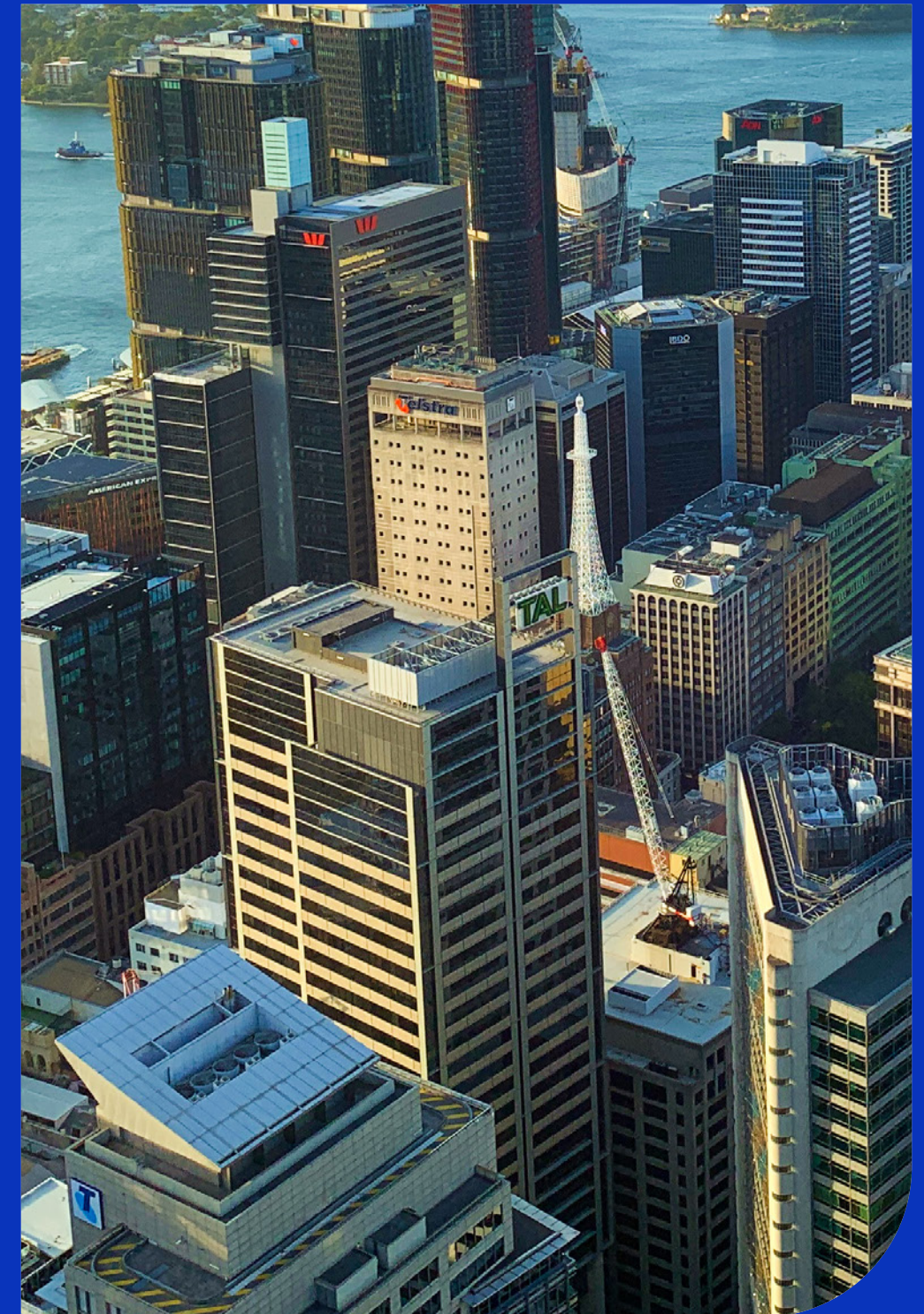
The hotel group said that it was unaware of any issues relating to modern slavery in its operations in New Zealand, Australia and Asia. These hotels have processes in place to support compliance with Human Rights and Responsible Labour Requirements for their owned and managed hotels.

We agreed to give the hotel group an opportunity to investigate and remediate any issues. CA ANZ people will continue to use this hotel group in Australia, New Zealand and Asia, and we will review again in six months.

Another second-tier supplier was also alleged to have been involved in the same issue as with the hotel group. They published a detailed statement of action/remediation to address their modern slavery obligations.

Procurement provided a report to our senior leadership at the Executive Team Risk Committee meeting (ETRC), given their responsibility for the effectiveness of internal controls in relation to human rights and modern slavery. The report includes the steps taken above by the suppliers to investigate and remediate the identified issues.

We continue to monitor this supplier and our network of suppliers via EcoVadis.



An aerial photograph of a city skyline, likely New York City, viewed from a high angle. A large river, the Hudson River, winds through the center of the city. The skyline is filled with numerous skyscrapers, including the Empire State Building and the Freedom Tower. The image is partially obscured by a large, thick black arc that starts from the top right and curves towards the bottom right. The overall color palette is muted, with a lot of greys and blues, and a soft, hazy atmosphere.

Risks

Risks

CA ANZ built on the work undertaken in the previous four financial years to 30 June 2024, mapping the supply base for modern slavery risk factors.

The origin of goods or services is a key factor in determining risk. Countries with absent or weak laws, poverty, low education rates, corruption and conflict are most at risk. Migrant workers in those countries may be at risk of abusive and fraudulent recruitment practices.

CA ANZ purchased 94.5% of goods and services from Australian and New Zealand-based suppliers. The rest is predominately sourced from the UK and Europe, North America, Malaysia, Singapore and Hong Kong. CA ANZ does not directly or knowingly source any goods or services from suppliers based in Xinjiang, China.

We have identified that the technology sector poses the greatest inherent risks of modern slavery and have focused on our offshore suppliers such as IT managed services and hardware, as well as those who produce promotional branded goods. CA ANZ's Procurement, IT, Marketing and Communications and Facilities teams work closely together to monitor these areas.

As part of the CA ANZ tender process, we ask suppliers whether they comply with the modern slavery laws applicable to them including the *Modern Slavery Act 2018* (Cth), the *Modern Slavery Act 2018* (NSW), the *Modern Slavery Act 2015* (UK) and other equivalent legislation.

We also request that our suppliers' suppliers, contractors and third-party providers comply with the modern slavery laws. We require that they provide us with their own Modern Slavery Statement (if they have one), information about their modern slavery risk assessments and other due diligence steps. This includes asking them: "Do you ensure your suppliers, contractors and third-party providers comply with modern slavery laws?"

Modern slavery risk factors



Product or service
What we purchase.



Geography
Where it is produced.



Supplier complexity
Our supplier's supply chain.

* The reporting entity is Chartered Accountants Australia and New Zealand (ABN 50 084 642 571). Members of CA ANZ are not liable for the debts and liabilities of CA ANZ.

CASE STUDY

Due diligence for cleaning supplier

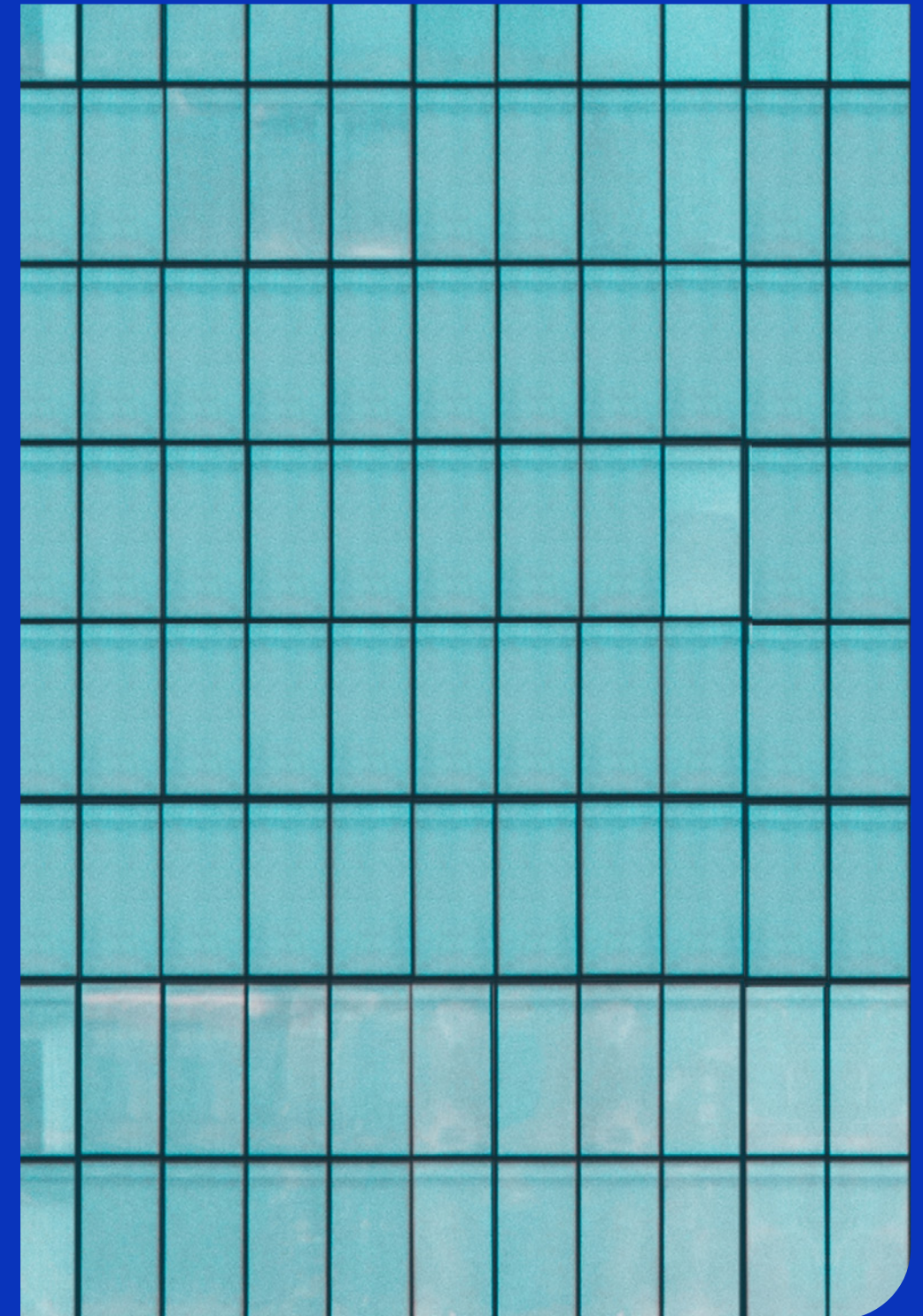
Cleaning services is an industry with high inherent risk, when CA ANZ conducted a tender for cleaning services in Australia this year, the questionnaire contained applicable legislation, codes and standards in the tender.

These included:

- PCA Principles of Fair Trading
- Clean Start (CBD Properties) and /or Modern Award
- Applicable Environmental Protection Authority Legislation
- Workplace Health & Safety Legislation
- Codes of Practice/Industry Guidelines
- The *Modern Slavery Act 2018* (Cth).

Three of the four respondent suppliers published a Modern Slavery Statement. All had ISO-certified Quality, Environmental and Safety Management Systems (ISO 9001, 14001 and OHSAS 18001) certifications. Three of the four respondent suppliers had third party ESG ratings with either a silver or gold rating and scored either intermediate or advanced in diversity, equity and inclusion maturity.

The selected supplier is in the top 5% compared to others assessed in the industry, with an overall advanced score for ESG and labour and human rights. They are improving their score every year, by implementing additional policies, measures, reporting and compliance.



Risks (continued)

Our operations and people

CA ANZ also assesses modern slavery risks directly in our operations, especially in connection with our people in Australia, New Zealand and overseas. As a membership body, mainly employing and contracting with highly skilled office-based professionals, the modern slavery risks are typically lower than those that can arise in other parts of our supply chain.

Our people and employment policies, including our Human Rights Policy, codify our commitment to engaging with and remunerating our people (including both employees and contractors) fairly and in compliance with the relevant local legislation.

We are vigilant against modern slavery risks in our own workplace. We recognise that modern slavery presents differently around the world and that in Australia and New Zealand and our offices around the world, serious exploitation can still occur.

We proactively review our policies to clearly articulate our expectations. We provide our people with appropriate pathways to raise a complaint or grievance, including a Whistleblower Policy, as well as a publicly available and secure platform to allow anonymous reporting of grievances, concerns or complaints.

Since our last Modern Slavery Statement, we have reviewed our:

- Workplace Behaviour Policy
- Human Rights Policy
- Supplier Code of Conduct
- Anti-Bribery and Corruption Policy
- Procurement Policy
- Whistleblower Policy
- Recruitment and Selection Policy
- Leave and Absences Policy – Salaried Employees
- Injury Management Policy
- Performance Management Policy.

We have also created a new Wellbeing Leave & Time in Lieu Policy.

Our review reinforces our commitment to provide a healthy and safe workplace. We have introduced practical steps to provide our employees with a psychologically safe workplace free of all forms of discrimination and harassment.

Our leaders and our People and Culture team strive to provide a safe and supportive environment. This enables our people to grow their skills, add value and celebrate success in a supportive and modern slavery-free environment.

CA ANZ takes practical action to ensure the physical and psychosocial safety, health and wellbeing of our people, members, guests, suppliers and contractors. We do this by delivering a range of initiatives including:

- offering a flexible working environment
- providing focused wellbeing initiatives
- embedding diversity, equity and inclusion into the way we work
- supporting our people with their personal and professional development.

We apply this to all our people working remotely or in the office. We offer Employee Assistance Programs to our members, our people and their families. We have established processes to respond to our people should they experience a crisis.

Actions



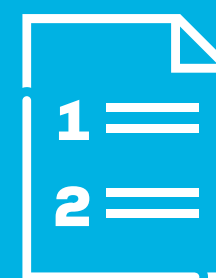
Actions

Building on the foundations developed over the past five years, we set specific milestones and measurable results to hold stakeholders accountable.

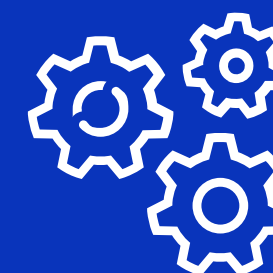
The actions we took to identify modern slavery in the last financial year were effective and appropriate for the risk profiles of our suppliers, which are mainly professional services and ICT located in Australia and New Zealand. We have reached this result as part of our continual monitoring of our actions and practices in relation to assessing the modern slavery risks in our operations and in our supply chains. We focus on five levers to ensure that our actions and practices are relevant, effective and appropriate.



**Governance
and resources**



**Policies and
procedures**



**Systems and
processes**



Training



Reporting

Actions (continued)

Governance and resources

As part of our approach, we apply a comprehensive modern slavery risk management program with visibility and sponsorship from the CA ANZ leadership team. Our governance ecosystem informs our supplier selection and management decisions, with defined internal roles and responsibilities across the organisation to support the program.

Roles and responsibilities by team

Buyers

Responsible for supplier selection and due diligence. They serve as the contact point between business and supplier and ensure collaboration and communication of program objectives.

Executive team

Helps define the organisation's vision and the modern slavery risk management strategy.

Legal team

Ensures that modern slavery obligations on CA ANZ's suppliers have contractual force.

People and Culture team

Ensures that we fully comply, and in some cases more beneficially with all workplace laws, and champions our people's engagement, wellbeing, inclusion and capacity to perform at their best.

Procurement team

Defines the modern slavery risk management framework, drives implementation, monitors and reports, trains buyers and participates in the quarterly steering committee.

Public Affairs team

Communicates our efforts to combat modern slavery to internal and external stakeholders.

Risk, Compliance and Assurance team

Operates as a second line of defence and reviews the efficacy of CA ANZ's modern slavery risk management program.

Actions (continued)

Policies and procedures

Our policies and procedures help us assess, monitor and reduce the risk of modern slavery in our global supply chain. CA ANZ also has in place policies and procedures that aim to ensure safety and fairness in the workplace.

Human Rights Policy

This policy formalises our commitment to support and respect all internationally recognised human rights as defined by the:

- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
- United Nations Guiding Principles on Business and Human Rights.

Our Human Rights Policy applies to all our people (including employees, contractors, agents and officers) and our suppliers and their employees, sub-contractors (back to source), agents and business partners.

By requiring compliance with this policy, we seek to uphold and protect fundamental human rights – including preventing modern slavery – not just within our operations, but within our supply chains as well.

Supplier Code of Conduct

CA ANZ is a signatory to the United Nations Global Compact (UNGC), stating our commitment to operate within a framework of legal, environmental, ethical and professional standards that are consistent with the ten principles of the UNGC in the areas of human rights, labour, environment and anti-corruption.

As a participant of the UNGC, CA ANZ is required to outline our activities over a biannual period that align with the ten principles. In October 2023, we lodged our fifth communication of engagement related to the Global Compact principles.

The Supplier Code of Conduct requires suppliers to follow best practice, counter-modern slavery in their supply chains and operations and comply with applicable anti-modern slavery laws. This code sets out the standards for each supplier that provides goods or services to us, or performs work for us globally, as well as their employees. This means that our suppliers ensure that their employees' human rights are not breached. This includes:

- forced labour
- bonded labour
- human trafficking
- modern slavery
- child labour.

Our suppliers must ensure that they comply with minimum wage and overtime laws, workplace health and safety, psychological, safety and respectful workplaces free from harassment, bullying and discrimination, and have grievance and whistleblowing procedures. They must conduct business in an ethical manner, ensuring:

- privacy, data protection and cybersecurity
- disclosure of conflicts of interest
- intellectual property.

Our Supplier Code of Conduct is published on our website and reviewed annually. Compliance is monitored through the due diligence process described below.

Anti-bribery and Corruption Policy

CA ANZ is committed to ensuring compliance with anti-bribery and corruption obligations in the countries in which it operates. This means that CA ANZ is committed to conducting its business with honesty and integrity, to ensure high ethical standards are demonstrated in our actions and business relationships. Due to potential connections between bribery and corruption and modern slavery, our Anti-bribery and Corruption Policy also provides a level of assurance from a modern slavery perspective.

Actions (continued)

Code of Conduct

CA ANZ is committed to conducting its business with honesty and integrity and to ensure that CA ANZ people demonstrate high ethical standards in their actions and business relationships. The key principle underpinning the Code of Conduct is compliance with laws, regulations and ethical standards; including that our people comply with the policies and procedures set out in this section that relate to our ethical responsibility to fight all forms of modern slavery. We strive to ensure that CA ANZ maintains its social license to operate.

Diversity, Equity and Inclusion Policy

This policy sets out our commitment to promoting an inclusive culture where individual differences are valued and our people have a sense of belonging, can bring their authentic selves to work and feel psychologically safe to offer new ideas and perspectives.

We recognise that having a Diversity, Equity and Inclusion Policy is both a legislative requirement and fundamental to the success of our organisation as an employer of choice. Workplace diversity means that we acknowledge and value the differences among the people we work with, manage, and interact with daily, including our members and stakeholders.

Procurement Policy

This policy ensures that all procurement activities are fair, ethical, socially responsible and transparent. This policy aims to achieve a value for money outcome while appropriately managing risk. CA ANZ has introduced a new Procurement Procedure which provides guidance to plan procurement, optimise costs, improve supplier performance, and manage risks including modern slavery risk assessments.

Whistleblower Policy

CA ANZ has a Whistleblower Policy which demonstrates our commitment to a corporate culture that encourages the reporting and investigation of misconduct or serious wrongdoing to protect the integrity and standards of ethical behaviour in our business.

Workplace Behaviour Policy

This policy advises our people what constitutes unacceptable workplace behaviours and the procedures to follow if a complaint or grievance is raised.

Payroll Policy

This policy outlines our commitment to paying all our employees and contractors accurately and on time. It also requires CA ANZ to comply with all legislative requirements, employer responsibilities, and relevant tax and financial obligations in being an employer.

During the financial year ending 30th June 2024, CA ANZ conducted annual reviews of our employees to ensure wage rates are compliant with benchmarks across Australia and New Zealand.

Recruitment and Selection Policy

This policy ensures recruitment practices are consistent, merit-based, compliant and in line with CA ANZ strategic priorities, values and free from bias or disadvantage. CA ANZ takes positive steps to ensure a diverse and inclusive environment, where we recruit suitable candidates for roles regardless of race, gender, age, religion, political beliefs, sexual preference or any other factor which does not impact their ability to perform the inherent requirements of the role.

Actions (continued)

Systems and processes

Wherever possible, CA ANZ seeks to include contractual terms in its supply and tender contracts, to monitor for and prevent risks of modern slavery.

These contractual terms ensure suppliers comply with our relevant policies, are obliged to take reasonable steps to ensure that there is no modern slavery in their own operations or supply chain and must notify CA ANZ if they become aware of any breaches.

Risk assessment

We proactively seek to identify, assess and address modern slavery risks.

We focus on business operations and supply chains that present the highest level of risk by product or service, sector and geographic location.

EcoVadis is an ESG platform. Our buyers use the following modules:

- EcoVadis IQ Plus to assess the supplier's inherent ESG risk
- EcoVadis Ratings for in depth residual ESG risk assessments. This tool also provides modern slavery reports and diversity, equity and inclusion reporting.

EcoVadis IQ Plus provides an immediate and tailored risk classification of our supply chain, which assesses inherent risk depending on country, category and spend.

We use EcoVadis IQ Plus to assess two scores:

- overall risk score (as a measure of ESG maturity)
- labour and human rights score.

If either the overall risk or labour and human rights risk is:

- medium-low or below (ie. medium-low, low, very low): then no further assessment is required.
- medium-high or above (ie. medium-high, high or very high): then further due diligence is required. We invite suppliers to complete the EcoVadis Ratings survey.

EcoVadis Ratings provides a supplier scorecard with detailed insights on sustainability risks including labour and human rights risks, highlighting performance strengths and improvement areas. Supporting documentation can be uploaded to provide evidence of actions implemented, build improvement plans online, update corrective action plans and for suppliers to receive feedback from CA ANZ.

We also have a CA ANZ supplier assessment, providing insight into the supplier's supply chain, location and industry.

We expanded the inherent ESG risk assessments on our supply chain with EcoVadis IQ Plus, from 180 companies (with annual spend >\$50,000) in FY23 to 366 companies (with annual spend of >\$15,000) in FY24.

316 (of the 366) suppliers had an EcoVadis IQ Plus inherent labour and human rights risk score.

- 97 were very low risk
- 147 low risk
- 67 medium-low risk
- 5 medium-high risk:

3 of the 5 medium-high risk suppliers were also medium-high risk on other ESG criteria. 3 of these suppliers are in the building/construction industry and 2 in travel. Further assessments were conducted on them.

50 (of the 366) were not able to be assessed by EcoVadis IQ Plus (eg. government entities, professional membership bodies, universities, not-for-profit, sole traders etc).

Actions (continued)

We also used EcoVadis IQ Plus on 138 suppliers with spend below \$15,000. These were mostly second tier suppliers and suppliers that were brought on towards the end of FY24 and are expected to spend >\$15,000 annualised into the next financial year.

Of the 138 suppliers, all were assessed as very low to medium-low risk except for one IT hardware supplier, identified as high risk given it manufactures offshore. However, the vendor's ratings on labour and human rights have improved in the last 12 months to 70/100.

In our last Statement, we reported that from 1 July 2022 to 30 June 2023, CA ANZ suppliers completed 69 new or renewing CA ANZ supplier assessment questionnaires or EcoVadis Ratings. In FY24, 48 suppliers with spend above \$15,000 have undertaken the EcoVadis Ratings with a further 10 invited. There were 72 in total when second tier suppliers were included. The main categories were ICT, property, travel, events and marketing.

EcoVadis Ratings also has a modern slavery report which reviewed 65 of our suppliers and identified and prioritised those most at risk for modern slavery.

All suppliers were rated low priority with the exceptions below:

- 1 high priority (international courier) - This was due to the industry risk. However, their recent scorecard was improved to

80/100 for labour and human rights and 75/100 on the overall scorecard. This demonstrated an advanced management system on labour and human rights and on environmental issues, which required no further action.

- 1 medium priority (recruitment company) - This was due to the industry risk. Their recent scorecard was 50/100 for labour and human rights, and 53/100 on the overall scorecard, an increase on the overall score since the last assessment because they had implemented additional policies.
- 1 high priority (international courier) - This was due to the industry risk. Their recent scorecard was 80/100 for labour and human rights and 75/100 on the overall scorecard, demonstrating an advanced management system on labour and human rights and on environmental issues.

To improve their scores, these suppliers are expected to follow the EcoVadis Ratings improvement recommendations. CA ANZ is able to review their scores on the EcoVadis Ratings platform.

Some of the best results - the highest numerical scores - came from inherently riskier categories with complex supply chains, such as IT hardware suppliers. These suppliers scored well because they showed evidence of embedded policies, processes and accreditations.

CA ANZ publishes information on our website that informs members about modern slavery and provides links to further resources on relevant government sites. On our website you can find:

- our Modern Slavery and Human Trafficking Statements
- jurisdiction specific legislation
- our latest articles and submissions on modern slavery
- reporting requirements and how that applies to business and supply chains.

Those with lower scores, must take corrective action plans to drive improvement. Low scores may be caused by inconclusive or no documentation for policies on child labour, forced labour and human trafficking.

All EcoVadis results are recorded on our internal contract award supporting documentation, the Procurement Plan, to verify that the awarded supplier has been added to the EcoVadis IQ Plus network of partners or been assessed. It provides a point of escalation to Procurement for medium-high or high risk suppliers so that further due diligence can be requested.

CA ANZ also has processes in place to review a supplier where a modern slavery risk is brought to our attention (such as voluntary disclosure, media articles or information on relevant websites).

We have developed formal modern slavery risk management internal guidelines, which outline definitions, processes, supplier communication templates and frequently asked questions. This enables buyers at all levels to execute the modern slavery risk.

Training

Through training and creating a network of champions, CA ANZ is educating buyers in best practice to reduce modern slavery risk.

During the reporting period we updated our intranet site 'Modern Slavery Risk Assessment Page' containing details on the various EcoVadis training sessions on the ESG technology platform. Training was delivered to people across CA ANZ.

The training included an introduction to EcoVadis, assessment process overviews and a platform demonstration to divisional champions. We also list useful resources including the Global Slavery Index which provides national estimates of modern slavery for 160 countries.

“Whether renewing existing suppliers or onboarding new suppliers, our due diligence includes EcoVadis IQ Plus to assess the suppliers inherent overall risk and labour and human rights.”

Procurement Analyst

We aim to ensure that our champions and buyers, who are geographically dispersed and represent different teams across CA ANZ, are trained and engaged in the program and assist us to:

- refine our standardised processes and tools
- gather and document key information internally
- support and coach teams
- conduct training sessions.

We train our buyers to explain the importance of the program and how it aligns with CA ANZ's values. Our buyers also help suppliers understand the benefits of a detailed EcoVadis assessment. This includes analysis and delivery of their ESG scorecard which they can share with other clients, detailed scoring and feedback on their performance and access to a corrective action plan.

Reporting

The CA ANZ Procurement team generates a quarterly internal management report shared with a steering committee made up of senior management and executives. The report shows progress towards achievement of our goals by performing assessments, tracking the number of assessed and high-risk suppliers and taking action to address high risks.



Assessing the effectiveness of our actions

CA ANZ recognises that while modern slavery and human trafficking distorts global markets, undercuts responsible business and poses significant legal and reputational risks, victims feel the most severe effects.

While we maintain quantitative measures (such as number of suppliers assessed) to provide internal assurance on our policies and processes, we do not believe that these metrics have direct and measurable value to the victims of modern slavery. Modern slavery is often hidden, and where it has not already been identified and made public (such as in news reports), it is not typically disclosed in the due diligence process.

Instead, CA ANZ emphasises our ability to work with our suppliers to ensure they have appropriate policies and procedures to combat modern slavery in their own operations and with their own suppliers. We believe that, indirectly, transparent supply chains reduce the number of victims of modern slavery worldwide. It is through this lens that we have assessed the effectiveness of our actions.

CA ANZ purchases most of its goods and services from Australia and New Zealand. We expanded the number of suppliers assessed, and had more insight into some of the second tier of suppliers, especially where goods are sourced locally and manufactured offshore. For audits that were not third party assessed by EcoVadis Ratings, there was an internal CA ANZ review of the supplier's assessment.



Our achievements in 2023-24



Our achievements in 2023-24

We monitored, reviewed and improved the effectiveness of our modern slavery risk management framework and processes with our suppliers. We built on the insights we gained over the past four years.

Improving the transparency of our supply chain

The EcoVadis IQ Plus inherent risk assessment can be used before onboarding a supplier as well as with existing suppliers. This year, we expanded our EcoVadis IQ Plus inherent risk assessment from suppliers with whom we spend more than \$50,000 annually (excluding GST) to those supplying goods and services worth more than \$15,000.

We invited suppliers that EcoVadis IQ Plus rated as medium-high to high risk to complete an EcoVadis Ratings. This also included a corrective action plan. We discussed any concerns with the suppliers and requested further details. This provided us with broad visibility across our supply chain.

Prioritising supplier engagement

We reassessed suppliers by using EcoVadis IQ Plus, so we could increase our program's impact and to mitigate risk. We ranked suppliers based on risk, then spend, critical supply and purchasing

leverage. We refreshed our supplier segmentation model, updating risk ratings and supplier data.

The EcoVadis Ratings scores overall improved from 60.5% to 61% over the previous financial year, which included assessments of environment, ethics and sustainable procurement, as well as labour and human rights. On labour and human rights specifically, the score improved from 60.4% to 61.8% which is 12.4% higher than the EcoVadis benchmark.

We updated the Procurement Plan, our internal contract award supporting documentation, to verify that the awarded supplier has been added to CA ANZ's EcoVadis IQ Plus Network of Partners and to ensure the modern slavery due diligence process is implemented with new or renewing suppliers.

Streamlining policies, procedures, processes and technology

We embedded modern slavery risk assessments into our sourcing and contracting. We increased the use of software automation of inherent risk assessments including EcoVadis IQ Plus and EcoVadis Ratings for labour and human rights, environmental, ethics and sustainable procurement impacts. Recent technology updates have enhanced functionality, and updated reporting capability enabling us to improve our ESG and modern slavery risk reports.

The amount of spend on goods and services does not always correlate with modern slavery risk, and once-off suppliers and smaller suppliers may also present high modern slavery risks. We continue to monitor these suppliers by using LiveIQPlus, a news monitoring service, to scan news feeds and human rights monitoring sites for incidents that may be linked to our suppliers as was done in FY24.

We include relevant modern slavery related clauses in agreements and tender documents. We continued to rationalise the number of suppliers. We used the EcoVadis IQ Plus module to identify the inherent risk of over 300 entities overall. The same supplier, may be assessed in different locations ie. onshore and offshore depending on the source of the goods or services. We found 7 suppliers were medium-high to high risk

CA ANZ assessments were done at tender (RFP) stage on three of these vendors for office refit; they are Australia and New Zealand-based, their country-level of risk was deemed low. Two suppliers completed EcoVadis Ratings (IT), the other two were ad-hoc travel and events suppliers.

Our achievements in 2023-24 (continued)

Supplier diversity, equity and inclusion

Diversity and inclusion management systems are proactively evolving, with 62% of suppliers classified as advanced or leaders this year compared to 48.7% last year.

We use the EcoVadis Ratings platform to discover the Diversity, Equity and Inclusion maturity of 50 of our suppliers in FY24. We found that:

- 2 were beginners
- 10 were intermediate
- 10 were advanced
- 21 were leaders
- 7 provided insufficient evidence.

"The ESG platform we use assesses suppliers locally and globally for inherent ESG risk, including labour and human rights. It's easy to use, efficient and results are immediate."

Commercial manager - Technology

Building supplier and buyer capacity

We held webinars about modern Slavery risk management best practices, company sourcing and related policies and processes. We continue to report on KPIs relating to sustainability initiatives that align with existing modern slavery risk management processes and systems to the quarterly Executive Team Risk Committee (ETRC).

We updated our internal resources and guides on our dedicated intranet page including:

- updating the Modern Slavery Risk Assessment Procedure and Process Map
- revising the CA ANZ Modern Slavery questionnaire for those suppliers that are medium-high to high risk in EcoVadis IQ Plus for either overall risk or labour and human rights risk
- presenting modern slavery training that covers what modern slavery is and the systems and procedures that CA ANZ has implemented
- adding system guidance on the platforms,
- providing 1-on-1 training for new users of the EcoVadis IQ Plus
- briefing teams on supplier due diligence including ESG, labour and human rights and modern slavery.

Education

CA ANZ is committed to fostering an accounting profession that is inclusive, safe and respectful, reflecting the diversity of the communities our members serve. As part of our approach, we created tools, resources and training for our members to develop non-technical skills to continue making a difference.

In FY24, we launched the Narrowing your Gender Pay Gap Playbook. This playbook provides guidance to members and employers on how to assess a business' gender pay gap status. CA ANZ updated this playbook to include the latest data and tools to take practical steps to closing the gender pay gap.

During the financial year ending 30 June 2024, we hosted the Elevate your Impact Conference, that aims to prepare finance professionals to lead with empathy, collaboration, and foresight.

We also broadened our micro courses on sustainability that are available for members looking to future proof their assurance, reporting and supply chain management. We saw enrolments for our sustainability micro courses increase from 286 in FY23 to 868 in FY24.



Future plans

Future plans

We will continue to monitor, review and improve the effectiveness of our modern slavery risk management framework and processes with our suppliers, building on the insights we've gained over the past four years.

The areas we will focus on in 2024-2025 are:

Improving our procurement processes

Improve the agility of the function and processes via a Target Capability Program in FY25. This involves mapping key capabilities against value creation outcomes, determining options and best approach. Then developing recommendations to address these gaps. This should reduce complexity, enhance decision making, remove duplication, increase alignment across the teams and identify automation opportunities.

Periodically review key policy frameworks

Continue to review and update our policy frameworks and consider feedback from our suppliers and stakeholders, including benchmarks, to identify opportunities for improvement

Training and communication

Conduct training with our teams helping them to understand and manage modern slavery risks with post-training survey for participants.

Suppliers

Monitoring suppliers risk levels, and with medium-high risk suppliers, reinforcing the need for continuous improvement via corrective plans with appropriate monitoring.

Advocacy

To continue to advocate on behalf of the profession on sustainable subject areas such as modern slavery and respond to Government consultations, participate in stakeholder engagement and provide updates to our members on local and international developments. The International Sustainability Standards Board (ISSB) are carrying out a research project on the risks and opportunities associated with human capital and we will update our membership as this project evolves.



Appendix



Appendix

The table below indicates which section of this Statement addresses the criteria set out in the *Modern Slavery Act 2018* (Cth).

Australia	
Criteria	Section
Identify the reporting entity.	Statement (page 7).
Describe the structure, operations and supply chains of the reporting entity.	Structure Operations and Supply Chains (pages 6-16).
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	Risks (pages 15-20).
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	Actions (pages 21-29).
Describe how the reporting entity assesses the effectiveness of such actions.	Assessting the Effectiveness of our Action (page 29) and Our Achievements 2023-24 (pages 30-32).
Describe the process of consultation with any entities that the reporting entity owns or controls.	Consultation (page 4 and page 12).
Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	Future Plans (pages 33-34).
Approval and signing.	Note from Chair and CEO (page 5).

The table below indicates which section of this Statement addresses the criteria set out in the *Modern Slavery Act 2015* (UK).

United Kingdom	
Legislative requirement details	Section
Structure, business and supply chains.	Structure Operations and Supply Chains (pages 6-16).
Policies in relation to slavery and human trafficking.	Policies and Procedures (pages 24-25).
Due diligence processes in relation to slavery and human trafficking in business and supply chains.	Systems and Processes (pages 26-27).
Potential risks of slavery and human trafficking taking place, and the steps taken to assess and manage that risk.	Supply Chain (pages 13-16), Actions (pages 21-29), Risks (pages 15-20) and Systems and Processes (pages 26-27).
Effectiveness in ensuring that slavery and human trafficking is not taking play in business or supply chains, measured against such performance indicators as considered appropriate.	Assessing the Effectiveness of our Actions (page 29) and Our Achievements in 2023-24 (pages 30-32).
Training about slavery and human trafficking available to staff.	Training (page 28).
Approval and signing.	Note from Chair and CEO (page 5).

