

# Modern slavery statement

2023

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## Modern slavery statement

McCullough Robertson does not tolerate modern slavery within its business and supply chains. We are committed to behaving in an ethical manner which upholds integrity and transparency in all our business dealings. In achieving this, we make use of effective and reasonable systems and controls to reduce the risks of modern slavery and to ensure that modern slavery is not taking place within our business or supply chains.

Our modern slavery statement sets out the steps McCullough Robertson takes to prevent, identify and respond to slavery and human trafficking.

Throughout this statement, McCullough Robertson reports on its actions to assess and address modern slavery risks within its operations and supply chains when providing legal services, including supplier due diligence and employee training.

### Reporting entity

This Modern Slavery Statement is made pursuant to the Modern Slavery Act 2018 (Cth) (the **Act**) by J.R Arklay & Others ABN 42 721 345 951 on behalf of the McCullough Robertson Group. The Group comprises McCullough Robertson, McR ESG, McR Defence Pty Ltd ABN 54 635 833 457 and Allegiant IRS Pty Ltd ABN 94 167 325 117 (**McCullough Robertson Group**). This statement relates to the reporting period 01 July 2022 to 30 June 2023 (**FY23 Reporting Period**).

## About our businesses



### McCullough Robertson

McCullough Robertson is a leading independent Australian law firm, predominantly servicing the eastern States and Territories of Australia. We are made up of over 360 lawyers and support staff and 56 partners.



### McR ESG

McR ESG was formed in 2022 and offers ESG advisory and consulting services to clients of McCullough Robertson and others



### McR Defence

McR Defence is a bespoke commercial advisory arm of the McCullough Robertson Group focused on providing high value services to the National Security sector including defence, Government and critical infrastructure.



A McCullough Robertson Company

### Allegiant IRS

Allegiant IRS (Insurance and Risk Services) provides specialised insurance advisory services and solutions in conjunction with legal services offered by McCullough Robertson.

Staff numbers for McR Defence and Allegiant IRS are included in the numbers for McCullough Robertson above.

As a leading legal services organisation, the McCullough Robertson Group recognises that the social and environmental performance of our business, our customers and our suppliers plays a significant role in our long-term success. We are committed to understanding the social and environmental consequences of our business.

## Our structure

McCullough Robertson and McR ESG, operated by the partnership, adopts a corporate leadership model with senior management responsibility resting with the Executive Committee, Joint Managing Partners, Chief Operating Officer and Chief People Officer.

The Executive Committee is responsible for setting the firm's strategic direction and reviewing overall performance.

The Joint Managing Partners, Chief Operating Officer and Chief People Officer are responsible for day to day management of the firm, implementing the firm's strategic plan and managing financial performance to budget.

McR Defence and Allegiant IRS operate under a corporate structure, ultimately controlled and owned by the partnership. These entities are co-located with McCullough Robertson and are closely integrated with the broader firm.



### McR by the numbers

Est. in 1926

**97** YEARS OLD IN QLD

**18** YEARS OLD IN SYDNEY

**5** YEARS OLD IN CANBERRA

**140** LAWYERS

**152** SUPPORT STAFF

**HEADCOUNT**  
**305** BRISBANE  
**80** SYDNEY

**18** GRADUATES IN 2023

**\$1.4 MILLION**

REVENUE

VALUE OF PRO BONO CONTRIBUTIONS RECOGNISED AS EQUIVALENT TO BILLABLE WORK PER YEAR

**5.5** YEARS AVERAGE STAFF TENURE

**PARTNER BREAKDOWN**

**55**

**40** BNE  
**15** SYD

**30%** OF OUR PARTNERS STARTED AS GRADS

**DIVERSIFIED BUSINESSES**

**16** MCR DEFENCE STAFF

**2** MCR ESG STAFF

**36%** HAVE BEEN WITH THE FIRM 3+ YEARS

**10+**

**21%** HAVE BEEN WITH THE FIRM 10+ YEARS

## Our operations

The activities undertaken by McCullough Robertson are fundamentally the provision of legal and other professional services to clients overwhelmingly in Australia, and to a limited extent globally. Our services are provided by members of the partnership as well as employed lawyers, technology experts and support staff. Our client base is primarily a mixture of public and private sector entities. Our private sector clients range from major Australian and foreign owned corporations to medium size businesses with purely local interests and a limited number of high-net-worth individuals.

Our public sector clients include federal and state government departments, local government, statutory authorities and government business enterprises.

We also run a Community Partnership program (**CPP**) which is the framework through which we work to facilitate positive social change, in identified areas. Our CPP incorporates pro bono and volunteer work, sponsorship, funding and donations. It has four priority areas being sustainability, access to justice and community arts, health and mental health, and inclusion and diversity.

Our CPP provides opportunities for our people to volunteer and fundraise for the charities we have a connection with. We offer these opportunities through LawRight, Refugee and Immigration Legal Services (RAILS) and Redfern Legal Centre amongst others.

## Our supply chains

McCullough Robertson Group's supply chain includes a range of vendors of goods and services. The goods and services include technology and hardware, facilities and facilities management, utilities, insurance and financial services, office furniture, consumables and fitout, knowledge and subscription services, document storage and archiving, hospitality and catering, mobility and travel, marketing and merchandise, cleaning services, office suppliers of stationery, professional services including legal services, consulting and software.

The majority of goods and services within our supply chain are from Australia and provided by Australian suppliers.

## Risks of modern slavery in our operation and supply chains

We have assessed the risks contributing to (Tier Two) and directly linked to (Tier One) modern slavery practices within our business in the FY23 Reporting Period.

Whilst we are not in a high risk sector, many of the risks of modern slavery in our operations are with Tier Two suppliers and there are no risks directly linked to our operations in Tier One. We accept and recognise that there is likely to be some risk of modern slavery in extended supply chains. We have identified the following areas of most risk:



Mindful of the greater risks, we look more closely into the upstream connections of our suppliers in these areas, specifically those in high risk geographical locations.

Actions taken to assess and  
address modern slavery risks

## Organisational commitment

Our Statement of Business Ethics is a commitment to doing business in an ethical, equitable and accountable way consistent with all Australian and international laws, regulations, codes and standards relevant to our work. We engage with suppliers who share and have adopted similar values.

## People, inclusion, health and safety

We support responsible labour practices that contribute to the development of fair, safe, supportive and inclusive workplaces. Human rights (such as those set out in the Universal Declaration of Human Rights), must be protected, and we are dedicated to the active identification and management of human rights issues.

We believe that everyone benefits from the creation of inclusive and diverse workplaces, free from bullying, harassment or any discrimination prohibited by law – including discrimination on the basis of gender identity, age, religion, disability, ethnicity, cultural affiliation or sexual orientation.

All people are entitled to fair and appropriate pay, benefits and working conditions. We are committed to encouraging gender equality across our supply chain. We and our business partners must comply with Workplace Gender Equality legislation and have appropriate and supportive processes and policies in place.

In no circumstances will we engage in or facilitate any form of child labour or forced or involuntary labour. We strictly comply with our obligations under Australian Modern Slavery legislation.

We are also committed to maintaining healthy and safe work environments in all our places of work and complying with all relevant health and safety laws.



## Procurement and Supplier due diligence

Before entering into or renewing a supplier arrangement, the following searches must be undertaken and the risk of doing business with that supplier assessed.



Company or other organisational searches (wherever applicable and available)



Credit search



Dow Jones risk searches on the name of the supplier business and known associated entities and individuals (including any individual partners or officeholders), which include comprehensive searches of various risk categories including international trade controls, sanctions, and adverse media

A supplier must not be engaged where the results of the searches demonstrate that they pose an unacceptable level of risk (whether to us, our clients, or the communities in which we live and work, or any risk of modern slavery practices). During the FY23 Reporting Period, we have not identified any suppliers with an unacceptable level of risk.

## Supplier due diligence – assessment of risks

Before entering into or renewing a supplier arrangement, we must be reasonably satisfied that the supplier conducts its business in a manner consistent with our Statement of Business Ethics and that it has appropriate policies, procedures and controls in place taking into account the:

- a) size of the supplier's business (in terms of number of employees and annual turnover)
- b) supplier's areas of operation (both geographically and in terms of relevant industries)
- c) nature and value of the good or services to be supplied
- d) term of the contract
- e) extent to which there have been any key changes to Australian and international laws, regulations, codes and standards relevant to our work, or to the supplier's business operations

(Referred to in this document and our Procurement document as Appropriate Factors)

A supplier must not be engaged where the results of the searches demonstrate that they pose an unacceptable level of risk (whether to us, our clients, or the communities in which we live and work).

## Supplier due diligence – assessment of risks

To determine whether a supplier conducts its business in a manner consistent with our Statement of Business Ethics, we use an ethical supply chain questionnaire. Included in our Ethical Supply Chain Questionnaire is a range of questions ensuring suppliers comply with non-engagement of child labour, forced labour or bribery, non-discrimination, ensuring they adhere with minimum wage requirements as per their local law and employees work reasonable hours.

By implementing the ethical supply chain questionnaires in the FY23 Reporting Period, we were able to further engage with our suppliers and vendors, gaining a better understanding of their practices and challenges, which ultimately assist in understanding any modern slavery risks which may be present.

We are committed to ensuring we encourage gender equality across our supply chains and all procurement must comply with the requirements of our Procurement Statement - inclusion and diversity.

A proposed supplier must not be engaged where it is clear that the supplier does not conduct business in accordance with either our Statement of Business Ethics or our Procurement Statement - inclusion and diversity.

The McCullough Robertson Group as a whole also assesses modern slavery risks through regular compliance audits of existing suppliers to assess risks and take action in addressing the impact of these risks, for example, through terminating contracts with existing suppliers, further assessing existing suppliers within similar industries, geographical locations and sectors. In the FY23 Reporting Period, compliance audits found no risks or red flags resulting in no further action being required.

These steps in assessing risk assist the McCullough Robertson Group in tracking and measuring supplier and vendor compliance for future modern slavery risk management.

## Supplier due diligence – contract terms and remediation

Where appropriate and taking into account the Appropriate Factors, we ensure that the supplier arrangement includes agreement by the supplier to comply with any:

- a) **policies and procedures** (of ours and our clients) that we reasonably believe are **relevant to the supplier's business**, as notified by us from time to time
- b) **compliance audit requests** by us by us (for information or other assistance), to allow us to confirm their compliance with our [Statement of Business Ethics](#); and
- c) **remediation plans requested** by us, to address any actual or potential non-compliances with our [Statement of Business Ethics](#).

### Remediation

In addition to the remediation plan request, we also promote a culture of ethical compliance within the McCullough Robertson Group by encouraging the raising of concerns and reporting through:

- a) internal grievance resolution procedures;
- b) our Whistleblowing Policy;
- c) our Issues Management Policy; AND
- d) anonymous feedback through company surveys, further remediated by the partnership of the McCullough Robertson Group.

## Supplier compliance and due diligence

For existing supplier arrangements, we must ensure that we conduct appropriate compliance audits during the term of the contract taking into account the Appropriate Factors and timing of any renewals.

A compliance audit requirement is immediately triggered by any known breach or potential breach of our Statement of Business Ethics by the supplier.

We note, in the McCullough Robertson Group, comprising of McCullough Robertson, McR ESG, McR Defence Pty Ltd ABN 54 635 833 457 and Allegiant IRS Pty Ltd ABN 94 167 325 117, all entities undertake the same actions and processes in assessing and addressing modern slavery practices and risks in their operations.

## Supplier non-compliance

We do not engage suppliers who:

- a) refuse to commit to, or comply with, our requirements - particularly in respect of those principles set out in our Statement of Business Ethics; or
- b) are unable to provide appropriate evidence of steps we request to be undertaken to remediate any non-compliance issues.

Whenever our general due diligence steps or compliance audits indicate non-compliances impacting our ethical supply chain, those non-compliances must be closely assessed by the partner, officer holder, or employee responsible for the relevant supplier arrangement.

Where appropriate we work with the supplier to develop a remediation plan (at the supplier's expense) with realistic time frames with consideration given to Appropriate Factors. We are committed to working with our suppliers to enhance and develop their understanding and support their compliance with our requirements, where possible.

Should any significant area of non-compliance be identified, guidance is sought from our Chief Operating Officer, who may direct:

- a) the appropriate form of any remediation to be required of the supplier; or
- b) that the non-compliance is of a nature that requires the termination of our supplier arrangement.

## Policies and procedures

Through continuous reviewing and updating of our policies and procedures, we address the risks of modern slavery practices to ensure we provide a fair and safe workplace for our partners, employees and suppliers. These policies include:



## Employee awareness and training

Regular training on modern slavery, procurement, whistleblowing and McCullough Robertson code of conduct is provided throughout the firm.

Our training is reviewed annually as is our modern slavery framework.

In the FY23 Reporting Period we conducted online and in person training sessions for all new starters to the McCullough Robertson Group and annual refresher training on modern slavery risks and practices, along with the process for reporting, whistleblowing and complying with our code of conduct when working with suppliers and vendors.

It is our objective and aim to provide additional training in future reporting periods across the organisation particularly to employees in the procurement space. These sessions will focus on assessing and reporting of modern slavery risks in practice, including training on our supplier and vendor due diligence process.

Additionally, we aim to increase employee awareness on the issue and ensure high reporting standards by referring to the use of an anonymous reporting hotline for employees of the McCullough Robertson Group.

## How do we assess the effectiveness of our actions

McCullough Robertson assesses the effectiveness of our actions and monitors our progress for continuous improvement in various ways. This includes reviewing:

The number of staff completing whistleblowing training to assess whether the importance of this issue is appropriately emphasised, understood and channels for raising whistleblowing activities are effective

Annually, our modern slavery framework, including our procurement process

Supplier due diligence and assessing compliance with McCullough Robertson Code of Conduct, policies and whistleblower framework

We continue to acknowledge our obligations in ensuring adherence with the **Act** and assess and action any modern slavery risks or practices with our suppliers' and vendors' supply chains. We will continue reviewing and updating our risk management mechanisms including policies, procedures and training.

For future reporting periods, we intend to engage more with our suppliers, stakeholder groups and industry bodies to ensure continuous improvement and commitment in combating modern slavery. We further aim to introduce a 'Supplier Code of Conduct' which will accompany the ethical supply chain questionnaire for all current and prospective suppliers and vendors.

## Consultation and approval

This statement has been prepared following consultation with McCullough Robertson's operational leadership team, including Chief Operating Officer, Director – Information Technology, Chief Financial Officer, Director - Knowledge and Legal Excellence, Chief People Officer, Joint Managing Partners, Business Services Manager, who together oversee the operational and procurement activity across the McCullough Robertson Group.

We maintain the same management systems, frameworks, policies and procedures amongst the different entities within the McCullough Robertson Group.

The statement is approved by the Chair of Partners of the McCullough Robertson Group on 30 October 2023.



Kristan Conlon | Chair of Partners

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