

# Modern slavery and human trafficking statement 2023

## 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, present and future.

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 2023

This is our fourth 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 those risks we do identify and uphold mechanisms that keep our management team vigilant and accountable.



**Ainslie van Onselen**  
Chief Executive Officer



**John Palermo FCA**  
Chair

## Note from Chair and CEO

At Chartered Accountants Australia and New Zealand (CA ANZ), we strive to build a culture which values respect, dignity, diversity and inclusivity.

Modern slavery, being the exploitation of people through coercion, threats or deception to undermine or deprive them of their freedom, is abhorrent. Yet it is estimated to affect as many as 50 million people<sup>1</sup> worldwide and can happen in any country.

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 fourth 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 those risks we do identify and uphold mechanisms that keep our management team vigilant and accountable. This has included:

- Stepping up engagement with suppliers and working with them to mitigate risks

This Modern Slavery 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 13th December 2023. John Palermo has signed this statement in his role as Chair of that body on 13th December 2023.

<sup>1</sup> Global Estimates of Modern Slavery 2022 | [Walk Free](#)

- Streamlining policies, procedures and processes
- Embedding modern slavery risk assessments into our sourcing and contracting
- Providing a secure and anonymous two-way communication platform to allow whistleblowers to raise grievances and complaints.

CA ANZ has also developed a micro course on sustainable supply chain management for our Members and held a modern slavery webinar attended by approximately 500 Members and employees.

Eradicating modern slavery remains part of CA ANZ's advocacy to influence relevant standards, legislation and policy decisions in the public interest.

As part of the Attorney-General Department's review of the first three years of operating the Modern Slavery Act, we made a joint submission with CPA Australia in which we urged the government to adopt a stronger approach. We welcome the report submitted to the government by Professor John McMillan AO in May 2023 and await the government's response to its recommendations.



# 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).<sup>2</sup>

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 2023.

## 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 and have systems and processes in place to address modern slavery risks where they are identified.

Moreover, we hold our Members accountable to professional codes of ethics and professional standards.<sup>3</sup> They must act with integrity and in the public interest, as well as respond to noncompliance with laws and regulations.

<sup>2</sup>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.

<sup>3</sup>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.

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.

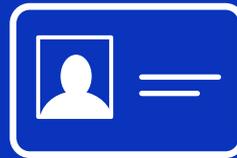
# Organisation

At a glance, as at 30 June 2023



**136,730**

Members



**550**

full and part-time employees<sup>4</sup>



**14** offices

across six countries

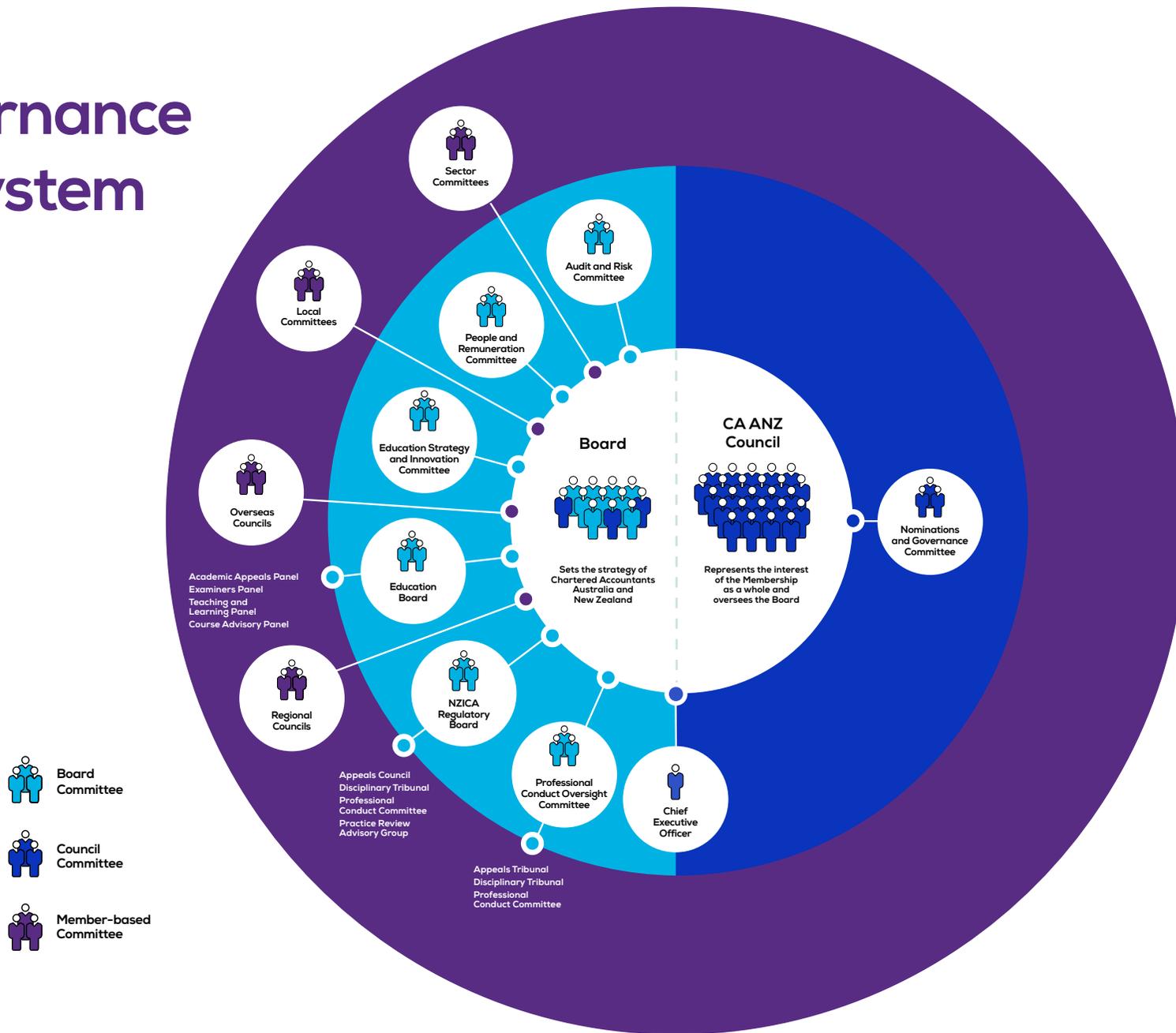


**\$59** million

spent on goods and services

<sup>4</sup>This does not include casual employees and people on committees.

# Governance ecosystem



# Members



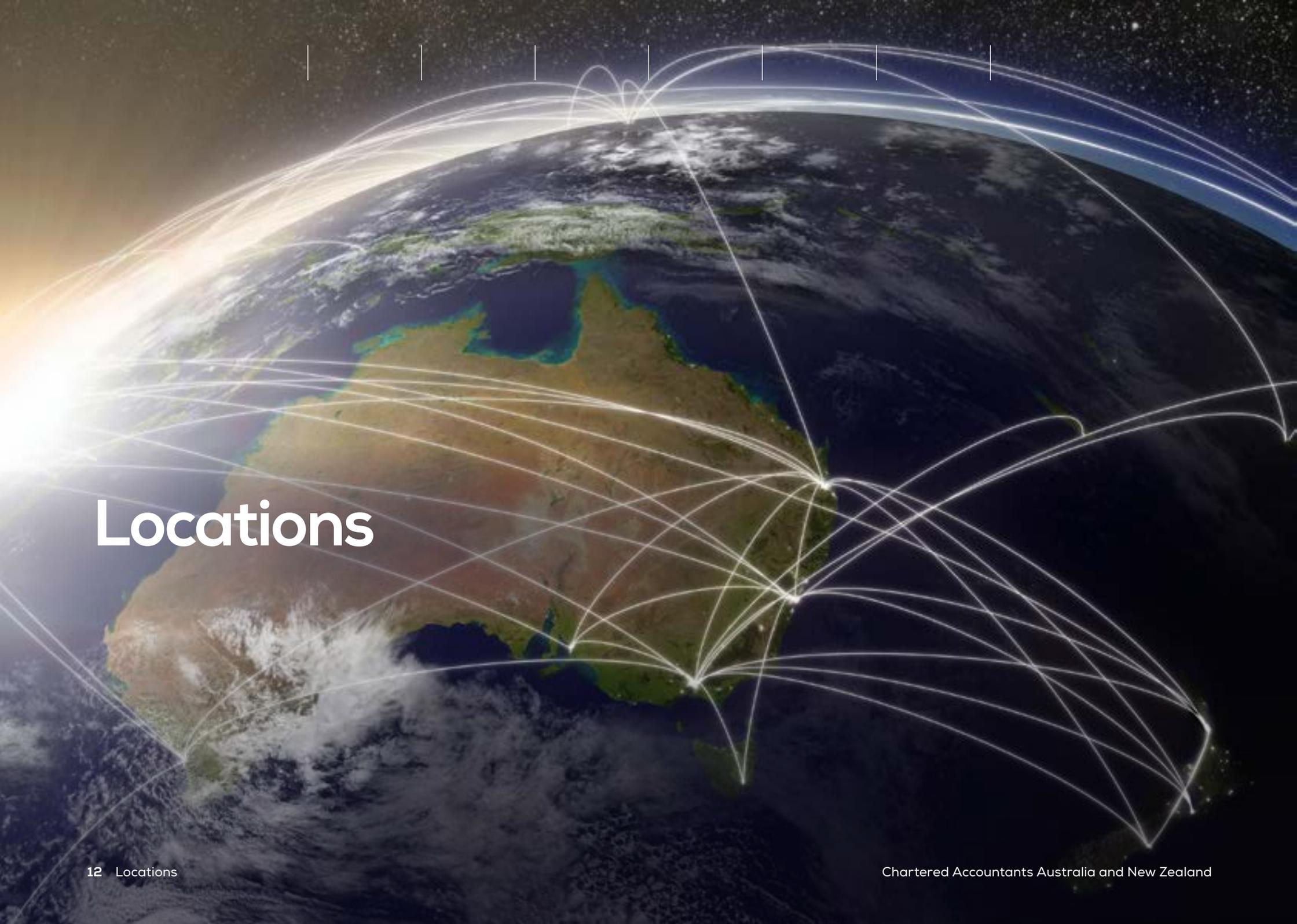
# Members

Our professional body represents 136,730 Members globally, as of 30 June 2023. 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 550 people in full and part-time roles plus casual employees, mostly in Australia and New Zealand.



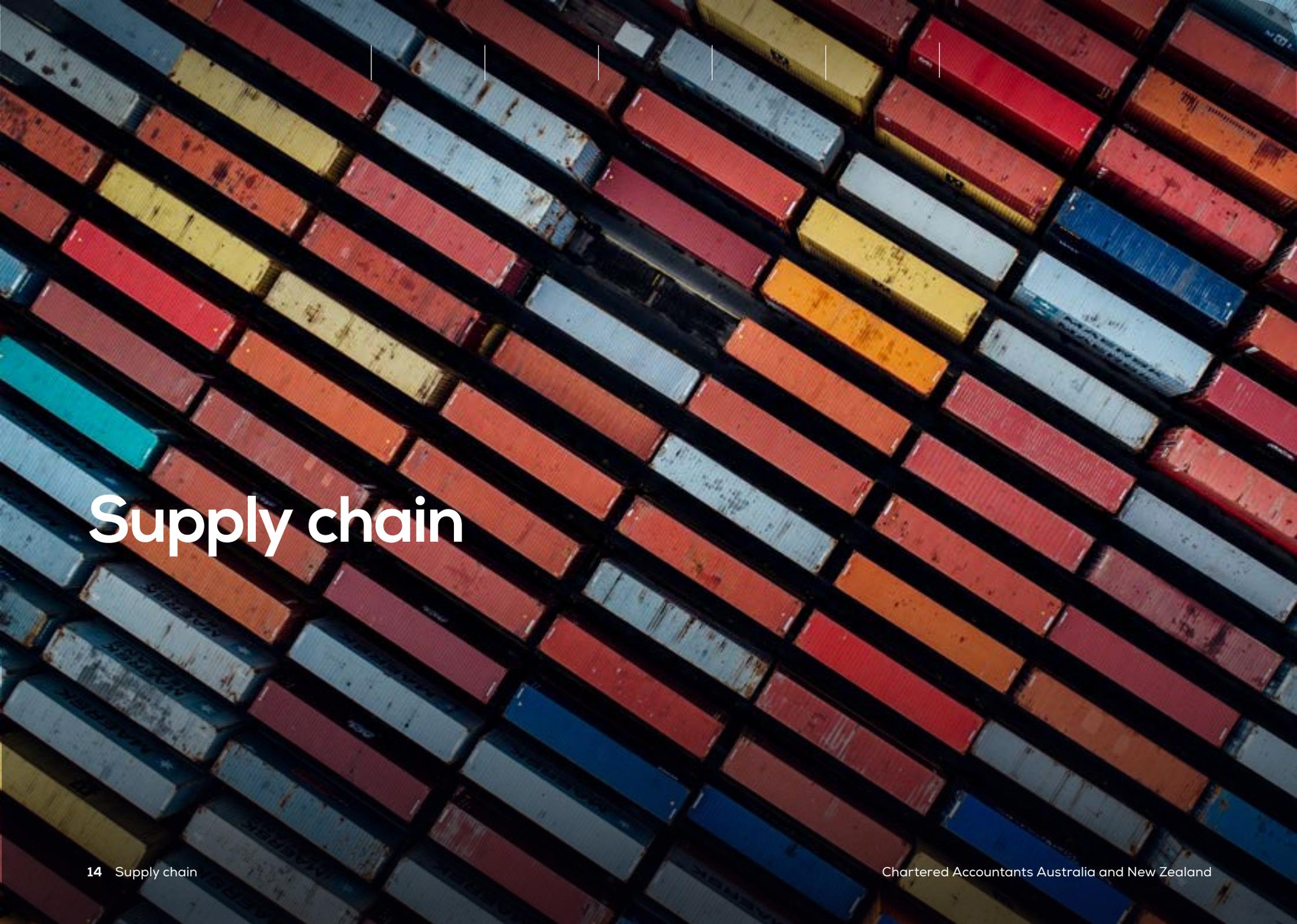
The legal entities that comprise CA ANZ include wholly owned subsidiaries formed in the UK, Hong Kong, Malaysia and Singapore.

## Consultation

As an organisation, we take a global approach to modern slavery compliance. Both CA ANZ 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 2022-23 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.



# Supply chain

# Supply chain

Across our supply chain our total spend in the year ending 30 June 2023 was approximately AUD\$59 million to support our Members and run our business operations.

CA ANZ's major areas of expenditure include:



**Professional services**  
such as:

- 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** – we have increased our expenditure after the COVID-19 pandemic.

## Supply chain continued

The risks associated with the following categories of supplier relevant to CA ANZ are classified by a third-party social risk ratings provider. This helps CA ANZ identify potential risks in our own supply chain and prioritise steps to mitigate those risks.

For the financial year ending 30 June 2023, CA ANZ did not identify or receive any reports of incidents of modern slavery in our operations or supply chain.

### High risk

- Printing, photographic, audio and visual equipment and supplies, computers and printers
- Electronic products
- Office supplies and furniture
- Building and construction
- Merchandise

### Moderate risk

- Research and technology services
- Educational equipment
- Travel and events
- Commercial cleaning
- Property and maintenance services

### Low risk

- Professional services
- Food and beverage
- Utilities



# Risks

# Risks

## Modern slavery risk factors



**Product or service**  
What we purchase.

CA ANZ built on the work undertaken in the previous three financial years to 30 June 2023, mapping the supply base for modern slavery risk factors based on three criteria.

CA ANZ purchases more than 94% of goods and services from Australian and New Zealand-based suppliers. The rest is 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.

that suppliers provide us with their own Modern Slavery Statement (if they have one) and information about their modern slavery risk assessments and other due diligence steps.



**Geography**  
Where it is produced.

We have identified that the technology sector poses the greatest inherent risks of modern slavery and have focused on our offshore suppliers, 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.

## 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.



**Supplier complexity**  
Our supplier's supply chain.

As part of the CA ANZ tender process, we ask suppliers whether they comply with the MS 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 ask them to ensure their suppliers, contractors and third-party providers comply with the MS Laws. We require

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.



## Risks continued

CA ANZ also assesses modern slavery risks directly in our operations.

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 and 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:

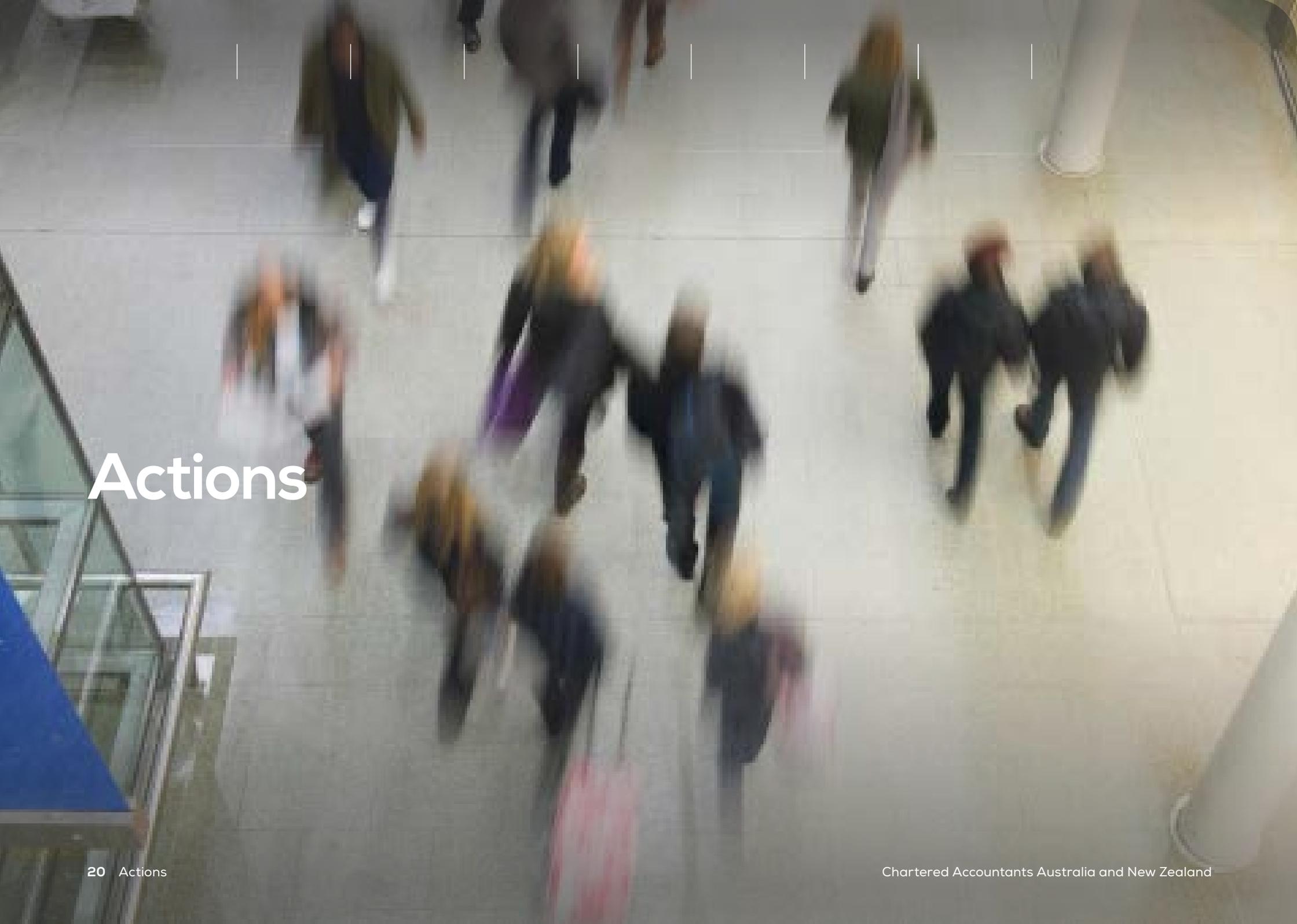
- Code of Conduct
- Diversity, Equity & Inclusion Policy
- Family and Domestic Violence or Abuse Policy
- Recruitment & Selection Policy
- Workplace Behaviour Policy.

This review reinforces our commitments to provide a healthy and safe workplace, and to introduce practical

steps to fulfil our positive obligation to provide our employees with a psychologically safe workplace free of all forms of discrimination and harassment.

Our people 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 through the delivery of a range of initiatives including offering a flexible working environment, delivering focussed wellbeing initiatives, embedding diversity, equity and inclusion into the way we work and supporting our people with their personal and professional development. This is applied 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 in place to respond to our people should they experience a crisis.



# Actions

# Actions

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

Our actions taken 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. We have come to this assessment 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

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.

## 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 & Assurance team:

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



# 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 Organization'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.

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.

# Policies and procedures continued

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.

## 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 Group maintains its social licence to operate.



# Policies and procedures continued

## 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 Diversity, Equity and Inclusion is both a legislative requirement and fundamental to the success of our organisation in being an employer of choice and meeting our strategic imperatives. 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

The purpose of this policy is to ensure that all procurement activities are performed in a manner that is fair, ethical, socially responsible and transparent, aiming to achieve a value for money outcome whilst 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 should a complaint or grievance be 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.

## Recruitment and Selection Policy

The purpose of this policy is to ensure 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.



# 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 categorise our suppliers as low, medium or high-risk for modern slavery depending on country, category and spend with a risk-based approach to the procurement and supplier, as well as during the engagement.

We focus on business operations and supply chains that present the highest level of risk by product or service, sector and geographic location. We rank our response based on the likely severity of consequences to those who may be affected.

Our process has been to ask suppliers identified as potentially high risk from a modern slavery perspective to complete an assessment. New and renewing suppliers with

an annual spend of more than AUD\$50,000 excluding GST also took the same assessment, regardless of their risk profile.

In our last statement, we reported that from 1 July 2021 to 30 June 2022, CA ANZ suppliers completed 58 modern slavery risk assessments. Between 1 July 2022 to 30 June 2023, we obtained 69 new or renewing supplier assessment questionnaires using either EcoVadis Sustainability Ratings to evaluate an ESG Management system where supporting documentation is key, or a CA ANZ assessment, providing insight into the supplier's supply chain, location and industry. We also conducted an inherent risk assessment on the supply chain with EcoVadis IQ Plus, to provide risk profiling and mapping on 180 companies (with annual spend >AUD\$50,000) based on country, procurement and industry risk while automating a sustainability document collection from suppliers. The automation of inherent risk identification means we can focus our resources on the higher risk suppliers.

## Systems and processes continued

Only one supplier of the 180 was deemed potentially high risk and 11 were medium/high risk. We conducted a deeper assessment with 5 of these suppliers and the remainder were professional services recruitment agencies based in Australia.

The recruitment industry is inherently high risk, however we note that CA ANZ's suppliers in Australia and New Zealand typically provide highly skilled, temporary and permanent employees and the agencies charge the hirer, not the candidate, for the recruitment.

We continue to invite new suppliers to be assessed and incumbent suppliers to be reassessed as required.

**CA ANZ publishes comprehensive 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
- Country specific legislation
- Our latest articles and submissions on modern slavery
- Reporting requirements and how that applies to business and supply chains
- Modern slavery webinar recordings

The number of assessments completed by suppliers is an internal key performance indicator (KPI) that supports our objective of creating positive social impact.

EcoVadis 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 the actions implemented, build improvement plans online, update corrective action plans and receive feedback from CA ANZ.

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 or 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 management program. The guidelines are shared through the CA ANZ employee intranet portal, so they are accessible to all team members.



# Buyers' training

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

With the update of the CA ANZ Procurement Policy and development of the new Procurement Procedure, we also introduced a Procurement Plan, that covers due diligence and approval steps, including guiding the user to assess modern slavery risk where required. Procurement, IT and a vendor risk management company are currently working on automating this plan with workflow approvals.

We have held various EcoVadis training sessions on the ESG technology platform for people across CA ANZ. This included an introduction to EcoVadis, an assessment process overview and a platform demonstration to Divisional champions.

We are holding EcoVadis demonstrations on latest modules IQ Plus and Carbon Action Module to business units well represented across CA ANZ. We're also training people internally to use EcoVadis IQ, including one-on-one training.

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 that is 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.

For the FY23 financial year, we did not discover or receive any reports about Modern Slavery occurring in our operations or in our supply chain.

CA ANZ purchases most of its goods and services from Australia and New Zealand. Part of the reason we welcome environmental, social, and corporate governance (ESG) technology is so we can expand the number of suppliers or the second tier of suppliers, especially where goods are sourced locally and manufactured offshore.

For audits that were not third party assessed by EcoVadis, there was an internal CA ANZ review of the supplier's assessment.

In the upcoming financial year, our Risk, Compliance and Assurance team will conduct an assurance review of our modern slavery risk assessment framework to ensure that we are effectively identifying opportunities to leverage our power as a purchaser to effect change.

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



# Our achievements in 2022-23



# Our achievements in 2022-23

We monitored, reviewed and improved the effectiveness of our modern slavery risk management framework and processes with our suppliers, building on the insights we had gained over the past three years. We focused on three areas.

## Prioritising supplier engagement

To maximise 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.

We stepped up engagement with suppliers, evaluated assessment outcomes and worked with suppliers as they implemented their EcoVadis improvement areas and/or corrective action plans.

## Streamlining policies, procedures and processes

We streamlined our policies, procedures and processes – embedding Modern Slavery Risk Assessments into our sourcing and contracting.

We have used the EcoVadis IQ module to identify the inherent risk of 180 of our suppliers with annual spend of over AUD\$50,000 exclusive of GST;

- 93% were rated very low or low risk In Labour and Human Rights.
- 7% (equivalent to 12 suppliers) were medium-high to high risk.
- Among those 12 suppliers, we decided not to use the one with a high risk rating. Two other suppliers conducted a detailed EcoVadis Rating and their score of 60% showed their inherent risk was well-managed.
- Of those who were medium-high risk, two did a CA ANZ assessment and once they provided us with more information, were reclassified as medium-low risk. The others were deemed as medium-high risk because of the industry classification of professional services recruitment agencies. However, considered that they are Australia and New Zealand-based, their country-level of risk was deemed low. They provided CA ANZ with high quality candidates for specialist skills sets such as IT and project management.



## Our achievements in 2022-23 continued

- We also carried out 69 modern slavery assessments, using both EcoVadis Ratings and the CA ANZ questionnaire.

The EcoVadis Ratings scores overall improved from 55.5% to 60.5% 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 to 61.6%, which is 13.4% higher than the EcoVadis benchmark.

We are using the EcoVadis Ratings platform to discover the Diversity, Equity and Inclusion maturity of our suppliers. We found that:

- 12.8% were beginners
- 28.5% were at an intermediate level
- 20.5% were advanced
- 28.2% were leaders
- 10% provided insufficient evidence.

Most of our suppliers seem to be used to being assessed and have the appropriate documentation. We have continued to refine our processes and tools by updating our Procurement Policy, drafting a Procurement Procedure and Quick Start Guide, as well as updating our communications.

### Education

CA ANZ developed a micro course on sustainable supply chain management. In our Sharing Knowledge Series on 21 July 2022 we held a session on “Modern Slavery, where are we now?” This session provided a modern slavery landscape update in Australia, New Zealand and internationally and was attended by around 500 Members and employees.



## Our achievements in 2022-23 continued

### Advocacy

Our submission to the statutory review of the *Modern Slavery Act 2018* (the Act) by the Attorney-General's Department is on our [website](#), prepared and submitted jointly with CPA Australia. In the submission, we highlighted our support of the dual aims of the Act which are to increase business and government awareness of modern slavery risks, and support entities to identify, report and address the risks.

We strongly supported the establishment of an independent anti-slavery commissioner and suggested the government considers assurance and/or third-party verification procedures to improve the quality of information and data provided in modern slavery statements. We encouraged the government to proactively identify and openly communicate with businesses still unaware of their obligations under the Act.

As a part of future reviews, we encouraged the government to consider the Act, its connections to broader requirements of human rights and how it would be incorporated in future sustainability reporting requirements, while minimising any potential duplication.

In 2022, we published *Purpose, People and Planet* which is a playbook offering actionable insights for not-for-profits (NFPs) and charities, to support their critical role in the transition to a sustainable future. The playbook outlines how NFPs can deliver on their purpose and enhance their financial sustainability by considering sustainability-related issues within their operations and supply chains.

A person wearing a dark beanie, a grey t-shirt, and dark pants is sitting on a wooden bench made of logs. The bench is placed on a large, dark rock. The person is facing away from the camera, looking out at a vast, bright blue sky filled with large, white, fluffy clouds. The lighting suggests a clear, sunny day.

# 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 three years.

The areas we will focus on in 2023-2024 are:

## Improving the transparency of our supply chain

The EcoVadis IQ+ inherent risk assessment can be used before onboarding a supplier as well as with existing suppliers. This year, we will expand it from suppliers with whom we spend more than AUD\$50,000 annually to those supplying goods and services worth more than AUD\$15,000.

Where suppliers are rated as medium-high to high risk in EcoVadis IQ we will invite them to complete an EcoVadis rating which includes a corrective action plan. Alternatively, we will discuss our concerns with them and request further details. This will provide us with broad visibility across our supply chain. By using LivelQ+, a news monitoring service, we can scan news feeds and human rights monitoring sites for incidents that may be linked to our suppliers.

We will continue to include relevant modern slavery-related clauses in agreements and tender documents and work with suppliers on corrective actions plans.

## Streamlining policies, procedures, processes and technology

We will increase the use of software automation of inherent risk assessments including through EcoVadis IQ+ and EcoVadis Ratings for Labour and Human Rights, Environmental, Ethics and Sustainable procurement impacts, and LivelQ+ which highlights adverse media. In addition, our Procurement Plan will include automated workflows and a visual dashboard.

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 will continue to monitor these suppliers by using AI-based screening services, improve our procurement processes and train our internal stakeholders. By continuing to rationalise our supplier base, we will also aim to lower CA ANZ's overall modern slavery risk.

## Building supplier and buyer capacity

We will hold further supplier and buyer workshops and webinars about modern slavery risk management best practices, company sourcing and related policies and processes.

We will 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).



# Appendix

# Appendix

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

Australia	
Legislative Requirement Statement must provide information to...	Section
identify the reporting entity;	Statement ( <a href="#">page 7</a> )
describe the structure, operations and supply chains of the reporting entity;	Structure Operations and Supply Chains ( <a href="#">pages 8-16</a> )
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 ( <a href="#">pages 16, 18-19</a> )
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 ( <a href="#">pages 21-28, 31-32</a> )
describe how the reporting entity assesses the effectiveness of such actions;	Assessing the Effectiveness of our Actions ( <a href="#">page 29</a> ) & Our Achievements in 2022-23 ( <a href="#">pages 31-32</a> )
describe the process of consultation with any entities that the reporting entity owns or controls; and	Consultation ( <a href="#">page 13</a> )
include any other information that the reporting entity, or the entity giving the statement, considers relevant;	Future Plans ( <a href="#">page 35</a> )
approval and signing.	Note from Chair & CEO ( <a href="#">page 5</a> )

## Appendix continued

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

UK	
Legislative Requirement Details on an organisation's...	Section
structure, business and supply chains;	Structure Operations and Supply Chains ( <a href="#">pages 7-16</a> )
its policies in relation to slavery and human trafficking;	Policies and Procedures ( <a href="#">pages 23-25</a> )
its due diligence processes in relation to slavery and human trafficking in its business and supply chains;	Systems and Processes ( <a href="#">pages 26-27</a> )
potential risks of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk;	Supply Chain ( <a href="#">pages 15-16</a> ) Actions ( <a href="#">pages 21-22</a> ). Risks ( <a href="#">pages 18-19</a> ) & Systems and Processes ( <a href="#">pages 26-27</a> )
its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate; and	Assessing the Effectiveness of our Actions ( <a href="#">page 29</a> ) & Our Achievements in 2022-23 ( <a href="#">pages 31-33</a> )
the training about slavery and human trafficking available to its staff;	Buyers' training ( <a href="#">page 28</a> )
approval and signing.	Note from Chair & CEO ( <a href="#">page 5</a> )

## Appendix continued

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)

© 2023 Chartered Accountants Australia and New Zealand