

C L I F F O R D
C H A N C E

UK MODERN SLAVERY ACT TRANSPARENCY STATEMENT
OCTOBER 2023

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PEOPLE

6,745 people | **609** partners

As at 1 May 2023

OUR STRUCTURE

Partnership Council (Oversight)		
Audit & Risk Committee	Partner Selection Group	Partner Review Group
Executive/Wider Leadership Group		
Clients, Markets & Products	People & Talent	Operations & Business Transformation
Finance	Regional Managing Partner (RMP) Forum	General Counsel, Risk, Legal

UK MODERN SLAVERY ACT TRANSPARENCY STATEMENT

2022/2023



Clifford Chance is committed to preventing slavery and human trafficking in our business and supply chains.

This is a statement of the steps that Clifford Chance has taken in the financial year ending 30 April 2023 (the “reporting period”).

Approved by the firm’s Executive Leadership Group on 18 October 2023 and signed by our Managing Partner on behalf of the firm, this statement is made in accordance with section 54 of the UK Modern Slavery Act 2015 (the “UK Modern Slavery Act”) and section 14 of the Modern Slavery Act 2018 (Cth) (the “Australian Act”).

[Our previous Modern Slavery Act Transparency Statements can be viewed on our website and on the UK Government’s Modern Slavery Registry.](#)



Our values

Our commitment to [act responsibly](#) includes endorsement of the objectives of our [Modern Slavery Policy](#) by the firm’s Executive Leadership Group, the application of our Modern Slavery Policy throughout all the firm’s offices, and working collaboratively with our suppliers to ensure that the right processes, procedures and controls are in place as part of our end-to-end supply chains.

Business, organisational structure and supply chains

Clifford Chance is an international law firm with 33 offices in 22 countries and a headcount of 6,745 people¹, including lawyers and business professionals. Led by 609 partners¹, each of the firm’s offices is managed by one of our partners or directors. We provide legal services across the key markets of the Americas, Asia Pacific, Europe, the Middle East and Africa and across five practices: Corporate; Financial Markets; Litigation and Dispute Resolution; Real Estate; and Tax, Pensions and Employment. Our clients predominantly comprise banks, corporate enterprises and financial investors.

Our principal partnership is Clifford Chance LLP, a limited liability partnership incorporated under English law. We practise through this partnership, although in some jurisdictions we practise through a local entity, and our global operations use a number of service companies wholly owned by Clifford Chance. These entities are subject to the governance of Clifford Chance LLP. For more information about us, our business, our structure and our entities, please refer to the [who we are & how we work](#) and [people & places](#) sections of our website.

Our supply chains relate to our global office-based professional services business – supplying personnel, goods and services to support the services we, in turn, provide to our clients. Some of our suppliers are local, while others are engaged on a global scale.

Policies

Clifford Chance has a global [policy](#) on anti-modern slavery and human trafficking, which states: “Clifford Chance opposes all forms of slavery and human trafficking, and we are committed to taking steps to ensure that these do not occur in our business or in our supply chains.”

“ AS A SIGNATORY OF THE UN GLOBAL COMPACT WE SEEK TO PROTECT HUMAN RIGHTS IN OUR BUSINESS AND OUR SUPPLY CHAINS BY ENCOURAGING BEHAVIOURS AND PRACTICES THAT ARE ALIGNED WITH OUR GLOBAL POLICIES.”



Bahare Heywood,
Chief Risk and
Compliance Officer

We are actively committed to the [UN Global Compact’s 10 Principles](#) and our global [Human Rights Policy](#) states our support of, and respect for, internationally recognised human rights.

We report annually on our progress in the core areas of human rights, labour, anti-corruption and the environment: see our [Responsible Business Report](#). Our ethical approach is further reinforced by our global employment and labour policies, such as those relating to [inclusion & diversity](#).

1. Please refer to our [Responsible Business Report](#) – as at 1 May 2023
UK MODERN SLAVERY ACT TRANSPARENCY STATEMENT

DUE DILIGENCE AND RISK ASSESSMENT PROCESSES



We acknowledge that slavery and human trafficking exist in many jurisdictions in which we operate, and from which we procure goods or services. We are a professional services firm strictly regulated by professional regulatory bodies in each of the jurisdictions in which we operate, and our ongoing assessment is that we are at low risk of slavery or human trafficking occurring within our own business.

This assessment is based on a number of factors, including that our business primarily comprises permanently employed, skilled staff in a client-focused service sector regulated within strict ethical frameworks. We also implement high workplace standards globally and have remuneration policies that are designed to be competitive within the professional services market. We do not employ migrant workers. By migrant worker we refer to a low-wage or an unskilled worker who migrates, or who has migrated from one country to another for economic reasons.

We strive to refresh and update our risk assessment regularly to ensure that we better identify, manage and monitor any risks. We consider there to be a greater risk of slavery or human trafficking occurring within our supply chains than within our own business. Accordingly, our risk assessment and due diligence in the reporting period have focused primarily on our supplier relationships, including suppliers of labour into our main business operations. We have initially focused our review and independent verification on our higher-risk suppliers, but we aim to refine and recalibrate our approach as our policy implementation matures.

With oversight from the Chief Risk and Compliance Officer, members of the central compliance team run the Modern Slavery Programme to ensure that we deliver on our commitments. A member of the central procurement team is responsible for the development and oversight of third-party risk management processes, including supplier onboarding and due diligence, and, in conjunction with the central compliance team, seeks to educate those individuals who manage third-party relationships on the practical implementation of our [Modern Slavery Policy](#).

Our overall objective is to establish and maintain relationships with our suppliers that will minimise the risk of slavery or human trafficking occurring within our supply chains. Our approach is guided by the UN Guiding Principles on Business and Human Rights, and our [Supplier Code of Conduct](#) provides a set of key principles that underpin the minimum standards we expect from our suppliers.



DUE DILIGENCE AND RISK ASSESSMENT PROCESSES

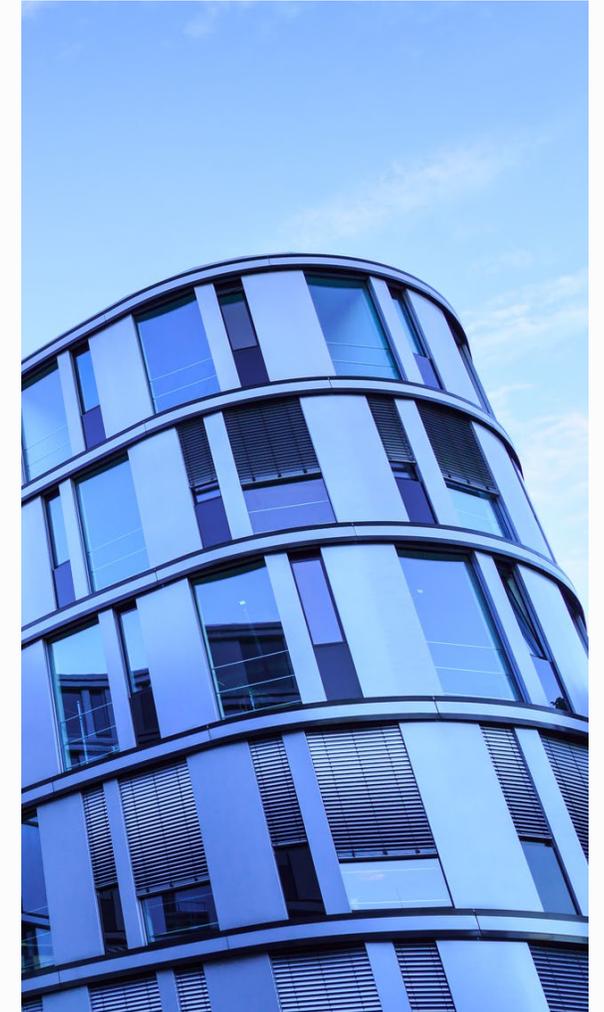
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Progress in the financial year ending 30 April 2023

- We actively engaged in a peer review of our Modern Slavery Act Transparency Statements with two business members of the UN Global Compact UK Network and applied feedback to enhance the communication of our policy implementation, and to develop and implement further key performance indicators as part of our Modern Slavery Programme.
- Following on from the refresh of our modern slavery risk assessment in FY22, we continued to review information received during FY23 as part of the ongoing assessment exercise within our global offices and network.
- We have taken our FY23 spend data and active supplier list and reviewed all those suppliers in sectors identified by our external modern slavery consultant as the highest risk for modern slavery: cleaning; construction; hospitality (catering and hotels); transportation (airlines and car services); and electronics. The total number of global suppliers reviewed has increased from our 'top 100 global spend suppliers' in FY22 to a list of 542 global suppliers for the current reporting period. Although we did not identify any specific instances of modern slavery, we did identify areas where we can drive corrective action and process improvement. We have picked up with our contract managers, as appropriate, to address these matters directly with our suppliers.
- In October 2022, Clifford Chance participated in an external maturity assessment and review of our Sustainable Procurement Programme with EcoVadis to help review areas of opportunity and continuous improvement, including, but not limited to, programme growth and data capture and accuracy. We continue to monitor our policies, processes and programme. For more details, please refer to our [Sustainable Procurement Programme FY23 Report](#).

- Through our [Sustainable Procurement Programme](#) and engagement with sustainability ratings provider EcoVadis, we have received sustainability and carbon scorecards for our key suppliers, which has helped us to better understand their positive and negative environmental and social impact and allowed us to work with them to support any corrective action. The assessments are tailored to each supplier and how they operate, with the intention of building relationships that foster continual improvement. The scorecards can be accessed by other EcoVadis clients, which means any improvements in performance can have a positive influence on suppliers' business prospects as well. Where we have identified suppliers with an environmental, labour and human rights, ethics or sustainable procurement score below the recommended average during the reporting period, as indicated by EcoVadis, we have connected with them to support improvement.
- One of our IT suppliers has recently undergone its annual sustainability assessment, which, when it first completed it in FY21, identified shortcomings in the labour and human rights pillar, as well as other pillars related to its ethical practices and controls, and meant that it did not receive a medal from EcoVadis. In response, we worked with this supplier to support education, awareness and progress against identified corrective actions as part of service review meetings. In FY22, the supplier was awarded a bronze medal and in FY23, it increased its score and has been awarded a silver medal for its sustainability performance.
- For more details, please refer to our [Sustainable Procurement Programme FY23 Report](#).



PROCUREMENT PROCESSES



At Clifford Chance, we seek to act in an open and transparent manner and, as part of our supplier onboarding process, promote open and fair competition and the principles of our [Supplier Code of Conduct](#).

We are aware that Clifford Chance's reputation and ethical standards grant us a position of leverage with stakeholders, including suppliers, and we seek to ensure that our supply chains operate in an honest, fair and transparent manner. Supplier feedback serves as an essential means for the firm to identify, assess and address the risk of modern slavery. Procurement policies and processes aim to identify key suppliers to our firm and ensure that appropriate modern slavery discussions are conducted based on risk and criticality of service.

Supplier Assessment Questionnaires (SAQs)

As part of our supplier assessment and onboarding for strategic and tactical sourcing engagements, those defined in our Global Procurement Policy as medium to high value and risk, we issue a 'Supplier Assessment Questionnaire' (SAQ), which gathers information on a supplier's response and policies against different criteria. The criteria include, but are not limited to, whether the supplier has a modern slavery policy or has taken steps in relation to eradicating modern slavery, whether the supplier operates in a higher-risk jurisdiction or whether the supplier operates in a higher-risk industry sector.

This helps us ensure that we are working with suppliers who are aligned to our policies and practices regarding ethical and sustainable procurement. Based on the findings, we may perform additional due diligence prior to onboarding potential suppliers.

We have recently automated our questionnaires to support onboarding. We piloted this with a number of suppliers in FY23 and will launch this more widely in FY24. Please refer to our [Supplier Management website](#) for more details.

Supplier Relationship Management (SRM) Framework

Our Supplier Relationship Management (SRM) Framework focuses on making the most of our ongoing relationships with our key suppliers and provides a recommended approach and standards to support the management and oversight of our third-party relationships by our firm's contract managers.

It comprises supplier onboarding, performance, risk and contract, relationship management and sustainability pillars and, in respect of modern slavery and as part of regular service reviews with our suppliers, enables us to identify and mitigate any potential issues as they arise.

Supplier Scorecards

We seek to partner with suppliers who share our commitments and approach, and work with them to ensure that they are meeting the principles of our [Supplier Code of Conduct](#).

Throughout our relationship, we encourage our suppliers to be open and honest with us. Supplier scorecards are available during supplier review meetings to highlight key issues including modern slavery. The scorecards also assist with providing a rating for suppliers, which allows us to conduct further assessments and due diligence commensurate with perceived risk in the identified areas.

Supplier Code of Conduct and Supplier Standards

Our [Supplier Code of Conduct](#), available on our website, provides a set of key principles that underpin the minimum standards we expect from the suppliers and contractors, and their subsidiaries and subcontractors, that provide goods or services to us.

Our supplier contracts contain provisions to address modern slavery and, alongside the provisions of the [Supplier Code of Conduct](#), outline our expectations of our suppliers and contractors.

For example, our [Human Rights & Modern Slavery](#) supplier standard includes commitments to respect rights consistent with the UN Guiding Principles on Business and Human Rights and is aligned with our global [Human Rights and Slavery and Human Trafficking policies](#). It also includes a requirement for suppliers to provide training to their staff on the risks and indicators of slavery or human trafficking, as well as the nature of risks related to the supplier's business.

We seek to review and report annually on our key suppliers' acknowledgement and understanding of the principles within our [Supplier Code of Conduct](#) and work with them to ensure that the right processes and procedures are in place as part of day-to-day management and oversight.

This is an ongoing process and, in future years, we intend to build on the frameworks that have been established, recognising the importance of engagement with suppliers, and establishing a deeper understanding of their modern slavery risk exposures and management.

PROCUREMENT PROCESSES

(CONTINUED)



Progress in the financial year ending 30 April 2023

We continue to review and monitor our progress and build on the frameworks that have been established.

100% of our key suppliers

confirmed acknowledgement of the [principles of our Supplier Code of Conduct](#).

50 participants

trained as part of our Supplier Relationship Management (SRM) learning programme, with five more cohorts launched for FY24.

542 suppliers

reviewed based on spend data as part of our FY23 Modern Slavery Risk Assessment, up from top 100 global spend suppliers reviewed in FY22.

83% of our key suppliers

see us as a customer of choice based on our Voice of the Supplier survey.

68% of our key suppliers

have improved their sustainability performance, up from 63% in the last reporting period.²

Supplier Assessment Questionnaires (SAQs)

We completed the automation of our Procurement Risk Questionnaire (PRQ) and Supplier Assessment Questionnaire (SAQ) templates in [Fusion](#), our risk management solution to better facilitate the identification of third-party risks, including modern slavery, information security, data privacy, etc. and enable further due diligence if suppliers are considered high risk or very high risk.

[Fusion](#) allows suppliers to address follow-up questions directly through the platform, making the onboarding process easier and more efficient.

We implemented alerts to flag 'high' or 'medium' risk categories to enhance visibility of potential risks associated with our suppliers and have tested and piloted our questionnaires ready for a wider launch in FY24.

Contract Review

We undertook a review of our contract templates and guidance in FY23 and updated our Global Procurement Policy to provide greater transparency regarding the process steps for supplier selection, contract award, execution and ongoing management.

Sustainable Procurement Programme

During the reporting period, 71% of our key suppliers were independently reviewed by [EcoVadis](#) as part of our [Sustainable Procurement Programme](#), with 27 assessments in progress as at the end of the reporting period ending 30 April 2023².

Since last year, 68% of our suppliers have improved their sustainability performance and, where we have seen scores regress (24%), we have followed up with those suppliers to support corrective action².

As part of our Sustainable Procurement Programme, we held a virtual Sustainable Procurement Programme event in our APAC region in November 2022. This programme included an introduction from the General Manager for Australia, an overview of our programme and two focus group sessions; one on the environment and one on human rights and modern slavery. Thirty-four companies in the region confirmed participation in our programme, and we look to expand on this in FY24, including events held in other regions.

2. Based on current validated scorecard information on Ecovadis, 66 of our key suppliers have been rated through Ecovadis so far, with 27 assessments in progress for the reporting period ending 30 April 2023.

PROCUREMENT PROCESSES

(CONTINUED)



Progress in the financial year ending 30 April 2023 (continued)

Supplier Code of Conduct and Supplier Standards

We continue to review our approach to supplier relationship management and create transparency when it comes to the minimum standards we expect from our suppliers and explore ways that we can make it easier and simpler for them to engage with us through the automation of our processes and procedures.

We undertook an annual review of our Supplier Code of Conduct and Supplier Standards, and our external-facing Supplier Management website has been updated.

100% of our key suppliers confirmed acknowledgement of the principles of our [Supplier Code of Conduct](#) in FY23. For more information on the Supplier Code of Conduct, and our [reporting](#), please refer to our [Supplier Management website](#).

Voice of the Supplier Survey

Each year, we issue a Voice of Supplier survey to our key suppliers, which is an annual activity we commenced in 2021. The survey is mapped to our sourcing and supplier management processes and approach and helps us understand how Clifford Chance is perceived as a client and areas where we can improve or develop our internal and external processes within our supply chain.

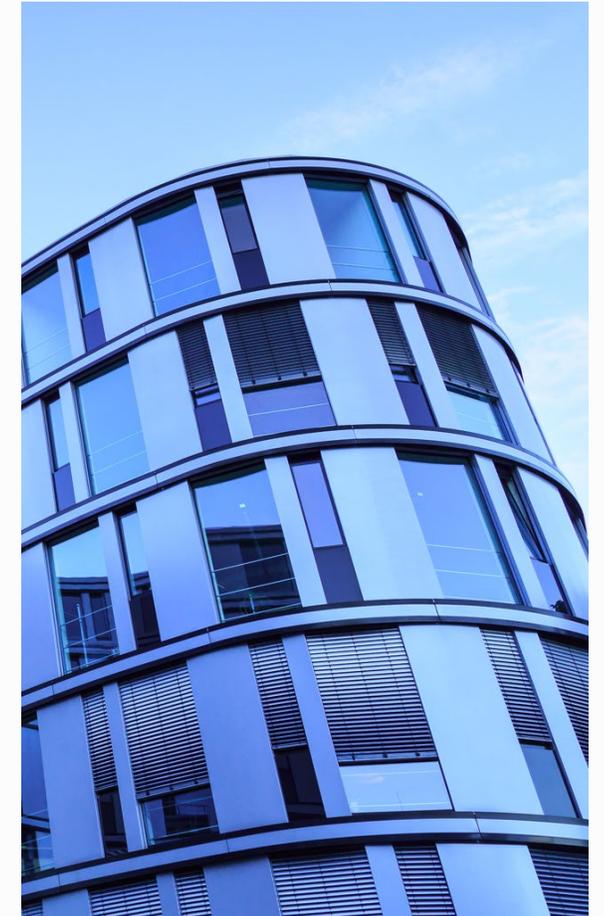
For the reporting period, we have observed a 5% increase in the supplier response rate, and we have gone from 82% of our suppliers seeing us a customer of choice to 83%. Process simplification, standardisation and automation remains a priority for FY24.

Supplier Diversity Programme

As part of the evolution of our [Sustainable Procurement Programme](#), our focus for the reporting period was to develop our approach to supplier diversity & inclusion and consider incentives for suppliers to take greater steps to examine social impacts in their supply chains.

Over the last year we have observed an increased level of focus from our clients, which has helped provide pace to the development of our Supplier Diversity Programme and given us an opportunity to build upon the foundations of our Sustainable Procurement Programme.

We will continue to focus on implementation of our programme during FY24. Please refer to our [Sustainable Procurement Programme FY23 Report](#) for more details.



EFFECTIVENESS



We developed metrics as a key priority for measuring our effectiveness at preventing modern slavery and human trafficking in our business and supply chains.

On an annual basis, we review the sustainability performance of our key suppliers as part of our [Sustainable Procurement Programme](#). The independent review undertaken by [EcoVadis](#), with which we work as part of this programme, includes assessment of areas including, but not limited to, labour, human rights and modern slavery. As part of the assessment, our suppliers are required to share evidence demonstrating alignment with the UN Global Compact Principles, International Labour Organisation, Global Reporting Initiative and ISO 26000. Any potential gaps will be flagged as 'high', 'medium' or 'low' by [EcoVadis](#), allowing us to prioritise our follow-up due diligence and consultation with our suppliers to support corrective action.

Our current reporting is based on validated scorecard information for the financial year ending 30 April 2023³:

Description	Unit	FY21	FY22	FY23	Status
Annual Supplier Code Declaration	%	88	100	100	➡
Key Suppliers - Sustainability Performance					
Key suppliers with a policy on corruption	%	90	90	94	⬆
Key suppliers with an active whistleblowing procedure in place	%	86	87	71	⬇
Key suppliers with a whistleblowing procedure on labour and human rights issues	%	78	82	71	⬇
Key suppliers with a whistleblowing procedure on ethics	%	84	84	87	⬆
Key suppliers taking actions to prevent discrimination and/or harassment	%	67	68	85	⬆
Key suppliers taking action to promote diversity and inclusion	%	61	71	91	⬆
Key suppliers reporting on diversity in executive positions, including minority groups and gender	%	59	55	59	⬆
Key suppliers that are a participant of the UN Global Compact	%	37	37	43	⬆
Key suppliers reporting on labour and human rights issues	%	33	32	32	➡
Key suppliers reporting on health and safety indicators	%	27	24	21	⬇
Key suppliers that have evidence of actions on employee health and safety issues	%	82	84	96	⬆
Key suppliers that have evidence of actions on working conditions	%	92	89	97	⬆
Key suppliers that have a collective agreement on diversity, inclusion and/or harassment	%	6	6	6	➡

We have seen a general increase in scores between FY22 and FY23. We have seen a positive increase in the percentage of suppliers promoting diversity and inclusion; however, whilst our suppliers are taking action to prevent discrimination and/or harassment, there has been a decline in remediation of any identified issues. Where scores have decreased, we plan to address this as part of service review meetings with our suppliers and through corrective action plans. You can read more about our [Sustainable Procurement Programme](#) and progress on our [Supplier Management website](#). For more details, please refer to our [Sustainable Procurement Programme Report FY23](#).

3. Based on current validated scorecard information on Ecovadis, 66 of our key suppliers have been rated through Ecovadis so far, with 27 assessments in progress for the reporting period ending 30 April 2023

TRAINING, AWARENESS AND CAPACITY BUILDING



Clifford Chance is committed to ensuring that all our people understand what modern slavery is and the circumstances in which it may occur, are aware of its risk indicators, and are equipped to identify instances of possible slavery and human trafficking and to report concerns. Human Rights and Modern Slavery training is compulsory for everyone in the firm.

The firm's values-based [Code of Conduct](#) was created to help ensure that the firm's values are demonstrated in our people's behaviours and actions both internally and externally. It supports our whistleblowing mechanisms by encouraging all our people to speak up where they find any potential or actual misconduct internally or externally (including in interactions with clients, service providers and other third parties). In line with pillar 5 of our Code of Conduct, 'Speak Up', we encourage everyone in the firm to promote human rights.

Internally, we have set out requirements to report concerns about unethical and unlawful behaviour and lack of organisational integrity and the appropriate channels for reporting in our Internal Reporting Processes and Requirements Policy, which includes our global Whistleblowing Policy. This policy includes a mechanism for reporting genuine suspicion that there has been, is, or is likely to be, criminal conduct or breach of a legal or professional obligation, including, but not limited to, modern slavery and/or human trafficking, by anyone in the firm or by a client or contractor. As we recognise there are times when colleagues may feel the need to raise a concern or ask a question without coming forward directly to a colleague, the firm has engaged Navex Global, an independent service with trained, impartial staff available 24/7, to provide an additional channel to our people to report concerns confidentially.

In terms of external mechanisms for reporting concerns about unethical or unlawful behaviour and lack of organisational integrity, we made our complaints procedure available on our public website. The mechanisms include a centralised mailbox dedicated to complaints. Our public website also includes jurisdiction-specific guidance on regulatory complaints procedures (where available) in countries where we operate.

Through our policies and training, we seek to ensure that relevant decision-makers within core functions have the requisite level of knowledge and understanding of modern slavery risks that will enable them to identify issues and address them appropriately. Senior management's commitment to this issue reinforces the importance of effective implementation of our modern slavery policies throughout our operations.

Progress in the financial year ending 30 April 2023

- Our Human Rights and Modern Slavery Education module is designed to enhance our ability to identify red flags and address risks. 98% of our people have completed this training since it was launched globally.
- We formally launched our Supplier Relationship Management (SRM) Learning Programme to five cohorts in FY22 comprising our Contract Managers and Owners. The training covered the pillars of our Supplier Relationship Management (SRM) Framework, inclusive of risk management and mitigation. The risk management training module included a case study exercise, which invited colleagues to consider the impact, likelihood and remedial action required to address risks associated with their suppliers. We have successfully trained five cohorts with fifty participants trained for FY23. We have launched a further five cohorts for FY24 to support continuation of our programme.
- We took steps to begin formalising our approach to disclosing instances of modern slavery.

98%

of our people have completed our Human Rights and Modern Slavery training since it was launched globally.

50

Participants trained for FY23 under our SRM Learning Programme.

5

We have launched a further five cohorts of our SRM Learning Programme for FY24.

PLANNING AND PRIORITIES



At Clifford Chance, we recognise the importance of making the most of the relationships we have with third parties, encouraging open and honest exchanges of information and working collaboratively with them to address any issues.

We will continue to make efforts to ensure that we have the right controls and procedures in place with third parties with which we transact to identify, monitor and mitigate risk exposures and, where potential modern slavery risks or instances are identified, work with them to address those appropriately. Our key priorities in the next financial year include measuring the effectiveness of the enhancements we have made to our procurement policies and processes, and implementing a strategic plan to address higher-risk issues across our business and supply chains.

Building on steps taken to date, we have identified the following specific enhancements for the forthcoming financial year and beyond:

- Based on findings obtained as part of our ongoing risk assessment exercise, we will explore the possibility of undertaking a human rights and modern slavery saliency assessment within the next two years.
- We aim to review our internal processes, including training and guidance material for colleagues, to further support the disclosure of potential instances of modern slavery.
- We aim to establish a modern slavery working group with representatives from different business functions, including compliance, procurement, and human resources to ensure coherent, cross-functional implementation of our strategy, and ongoing review of priorities and performance.
- We aim to continue to hold at least two annual events with clients and suppliers to share best practice and knowledge regarding sustainable procurement.
- We aim to undertake a review of our [Sustainable Procurement Programme](#), to extend the programme more widely across the firm and formalise our approach in different jurisdictions.
- We will continue to focus on implementation of our supplier diversity programme during FY24 and consider incentives for suppliers to take greater steps to examine social impacts in their supply chains.
- We aim to engage our offices to raise awareness of, and support compliance with, our Global Procurement Policy; ensuring that we continue to identify, manage and mitigate potential modern slavery risks as part of the end-to-end procurement life cycle.
- We aim to identify opportunities to combine forces with other organisations and clients to address modern slavery risks.

This statement is made by Clifford Chance LLP on behalf of itself and those entities which operate as part of the Clifford Chance Group and are subject to the governance of Clifford Chance LLP (including the Australian partnership, Clifford Chance, and its associated entities Clifford Chance Australia Pty Ltd, Clifford Chance Australia Services Pty Ltd and Clifford Chance Australia Nominee Pty Ltd as trustee for Clifford Chance Services Trust) ("Clifford Chance").

SIGNED

DATE 18 October 2023

CHARLES ADAMS

Managing Partner, Clifford Chance LLP
for and on behalf of Clifford Chance

C L I F F O R D
C H A N C E

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

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We use the word 'partner' to refer to a member of Clifford Chance LLP, or an employee or consultant with equivalent standing and qualifications

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Version: 1.1

Date: October 2023

Review: October 2024

Classification: Public