

**SHOOSMITHS**

# Shoosmiths policy and guidelines to comply with modern slavery act

Duty to notify

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## 01. Background and Requirements for Shoosmiths Compliance with Modern Slavery Act 2015 (Duty to Notify) Regulations SI1743

This procedure recognises the importance of delivering our commercial goals with integrity.

Shoosmiths has a requirement to comply with the Modern Slavery Act 2015 (Duty to Notify) Regulations SI1743.

Under section 54(9) of the Act Government has published guidance on how to comply via its 'Transparency in Supply Chains etc. A Practical Guide'. Located at:

<https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide/transparency-in-supply-chains-a-practical-guide>

The transparency in supply chain provision requires any organisation that supplies goods or services and carries on any part of their business in the UK, with a turnover of £36m or more, to produce a slavery and human trafficking statement for each relevant financial year of the organisation and so to increase transparency by ensuring that interested parties know what steps are being taken by organisations to tackle modern slavery and trafficking, an abhorrent abuse of human rights.

With our financial years ending 30 April our annual statements must be published at the latest by 31 October, i.e., no later than six months after the end of the financial year and to cover activity undertaken during the financial year.

If a business fails to produce a slavery and human trafficking statement for each relevant financial year the Secretary of State may seek an injunction through the High Court (or, in Scotland, civil proceedings for specific performance of a statutory duty under section 45 of the Court of Session Act 1988) requiring the organisation to comply. If the organisation fails to comply with the injunction it will be in contempt of court, which is punishable by an unlimited fine.

Companies are encouraged to publish all previous statements to enable interested stakeholders to analyse year on year progress.

A former UK Independent Anti-Slavery Commissioner has previously written to obligated companies that have either not reported or who have failed to meet basic reporting requirements.

Our board approved slavery and human trafficking statements are located at the bottom of the landing pages of the **Shoosmiths** website, **Serious Injury** website as well as the 'our responsibility' section of the Shoosmiths website see [here](#).

The Government modern slavery registry is the repository of slavery and human trafficking statements, including Shoosmiths. Organisations can access to e.g, analyse company progress:

Modern Slavery Registry: <https://modern-slavery-statement-registry.service.gov.uk/>

To enable Shoosmiths to demonstrate leadership as well as compliance and be in a position to annually gain Board and Partnership Council approval and upload a positive Slavery and Human Trafficking Statement annually by October latest the following process is required to be completed and maintained.

For any technical queries about the following requirements please contact the Head of Corporate Responsibility, the designated lead anti-slavery champion.

Version 3 of this procedure was reviewed by the Slave Free Alliance in 2019 resulting in version 4 incorporating a number of its recommended improvements.

## 02.

### Actions required to ensure legal compliance

The following actions are required:

1. Via our supplier online portal central procurement asks potential and existing suppliers to sign up to the Shoosmiths Supplier Code of Conduct and to complete a modern slavery questionnaire.
2. An annual assessment is also undertaken of our estates management tier two and tier three suppliers
3. Central procurement or estates management flag any reported instances of modern slavery or concerns to the Head of Corporate Responsibility
4. For any issues identified please liaise with the Head of Corporate Responsibility for guidance.
5. Designated colleagues are required to complete the Shoosmiths Horizon e learning module and we also provide the course as an optional training course for interested colleagues. The module provides an introduction to modern slavery, signs to look out for, action to take and assessment of understanding. Thereafter consider refresher reviewing the module as appropriate to maintain awareness.
6. Goods and services suppliers to be re-assessed if a potential risk arises that requires investigation. Follow steps 2 - 4 above

### 03.

## Guidance on how to assess level of risk and therefore selection of priority suppliers for engagement

The following information is used by central procurement for tier one suppliers and estates management for tier two and tier three suppliers to consider where potential risks might lie. This should be read in conjunction with appendix one Risk Screening Tool for guidance.

### Definitions

**Slavery** is the status or condition of a person over whom all or any of the powers attaching to the right of ownership are exercised. Since legal 'ownership' of a person is not possible, the key element of slavery is the behaviour on the part of the offender as if he/she did own the person, which deprives the victim of their freedom.

**Servitude** is the obligation to provide services that is imposed by the use of coercion and includes the obligation for a 'serf' to live on another person's property and the impossibility of changing his or her condition.

**Forced or compulsory labour** involves coercion, either direct threats of violence or more subtle forms of compulsion. The key elements are that work or service is exacted from any person under the menace of any penalty and for which the person has not offered him/her self voluntarily.

**Human trafficking** requires that a person arranges or facilitates the travel of another person with a view to that person being exploited. The offence can be committed even where the victim consents to the travel. This reflects the fact that a victim may be deceived by the promise of a better life or job or may be a child who is influenced to travel by an adult. In addition, the exploitation of the potential victim does not need to have taken place for the offence to be committed. It means that the arranging or facilitating of the movement of the individual was with a view to exploiting them for sexual exploitation or non-sexual exploitation.

**Child labour** is defined by international standards as children below 12 years working in any economic activities, those aged 12-14 engaged in more than light work, and all children engaged in the worst forms of child labour (ILO).

Modern slavery is a crime of economic opportunity. In 2014 the International Labour Organisation (ILO) estimated that the total illegal profits obtained from the use of forced labour amounted to more than US \$ 150 billion per year.

The UK Government's action plan for anti-money laundering and counter-terrorist finance recognises that the proceeds of crime from modern slavery has become one of the most significant money laundering threats.

The likelihood of slavery in supply chains is high. The scale and nature of slavery and trafficking is such that as companies look beyond their first-tier suppliers there will be incidences and so companies are encouraged to work with their suppliers to find solutions and help victims. A business's supply chain includes labour agencies and recruiters to that supply chain, sub-contractors, distribution, equipment and services.

Modern slavery affects almost every country, either as a source country where victims come from; a transit country where victims of slavery travel through; or destination country where victims are enslaved.

An estimated 50 million people are living in modern slavery, based on 2022 data. Most prevalent countries are North Korea, Eritrea, Mauritania, Saudi Arabia, and Turkey.

Almost 17,000 potential victims were identified in the UK in 2022 (52% were adults), with forced labour the most common exploitation type.

In the UK the highest proportion of victims are from Albania, UK, Eritrea, Sudan, and Vietnam.

In the UK during the first quarter of 2023 4,746 potential victims were referred to the Home Office and the number of potential victims of modern slavery in the UK reached its highest level since the system to identify them began in 2009. Unskilled labourers are particularly at risk which is why there have repeatedly been incidents and prosecutions reported in the media e.g., factories, construction sites, the agricultural sector, and fisheries. This puts Shoosmiths at risk of potential victims being found within our supply chain.

From this starting point, the **Global Slavery Index** uses predictive modelling, based on data from nationally representative surveys and the Walk Free Foundation Vulnerability Model, to estimate the prevalence of modern slavery country by country. The Global Slavery Index provides a country by country ranking of the number of people in modern slavery, as well as an analysis of the actions governments are taking to respond, and the factors that make people vulnerable.

When considering our supply chain and which goods and services ie: suppliers deemed a priority for engagement the following are considered in relation to our suppliers:

- Are they sourcing from or operating in countries of high risk of operation where protection against breaches of human rights are limited? For example:
  - Where there are high levels of poverty;
  - Where there is widespread use of migrant workers;
  - Places where workers have fewer protections;
  - Rights of foreign contract workers to retain their own ID and papers, and/or where work arrangement by agents is common etc.;
- High risk sectors where cases are frequently reported and should be particularly investigated include agriculture, forestry, fishing, food processing, construction, manufacturing, utilities, mining, logging, domestic services and other care and cleaning work, garments and textiles under sweatshop conditions, hospitality and catering, transportation, using conflict materials (tantalum, tin, gold, tungsten) steel or other raw materials being predominantly sourced from countries with poor records of slavery and human trafficking;

For above see e.g:

High-risk products are e.g. highlighted in the U.S. Department of Labor’s (DOL) List of Goods Produced by Child Labor or Forced Labor and DOL’s List of Products Produced by Forced or Indentured Child Labor. The former lists 353 items (as of April 15, 2016), from Indian cigarettes to Panamanian coffee to Egyptian limestone. The latter, pursuant to Executive Order 13126, constitutes a ‘list of products (and their source countries) that it has a reasonable basis to believe are produced by forced or indentured child labor.’

U.S. Department of Labor, List of Goods Produced by Child Labor or Forced Labor

<https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>

U.S. Department of Labor, List of Products Produced by Forced or Indentured Child Labor

<https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-products>

- Labour intensive stages of supply chain where the end product is cheap;
- Subcontracted labour forces;
- Outsourced operations;
- Low skill employment used; use of agency workers, workers brought in at short notice, casualisation of workers; social care
- Transaction risks – banks or financial institutions may be involved in facilitating financing from or supporting cases of modern slavery and bonded labour in operations or supply chains or through money laundering; and
- Where the value of spend within your supply chain deems your supplier to be significant;
- Where the supplier in your supply chain is of strategic value and is business critical or could cause operational risk if not used;
- Contracts coming up for renewal;
- Where there has been a material change in the business e.g., merger or acquisition or significant operational changes;
- Where an incident has occurred or a potential incident identified; and
- Where previous responses/nonresponses warrant follow up engagement.

Procurement should also be aware of short notice type instructions issued to suppliers as one of the potential consequences of high demands made of suppliers or contractors is that it might lead them to violate human rights, including children’s rights. (This might include prompt payment demands, insufficient or late payments, late orders, and high-pressure deadlines). For further guidance see:

## 04. Other Sources of Information

1. **Shoosmiths Procurement and Suppliers' Management Policy**
2. **Shoosmiths Whistleblowing Policy** located on our internet at:  
<https://www.shoosmiths.com/our-responsibility/corporate-responsibility/cr-policies/shoosmiths-whistleblowing-policy>
3. **Shoosmiths guidance on Anti Money Laundering including high risk countries/regimes**
4. **Shoosmiths Supplier Code of Conduct** located on our external website at:  
<https://www.shoosmiths.com/our-responsibility/corporate-responsibility/cr-policies/supplier-code-of-conduct>

5. **Shoosmiths is a United Nations Global Compact participant:**

Signatories are required to operationalise the UN Global Compact's 10 Principles related to human rights, labour, environment and anti-corruption and complete an annual online Communication on Progress submission.

<https://www.shoosmiths.com/our-responsibility/corporate-responsibility/cr-policies/united-nations-global-compact>

6. **Global 2030 Sustainable Development Goals (SDGs):**

17 SDGs (underpinned by 169 targets) agreed by UN member states define the global priorities for sustainable development to be achieved by 2030. SDG 8 'Decent work and economic growth' includes target 8.7 'Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour in all its forms.'

7. **Law Society**

See the Law Society's Victims of Modern Slavery -Guidance for Solicitors at:

<https://www.lawsociety.org.uk/support-services/advice/articles/victims-of-modern-slavery-guidance-for-solicitors/>

Companies with mature approaches to supplier management understand that incidents will be found in their supply chains at some point, at some level and accordingly work with suppliers to find sustainable solutions i.e., finding an incident of slavery or human trafficking is not about delisting the supplier unless as a last resort as this action would have the greatest impact on the victims of slavery or human trafficking.

## 05. Supplier engagement re Shoosmiths Supplier Code of Conduct

Suppliers are invited, via the online portal, to complete and confirm that the supplier adheres to the Shoosmiths Supplier Code of Conduct.

Shoosmiths Supplier Code of Conduct v 2.0 2020

### 1. 1. Introduction

Operating with integrity governs our approach and therefore our aspiration to be recognised by our stakeholders as an organisation which is a responsible corporate citizen in all our relationships.

We expect our suppliers to share our commitments and approach and we state below guidelines that we require of all our suppliers. We expect them to adhere to the guidelines and to confirm in signing up to this code that they expect these requirements also of their supply chain, including sub-contractors.

By collaborative working we believe we can jointly have a positive impact on society.

Signed:

Date: 4 February 2020

Chief Executive, Shoosmiths LLP

### 2. Laws and Regulations

Suppliers will comply with all applicable local and national laws, rules, regulations and requirements in the provision of products and services manufactured and provided to Shoosmiths. This includes compliance with the International Labour Organisation (ILO) Core Conventions. It is the supplier's responsibility to maintain and enforce these standards within its own supply chain.

### 3. Underage labour

Suppliers shall ensure that no underage labour has been used in the production or distribution of goods and services to Shoosmiths. A child is any person under the minimum employment age according to the laws of the country where the product (or parts of) or services are sourced from, or in the absence of law under the minimum age for completed mandatory education.

### 4. Forced Labour

Suppliers will not use or tolerate in their supply chain any form of slavery, servitude, indentured, bonded, involuntary prison, military or compulsory labour or any form of human trafficking.

All work must be conducted voluntarily and without threat of any penalty or sanctions.

No employee government issued identification, passports or work permits will be retained by the supplier as a condition of employment.

Workers' rights to leave the workplace after their shift or to terminate their employment after reasonable notice and receive owed salary must be recognised by the supplier. This applies to local or migrant employees.

Suppliers are asked to report to Shoosmiths any incidents of slavery or human trafficking found in its business or supply chain.

### 5. Freedom of Association

Suppliers shall respect the rights of workers to associate or not to associate with any group, as permitted by and in accordance with all applicable local and national laws and freedom of association and collective bargaining. Suppliers shall not interfere with or discriminate against workers choosing to belong to them.

Where the right to freedom of association and collective bargaining is restricted under national law, suppliers will facilitate, not hinder, alternative means of independent and free association and bargaining.

### 6. Discrimination

An inclusive and diverse work environment is encouraged, with equal opportunities for all workers.

All employees must be treated fairly and not discriminated against in any form of employment.

Suppliers must not discriminate against any employee based on age, gender, sexual orientation, race, ethnicity, colour, disability, religion, political affiliation, union membership, national origin, marital or pregnancy status during any recruitment or employment activities.

Suppliers must commit to a workforce free of any harassment or threat of harassment. Any forms or threats of harassment, physical, mental, sexual or verbal, must be prohibited and not tolerated.



**7. Wages and benefits**

Wages and benefits must meet legal minimums and industry standards without unauthorised deductions.

**8. Working Hours**

Suppliers must ensure working hours comply with national laws and standards and should not expect workers to work (including overtime) in excess of hours set out in relevant working time legislation or other national legal limits unless an opt out has been chosen by the employee with appropriate supporting written evidence.

**9. Healthy and Safe Working Conditions**

Suppliers must provide safe and clean conditions for workers at sites of working and residential facilities. Clear procedures must be in place to ensure regulated occupational health, safety and wellbeing standards are adhered to. Suppliers must comply with the Shoosmiths Health and Safety policy.

**10. Environment**

Suppliers must have clear procedures in place to ensure direct and indirect environmental impacts associated with the goods and services are understood, measured and managed. Suppliers must comply with the Shoosmiths Environment policy.

**11. Business Integrity**

Suppliers shall not engage in any form of bribery or corruption or undertake any action that contravenes the Shoosmiths Anti-Bribery and Corruption policy.

**12. Discipline and Grievances**

Suppliers must provide a grievance mechanism for workers and their organisations to enable workers to anonymously raise workplace concerns. The mechanism must be transparent, set out clearly how grievances will be assessed, and feedback provided. Workers and their representatives must be informed clearly how the scheme operates and its scope and that it is equally accessible to all workers.

Disciplinary procedures shall be clearly documented, communicated and easily accessible to all workers. All disciplinary matters shall be recorded including evidence that the worker knew and understood what he/she was accused of and given the right to trade union or other appropriate representation at disciplinary meetings which may lead to significant disciplinary penalties or dismissal.

**13. Compliance with Code**

Suppliers must be able to demonstrate compliance with the Shoosmiths Supplier Code of Conduct. This includes documented evidence and the right of Shoosmiths or a designated firm to conduct audits. Audits to include facility inspections, review of supplier records business practices and conducting employee interviews.

**14. Reporting concerns**

In relation to 2. to 13. above suppliers are invited to report any area of concern to Shoosmiths. An external whistleblowing helpline, Safecall is available. Any concerns can be reported via the telephone number 0800 915 1571 or via the website at: <http://www.safecall.co.uk/report>

## 06.

### Supplier questions regarding compliance with the Modern Slavery Act

Supplier questionnaire:

- Q1. For the goods and/or services you provide to Shoosmiths which country/countries are they sourced from? (Please provide details t).
- Q2. Does your organisation operate to any specific due diligence standards?? (For instance, Better Cotton Standard System, Ethical Trading Initiative Base Code, Fairtrade Standards, Gangmasters and Labour Abuse Authority Standards, Rainforest Alliance Sustainable Agriculture Standard, SEDEX Guidance on Operational Practice and Indicators of Forced Labour or the Travelife Gold Standard etc). Please detail.
- Q3. Have you reviewed your business operations and supply chain during the last twelve months for evidence of any instances of slavery, forced labour or human trafficking? Please describe your approach including going beyond your first-tier suppliers.
- Q4. Have you identified any goods or services that use modern slavery/human trafficking? If yes, please detail.
- Q5. Do you have a remediation programme in place in the event that modern slavery or human trafficking is found in your operations and supply chain? Please detail including any support provided to victims.
- Q6. Please describe if you are involved in any collaborative initiatives and also if you have any third-party accreditations in place to check that modern slavery and human trafficking does not exist in your supply chain?
- Q7. Is your company required to publish an annual statement to comply with the Modern Slavery Act 2015 (Duty to Notify) Regulations SI 1743?
- Yes - please provide the web link to your statement or provide further details.
- No
- No, but the company publishes a statement voluntarily.
- If yes or voluntarily published, please provide the web link to your most recent statement.
- Q8. Are you an accredited Living Wage Employer via the Living Wage Foundation?
- Q9. Q. If you are using subcontractors to service Shoosmiths do you require your sub-contractors to be an accredited Living Wage Employer?
- (Yes, No, N/A subcontractors not used for the Shoosmiths contract.)
- Q10. What do you define as other high risk sustainability issues in your supply chain and what approaches are you undertaking to address them?\* Please detail.

\* (Examples of an environmental, ethical, social nature might include but not be limited to climate change, biodiversity, resource use, labour rights, health and safety, supply continuity/disruption).

## 07. Shoosmiths procedure in the event of an incident of modern slavery or human trafficking being identified

### Employees

In the event of a member of staff identifying a potential incident of modern slavery or human trafficking in the supply chain they will refer to the Shoosmiths Whistleblowing policy to determine next steps. See Whistleblowing policy [here](#). The Head of Corporate Responsibility to offer guidance. The needs of the victim or potential victim will be the initial prime focus.

### Employer

If an incident of modern slavery or human trafficking is reported by a member of staff or supplier, Shoosmiths to consider carefully the appropriate approach to take and following guidance provided by the experts, as follows noting that to date Shoosmiths has not been informed of any incidents but would wish to follow appropriate steps. Please read the notes below and follow steps set out in Appendix 2 Escalation Process which has been suggested by the Slave Free Alliance.

On receipt of a report, efforts need to be made to gather all available information from all available sources. A detailed assessment then can be made to accurately assess the risk to the individual concerned or any other person who may be at risk of harm in light of the information.

Should there be an immediate or significant risk (physically or mentally) against the individual or any other person then the matter should be reported to the authorities (Police) immediately, unless the risk to that individual can be effectively managed and/or mitigated through other methods.

If the risk is not significant and the individual is not at any risk of harm, then a referral should be victim led. The victim should be signposted to the National Referral Mechanism and/or Non-Governmental Organisation support agencies. The victim should be encouraged to report to the Police as they can potentially safeguard the individual and can make all the necessary referrals required in respect of the National Referral Mechanism. If they do not wish to engage, then assistance can be sourced through the Modern Slavery Helpline or via other Non-Government Organisations, such as Hope for Justice, the Salvation Army and others experienced in dealing with modern slavery matters.

Once the incident has been dealt with a full review of the circumstances needs to be carried out to ascertain how and why the issue came about, and what safeguards or processes can be put in place to prevent repetition.

Examples of sources of guidance:

The non-governmental organisation Unseen operates a UK-wide 24/7 Modern Slavery Helpline 0800 0121 700 that victims, employers and members of the public who may encounter modern slavery can call for expert support and guidance. See [here](#) for the Modern Slavery helpline website.

In the UK. If a specific case is identified, it should be reported immediately to the police – to the local police if non-emergency on 101. Or if an emergency or potential victims are in immediate danger call 999.

Hope for Justice aims to prevent exploitation, rescue victims, restore lives and reform society. The charity set up the Slave Free Alliance to support businesses to work towards a slave-free organisation and supply chain. Contact **0300 008 8000**

Outside of the UK. The appropriate response if an incident is identified or suspected will depend on local circumstances and considerations of the victim and stakeholders to involve local industry bodies, trade unions, non-governmental organisations etc. or law enforcement bodies.

### Working with the supplier

In identifying an issue determine steps supplier is taking to address, to help victims, to mitigate risk in future. Remember that actions will have an impact on the victims themselves. As appropriate offer guidance, training, support to encourage the supplier to address outstanding issues. If insufficient improvement is not evidenced this should be a considering factor for any future commercial relationship.

Our approach in identifying and addressing incidents should be included in our s54 statement.

## Appendix one Risk screening tool

Section	Step no.	Steps	Activities
<b>Prioritisation</b> (Collection of information)	1	Identify required date	<ul style="list-style-type: none"> <li>List of all direct suppliers.</li> <li>Country location of your suppliers.</li> </ul>
		Categorise spend	<ul style="list-style-type: none"> <li>List suppliers by spend.</li> <li>Gain understanding of any potential future changes in spend.</li> </ul>
		Suppliers	<ul style="list-style-type: none"> <li>Identify suppliers that provide goods and services from high-risk sources.</li> </ul>
<b>Assess Risk</b> (Develop a risk rating process, allowing you to prioritise high and medium risk suppliers)	2	Assess country and supplier risk factors	<ul style="list-style-type: none"> <li>Suppliers – Is the supplier located in a country where labour rights are not protected?</li> <li>Supplier - Does the supplier operate in a high-risk business sector that has previously been affected by modern slavery, including human trafficking?</li> <li>Workforce – Are there unskilled, temporary, seasonal workers?</li> <li>Workforce – Are sub-contractors, temporary staffing agencies involved in direct supply chain?</li> <li>Work force – Are job functions outsourced, manual, carried out by foreign workers/temporary staff who are not immediately visible or noticeable because the work is carried outside of normal working hours?</li> </ul>
		Supplier capacity	<ul style="list-style-type: none"> <li>Does the supplier have a Code of Code that includes modern slavery?</li> <li>Does the supplier have sourcing policies that address modern slavery?</li> <li>Has the supplier been identified as having instances of modern slavery? What remediation took place?</li> <li>Do suppliers have requirements for their suppliers and labour providers?</li> </ul>
<b>Medium/High Risk Suppliers</b>	3	Further requirements	<ul style="list-style-type: none"> <li>Shoosmiths Supplier Survey to be completed.</li> <li>Receive a copy of Shoosmiths Code of Conduct.</li> </ul>
		Understand your influence	<ul style="list-style-type: none"> <li>What leverage do you have with high and medium risk suppliers?</li> <li>Will your supplier be willing to provide more information on the modern slavery impact on their business? If not, will you continue to work with them?</li> </ul>

**Appendix two  
Escalation process**

N.B The nominated lead within the Shoosmiths business is the Head of Corporate Responsibility.

