

## **MODERN SLAVERY ACT TRANSPARENCY STATEMENT 2017/2018**

This is a statement of the steps that Clifford Chance has taken in the financial year ending 30 April 2018 (the “reporting period”) to ensure that slavery and human trafficking is not taking place in our business or in our supply chains. Approved by the firm’s Executive Leadership Group on 5 November 2018 and signed by our Managing Partner on behalf of the firm, this statement is made in accordance with section 54 of the Modern Slavery Act 2015 (the “Modern Slavery Act”). Our previous Modern Slavery Act Transparency Statements can be viewed [here](#).

### **OUR VALUES**

As a leading global law firm, we are rightly held to high standards in everything we do. We believe that our licence to operate, our business sustainability and our success in becoming the law firm of choice for the world’s leading businesses depends on our ability to inspire trust and earn the confidence of all our stakeholders. We aim to be a leader in corporate responsibility among our peers. Our commitment to [act responsibly](#) includes the endorsement by the firm’s Executive Leadership Group of the objectives of the Modern Slavery Act 2015 and the application of our modern slavery policy throughout all the firm’s offices.

### **BUSINESS, ORGANISATIONAL STRUCTURE AND SUPPLY CHAINS**

Clifford Chance is an international law firm with [32 offices in 23 countries](#) and a headcount of over 6,000, including lawyers and business services staff. Led by around 570 partners, each of the firm’s offices is managed locally by one of our senior partners. We provide legal services across the key markets of the Americas, Asia Pacific, Europe, the Middle East and Africa, specialising in capital markets; corporate and mergers and acquisitions; finance and banking; real estate; tax, pensions and employment; and litigation and dispute resolution. For more information about us, our business and our structure, see [Who we are & how we work](#)

Our principal partnership is Clifford Chance LLP, a limited liability partnership incorporated under English law. In some jurisdictions, we practise through this partnership; in others, through a local entity. A number of wholly owned service companies, strategically and operationally controlled by Clifford Chance LLP, support our practices. The members, partners, directors and shareholders of all such entities are subject to the governance of Clifford Chance LLP.

Our supply chains relate to our global office-based professional service 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 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.**



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 promote [ethical values](#) and report annually on our compliance in the core areas of human rights, labour, anti-corruption and the environment: see our [Responsible Business Report](#) and [Global Reporting Index](#). Our approach is further reinforced by our global employment and labour policies relating to [Inclusiveness & diversity](#).

### **DUE DILIGENCE AND RISK ASSESSMENT PROCESSES**

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

We consider there to be a greater risk of slavery or human trafficking occurring within our supply chains. Accordingly, our risk assessment and due diligence in the reporting period has focused primarily on our supplier relationships. Again, we recognise the need to refine and recalibrate our approach as our policy implementation matures.

Our overall objective is to establish and maintain relationships with our suppliers that will minimise the risk that slavery or human trafficking could occur within our supply chains. We have taken steps to establish frameworks within which all elements of our supply chain are expected to observe applicable laws and operate in accordance with our [Supplier Code](#). Our due diligence approach is based on active involvement from compliance and procurement teams. Our Modern Slavery Programme works to implement our modern slavery policy within our supplier relationships, using tools such as supplier assessment questionnaires and provisions in supplier contracts.

### Key progress in the financial year ending 30 April 2018

- Appointed a member of the central compliance team to oversee the Modern Slavery Programme to ensure that we deliver on our commitments.
- Performed a risk and compliance review process in relation to all offices, to generate and collate data around incidents, near misses or concerns with modern slavery.
- Undertook a central risk assessment of all offices, based on available data on several modern slavery indicators.
- Carried out due diligence on our top 100 suppliers, including an assessment of any recorded human rights issues related to them.
- Actively engaged in a peer review of our Modern Slavery Act Transparency Statements with other 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.

## PROCUREMENT PROCESSES

We are aware that Clifford Chance's reputation and ethical standards grant us a position of leverage with stakeholders, including suppliers, and we look to ensure that our supply chains operate in an honest, fair and transparent manner. Supplier feedback serves as an essential means of identifying, assessing and addressing the risk of modern slavery.

Our Supplier Relationship Management Framework helps establish our key suppliers, assessed according to criteria which include whether the relationship is ongoing or not, and how critical the service provided is. Guidelines in the Supplier Relationship Management Framework set out the responsibilities for procurement and nominated supplier relationship managers and instructs procurement to meet with, and review, our major global suppliers at least annually. Compliance with our [Supplier Code](#) is a key topic for discussion. Supplier scorecards are used to address key issues such as modern slavery, diversity, corruption,

innovation and financial performance with our key suppliers during review meetings. The scorecards also assist to provide a rating for each supplier which allows us to conduct further assessments and due diligence commensurate with perceived risk.

Our procurement due diligence process includes supplier assessment questionnaires which must be completed by all new suppliers. Assessment criteria include whether the supplier: has a modern slavery policy or has taken steps in relation to modern slavery; operates in a higher-risk jurisdiction; or operates in a higher-risk industry sector. The responses to these questionnaires help us assess the risk of slavery and human trafficking in the business and supply chains of all our potential suppliers, regardless of spend. Based on the findings, we perform annual reviews of all our major suppliers.

Our [Supplier Code](#), available on our website, sets out the standards of conduct we require from all our suppliers and contractors

worldwide and includes the expectation that our suppliers conduct their business consistent with the [UN Guiding Principles on Business and Human Rights](#). We have included modern slavery warranties in supplier contracts and have added a specific modern slavery clause to our contracts, to complement the provisions of the Supplier Code. A modern slavery champion appointed in the procurement team coordinates our efforts around supplier scorecards, supplier assessment questionnaires and supplier contracts to help mitigate and monitor potential modern slavery risk within our supply chains.

Strengthening our procurement policies and processes was our priority in the reporting period. However, this is an ongoing process and we intend to build on the frameworks that have been established in future years, recognising the importance of engagement with suppliers and establishing a deeper understanding of their modern slavery risk exposures and management.

### Key progress in the financial year ending 30 April 2018

- Developed a new supplier contracts system to facilitate our ability to monitor our relationship with our suppliers.
- Enhanced our Supplier Code by including a requirement in the modern slavery provision 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.
- Updated our supplier scorecards to ensure that our expectations on modern slavery and our Supplier Code are discussed with our suppliers.
- Consolidated our supplier assessment questionnaire to include modern slavery questions aimed at identifying higher risk suppliers and whether mitigating actions such as further due diligence or contractual terms, are needed.

## TRAINING, AWARENESS AND CAPACITY BUILDING

Clifford Chance is committed to ensuring that all our people understand what modern slavery is, the circumstances in which it may occur, are aware of modern slavery risk indicators and are equipped to identify instances of possible slavery and human trafficking.

Our global whistleblowing policy includes a mechanism for reporting genuine suspicion of any criminal conduct or breach of a legal or professional obligation, by anyone in the firm or by a client or contractor. This would include instances of modern slavery.

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.

### Key progress in the financial year ending 30 April 2018

- Introduced a new mandatory Human Rights and Modern Slavery training module for all our people, to enhance our ability to identify red flags and address risks.
- Delivered human rights training to compliance officers and contacts in a module that included guidance on identifying modern slavery red flags.
- Reinforced our public commitment to the eradication of modern slavery by signing up to the globally known, London regional newspaper's (Evening Standard) modern slavery pledge.
- Published an internal news story on modern slavery to increase awareness of issues among our people.

## PLANNING AND PRIORITIES

Our priority in the next financial year is to measure the effectiveness of the enhancements we have made to our procurement policies and processes; and implement 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:

- Appoint a senior member of the procurement team to take responsibility for oversight of our modern slavery compliance.
- Use the Supplier Relationship Management Framework to review the performance of a number of high-risk suppliers in the next reporting period against measurable criteria.
- Use supplier feedback to identify suppliers that may benefit from training and guidance, and engage with them, including providing appropriate support.
- Carry out an assessment of offices identified as having a higher risk of exposure to modern slavery, to establish whether tighter due diligence controls are required.
- Implement additional due diligence questionnaires and associated follow-up processes for suppliers identified as having higher risks of modern slavery.
- Automate our supplier assessment questionnaires to facilitate the identification of gaps, analyse patterns and support key performance indicators.
- Supplement our policies, processes and training to include more detailed practical guidance on risk factors and indicators, to facilitate the identification of potential victims of modern slavery connected with our operations and supply chains, and to ensure our people are equipped to respond appropriately to issues identified.
- Review and update our risk assessment process to ensure that we do not have any blind spots.
- Increase our focus on assessing the effectiveness of our modern slavery training.
- Commission an independent review of our Modern Slavery Programme by an external expert.

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 ("**Clifford Chance**").

SIGNED

DATE



5 November 2018  
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**MATTHEW LAYTON**

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