

MODERN SLAVERY ACT TRANSPARENCY STATEMENT OCTOBER 2017

This is a statement of the steps that Clifford Chance has taken to ensure that slavery and human trafficking are not occurring in our business or in our supply chains. Approved by the Executive Leadership Group on 30 October 2017 and signed by our Managing Partner on behalf of the firm, this statement is for the financial year ending 30 April 2017, (“the reporting period”) in accordance with section 54 of the Modern Slavery Act 2015 (the “Modern Slavery Act”).

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 are reliant on our ability to inspire trust and earn the confidence of all our stakeholders. To do this we must [act responsibly](#), creating long-term value and supporting our stakeholders’ future achievements. This includes supporting the objectives of the Modern Slavery Act 2015 and transparency in supply chains.

BUSINESS, ORGANISATIONAL STRUCTURE AND SUPPLY CHAINS

Clifford Chance is an integrated international law firm which provides legal services across the key markets of the Americas, Asia Pacific, Europe, the Middle East and Africa. We have [32 offices in 22 countries](#), focusing on the core areas of commercial activity – capital markets; corporate and M&A; finance and banking; real estate; tax, pensions and employment, and litigation and dispute resolution. The firm is led by about 550 partners, with a total headcount of around

6,000 including lawyers and business services staff.

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 which uses the Clifford Chance name. Our practices are supported by a number of wholly-owned service companies. The members, shareholders, partners and directors of all these entities are subject to the governance of Clifford Chance LLP. Each of the 32 offices is managed locally by one of our senior partners, supported by professional managers and experts as appropriate. For more information about us, our business and our structure, see [Who we are and how we work](#).

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. We seek to establish and maintain relationships with our suppliers with a view to ensuring that all elements of our supply chain act in accordance with our [Supplier Code](#), applicable laws, our values and ethical business principles.

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.

Clifford Chance is built around strong values and ethical business principles and we expect all our undertakings to be conducted in an honest, fair and transparent manner. Our approach to modern slavery is reinforced by our employment and labour policies relating to [diversity](#), dignity and [inclusiveness](#). We support the government’s recent statements (see [2017 UK Annual Report on Modern Slavery](#)) about the importance of this issue, and we are committed to take steps to ensure there is no modern slavery in our business or supply chains. In our firm we create a safe, healthy and inclusive workplace with a strong culture of collaboration and respect for others. For some of our practices and initiatives, see [Responsible Business](#) and our [2016 Modern Slavery Act Transparency Statement](#).

Clifford Chance aims to be a leader in corporate responsibility among our peers. We promote [ethical values](#) and adhere to all applicable laws in all jurisdictions in which we operate. We are actively committed to the [UN Global Compact’s 10 principles](#) and our [global human rights policy](#) states our support and respect of internationally recognised human rights. We report annually on our compliance in the core areas of human rights, labour, the environment and anti-corruption: see our [Responsible Business report](#) and [Global Reporting Index](#).

In June 2017 we were involved in a peer review of our [2016 Modern Slavery Act Transparency Statement](#) with other business members of the United Nations Global Compact UK Network. We have applied feedback from that review and will now develop and implement further

key performance indicators as part of our anti-modern slavery policy and programme. We also took part in a peer learning process attended by a number of international law firms at which emerging best practice for governance and reporting under the Modern Slavery Act was discussed. In July 2017 we appointed a member of the central Compliance team to oversee our Modern Slavery programme to ensure that we deliver on our commitments.

DUE DILIGENCE AND RISK ASSESSMENT

As a professional services firm strictly regulated by professional regulatory bodies in each of the jurisdictions in which we operate, and in the light of our global employment and ethical policies and practices, we have assessed that we are at low risk of slavery or human trafficking existing within our own business, although we are alert to the possible risks and prepared to address any that may arise. We consider there is a greater risk of slavery or human trafficking occurring within our supply chains (suppliers of personnel, goods and services).

We acknowledge that slavery and human trafficking exist in many jurisdictions in which we operate, and/or from which we procure goods or services. Our approach to due diligence of modern slavery risks extends to both our business and our supply chains.

In relation to our supply chains:

- Our policy is to perform due diligence on all new suppliers;
- We carry out annual reviews of all our major suppliers;
- Where we identify a higher risk of modern slavery we implement necessary enhanced checks.

In July 2016 we initiated a process to identify any current concerns or suspicions of modern slavery in our network. Our Office Managing Partners and General Managers were provided with guidance on the process, including the [ILO Indicators of Forced Labour](#) and red flags used to determine whether a worker could be a victim of modern slavery. In the guidance, we outlined the process of initial reports whereby concerns or suspicions of modern slavery should be made. In August 2016, all offices were requested to make a preliminary assessment of their suppliers, subcontractors and supply chains to determine if any office might directly or indirectly be associated with any suppliers which could be particularly susceptible to slavery or human trafficking. As part of their review, each office took into account the [Global Slavery Index](#) which measures vulnerability to enslavement worldwide.

In August 2016 we also carried out a central risk assessment of the firm's top 100 suppliers, taking the [Global Slavery Index](#) into consideration with regards to locations where the supplier performed their services, or had connections to. In September 2016 we centrally assessed these suppliers for any recorded human rights issues.

A key objective for the next reporting period is to enhance our ongoing due diligence process for both our business risks and our supply chain risks with active involvement of compliance, procurement and HR teams. For example, we are developing a central risk based assessment of our offices and, based on priorities emerging from that, will implement a programme of annual review of a sample of offices each year. In addition, we will include questions relating to modern slavery in the firm's annual risk review process.

PROCUREMENT PROCESSES

Clifford Chance's [Supplier Code](#) is available on our website and sets out the standard of conduct we expect from all our suppliers and contractors worldwide and which covers slavery and human trafficking. We require all our suppliers to comply with this code of conduct.

Our supplier questionnaires help us to assess the risk of slavery and human trafficking in the business and supply chains of a proposed supplier prior to entering into any new supply relationships and are also applied prior to the renewal of existing supplier contracts. In the reporting period we enhanced those questionnaires to address modern slavery issues in greater detail. We also began to implement new contractual provisions requiring suppliers to comply with our Supplier Code, and allowing us to ensure that appropriate additional language goes into every new supplier contract, and every current supplier contract as and when it is renewed, which,

- as standard, requires the supplier to ensure that no slavery is used anywhere in its business or in its supply chain, and enables us to terminate the contract for breach of this requirement; and
- in the case of any supplier contracts deemed higher-risk, also requires the supplier (a) to establish necessary processes and policies to ensure that no slavery is used anywhere in its business or in its supply chain, and (b) contractually entitles us to request further information we may need to verify compliance, and enables us to terminate the contract if these requirements were to be breached.

We will take further steps to promote awareness of and monitor progress in the implementation of these new contractual requirements in the next reporting period. We intend to

implement additional due diligence questionnaires and associated follow-up processes for suppliers found to have higher associated risks of slavery. The next stage in the development of our procurement policy in this area would be to develop more detailed guidelines on addressing modern slavery issues when they arise. Our appointment of a modern slavery champion in the area of procurement seeks to coordinate our efforts in these areas.

EFFECTIVENESS

We assess the effectiveness of the steps we are taking to address modern slavery through a number of performance indicators including (1) number of people trained and feedback from training; and (2) the number of reported instances of concerns about possible modern slavery/trafficking issues.

As part of our documented Supplier Relationship Framework, we annually review, and meet with, our major global suppliers and we intend to ensure that modern slavery is always included in future discussions. Having implemented enhanced modern slavery measures from within our procurement processes, we will

seek feedback during our annual risk processes with suppliers that will help us to enhance our measures and the communication of our requirements. Supplier feedback will also form an important tool in identifying, assessing and addressing modern slavery risk.

TRAINING, AWARENESS AND CAPACITY BUILDING

We are committed to ensuring that our people are equipped to identify risk factors and indicators of possible slavery and human trafficking and we are taking steps to raise awareness around the implications of the Modern Slavery Act for our business. For example, in August 2016 Clifford Chance was the first international law firm to sign up to the [Fair Hiring Pledge](#), an initiative which provides training on the fair hiring of migrant domestic staff in Hong Kong to help avoid practices such as modern slavery.

We have implemented a mandatory training module for all our lawyers, including all our partners, in relation to the issues the Modern Slavery Act raises for Clifford Chance and its business. This course is also

mandatory for all new lawyers when joining the firm and as at 17 October 2017 had a completion rate of 95% for all lawyers required to take the course. We intend to make this training mandatory for all our people within the next reporting period. We have implemented targeted training for teams involved in procurement, human resources and client clearance in relation to issues relevant to their particular areas of work. Our aim is that this training should enhance our ability to identify and address risks, communicate our expectations and build anti-slavery capacity within our supply chains.

Through our policies and the training we implement, we seek to ensure that relevant decision-makers within core functions, such as procurement and human resources are provided with a level of knowledge and understanding that will effectively address modern slavery risks and that all of our people are alert to possible risks. We intend now to supplement our policies, processes and training to include more detailed guidance on how our people should address indicators or instances of modern slavery when identified.

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



MATTHEW LAYTON

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

DATE

30 October 2017