



Pinsent Masons

Transparency Statement on Human Trafficking and Modern Slavery

(in compliance with the Modern Slavery Act 2015 (the "Act"))

1. ORGANISATION STRUCTURE AND SUPPLY CHAINS

1.1 Pinsent Masons' corporate structure

- 1.1.1 Our business is about providing responsible legal and other professional services to enable our clients to manage and address business risks. A commitment to behaving responsibly is at our core and it extends to everything we do, and to those with whom we interact.
- 1.1.2 We operate as a global business under Pinsent Masons International LLP which is the governing body for those entities which trade under the Pinsent Masons name and brand ("Pinsent Masons group"). The main trading entity in the UK is Pinsent Masons LLP (head-quartered in London). The Pinsent Masons group is regulated by the appropriate regulatory body in those jurisdictions in which it operates. We have around 3,200 people working in different jurisdictions. Details of our corporate structure and where we operate can be found on our main website - Legal Notices.
- 1.1.3 Pinsent Masons International LLP, Pinsent Masons LLP and its subsidiary Pinsent Masons Services Limited meet the criteria in section 54 of the Act and are therefore required to prepare a slavery and human trafficking statement. This Transparency Statement covers these entities.
- 1.1.4 The Pinsent Masons group has a global turnover of c£450 million.

1.2 Nature of supply chain

- 1.2.1 We refer to forced or bonded labour, including human trafficking and modern slavery, collectively as "**forced labour**" in this Transparency Statement. In this section we describe our supply chain and consider the risks of forced labour.
- 1.2.2 We provide legal and other professional services on a global basis. The supply chain that supports our business and provides the platform that enables us to provide these services to clients is broad. It comprises a wide range of suppliers, from small/medium enterprises (SMEs) to global corporates.
- 1.2.3 To illustrate the breadth of our supply chain, it encompasses products and services from IT hardware and software, knowledge management services, office design, fit-out and maintenance, recruitment agents and temporary staff provision, cleaning and catering services, through to outsourced services such as document production.
- 1.2.4 The supply chain that supports the Pinsent Masons group is primarily based in the UK, however, due to the range of products and services we require and the location of offices in our global business products and services are procured from jurisdictions where there is a higher risk of forced labour such as: China, Dubai, Qatar and various jurisdictions in Africa.

- 1.2.5 The range of products/services in our supply chain and the wide range of jurisdictions in which these are sourced mean that we consider our supply chain to be our primary area of risk from a forced labour perspective.

1.3 **Business operating model**

- 1.3.1 We are committed to:
- (a) ensuring that there is no forced labour in any part of the Pinsent Masons group or within our supply chains; and
 - (b) implementing and enforcing effective systems and controls designed to address the risk of forced labour.
- 1.3.2 We act ethically and with integrity in all our business relationships.
- 1.3.3 Procurement in the UK is largely controlled by our Central Procurement and Contracts team (**CPC**) operating a centre lead model and working with around 70 buyers spread across the various business functions. Whilst many of the goods and services required by our offices outside the UK are sourced centrally in the UK, procurement and contracting guidance is provided by CPC for buyers outside the UK for local procurement and support is provided when requested.
- 1.3.4 We partner with a number of organisations who help shape our commitment to doing business responsibly by providing us with specialist advice and support. This includes Stonewall, Business in the Community, Working Families, Employers Network for Equality and Inclusion, WEConnect and MSDUK.

2. **ORGANISATIONAL POLICIES**

2.1 **Procurement Policy and Supplier Code of Conduct**

- 2.1.1 Our Procurement Policy, which is regularly updated, governs procurement by the Pinsent Masons group and incorporates our approach to forced labour. It is made available to all staff through our intranet. The Procurement Policy and associated intranet guidance and templates set out the processes that all staff are expected to follow to avoid the risk of forced labour in our supply chain, as further described in sections 3 and 4.
- 2.1.2 We require key suppliers to commit to our Supplier Code of Conduct, which is designed to identify and/or enable us to address issues of forced labour (amongst other aspects of responsible business). Our Supplier Code of Conduct emphasises the need for active monitoring and audit through day to day management processes to ensure and maintain compliance with the Supplier Code of Conduct.

2.2 **Employment practices**

- 2.2.1 With respect to global recruitment and employment of our own people we have implemented a number of measures as part of our commitment to ensuring there is no forced labour.
- 2.2.2 We operate a preferred supplier list in relation to the recruitment agencies we work with and new suppliers are asked to commit to our Supplier Code of Conduct.
- 2.2.3 We undertake background checks in relation to new starters to our business relevant to the jurisdiction they will be working in.
- 2.2.4 Pinsent Masons is an accredited Living Wage Employer. This means that all of our people in the UK, regardless of whether they are direct employees or third-party contracted staff, receive a minimum hourly wage. The Living Wage is an hourly rate set

independently and updated annually and it is calculated according to the real costs of living.

3. DUE DILIGENCE PROCESSES

3.1 Evaluation of suppliers

- 3.1.1 A set of checkpoints are incorporated into our procurement process, from initial sourcing (business case), through the request for tender/proposal, and on to recommendation and contract approval, to ensure that at each stage the risks are considered, appropriate information is gathered and that supplier selection decisions are taken in the light of the risk of forced labour.
- 3.1.2 We require key suppliers to complete our Responsible Business Questionnaire and to commit to our Supplier Code of Conduct, which are designed to identify and/or enable us to address issues of forced labour.
- 3.1.3 The processes we currently operate were established in 2015/16. However, the Pinsent Masons group has grown since then with several new office openings, increased supplier spend and a growing number of functions and buyers for CPC to support. To keep pace with that growth, the buying process and associated supplier due diligence need to evolve and we have embarked on a project to make those processes simpler, safer, more responsible and more efficient. The project is referred to as "Buying Process Evolution" or "**BPE**". One of the outputs of the BPE project is expected to be an initial on-line risk assessment that will be carried out at the outset of procuring any goods and/or services which will include more effective and robust processes to identify and address the risks of forced labour.
- 3.1.4 In connection with the BPE project, and to improve our forced labour avoidance practices generally, we will be undertaking a forced labour risk assessment across all our suppliers globally, with particular emphasis on supplier location, Pinsent Masons' office location and the nature of the supply. We expect the first phase of the project and the supplier risk assessment to be completed in Financial Year 19/20.

3.2 On-going monitoring

- 3.2.1 We incorporate a standing agenda item on responsible business in our quarterly and annual supplier reviews with our key suppliers. Those involved in managing contracts, particularly the larger contracts in the UK relating to high risk services eg cleaning and catering have a high level of awareness, as a result of compulsory training and guidance provided by CPC, of the signs of forced labour to look out for.
- 3.2.2 The BPE project referred to above will introduce a requirement and processes to ensure that all contract renewals are risk assessed (including for forced labour) before proceeding.
- 3.2.3 Once the process for undertaking the forced labour risk assessment referred to in section 3.1.4 is established, we plan to undertake that assessment on an annual basis.

4. RISK ASSESSMENT AND MANAGEMENT

4.1 Assessing risk through supplier due diligence

- 4.1.1 We have established a system for assessing the risk of forced labour associated with suppliers and/or potential suppliers. The system enables a supplier risk rating to be produced based on various risk factors such as country and service/product type. We recognise that particular types of suppliers are likely to give rise to a higher risk of forced labour, in particular those utilising lower-wage staff such as security, couriers, cleaning, etc., and those utilising manufacturers in low-wage countries, such as IT hardware, and have weighted those types of suppliers accordingly.

- 4.1.2 We also use various well established indices to quantify the risk associated with certain countries. Where, through risk assessment, we perceive a particular risk of forced labour, we will undertake enhanced due diligence, asking additional questions during the procurement process tailored to the specific risks and utilising the resources and influence available to us to ensure the supplier meets acceptable standards.
- 4.1.3 Following completion of the BPE project we will introduce an on-line initial assessment which all buyers must complete before purchasing any goods and/or services from a supplier. The initial assessment will ask questions about the nature and location of the required supply designed to flag risks of forced labour early in the sourcing process, and enable enhanced due diligence and mitigating action to be undertaken well before committing to that supplier.

4.2 **Contracts**

We have incorporated provisions into our standard templates for supplier contracts to require suppliers to manage and reduce the risk of forced labour. The standard provisions require suppliers to: recognise a commitment to removing forced labour and to take steps to avoid forced labour in their business and supply chain, provide information to us in relation to any instances of forced labour and to warrant to us that no investigative or enforcement proceedings have taken place. We also retain the ability to terminate contracts where the supplier has failed to deal adequately with any such risks. We have a more stringent set of provisions to use in cases where there is a high risk of forced labour.

5. **KEY PERFORMANCE INDICATORS**

- 5.1 Our targets for measuring our performance in respect of our forced labour processes and planned improvements and training are as follows:
 - 5.1.1 100% of CPC team members and 90% of the wider buying community to have undertaken advanced training on forced labour (as referred to in section 6.2) by December 2019;
 - 5.1.2 90% of all staff to have undertaken the forced labour training (as referred to in section 6.1) by December 2019;
 - 5.1.3 implement and launch the improved initial and secondary assessment processes for addressing forced labour (as outputs of the BPE project) by March 2020;
 - 5.1.4 undertake updated forced labour risk assessment across all our supply chain (with particular focus on high risk sectors) by December 2019 and take steps to address (on an on-going basis) any forced labour risks identified by May 2020;
 - 5.1.5 establish annual supply chain forced labour risk assessment process by December 2019;
 - 5.1.6 ensure there are appropriate forced labour provisions in contracts with key suppliers; and
 - 5.1.7 record all decisions to reject suppliers on the basis of a high risk of forced labour assessment.

6. **TRAINING**

- 6.1 Together with one of our suppliers of regulatory training services, we have developed an on-line forced labour training course tailored to the Pinsent Masons group. This training provides an introduction to the risks of forced labour with specific reference to how those risks may manifest within our supply chain and the policy and processes we have in place to avoid those risks. The training is required to be undertaken by all Pinsent Masons group staff globally and was rolled out in our financial year 2018/19.

- 6.2 In addition to the above training, we have developed a longer and more detailed on-line forced labour training course to be undertaken by those individuals within the firm who have responsibility for sourcing and managing suppliers. That training course will be rolled out in our financial year 2019/20.
- 6.3 We have appointed a Modern Slavery Compliance Officer ("MSCO") for the Pinsent Masons group. All forced labour queries in respect of our business and our supply chain should be reported to the MSCO. This role been communicated to all staff within the Pinsent Masons group by email and inclusion in the training course.
- 6.4 Further briefings and guidance on forced labour risks will be provided by CPC to buyers in connection with the launch of the new policies, tools and processes that are the outputs of the BPE project referred to above. One member of CPC now has the provision of training and guidance to our buyers as 50% of her role, and that will include training and guidance on forced labour.

This Statement is made pursuant to section 54 (1) of the Act and constitutes Pinsent Masons' forced labour statement for its financial year ended 30 April 2019.

The Board of Pinsent Masons International LLP is responsible for implementing this Statement and its objectives and providing adequate resources, training and investment to ensure that forced labour is not taking place within the Pinsent Masons group or within its supply chain.

This Statement will be reviewed at least annually and made available on our website.

Richard Foley, Senior Partner, signed 30 October 2019.



The members of Pinsent Masons International LLP approved this statement on 30 October 2019.

The members of Pinsent Masons LLP approved this statement on 30 October 2019.

The board of Pinsent Masons Services Ltd approved this statement on 30 October 2019.

John Cleland, Director of Pinsent Masons Services Ltd signed 30 October 2019.

