

Deloitte Modern Slavery and Human Trafficking Statement: FY19

This statement covers:

- the structure of our firm
- steps we take in our core business to address modern slavery
- how we are managing our third party external supply chain: a year on
- our future focus

Introduction

In this, our fourth annual modern slavery and human trafficking statement, we describe how Deloitte¹ continues to ensure that modern slavery and human trafficking are not taking place in our supply chain, or in any part of our business, through a set of robust controls and procedures. In this statement we set out the steps we have taken within our business and our supply chains, in the financial year ending 31 May 2019, to implement those controls.

Throughout the financial year ending 31 May 2019 we continued to take responsibility for preventing slavery from taking place within our supply chain: this is an area of risk that a firm with the profile of Deloitte must take seriously.

We also continued to ensure that our Suppliers² took responsibility to ensure that slavery did not take place in their businesses and supply chains. In this year's statement we reaffirm that, whilst we see a lower risk of slavery within our own business, we remain ever vigilant against this and continue to manage this risk.

¹ Deloitte in this document refers to Deloitte LLP and its UK subsidiaries. Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and registered office at 1 New Street Square, London, EC4A 3HQ. From 1 June 2019 Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited. Each member firm in the network is a legally separate and independent entity. Please see [About Deloitte](#) to learn more about global network of member firms



FY19 Summary:

- Continued providing training and discussion points for those working in roles that interact with our Suppliers;
- Reviewed which of our Suppliers operate in Higher Risk³ industries;
- Engaged with high risk Suppliers to assess the controls they have put in place themselves, and;
- Updated our Sustainable Procurement Policy which was written in line with the UN Guiding Principles Reporting Framework.

² Any reference to 'Suppliers' (with capitalised S) made in this Statement denotes third party external suppliers of Deloitte LLP

³ We have referred to "Higher Risk" industries as defined in the Business Ethics Briefing (Institute of Business Ethics, Issue 43, September 2014). Mining & minerals are also "Higher Risk" areas but we do not have suppliers in this industry.

The structure of our firm

Deloitte is a leading professional services firm, with around 20,000 staff and contractors, providing high-quality audit, tax, consulting, and financial and risk advisory services to global, national, and public and private sector clients spread across multiple industries. We employ staff and use contractors to support our client facing teams and to conduct our business operations. Facilities support roles (e.g. cleaning, maintenance and catering) are typically undertaken by third party suppliers.

We are part of a globally connected network of independently owned Deloitte member firms in more than 150 countries, to whom we often subcontract elements of our client engagements or operations, for example to provide advice in relation to jurisdictions outside the UK.

For the purpose of the Act, the Deloitte entities in our global network of member firms are part of our supply chain

However, the relationships we have with these firms are different from our relationships with third party external suppliers. Each member firm adheres to many globally consistent policies and governance processes. While we do not have control over how other member firms manage their own suppliers, all staff and partners in all member firms subscribe to the Global Principles of Business Conduct. These principles are based on our Shared Values (see below) and outline commitments made by our people across all member firms, reflecting our core belief that ethics and integrity are fundamental and non-negotiable elements of our business. **The Deloitte Global Principles of Business Conduct contain unequivocal statements around maintaining a 'responsible supply chain' and not condoning any illegal or unethical behaviour by our suppliers, contractors or alliance partners.**

Given the differences between our relationship with other entities in the Deloitte network and our relationships with third party external suppliers, we have excluded Deloitte member firms from the

definition of "Suppliers" for the rest of this statement. Our focus for the purpose of this statement will therefore be on our core business and third party external Suppliers.²

How we ensure that Modern Slavery does not take place in our own business

Deloitte's principles, values and culture

All partners and employees are expected to ensure that they uphold the firm's Shared Values and demonstrate these values in their behaviours:

- Lead the way
- Serve with integrity
- Take care of each other
- Collaborate for measurable impact
- Foster inclusion

Deloitte has a strong, embedded culture of integrity, which is critical to ensuring that we retain the trust of our clients, markets and our people. The tone is set by our leadership and is driven by the values we hold as a business.

Upholding our values within our business

The Deloitte Code of Conduct and Global Principles of Business Conduct are mandatory reading for all of our staff, including contractors. Our Code of Conduct is publicly available and highlights the standards to which we hold ourselves, our people and our Suppliers accountable.

As part of our annual compliance activities all staff must not only read these documents but also affirm that they will uphold the values enshrined therein. FY19 also saw the second year of our Integrity Imperative, a global initiative which underpins and emphasises the importance of ethical behaviour and standards.

Deloitte has an Ethics Partner with responsibility for ensuring that the principles contained within the Code of Conduct are embedded within our business. All enquiries to the Speak Up line (described below) are investigated by our Ethics Team, which is independent of our procurement and business teams.

We extend the expectations we have of our people to the Suppliers with whom we interact, and prohibit illegal and/or unethical behaviour by any of our Suppliers, including any instance of modern slavery, which would be considered a material breach of contract.

Methods for staff and Suppliers to report instances of unethical behaviour

We maintain a "Speak up" line which provides a confidential route for any of our people, contractors or Suppliers to report any concerns they have regarding potential ethics violations, including suspected instances of slavery anywhere in our business or supply chain. Over the past 2 years, we have seen a heightened number of people raising ethical concerns, although to date none have related to modern slavery.

We also have an employee relations team operating as part of our Human Resources (HR) function, who work with employees in difficult work situations, and where appropriate liaise with the Ethics Team.

Ensuring those who work on our site are paid a fair wage

We are proud to be an accredited "Living Wage" employer in the UK and we commit to ensuring that anyone whose role is primarily based at one of our offices will be paid at least the Living Wage (or the London Living Wage in the capital) – a commitment that extends to all of our people, whether they are an employee, contractor or third party external Supplier. This is another key step that we take in ensuring that modern slavery does not take place anywhere within our business or supply chains.

How we ensure that slavery does not take place in our supply chain

Governance, Policy and Compliance

As in previous years, David Gill, Head of Internal Client Services (which includes responsibility for HR and Supplier management), continues to hold responsibility for our compliance with the Act.

We operate a truly global supply chain, leveraging the highest standard of vendors and touching geographies throughout the

world. The steps outlined in this statement relate to Suppliers contracted and/or paid through our procurement team, representing the vast majority of our third party suppliers. Incidental and/or low value goods and services may be provided to us outside of this channel from time to time.

All Suppliers, regardless of size, spend or geographic location are expected to comply with our [Sustainable Procurement Policy](#) which is incorporated into our standard terms of business and is publicly available on our website. This policy was refreshed during the year ending 31 May 2019, retaining our commitment to the UN Guiding Principles Reporting Framework. All Suppliers operating in Higher Risk industries will receive this updated policy as part of our supply chain activities in the next financial year.

This year we became aware that one of our Suppliers had uncovered concerns regarding modern slavery risks in their own supply chain. This was publically acknowledged in their Modern Slavery Statement, with an explanatory note to say that remediation had been taken to rectify the situation. There were no other instances of Suppliers within our supply chain using modern slavery during the financial year ending 31 May 2019. We take the risk that this could occur very seriously, and continue to monitor information provided by our Suppliers to give comfort that they are compliant with our revised Sustainable Procurement Policy. Should any Supplier be found to be in breach of this policy, we reserve the right to treat this as a material breach of contract. Depending on the gravity of the breach, the matter would be escalated internally, with potential actions ranging from discussions with the Supplier around remediation steps, to termination of the contract.

Procurement process

Deloitte has an online procurement tool to manage our large Suppliers, including during the tender process. Since its launch, relevant Suppliers must answer the following question: "Do you take steps to ensure that slavery and human trafficking is not taking place in any of your supply chains and in any part of your own business?"

In FY20, this tool will be supplemented by a new third party risk management process ("TPRM") which seeks to identify and mitigate key areas of risk created by our interactions with Suppliers. One of the areas that the new process will address includes controls to ensure that our Suppliers comply with our commitment that our supply chain remains free of modern slavery.

Higher Risk industries

The following industries ("Higher Risk" industries), in which some of our Suppliers operate, are at an increased risk of modern slavery, and account for approximately 16% of our annual Supplier spend:

- Agriculture
- IT consumables
- IT equipment
- Print
- Stationery
- Steel
- Taxis
- Textiles
- Architecture
- AV equipment
- Business meals
- Cafeteria services
- Catering agencies
- Construction management
- Courier services
- Engineering
- Facilities management
- Furniture
- IT peripherals
- IT server infrastructure
- IT storage infrastructure
- Laptops
- Meetings & events
- Meeting facilities
- Office supplies
- Outside print services
- Paper
- Print hardware
- Real estate
- Stationery

Over the past year our existing and new Suppliers who operate in a Higher Risk industry and who had an annual turnover of more than £36 million and were paid over £50,000 per annum for the provision of their goods or services to us, were required to provide us with a link to their annual Modern Slavery statement.

These Suppliers were also required to confirm that they comply with Deloitte's Sustainable Procurement Policy and that they have not been convicted of any offences relating to modern slavery.

Training and awareness

Last year we committed to providing mandatory training to our Procurement and Office of General Counsel teams to ensure that the firm's responsibilities with regards to modern slavery are upheld. This training was delivered to support these key individuals:

i) to lead conversations with our Suppliers to explore and comment on the controls they have in place;

ii) to identify potentially non-compliant Suppliers and to escalate potential concerns appropriately; and

iii) to feel empowered to refuse to enter into (or to terminate) Supplier contracts if there are any concerns or insufficient evidence of steps being taken commensurate with the risk of the industry in which they operate.

Our future focus

We continue to review our processes and procedures to identify areas for improvement so as to make continued

progress in guarding against modern slavery. In FY20 we will also provide updated and mandatory training to our Procurement, Office of General Counsel and Business Relationship Management teams as well as launching our TPRM platform.

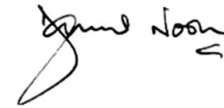
We acknowledge the scope and scale of our business and the impact it makes on our clients, our people, and society. We will continue to monitor our standards and benchmark our approach against regulatory requirements and available guidance, as we recognise the role our business plays in creating a better society free of slavery.

For more information on how we are embedding responsible business throughout our firm, and making an impact for our people, our clients and society, please see our Impact Report.

Our Modern Slavery Statement has been published in accordance with section 54 of the Act. It sets out the steps Deloitte LLP and its UK subsidiaries (collectively "Deloitte") have taken to ensure slavery and human trafficking are not taking place in its supply chains or in any part of its business. The statement applies to the financial year ending 31 May 2019.

This statement has been approved by the Designated members of Deloitte LLP on behalf of Deloitte.

Signed:



David Noon

Chief Operating Officer, Deloitte LLP

30 Nov 2019

Get in touch:

- If you have questions in relation to our Modern Slavery Act Statement, **please contact us online.**
- If you have any specific concerns about modern slavery or human trafficking taking place in any part of our business or supply chain, please contact the Ethics Speak Up Line on 0808 234 1778.

Deloitte.

This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte LLP accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

© 2019 Deloitte LLP. All rights reserved.

Designed and produced by Deloitte CoRe Creative Services, London. RITM0360441