



## Deloitte Modern Slavery and Human Trafficking Statement: FY21

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

This is Deloitte's<sup>1</sup> sixth annual modern slavery and human trafficking statement. We are pleased to provide detail on the robust controls we have adopted to ensure that modern slavery and human trafficking do not take place in our supply chain, or in any part of our business, as required by the Modern Slavery Act 2015 ("the Act"). This statement covers our financial year 2021, which ended 31 May 2021 (FY21).

We work closely with our Suppliers<sup>2</sup> to ensure that they are aware of the high standards we require of them and that they recognise the responsibility they have for

making sure that slavery does not take place within their own business or supply chains. We continue to believe that the risk of slavery within our own business is low, however, we recognise we must remain vigilant; this statement outlines the steps we have taken in this regard to ensure that even the low risk is fully mitigated.

<sup>1</sup> 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 2017 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.

<sup>2</sup> Any reference to 'Suppliers' (with capitalised S) made in this Statement denotes third party external suppliers of Deloitte LLP and its UK subsidiaries.



### FY21 Summary:

- Utilised our Third Party Risk Management (“TPRM”) tool to support the screening of current and new suppliers for slavery related risks;
- Continued providing training and discussion points for those working in roles that interact with our Suppliers;
- Reviewed which of our Suppliers operate in Higher Risk industries; and
- Engaged with high risk Suppliers to assess the controls they have put in place themselves.

### The structure of our firm

Deloitte is a leading professional services firm, with over 20,000 partners, employees 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 the 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 and whilst 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.

### Ensuring Modern Slavery does not take place in our own business

#### Deloitte’s principles, values and culture

Each year Deloitte partners, employees and contractors commit to upholding Deloitte’s Shared Values and are expected to consistently demonstrate this commitment through their actions and behaviours. We expect all of our people to:

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

**Deloitte has a strong culture of integrity which is embedded throughout the business and is critical to ensuring that we retain the trust of our clients, our people and society. We strive to ensure this ethos exists throughout our business, and our people are reminded of this both through training and by leadership demonstrating their commitment to these values and requiring the same from all our people.**

#### Upholding our values within our business

During our annual compliance activities all partners, employees and contractors are required to read Deloitte’s NSE Code of Conduct, incorporating the Global Principles of Business Conduct and confirm that they will uphold the values enshrined therein. These publications document the values, standards and requirements to which Deloitte holds its business, people and Suppliers accountable. FY21 was the fourth year of our Integrity Imperative initiative, a global Deloitte effort underpinning and emphasising the importance of ethical behaviour for all our professionals; all new partners participate in Leading with Integrity, a 2 hour mandatory course, while other employees completed the mandatory e-learning, Speak Up for Values.

Our Ethics Partner assumes overall responsibility for compliance with the NSE Code of Conduct throughout our business. Our “Speak Up” line (described below) is managed by our Ethics Team (fully independent of our procurement and business teams) and all enquiries are fully investigated.

We expect all of our Suppliers to demonstrate the same integrity that we expect of our people. We explicitly prohibit illegal and/or unethical behaviour by any Supplier which extends to any instance of modern slavery. Any breach of these standards would be considered a material breach of contract.

**Methods for staff and Suppliers to report instances of unethical behaviour**

We have a confidential “Speak Up” line 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 with the option of full anonymity. Whilst our people are increasingly using this option to report ethical concerns, to date there have been none related to modern slavery. In addition, our people are encouraged to raise concerns to whomever they feel most comfortable – this may be a line manager, a Respect and Inclusion advisor or a trusted colleague - so as to ensure that any alleged unethical behaviour is investigated and dealt with in a timely and appropriate manner.

Our Employee Relations team, part of our Human Resources (HR) function, supports employees in difficult work situations and interacts with the Ethics team as required.

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

A long term commitment by Deloitte is to ensure that all our people, including onsite contractors, are paid fairly for the important work they do. We continue to be an accredited “Living Wage” employer in the UK and 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). This is another key step that we take in ensuring that modern slavery does not take place anywhere within our business.

**Ensuring slavery does not take place in our supply chain**

**Policy and Compliance and Governance**

We operate a truly global supply chain, ensuring that we are able to acquire the highest quality goods and services available to meet the requirements of both our clients and our own business. We recognise that a global supply chain brings with it challenges as we source from industries and countries which have a greater risk of modern slavery. 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 supplier spend. 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 enshrines our commitment to the UN Guiding Principles Reporting Framework. As in previous years, all Suppliers operating in Higher Risk industries (see below) will receive this policy as part of our supply chain activities in the next financial year.

During FY21, Stephen Griggs, UK Managing Partner, assumed responsibility for compliance with the Act. As UK Managing Partner Stephen has responsibility for all operational matters and so is the correct person to oversee the application of the controls we have developed for our business and supply chain as described in this statement.

**Procurement process**

The deployment of an “e-sourcing” platform allows us to ensure that we bring consistency to our procurement processes. Since the launch of the e-sourcing tool four years ago, 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?”

We explained in our FY20 statement that we were launching a new third-party risk management process (TPRM) platform that would help us identify and mitigate key areas of risk created by our interactions with Suppliers, including risks associated with modern slavery, through a policy, framework and system. This platform became operational in FY21 and now all Suppliers go through the TPRM system. The TPRM system identifies, assess, manages and monitors the risk that we are exposed to due to the receipt of goods and services from Suppliers. TPRM created additional controls to ensure that our Suppliers comply with our commitment that our supply chain remains free of modern slavery. During FY21 our TPRM platform assessed 865 suppliers; 22 of these were flagged for detailed risk analysis after triggering modern slavery risk parameters. We worked with these 22 vendors to better understand their risk profile and developed mitigations where appropriate.

**Higher Risk industries**

The following industries (“Higher Risk” industries), in which some of our Suppliers operate, are at an increased risk of modern slavery<sup>3</sup>, and account for approximately 4.35% of our annual Supplier spend<sup>4</sup>. This represents a significant reduction of our spend in High Risk industries from 11% in FY20, and is predominantly due to changing spend priorities during the pandemic.

- Agriculture
- Architecture
- AV equipment
- Business meals
- Cafeteria services
- Catering agencies
- Construction management
- Courier services
- Engineering
- Facilities management
- Furniture
- IT consumables
- IT equipment
- IT peripherals
- IT server infrastructure
- IT storage infrastructure
- Laptops
- Meetings & events
- Meeting facilities

<sup>3</sup>We have identified high risk industries in our supply chain based on the Global Estimates of Modern Slavery report published by the International Labour Organization in 2017

<sup>4</sup>Based on Deloitte’s FY21 total third party spend, 4.35% of spend originated from goods and services in the listed high-risk industries.

- Office supplies
- Outside print services
- Paper
- Print
- Print hardware
- Real estate
- Stationery
- Steel
- Taxis
- Textiles

In line with the commitments made in our FY20 statement, during FY21 both existing and new Suppliers who operate in a Higher Risk industry and who 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 (if applicable). These Suppliers were also asked 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.

During FY21, there were no instances of any Suppliers within our supply chain identifying any issues in respect of slavery. We continue to acknowledge that this could occur and therefore continue to monitor information provided by our Suppliers to ensure that they are compliant with our Sustainable Procurement Policy. If any Supplier is found to be in breach of this policy, we have contractual provisions in place to ensure that this is treated as a material breach of contract. Any negative findings would always be escalated internally, and depending on the severity of the breach, potential actions available range from discussions with the Supplier around remediation steps to termination of the contract.

### Training and awareness

During FY21 we delivered training relating to Deloitte's modern slavery commitments and the resources available to help uphold those commitments to our Procurement team, the Office of General Counsel and

Business Relationship teams, who all have roles that require them to interact with Suppliers regularly. 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 for our current financial year (1 June 2021 to 31 May 2022)

We acknowledge the scope and scale of our business and the impact it makes on our clients, our people, and society and understand the role our business plays in creating a better society free of slavery. We will continue to monitor our standards, ensure that we retain tight controls within our business and supply chain to ensure that slavery takes place in neither and benchmark our approach against regulatory requirements and available guidance.

During FY22 we will also continue to:

- Provide training for our Procurement, Office of General Counsel and Business Relationship teams so that they are able to identify risks in respect of modern slavery;
- Ensure Suppliers in Higher Risk industries confirm they comply with the requirements of the Modern Slavery Act and Deloitte's Sustainable Procurement policy before we engage with them;

- Screen new and existing Suppliers for slavery related risks through our TPRM tool;
- Use our e-sourcing tool to screen potential Suppliers for slavery risks as part of our standard sourcing process;
- Share with our partners, employees and contractors information on the commitments Deloitte has made to ensuring a slavery free business and supply chain will remain a priority in FY22.

To communicate our expectations and the resources available to our people to uphold them in FY22 we will introduce the following additional learning opportunities:

- All new partners who join during the financial year will participate in our Leading with Integrity course;
- All of our partners and employees participate in a new ethics e-learning course;
- All contractors will be required to complete a mandatory compliance e-learning which includes guidance on how they can speak up should they have concerns around unethical behaviour, and increase awareness of compliance at Deloitte and the importance of our values.

As we continue to develop our approach to ensuring our people are aware of the resources available to support them in making appropriate decisions to maintain a slavery free business and supply chain, during FY22 we will develop a strategy for a Firmwide training opportunity for all of our partners and employees. This training will aim to highlight the risks slavery poses to our business and supply chain as well as detail on the steps they should take to escalate any concerns they may have relating to slavery in our business or supply chain.

Deloitte's UK Managing Partner, Stephen Griggs will continue to be responsible for Deloitte's compliance with the Act during the current financial year.

#### Other resources

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 2021.

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

Signed:



**Stephen Griggs**  
UK Managing Partner

30 November 2021

#### 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 at the link or by calling 0808 234 1778.

# Deloitte.

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