

# ICAEW MODERN SLAVERY STATEMENT

October 2023



# WHAT IS MODERN SLAVERY?

Modern slavery as defined in the Modern Slavery Act 2015 ('the Act' or 'MSA') includes servitude, forced and compulsory labour. It exists where 'a person' holds *'another person in slavery or servitude or forces another person to undertake compulsory labour, where the person knows or ought to know that the other person is being held in slavery or servitude or the person knows or ought to know that the other person is being forced to perform compulsory labour.'*

Modern slavery is an international crime affecting over 50m people around the world, and over 100k in the UK. This growing global issue transcends age, gender, and ethnicities. It includes victims trafficked from overseas and vulnerable people in the UK who are forced illegally to work against their will across many different sectors such as agriculture, hospitality, construction, retail and

manufacturing. The key to identifying it is whether there exists an element of coercion. If the person or employee can leave easily and without threat to themselves or their family then, irrespective of whether they receive poor wages or work in an unsafe environment, or for long hours, it would not constitute slavery, servitude or forced and compulsory labour.

The Act requires commercial organisations supplying goods or services with a turnover of above £36m to prepare and publish an annual 'Slavery and Human Trafficking Statement'. The statement must set out the steps an organisation has taken, if any, during its financial year to ensure that slavery or human trafficking is not taking place in its supply chain. It also indicates what an organisation plans to do. Set out here is ICAEW's statement for the financial year 2023.

# ICAEW'S ACTIVITIES IN RELATION TO MODERN SLAVERY IN 2023: AN OVERVIEW

During the past year, ICAEW has identified and bolstered measures, particularly in our contract and supplier processes, to further safeguard the business around modern slavery and to offer a mechanism for reviewing modern slavery within our supply chains.

All staff who are authorised to procure goods and/or services have received or had access to procurement training which includes, specifically, modern slavery.

## ASSESSMENT

A two-tier modern slavery assessment has been developed and has been embedded into our procurement process. The first tier assesses the location of the supplier and whether the services they offer fall within one or more of the pre-defined risk categories.

Where a supplier is located in a territory that is deemed high risk in accordance with the Freedom House Status and the Corruption Perception Index or provides goods or services that fall within the risk categories identified, a second-tier assessment will be conducted.

The second-tier assessment requires a supplier to complete a detailed due diligence questionnaire centred around modern slavery. The information gathered enables us to review the gender and nationality split of staff, and the internal procedures that the supplier has in place to prevent slavery and human trafficking. Responses provided within the questionnaire are compared against the supplier's modern slavery statement, to ensure that the information is consistent.

During 2022/23 second tier assessments have been carried out on a few pre-existing outsourced

suppliers as well as new suppliers that offer services that fall within the stated high-risk categories identified. Additional obligations are placed on high-risk suppliers which may include but are not limited to the insertion of more robust modern slavery clauses and obligations into the agreement, obtaining approval to contract with the supplier from ICAEW senior management, and conducting more frequent due diligence on high-risk suppliers. These obligations are designed to promote the implementation of strong internal practices and controls, ensuring full compliance with Modern Slavery legislation.

## DUE DILIGENCE

ICAEW has conducted detailed modern slavery due diligence in 2022 with four of our main outsourced suppliers. We subsequently made enhancements to the contract by incorporating more detailed modern slavery provisions. These additional provisions were put in place to establish a strong framework that would protect ICAEW from any potential risks associated with modern slavery. Two key components included in the updated contract were reporting and audit rights and indemnity and liability provisions.

## TRAINING

In addition to targeted training for our staff who procure goods and services, mandatory 'test your knowledge' modern slavery training is issued to all staff to complete on an annual basis. The latest eLearning 'test your knowledge' training was rolled out to staff in April 2023.

For ICAEW members, we designed and populated an online resource hub with guidance and advice on aspects of modern slavery which is of direct relevance to them, and their businesses.


# THE UN SUSTAINABLE DEVELOPMENT GOALS

In 2016, ICAEW endorsed the UN Sustainable Development Goals (SDGs) and our commitment to these goals remains unwavering. This means that increasingly more of our corporate efforts are being directed towards making a meaningful contribution to the achievement of the Goals we can influence. Our efforts to ensure there is no modern slavery in our supply chain underlines our commitment to SDG 8 and Target 8.7, in particular.

**CURRENT GLOBAL CHALLENGES**

The UN has reported a significant increase in modern slavery over the past five years. Although there is currently no specific evidence directly linking modern slavery to any particular circumstances, it is important to recognise this upward trend and acknowledge that global challenges like climate change, geo-political conflict and financial crises can contribute to exacerbating the situation.

**GOAL 8.7 OF THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS**  
A target for member states to meet by 2030.



*To eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.*

# ICAEW MODERN SLAVERY TRANSPARENCY STATEMENT

ICAEW is committed to working towards ensuring that there is no modern slavery or human trafficking in our supply chains, or in any part of our business.

## SCOPE

This statement has been published in accordance with section 54(1) of the Modern Slavery Act 2015 (the 'Act' or 'MSA'). It sets out the steps that ICAEW has taken to prevent modern slavery and human trafficking within its business and supply chains. The statement applies for the financial year ended 31 December 2022.

## ORGANISATIONAL OVERVIEW & STRUCTURE

ICAEW (The Institute of Chartered Accountants in England and Wales) was incorporated by Royal Charter RC000246 in 1880, with its registered office at Chartered Accountants' Hall, Moorgate Place, London EC2R 6EA UK.

## WHAT WE DO

ICAEW is a world leading professional membership organisation that promotes, develops and supports more than 166,000 chartered accountants and 36,000 students worldwide. We provide qualifications and professional development, share our knowledge, insight and technical expertise, and protect the quality and integrity of the accountancy and finance profession.

All that ICAEW does and is responsible for - the provision of education and training, the maintenance of professional standards, and delivering technical excellence in the public interest - is defined by its Royal Charter.

## WHERE WE ARE

We operate in 12 countries including the UK. Employing over 800 staff, mostly in the UK, we also have representative offices and presence in Brussels, Poland, Cyprus, the UAE, Saudi Arabia, China (including Hong Kong), Malaysia, Indonesia, Singapore and Vietnam. The focus of our international presence is to help raise the profile of ICAEW overseas with members and key partners, identify thought leadership opportunities, and stay up to date with local business issues.

For the purposes of the Act, our offices, and representative offices, are part of our supply chain.

## HOW WE ARE GOVERNED

ICAEW is governed by its Council, which is ultimately responsible for ensuring that ICAEW meets the objects set out in our Royal Charter. Council carries out this responsibility through the review and approval of strategy, operational plans and budgets proposed by the Board. The Board acts under delegated authority from Council and is responsible for all matters relating to the development and implementation of ICAEW strategy (including the review of risk), policy, operational plans and all matters related to ICAEW resources.

For further details on our structure and our governance please visit our [website](#)

# OUR COMMITMENT

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains, or in any part of our business. This statement and our policy reflect our commitment to acting ethically and with integrity in all our business relationships, and to implementing and enforcing effective systems and controls which address the risks of modern slavery and human trafficking anywhere within our business and supply chains.

We will implement appropriate controls across a number of areas within our business, including supplier policies, contractual processes, training and reporting, in addition to recruitment and employment.

As part of our efforts to identify and mitigate the risks of modern slavery and human trafficking, we make the following commitments:

2022/23	COMMITMENT	PROGRESS
<b>SUPPLIERS</b>	Clearly highlight our expectations of business behaviour to our suppliers	Standard contractual clauses now form the basis for contracting with suppliers
	Look to contract with entities that have stated anti-slavery and human trafficking policies and procedures in place	A risk-based assessment identifies suppliers where there is a greater chance for modern slavery occurring, and a more rigorous due-diligence process is applied
<b>POLICIES</b>	Encourage the reporting of concerns and provide appropriate protection for whistle-blowers	ICAEW's whistleblowing policy was updated at the start of 2023, followed by mandatory eLearning training that was rolled out to all staff in April 2023
<b>OTHER</b>	Continue to provide learning resources to our members on the latest developments in modern slavery legislation and good practice	The Modern Slavery hub was updated in 2022. Three webinars for members were delivered in 2022 along with a number of insight pieces.

We also believe in the importance of ethical behaviour for our members, our people, our suppliers and broader society.

Our ethical behaviour, both actual and perceived, is fundamental to maintaining ICAEW's reputation, promoting trust and inspiring confidence in it and its members. Ethical behaviour is also part of our identity.

Our Business Values and Standards of Behaviour Code is set out [here](#)

This code outlines ICAEW's values and the standards of behaviour expected of all who represent it, including contractors, consultants, agents and suppliers

## OUR POLICIES

### **MODERN SLAVERY AND HUMAN TRAFFICKING POLICY**

ICAEW's policy encourages the reporting of concerns by staff and emphasises appropriate protection for whistle-blowers.

ICAEW's Modern Slavery and Human Trafficking Policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners. The policy is highlighted to all new staff during their probation period with a requirement they have to sign and say they have read, understood and agree to it.

The policy states that our zero-tolerance approach to modern slavery will be communicated to suppliers, contractors and business partners at the outset of our business relationship with them and reinforced as appropriate thereafter. In addition, we may terminate our relationship with individuals and organisations working on our behalf if they breach this policy.

We will be monitoring the use and effectiveness of our policy, dealing with any queries about it, and considering internal control systems and procedures to ensure these are effective in countering modern slavery.

We ask that our Modern Slavery and Human Trafficking Policy is understood and applied in connection with the following additional related policies and framework:

- Whistleblowing
- Anti-fraud, bribery, and corruption (includes corporate gifts and hospitality).
- Tendering policy and procedure.
- Third-party contracts and agreements guidance and policy.
- Enterprise Risk Management Framework.
- Reporting suspicions of money laundering
- Our Business Values and Standards of Behaviour Code

# SUPPLIERS

ICAEW understands that the nature of our relationships with our suppliers can be influential and can therefore serve as a trigger for responsible action in these supply chains and an opportunity to influence positive change.

The supply chain that supports our business comprises a wide range of suppliers, from smaller businesses to global companies, across many jurisdictions, including those where there is a higher risk of forced labour. Our supply chain includes products and services for IT hardware and software, office refurbishment, fit out and maintenance, recruitment agents through to outsourced services such as cleaning, catering, security and reception.

We will continue to work with our people to further refine the identification of specific modern slavery hotspots in our procurement chain, both in the UK and internationally.

We continue to request assurances from suppliers, where appropriate, that the suppliers comply with the Modern Slavery Act 2015 and that they warrant that they have not committed, and are not being

investigated, or are aware of any circumstances which may lead to an investigation for any allegations of a modern slavery offence. The clause is now included in all newly entered-into supplier contracts.

In 2022 we updated our tendering policy and associated documentation to specifically address issues of modern slavery and what we are looking to implement, as part of our due diligence procedures, a requirement that our suppliers have their own due diligence procedures for their direct subcontractors, and suppliers and other participants in its supply chains, to ensure that there is no slavery or human trafficking in its supply chains.

We will not support or deal with any business knowingly involved in slavery or human trafficking.





# EMPLOYEES

We are committed to paying people fairly and properly for the work that they perform.

As referenced above, our Business Values and Standards of Behaviour Code applies to all staff.

Strong values and ethical behaviour have been at the heart of our organisation since its foundation in 1880. These guide us in our daily actions, providing a common base of values that all ICAEW colleagues share and respect

## OUR VALUES

Chartered accountants are talented, ethical and committed professionals. There are more than 1.8m chartered accountants and students around the world, and more than 166,000 of them are members and students of ICAEW.

We have a long history of serving the public interest and we continue to work with governments, regulators and business leaders around the world. And, as a world-leading improvement regulator, we supervise and monitor over 12,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is the first major professional body to be carbon neutral, demonstrating our commitment to tackle climate change and supporting the UN Sustainable Development Goal no 13. To further illustrate ICAEW's commitment to addressing climate change, ICAEW participated in a coalition

of accountancy professional organisations that launched the Net Zero Accountancy Initiative platform. This platform provides a comprehensive set of tools to assist accountancy firms in achieving their net zero goals. Additionally, ICAEW collaborated with other professional bodies to develop a sector-specific guide, Net Zero Accountancy Protocol, tailored to aid accountancy firms in their journey towards reaching net zero.

We are proud to be part of Chartered Accountants Worldwide, a global network of 750,000 members across 190 countries, which promotes the expertise and skills of chartered accountants on a global basis. By sharing our insight, expertise and understanding we can help to create a world of strong economies and a sustainable future for all.

Our staff are appraised and rewarded on our ways of working and our values – these values are Insight, Initiative and Integrity.

## RECRUITMENT

The majority of our workforce is employed on a permanent or contract basis. All employees who join the firm are subject to checks, including the verification of identity, right to work, references and evidence of qualifications where appropriate. Similar checks are also undertaken for contractors. We produce and maintain a list of approved recruitment agents.

## WHISTLEBLOWING

We encourage all our staff, clients and other parties to report any concerns they may have in relation to a risk, malpractice or wrongdoing that affects others such as clients, staff, the firm, suppliers or the public. Our whistle-blowing policy and procedure are designed to ensure that people can make disclosures without fear of retaliation.

DURING FINANCIAL YEAR 2022

0

REPORTS BY ICAEW IN RELATION TO MODERN SLAVERY

# FURTHER ACTIVITIES

## **ACTIVITIES FOR STAFF**

ICAEW is identifying suitable, accredited and robust training materials to deliver to staff specifically involved in purchasing, procurement and contracts.

## **ACTIVITIES FOR MEMBERS**

ICAEW has a body of resources on modern slavery for its members and has a dedicated online resource hub [www.icaew.com/modernslavery](http://www.icaew.com/modernslavery) for them on this area. This resource area has been further built out, with podcasts, videos and further content highlighting the vital role members play in eradicating more slavery across the planet.

If you have any further questions in relation to ICAEW's statement on modern slavery, contact: [Richard.Spencer@icaew.com](mailto:Richard.Spencer@icaew.com)

Chartered accountants are talented, ethical and committed professionals. ICAEW represents more than 202,450 members and students around the world. All of the top 100 global brands employ ICAEW Chartered Accountants.\*

Founded in 1880, ICAEW has a long history of serving the public interest and we continue to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, we supervise and monitor around 12,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is the first major professional body to be carbon neutral, demonstrating our commitment to tackle climate change and supporting UN Sustainable Development Goal 13.

ICAEW is a founding member of Chartered Accountants Worldwide (CAW), a global family that connects over 1.8m chartered accountants and students in more than 190 countries. Together, we support, develop and promote the role of chartered accountants as trusted business leaders, difference makers and advisers.

We believe that chartered accountancy can be a force for positive change. By sharing our insight, expertise and understanding we can help to create sustainable economies and a better future for all.

[charteredaccountantsworldwide.com](https://www.charteredaccountantsworldwide.com)  
[globalaccountingalliance.com](https://www.globalaccountingalliance.com)

## ICAEW

Chartered Accountants' Hall  
Moorgate Place  
London  
EC2R 6EA UK

T +44 (0)20 7920 8100  
E [generalenquiries@icaew.com](mailto:generalenquiries@icaew.com)  
[icaew.com](https://www.icaew.com)



ICAEW is  
carbon neutral

\* includes parent companies. Source: ICAEW member data  
March 2023, Interbrand, Best Global Brands 2022