

Ethical Trading Initiative Modern Slavery Statement 2017/18

1. Introduction

This statement sets out the steps the Ethical Trading Initiative (ETI) has taken to ensure that slavery and human trafficking are not taking place in either its core operations or its supply chains. ETI is a non-profit membership organisation with an annual turnover of £3,446,820 (for YE 31/03/17); as such, ETI is not required to produce a Modern Slavery Statement under Section 54 of the Modern Slavery Act 2015.¹ However, modern slavery is something ETI takes very seriously. We have chosen to publish this Statement as we believe it is good practice to be transparent about our work and how we manage modern slavery risks, and to hold ourselves publicly accountable for our actions. This is our first Modern Slavery Statement and, as is common for other organisations, it represents a starting point for us in identifying and improving our policies, practices and processes to prevent, mitigate and manage the risks of modern slavery in our operations and supply chains.

2. Structure, business and supply chains

Structure and function of organisation

The ETI is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Our vision is a world where all workers are free from exploitation and discrimination, and enjoy conditions of freedom, security and equity. ETI's members agree to implement the ETI Base Code, which ETI works to promote and uphold. The ETI Base Code is an internationally recognised set of labour standards based on ILO conventions. It is used by ETI members and others to drive improvements in working conditions around the world. The Base Code contains nine core labour standards:

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

ETI complies with the Base Code in its own operations and expects its suppliers to comply with it as well (see below). ETI's main office is based in London. Additional offices are located in Bangladesh,

¹ Section 54 of the Act requires all companies with an annual turnover greater than £36m, that are based in or operate in the UK, to produce an annual statement setting out what they have done in the previous financial year to prevent human trafficking and modern slavery from occurring in their operation or supply chain. Guidance on what ought to be included in a statement has been provided by the Home Office: <https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide>

India and Hong Kong. The Bangladesh and Hong Kong offices are separate legal entities that report into ETI UK. The India office is currently pursuing liaison office status, which would make it a formal legal subsidiary of ETI UK. ETI is also working to establish a representative office in Turkey, which would be a direct subsidiary of ETI UK.

In ETI's London office there are 23 full-time staff, 3 part-time and 6 staff on fixed-term contracts. In the regional offices there are a further three full-time staff (one each in the Hong Kong, Bangladesh and India offices).

There are also a number of consultant staff in the regional offices. There are 7 in Tamil Nadu and 1 consultant working in the main India office. There are 7 consultants in Bangladesh and 1 consultant working in Hong Kong.

Business operations

ETI is governed by a [Board of Directors](#) who represent our tripartite membership under an independent Chairperson. The Board and its sub-committees guide our strategic direction and provide approval for strategic, business and annual work plans and large-scale projects.

This Statement has been approved by the Board, pending any final changes and comments resulting from external peer reviewers.

The ETI London office is divided into several units: Operations; External Relations; Programmes, Evaluation and Learning; Membership Services; Modern Slavery Strategy Unit (MSSU). The MSSU leads on ETI's modern slavery work, reporting to the Senior Management Team, which meets weekly.

We receive income from our corporate members, who pay an annual membership fee, and from grants. We also receive some limited income from training that we offer to our members and other organisations. Our annual turnover is £3,446,820 (for YE 31/03/17).

Supply chains

Our supply chains are more typical of a charity than a business. We provide services, and do not sell goods. Nevertheless, we have suppliers and contractors, both for goods not for resale and for services that ETI requires. Wherever possible, we aim to procure supplies from companies who are ETI members. Our supply chains, to the best of our current knowledge, include:

Goods Not For Resale

Office supplies (stationery, tea/milk, toiletries, etc.)

IT equipment (computers, conference phones, peripherals)

Furniture (desk chairs, pods)

Kitchen equipment (cafetieres, kettles, etc.)

Printed materials

Services

Long-term consultants & project partners

Consultancy (short term)

Cleaning

IT support

Transport and other logistics

Venue hire and catering

Design (web and print)

Financial services (bank account, pensions)

We estimate that we have 18 Tier 1 suppliers, of whom 3 are ETI members. We plan to update our Tier 1 supplier mapping and begin work on mapping Tier 2 of our supply chain over the next year. We will publish a full list of our Tier 1 suppliers in our next Modern Slavery Statement.

Organisational activities

Although we consider that the most salient and significant modern slavery risks lie in our supply chains, our definition of supply chains includes project partners and their downstream activities. We have taken a holistic approach to assessing those risks, including an examination of ETI's own operations. The main tool that ETI uses to prevent and mitigate any potentially harmful impacts of its own operations (including but not limited to modern slavery) is our Safeguarding Policy.

We primarily provide services to our members, such as training, advice, and the opportunity to participate in collaborative Working Groups and programmes. We have a Modern Slavery Working Group in which our members can come together to discuss common challenges, lessons learned, provide guidance and best practice for addressing modern slavery, and a Migrant Labour Working Group that helps to address the salient risks faced by companies using migrant workers. We also deliver modern slavery training to ETI members and other interested organisations.

We facilitate or run programmes of work on particular issues, either in response to requests from our members or on our own initiative. Among the wide range of programmes which ETI runs or facilitates, those most relevant to modern slavery include:

- Supporting cotton mill workers in Tamil Nadu, India
- Helping to ensure Syrian refugees in Turkey are not subject to exploitation
- Working with local partners in Pakistan to drive up labour standards and improve business practices, and tackling specific child and forced labour issues in the surgical instruments sector. This work includes public procurement bodies in Europe, manufacturers and industry bodies in Sialkot, government, trade unions, academics and NGOs.
- Supporting ETI members sourcing from Mauritius, Malaysia and other countries to ensure that migrant workers do not pay recruitment fees and enjoy their labour rights
- Engaging with the UK Government and other stakeholders to ensure the Modern Slavery Act is implemented as effectively as possible

Development of this statement

This statement has been developed by the MSSU with consultation across the organisation, with representatives of our corporate, NGO and trade union members and key stakeholders. After presenting an initial draft to the Board, it was sent out to Peer Review with over twenty experts, international organisations (including the ILO), government representatives, members of industry associations, academics, trade unions and other NGOs.

The statement was approved by the Senior Management Team on 26 September 2018, and discussed at the ETI Board on 18th October 2018.

3. Policies in relation to slavery and human trafficking

List of relevant policies

- Modern Slavery Policy
- Safeguarding Policy
- Supplier Code of Conduct
- Supplier Due Diligence Questionnaire
- Employer Code of Conduct
- Recruitment Policy
- Equal Opportunities Policy
- Health and Safety Policy
- Grievance Procedure
- Travel and Subsistence Policy
- Overseas Consultants Policy
- Approved Suppliers Policy
- Approved Consultants Policy
- Whistleblowing Policy
- Anti-Bribery and Corruption Policy
- Bullying and Harassment Policy
- Child and Vulnerable Adults Protection Policy

The Safeguarding Policy is an umbrella policy that includes within it the Whistleblowing, Anti-Bribery and Corruption, Bullying and Harassment, and Child & Vulnerable Adults Protection policies.

ETI has recently developed a Modern Slavery Policy that sets out our key commitments generally in this area. This policy is included below as Annex 1.

Policies applying to ETI recruitment and internal operations

Modern slavery risks can occur within an organisation's own operations as well as within its supply chains. Consequently, it is important that an organisation assess its own HR policies and procedures to ensure that they effectively protect employees' labour rights and mitigate any relevant risks.

ETI's Recruitment Policy and Equal Opportunities Policy ensure that all recruitment follows a fair and rigorous procedure without discrimination. ETI very occasionally recruits temporary staff from employment agencies. Where this is the case, ad hoc due diligence is undertaken in regard to the employment agency. We check their Modern Slavery Statement (if applicable) and any other policies relating to ethical trade procedures.

ETI is an accredited UK Living Wage Employer.² ETI also has a strict policy of not employing staff on a volunteer basis or employing unpaid interns.

ETI's Health and Safety Policy implements ETI's obligations under the Health & Safety at Work Act 1974.

ETI's Grievance Procedure establishes that any member of staff may formally raise a grievance in writing to ETI's senior management. This grievance will be addressed at a meeting with the employee and senior management representatives at which a trade union representative may also accompany the employee. The ETI Grievance Procedure has recently been updated. ETI has recently gone through an enhanced due diligence improvement programme with the support of DFID with a focus on all safeguarding policies and procedures.

ETI is currently developing a separate Employee Code of Conduct. Previously, all relevant issues within that category have been dealt with through a number of separate policies collected together in the ETI Staff Handbook. The new Employee Code of Conduct is undergoing internal consultation and sign-off at time of writing, and will be applied to the London and regional offices as well as all consultants and visitors as part of ETI's enhanced safeguarding processes.

ETI recognises a union for its staff, members of which meet on an ad hoc basis to decide collective positions on matters to be raised and negotiated with ETI's senior management. ETI recognises the union on the basis of its Trade Union Recognition Agreement policy. The ETI Union representatives also host a monthly discussion open to all staff except senior management. It is an opportunity for any staff member to confidentially raise a grievance which the Union representatives may then communicate to ETI's senior management.

Implementation and Enforcement of Internal Policies

ETI's trade union members are consulted on the development of new policies or changes to existing policies, as are all affected staff. Whenever a new policy is introduced or an existing policy is changed staff are informed by email, and a discussion is organised at an appropriate staff meeting if complex changes need to be explained. All policies are communicated to staff when they join ETI during an induction meeting. The implementation of HR policies is monitored through the performance review system.

ETI's regional offices all apply ETI's policies, as specified in the ETI Staff Handbook, except where adaptations need to be made in order to bring policies into line with relevant national law in the country of operation.

Contracting and Procurement Policies

Every new ETI supplier (as of November 2018) must complete the Supplier Due Diligence Questionnaire before a new contract is awarded. The Questionnaire gathers key information about each of ETI's suppliers which is used to inform our organisational risk assessment. The Questionnaire asks suppliers to commit to implementing the new ETI Supplier Code of Conduct.

ETI's Supplier Code of Conduct sets out key principles that all suppliers must certify that they comply with, including relevant international standards such as the ILO Declaration on Fundamental Principles and Rights at Work. Suppliers' compliance with the Code of Conduct will be reviewed on an annual basis. ETI's approach to procuring Goods Not for Resale and Services (as outlined above) is

² <https://www.ethicaltrade.org/resources/eti-position-statement-living-wages>

governed by the Overseas Consultants Policy, the Approved Consultants Policy and the Approved Suppliers Policy. Each of those policies will shortly be updated to take into account the Supplier Due Diligence Questionnaire. Having approved lists of suppliers and consultants who have been assessed against a list of key criteria means that ETI is able to build stronger, longer-term relationships with a smaller number of suppliers and we are therefore better able to identify and address any issues that may arise. As of September 2018, ETI had a total of 18 core suppliers, 3 of whom are members (Commercial, Sainsbury's and the Co-op). Most of those suppliers have been contracted by ETI for more than five years.

ETI has engaged with key suppliers over the duration of our relationship with them to ensure (to the best of our ability) that they uphold the principles of the ETI Base Code and that their workers are not subject to any form of labour exploitation. The Supplier Due Diligence Questionnaire states: 'ETI expects all suppliers to commit or work with ETI towards upholding the Base Code and to demonstrate progress against these labour standards.' For example, we ensured that our cleaning service provider and window cleaning service provider were paying their employees a London Living Wage. Our standard approach is to meet with the Area Manager for our suppliers annually or more frequently if we have a particular concern. We are sent any necessary updates by the supplier on changes to working terms and conditions and we review their contract annually which will include details of the living wage paid to their staff.

ETI's regional offices are located within managed office space, with no direct control over the procurement of goods not for resale and office maintenance services. All core HR policies apply also to the regional offices subject to differences in local law.

The implementation of procurement policies is monitored in part through the reviewing of consultant compliance with the supplier code of conduct. As ETI has a new Supplier Code of Conduct, currently that has not been applied to existing suppliers. In future, suppliers will be required to comply with the Supplier Code of Conduct.

4. Identification of risks together with steps taken to prevent and manage that risk

Risk assessment procedures

ETI has two primary risk registers: one for the organisation as a whole, and a separate programme-based register linked to a major grant that underpins much of ETI's work. This risk register is reviewed by the Operations Team bi-annually and presented to, and reviewed by, the Board on an annual basis. The Executive Director of ETI is responsible for the organisational risk register. Currently the register does not include a modern slavery section. We plan to include that in 2018/19 (see Action Plan below) and we will report on that in our second statement.

ETI's regional offices may face context-specific risks related to their areas of operation. We plan to ensure that each of the regional offices produces its own risk assessment in future to take account of their local needs and challenges. These local risk assessments will be monitored by ETI's London Secretariat as part of ETI's overall risk management.

ETI is a small organisation, with a limited supply chain. The risk assessment that we undertake is proportionate to the activities of the organisation. The modern slavery risk assessment will be similarly proportional, focusing on the most salient risks identified so that ETI can focus its limited resources on the issues that really matter. The main risk assessment tool we use is the application of our supplier code of conduct.

Key risks

ETI has begun to identify the most salient and significant modern slavery risks within its operations and supply chain.

We have identified here the priority risks that we aim to address over the next year. The identification process involved a review of current policies, procedures and organisational knowledge. From that review, we selected the risks that were the most significant, most immediate and most accessible, i.e. where ETI had leverage to address them.

The priority risks identified are as follows:

| NATURE OF RISK | COMMENT | SEVERITY | LEVERAGE |
|--|---|------------|----------|
| Overseas offices use services that employ workers on an exploitative basis | e.g. landlord’s staff, cleaning contractors, maintenance etc. ETI has not undertaken adequate due diligence on such service providers. | Medium | Low |
| ETI Secretariat in London and our regional offices engage suppliers (including local partners) in countries where there is a high risk of modern slavery (e.g. Pakistan, India, China) | ETI projects often operate in countries which are typically higher risk in terms of endemic cases of modern slavery (e.g. child labour, bonded labour) and where management practices may be weaker. ETI has not undertaken adequate due diligence in this area and needs to ensure robust systems at local office level. | Medium | High |
| Instances of modern slavery in the second tier of ETI supply chain in the UK, e.g. exploited agency labour in food suppliers. | ETI has limited visibility of the second tier of our supply chain within the UK, where modern slavery risk may be higher (e.g. food suppliers) ETI is working on extending its knowledge of its supply chains. | Low-Medium | Medium |

Our Action Plan (below, Section 6) includes a series of commitments that relate to each of these risks.

5. Due diligence processes in relation to slavery and human trafficking in business and supply chains

Due diligence processes

ETI conducts different kinds of due diligence depending on the kind of procurement activity undertaken. ETI’s approach to due diligence is in line with our Human Rights Due Diligence Framework (details at Annex 2). ETI expects its members to apply the Human Rights Due Diligence Framework in their own operations and supply chains as a means of preventing and mitigating

modern slavery risks. While this represents ETI’s most significant contribution to addressing modern slavery risk generally, this statement only applies to ETI’s own operations and supply chains.

When an ETI member is contracted to supply ETI with goods or services, no additional due diligence is currently undertaken, but we plan to change this in future, as detailed below in the Action Plan. As an ETI member, that company already has an obligation to provide an extensive annual report to ETI detailing its ethical trade activities and subsequently to participate in focused discussions in an effort to improve upon them.³ When a non-ETI member is contracted to supply goods or services, which is often the case for office supplies, building management, travel and security services, due diligence is undertaken on an ad hoc basis, including a limited review of relevant supplier policies and, where applicable, their modern slavery statement. Improved due diligence processes will be designed, as set out in the Action Plan below (Section 6).

ETI also procures services from consultants. A list of approved consultants is maintained internally allowing ETI to build and maintain trusted relationships over time.

6. Effectiveness in ensuring that slavery and human trafficking is not taking place in business or supply chains, measured against appropriate KPIs: ETI’s Action Plan

Below is the Action Plan that sets out ETI’s commitments over the next year in regard to preventing, mitigating and reducing the risk of modern slavery occurring in its operations or supply chains. ETI will monitor progress against the KPIs below over the next year and report on that progress in our next Modern Slavery Statement (2018/19).

| RISKS | ACTION | TIMEFRAME | KPIs |
|--|---|--------------|--|
| Overseas offices use services that employ workers on an exploitative basis | ETI will review the grievance mechanisms of our first-tier suppliers against relevant Base Code Guidance (requested through Supplier Due Diligence Questionnaire) | By June 2019 | Review completed and recommendations for follow-up identified |
| ETI Secretariat in London and our regional offices engage suppliers (including local partners) in countries where there is a high risk of modern slavery (e.g. Pakistan, India, China) | ETI’s regional offices will feed into a specific modern slavery risk assessment covering their activities | By June 2019 | A regional office modern slavery risk register is completed |
| | ETI will design and implement a new procedure for regular review of supplier compliance with the Supplier Code of Conduct | By June 2019 | Supplier compliance information annually updated, as per Supplier Code of Conduct, and factored into |

³ ETI supports and advises its members on how best to deal with any incidences of modern slavery that may occur in a member’s supply chain. However, ETI takes no responsibility for any such incidences. They are not considered to be taking place within ETI’s supply chain and ETI has no leverage to respond to such incidences except through its normal membership activities.

ETI MODERN SLAVERY STATEMENT 2017/18

| | | | |
|---|--|----------------|---|
| | | | contract renewal decisions |
| | ETI will strengthen its procurement processes with a particular focus on modern slavery to ensure all suppliers meet minimum standards (including Modern Slavery Statements) | By July 2019 | All contracted suppliers have an adequate ethical trade policy and approach as per the Supplier Due Diligence Questionnaire (aligned with the Base Code); all supplier Modern Slavery Statements are reviewed and support provided to suppliers to improve them |
| | ETI will design and deliver targeted modern slavery training for all internal staff | By August 2019 | 50% increase in levels of knowledge and understanding of modern slavery and how to prevent/mitigate it in ETI's operations and supply chain (assessed against a baseline survey) |
| | ETI will include a new modern slavery section in its organisational risk register, which is reviewed by the Board every six months | By August 2019 | Risk register amended and reviewed |
| Instances of modern slavery in the second tier of ETI supply chain in the UK, e.g. exploited agency labour in food suppliers. | ETI will complete mapping of Tier 1 of supply chain | By June 2019 | Completed mapping available and included in next ETI modern slavery statement |
| | ETI will identify potentially salient risks in Tier 2 of its supply chain based on responses to its Supplier Due Diligence Questionnaire | | Initial information included in next statement |

| | | | |
|--|---|----------------------|---|
| | <p>ETI will conduct due diligence on our building management company</p> | <p>By March 2019</p> | <p>Increased knowledge of modern slavery risks in the operations of the management company; risk register updated accordingly; ETI has raised any relevant concerns with the management company</p> |
| | <p>ETI will establish a new procedure to conduct additional due diligence in regard to ETI members (beyond their standard ETI reporting requirements) where they are contracted to provide goods or services to ETI</p> | <p>By June 2019</p> | <p>Procedure is in place and all new suppliers or supply contract renewals incorporate new Supplier Due Diligence Questionnaire</p> |

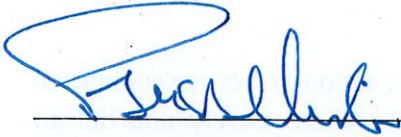
7. Training and capacity building about slavery and human trafficking

ETI staff generally have an in-depth understanding of ethical trade issues. ETI’s recruitment criteria require that all new staff show a commitment to ETI’s vision and values and, depending on specific job requirements, an understanding of ethical trade, human rights and labour law. Knowledge of modern slavery will only be required if the specific role involves work on that issue.

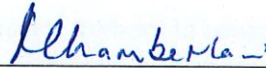
However, the work of the ETI Secretariat does not normally include applying ethical trade knowledge directly to issues of ETI internal operations and management. The Action Plan includes a commitment to roll out a Modern Slavery training to all ETI staff (including regional offices) so that they are able to address modern slavery issues within any work they may do that is internal to ETI (such as procuring goods not for resale, consultancy services or travel to fragile and conflict-affected countries).

In order to measure the effectiveness of this training, a short questionnaire will be administered to staff immediately before, immediately after and six months after the training. These questionnaires will assess not only changes in awareness and understanding but also practical changes in staff behaviour resulting from the training.

This statement has been signed and approved by:



Peter McAllister, Executive Director



Philip Chamberlain, Chair of Board

Annex 1: Modern Slavery Policy

Modern Slavery Policy

At ETI, we take the issues of modern slavery and human trafficking very seriously. We are committed to preventing, mitigating and managing the risks and incidence of modern slavery and human trafficking amongst our corporate, NGO and trade union members, as well as in our business and own supply chains.

Modern slavery is a term used to encompass slavery, servitude, forced and compulsory labour, bonded and child labour and human trafficking. Human trafficking refers to the recruitment and/or transport of a person through deception or coercion, for the purposes of exploitation, including by abusing the vulnerability of that person. Modern slavery is a crime and a violation of fundamental human rights.

ETI's mandate is to protect and advance respect of labour rights in global supply chains, based on nine labour standards enshrined in the ETI's Base Code. This is an internationally recognized code of practice for all organisations engaged in commercial activity and is based on ILO labour standards. The clauses on forced labour and child labour are particularly relevant to Modern Slavery, but the right of all workers to freedom of association and collective bargaining, safe and healthy workplaces, freedom from discrimination, the right to reasonable working hours, living wages and to contracts of employment are all directly relevant to the degree to which workers can enjoy decent work in which they are respected and treated with dignity. The absence of some or all of these rights often results in circumstances of modern slavery, in which workers are vulnerable to exploitation and abuse. ETI will not tolerate these gross rights violations in any circumstances.

Organisation's structure and supply chain

ETI is a not for profit private limited, registered in the UK. Its headquarters as well as most of its staff are based in the UK. A small proportion of its employees are based abroad including, India, Bangladesh, Hong Kong and Turkey. We do not hire staff on a seasonal basis or work in hazardous conditions. ETI exists to improve working conditions in global supply chains by developing effective approaches and practices to implementing the ETI Base Code of labour practice and demonstrating their commitment to year-on-year progress. We influence business to act responsibly and promote decent work. Taking a unique tripartite approach to business and human rights, our members are forward-thinking companies, trade unions and NGOs. Together, we tackle the complex challenges of today's global supply chains, improving the lives of workers worldwide.

Our supply chain involves goods not for resale and services. Goods not for resale include office supplies (IT equipment, stationery, office furniture, etc.); services include professional advisory services from ETI's secretariat staff, partner organisations and individual consultants, as well as IT support and cleaning services.

ETI has staff in a number of country offices, and ETI UK operates worldwide: our staff travel often in developing countries and we occasionally hire temporary support (interpreters, security services, drivers, researchers) in developing countries. While the nature of our business, as advisers, does not have significant direct exposure to modern slavery risks, there may still be risks of modern slavery and human trafficking in our supply chains. In addition, we sometimes work in countries where there is a

high risk of modern slavery and our analysis and recommendations may impact on anti-slavery and anti-trafficking programming.

Our Principles in relation to forced labour, modern slavery, child labour and human trafficking

- We are committed to ensure that we are conducting our business in a lawful and ethical manner
- We do not tolerate human-trafficking, forced labour, child labour or modern slavery practices in our business – this includes the right of all staff and workers in our operations or supply chains to access their fundamental rights to freedom of association, freedom of movement, freedom to terminate employment, freedom from threats of violence, harassment, discrimination, intimidation and debt bondage
- Terms and conditions of employment should include application of international and national labour standards on working hours, wages and freedom from forced or compulsory overtime. These are set out in our People and Safeguarding policies.
- We will collaborate with contractors and suppliers in our supply chain to identify, prevent and mitigate the risks and address cases of human trafficking, bonded labour and modern slavery through the ETI Supplier Code of Conduct and the application of ETI's Human Rights Due Diligence Framework
- We will require all new contractors and suppliers from September 2018 to act in accordance to our values and to this policy, and the Suppliers Code of Conduct
- We will mandate that any ETI employee observing incidents or risks of modern slavery or human trafficking relevant to ETI's operations should report to an ETI Senior Manager to consider appropriate further action
- We take a zero-tolerance approach to inaction. If the supplier is found to violate the Code of Conduct, and if incidents or risks of modern slavery are found, ETI will actively work with the supplier to address these issues over an agreed period of time. If the supplier fails to demonstrate progress over an agreed period of time, consideration will be made for termination after careful consideration of the implications for workers
- Where incidents or risks are found, ETI will seek to ensure that the protection of affected workers is the primary consideration, their needs and wishes are respected, remediation is provided, and any risk of further harm is mitigated and prevented.
- We will ensure that an established procedure is carried out for the provision of remedy to victims of modern slavery (either directly or through relevant authorities) where an instance of modern slavery is discovered within our operations or supply chain.
- We will not retaliate, discharge, suspend or discriminate in any manner any person who will report or make an ethics complaint about our practices
- We will consider the impact on slavery and trafficking risks when making relevant recommendations to clients due to the course of our work

Risk assessment and management

Our risk management processes aim at ensuring that particular areas of risk in our business and supply chains are identified and impact assessments undertaken before projects start. In cases where a specific ethical concern has been raised, including those related to forced labour, modern slavery and human trafficking, it will be reported to the Executive Director, who is responsible for determining the appropriate course of action.

In addition, as part of producing a Modern Slavery Statement, we will conduct a thorough assessment of the risks of modern slavery and human trafficking occurring in our operations or supply chain. We

will identify the most significant, salient and tractable risks and put in place an action plan to prevent and mitigate them, and we will report on our progress in implementing that action plan.

Effective action and way forward

ETI has always sought to operate ethically and lead by example. This includes being a Living Wage Employer (see www.livingwage.org.uk). It also includes having procedures to escalate any ethical concerns and issues to the designated Manager and freedom of employees to terminate employment. Under no circumstances will ETI tolerate enforced, debt related or bonded labour or any form of worker-paid recruitment fees or utilise a disciplinary measure including an obligation to work.

We provide workshops for our stakeholders and employees with a commitment to continuously improving our approach to addressing modern slavery and human trafficking risk.

| DRAFT GOOD PRACTICE FOR ETI AND ITS SUPPLIERS | | |
|---|--|---|
| Procedures to prevent slavery and human trafficking | | |
| | Policy, process or approach | Evidence |
| 1 | Designated team or individual with lead responsibility for preventing modern slavery and human trafficking from occurring in your operations or supply chain with clear reporting lines to senior management. | |
| 2 | A specific modern slavery policy as well as mainstreaming modern slavery within other relevant policies. | Provide or link to policy |
| 3 | Efforts to map supply chains and identify actual and potential risks of modern slavery and child labour in operations and supply chains, drawing on expert sources of knowledge (such as the ITUC Human Rights Index) in order to do so. | Provide risk register or similar |
| 4 | A specific time-bound plan to address any identified risks of modern slavery or human trafficking in the short, medium and long term. | Provide or link to action plan |
| 5 | Regular carrying out of human rights due diligence of operations and suppliers, with appropriate recognition of the limits of audits and the importance of supplier relationships. | Provide short explanation with relevant documentation |

ETI MODERN SLAVERY STATEMENT 2017/18

| | | |
|----|--|--------------------------------------|
| 6 | Review of internal business procedures (e.g. purchasing practices) to ensure that they are neither causing nor contributing to modern slavery, such as by making unrealistic demands on suppliers – with any necessary revisions made accordingly. | |
| 7 | Review of the policies and practices of suppliers on preventing and addressing modern slavery to ensure they are realistic and achievable. | |
| 8 | Specific staff who have been trained to recognise and mitigate identified risks of modern slavery (e.g. human resources or procurement staff), as well as training for other relevant staff. | Provide or link to training strategy |
| 9 | A child labour prevention policy. | Provide or link to policy |
| 10 | Procedures for workers to safely and anonymously report grievances or concerns within operations and supply chains. Procedures should be advertised in the appropriate languages throughout operation and supply chains. | |

Annex 2: Human Rights Due Diligence Framework

ETI HUMAN RIGHTS DUE DILIGENCE FRAMEWORK

Key steps that companies should take to prevent, manage and mitigate human rights abuses in their own operations and supply chains.

