

CLAYTON UTZ

Modern Slavery Statement For FY2024

December 2024

claytonutz.com



This Modern Slavery Statement

Clayton Utz does not tolerate modern slavery within its business and supply chains. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective and reasonable systems and controls in place to reduce the risks of modern slavery, and to ensure that modern slavery is not taking place within our business or our supply chains.

This document explains the steps Clayton Utz has taken to prevent, detect and respond to slavery and human trafficking within our business and throughout our supply chains.

We acknowledge the Traditional Custodians of the land on which we work and their continuing connections to land, waters and community.

This Modern Slavery Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) (**the Act**) jointly by the Clayton Utz partnership (ABN 35 740 217 343), Tonclay Services Trust (ABN 86 726 924 905) and CU Services Trust (ABN 98 393 517 932) as reporting entities under the Act. This Statement relates to the reporting period 1 July 2023 to 30 June 2024.

About our business

The Clayton Utz partnership is an Australian law firm operating across Australia. The Clayton Utz partnership and other related entities (together **Clayton Utz**) have 176 Partners and employ approximately 1700 employees across our 6 offices in Sydney, Melbourne, Brisbane, Canberra, Perth and Darwin.

As a leading legal services organisation, Clayton Utz recognises that the social and environmental performance of our business, our customers and our suppliers plays a significant role in our long-term success. We are committed to understanding the social and environmental consequences of our business.

Our structure

Clayton Utz consists of the Clayton Utz partnership, together with several companies incorporated in Australia which are controlled by the partnership. Budage Pty Ltd (ACN 053 989 843) and CU Services Pty Ltd (ACN 619 289 093) carry on various activities acting as trustees for two services trusts for the Clayton Utz partnership.

This includes engaging employees, entering various contracts for supply of goods and services and managing a charitable foundation on behalf of the partnership. CU Shareholding Pty Ltd (ACN 115 486 336) holds shares in Budage Pty Ltd, CU Services Pty Ltd and other Clayton Utz entities on behalf of the Clayton Utz partnership.

The registered office of our incorporated companies is in Sydney, Australia.

Our operations

The activities undertaken by Clayton Utz are fundamentally the provision of legal and other professional services to clients in Australia and around the world. Our legal, forensic and technology services are provided by members of the partnership as well as employed lawyers, accountants, forensic and technology experts and support staff. Our clients are predominantly government, medium to large corporations and other professional services firms. In addition to the provision of legal and other professional services, Clayton Utz also offers clients flexible resourcing solutions through our CU Connect program.

Clayton Utz carries on some ancillary activities, primarily food and catering for partners, employees and clients. Since 2003, we have had a structured community program -

Community Connect, with a focus on addressing disadvantage and facilitating access to justice through utilising the skills, resources and enthusiasm of our people. We have 25 community partnerships nationally and support local communities all over Australia. Supported by the partnership and through our workplace giving program, the Clayton Utz Foundation has granted over \$14 million to charities since inception.

Acting for people who have been held in Australia in slavery and forced labour conditions is a crucial part of our Pro Bono practice. We have been recognised for championing legal remedies which enable survivors of slavery to recover their unpaid wages or receive statutory compensation. In 2012, we were awarded the Anti-Slavery Australia Freedom

Award for "opening up a new path to statutory victims' compensation for women who have been trafficked into Australia and held in sexual servitude". In 2024, David Hillard, Pro Bono Partner, received the NSW Anti-slavery Commissioner's Commendation for securing remedies for modern slavery survivors through the civil justice system. Our most recent work has helped to shine a light on the slave-like conditions of domestic workers in diplomatic residences in Canberra.

Our expert modern slavery lawyers have an active role in advising, training and updating our clients in relation to assessing and addressing modern slavery risks in their operations and supply chain, and assist our clients in meeting their obligations under the Act.

Our supply chains

The Clayton Utz supply chain involves over 2,200 vendors of goods and services. Most vendors in our supply chain have short-term and changeable arrangements in place. Our supply chain primarily relates to goods and services to support the delivery of our legal services to clients including:

Information
Technology

Premises

Hospitality

Travel

Marketing

Personnel

Business
Services

Professional
Services



Our supplier locations

Approximately 94% of our expenditure is within Australia, with our overseas expenditure largely confined to obtaining legal advice in foreign jurisdictions, consulting and specialised software from suppliers based in 42 countries. Our largest overseas expenditure was for suppliers located in United States, United Kingdom, New Zealand and Hong Kong. These countries have diverse rankings in prevalence of, and vulnerability to, modern slavery.



The risks of modern slavery in our operations and supply chains

There were no significant changes to our operations or supply chains during the reporting period.

The Clayton Utz Forensic and Technology Services team conducted a modern slavery risk assessment over the reporting period. The risk assessment included analysis of Tier one suppliers', contractors' or agents' country of operation, industry or products or services against a variety of auxiliary factors that form part of the *2023 Global Slavery Index*, published by Walk Free, a human rights organisation funded by the Minderoo Foundation. The risk assessment provided us with key observations and recommendations to assist with our risk management in priority areas.

There is generally a low risk of modern slavery in the operations of the Clayton Utz partnership, these risks being consistent across all associated entities. As a legal

services organisation, most of our activities relate to legal and other professional services within Australia. With occasional temporary exceptions, all our employees are located in Australia, which has a low prevalence of modern slavery practices. The *2023 Global Slavery Index* ranks Australia 149 of 160 countries on estimated prevalence of modern slavery and 155 of 160 on estimated vulnerability to modern slavery.

The Clayton Utz People & Development Team manages our recruitment process and is responsible for compliance with employment laws and obligations.

At times, we do rely on the use of short-term contractors, labour hire agencies, and foreign staff on visas. We recognise we may have less visibility and control over workers and their employment arrangements in this situation.

As noted, the vast majority of Clayton Utz's expenditure during the assessment period was to suppliers in Australia. The *2023 Global Modern Slavery Index* provides a list of products at risk of modern slavery by source country, and the top five at risk products being imported into Australia (electronics, garments, solar panels, textiles, and fish).

As part of our risk assessment over our supply chain, the Clayton Utz Forensic and Technology Services team looked to identify the amount of spend per supplier, the types of goods and services sourced and the country of origin of the products over the reporting period. The information identified such as the types and origin of goods and services procured was risk rated using the *2023 Global Modern Slavery Index*.

The risks of modern slavery in our operations and supply chains

There is generally a low risk of modern slavery in the first tier of our Australian supply chain with some risks in relation to primary produce. We recognise there is some modern slavery risk in the extended supply chains of some of our Australian suppliers, including in relation to certain foodstuffs, clothing and clothing accessories, and electronics. We have identified some potential modern slavery risks in the following areas:

Electronics and Computer hardware

The electronics industry is recognised as a high-risk industry for modern slavery and similar mistreatment. Manufacturing often occurs in locations with minimal regulation and oversight. There have been reports of forced labour in electronics factories in China and Malaysia, including factories supplying large multinational companies. There is also a risk that products are manufactured from raw materials the production of which involved workers being subjected to modern slavery.

Merchandise, promotional items, and apparel

There have been reports of forced labour within the apparel industry in China, as well as instances of abuse including forced overtime and excessively long hours at clothing factories. Modern slavery practices have been identified amongst cotton farmers and warehouse facilities in China's Xinjiang region, where labour camps have been established for Uyghurs and other Muslim minority groups.

Facilities Management (including cleaning and security)

There is a higher risk of modern slavery in the cleaning and security industry due to the complexity of supply chain structures, high rates of subcontracting, and nature of the workforce. There have been reports of modern slavery across the cleaning services supply chains of commercial buildings and shopping centres in Australia. These reports of modern slavery were linked to debt bondage, immigration related coercion and confiscation of personal and travel documents.

Hospitality, food products and catering services

There have been reports of modern slavery in the supply chains for fish including multiple identified cases forced labour practices and very harsh conditions in the fishing industry in South East Asia. In the areas of food and primary produce, there have been reports of exploitation occurring in the Australian agricultural industry to temporary migrants working as fruit and vegetable pickers. These practices include sub-standard accommodation, improper docking of wages to pay for essential living requirements and threats from labour contractors to dissuade migrant workers from speaking out about dangerous working conditions. We are aware that because some Australian producers use migrant fruit pickers in their process that this is considered high risk in terms of modern slavery in Australia.

In relation to our extended Australian supply chain, goods we have acquired in Australia in many cases may be imported by Australian suppliers or may be manufactured using raw materials and components obtained overseas in locations and circumstances which may involve a risk of modern slavery. We acknowledge that our risk assessment has been undertaken on Tier one suppliers, and goods purchased from Tier one suppliers in a lower risk country may have been imported by Tier two suppliers and above from a higher risk country in the supply chain. High risk goods we procured include electronics (laptops, computers and mobile phones), garments, and food products (fish, rice, cocoa and chestnuts). We have not identified high risk goods that have been imported into Australia by Clayton Utz during the reporting period.

The actions taken to assess and address those risks, including due diligence and remediation

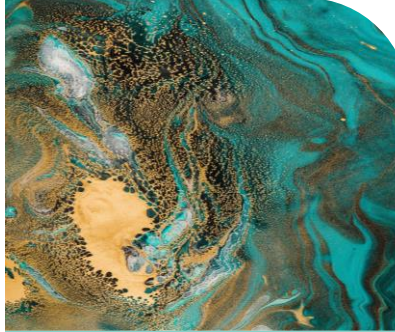
During the reporting period, we continued to build upon our efforts and the work done in FY23 to identify, prevent, mitigate, and account for the risks of modern slavery. The actions taken to assess and address our risks were taken on behalf of all entities throughout the period. Our actions taken cover the following areas:




Policies and procedures



Supplier due diligence



Employee awareness and training



Collaboration



Remediation and grievance mechanisms

Policies and procedures

We continue to address the risks of modern slavery practices in our operations and supply chains through our policies and procedures to ensure we provide a fair and safe workplace for our partners, employees and suppliers. Relevant policies and procedures include:

- Anti-bribery and Corruption Policy
- Anti-Discrimination, Sexual Harassment and Bullying
- Working with Vulnerable People/Children Policy
- Workplace Code of Conduct
- Work Health and Safety Policy
- Policy Against Modern Slavery
- Supplier Code of Conduct
- National Procurement Policy
- Whistleblowing Policy

Clayton Utz has a policy framework in respect of modern slavery. The framework includes the Clayton Utz Policy Against Modern Slavery and Supplier Code of Conduct. The Policy and Code of Conduct articulate Clayton Utz's stance against modern slavery in any form, describes the actions Clayton Utz will take in relation to those risks and explain how modern slavery risks are addressed and reported on by Clayton Utz.



Policies and procedures

Among other things, the Policy and Code of Conduct:

- a) prohibit modern slavery in any form in Clayton Utz's supply chain;
- b) require that all suppliers and contractors understand and comply with the Policy and Code of Conduct as a condition of doing business with Clayton Utz;
- c) require that all suppliers and contractors assist Clayton Utz in identifying and addressing incidents and risks of modern slavery in any part of its business and supply chain;
- d) establish processes for reporting modern slavery concerns, and identify the persons responsible for acting on any reports;
- e) create a set of specific obligations of suppliers and contractors including in relation to subcontracting, compliance with laws (including modern slavery and labour laws) and vulnerable and migrant workers.

In this reporting period, Clayton Utz reviewed and amended our Policy Against Modern Slavery. The policy sets out Clayton Utz's approach towards Modern Slavery, the firm's commitment to identifying and addressing the risks of Modern Slavery in our business and supply chain, and how partners and employees are to conduct themselves in the workplace and their obligations to the firm in all dealings with suppliers, contractors and any other external stakeholders. The firm's suppliers and contractors are required to adhere to the Policy and to assist the firm in identifying and addressing incidents and risks of modern slavery in any part of its business and supply chain.

Clayton Utz will review the Supplier Code of Conduct and other policies relating to modern slavery throughout the next reporting period.



Supplier due diligence

We encourage our suppliers to consider our standards and expectations primarily by way of:

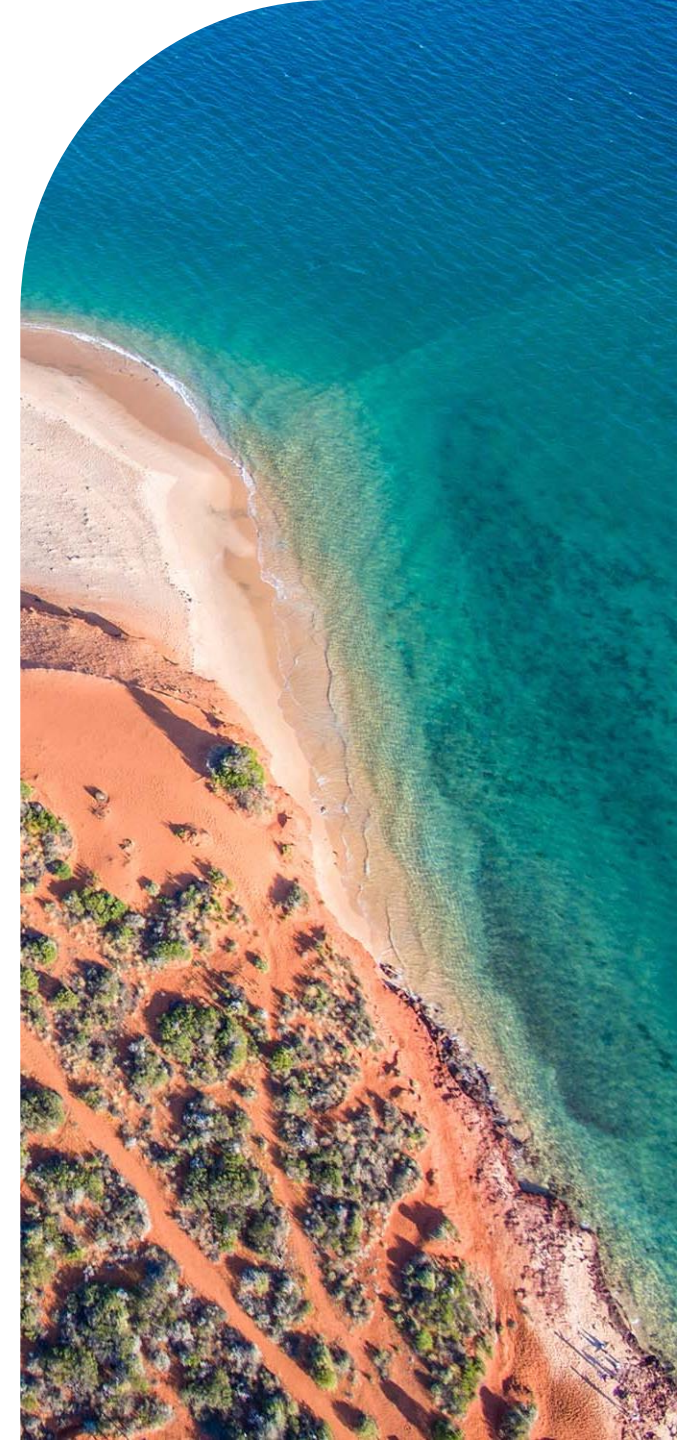
- a) the due diligence checks undertaken when on-boarding a new supplier, upon contract renewal and in accordance with our risk-based schedule;
- b) our approach to market in setting criteria for Requests for Proposals and Tenders; and
- c) our Supplier Code of Conduct.

Clayton Utz's supplier contract management system has effectively operated for three years and is actively fulfilling its role as a comprehensive contract repository, facilitating automated workflow and risk management capabilities. The contract management system continues to oversee both existing and new supplier agreements, monitoring high risk suppliers and proactively mitigating associated risks. We conducted a review of the system processes and subsequently refined them, improving efficiency for both our suppliers and system users, and adapting it to better address the challenges related to modern slavery risk mitigation. We continue to enhance our tools for mitigating modern slavery risks and have been

actively integrating them into the firm's procurement process. These system improvements and integrations have led to increased awareness across the business and have improved the effectiveness of our supplier risk assessments.

The Clayton Utz National Procurement Team conducted modern slavery risk assessments on our first tier suppliers throughout the reporting period on our contract management system. We used a risk-based approach to determine the level of due diligence required on new and existing suppliers. The risk assessment considered the country of operation, industry, products and services provided against the variety of factors considered by the *2023 Global Slavery Index*.

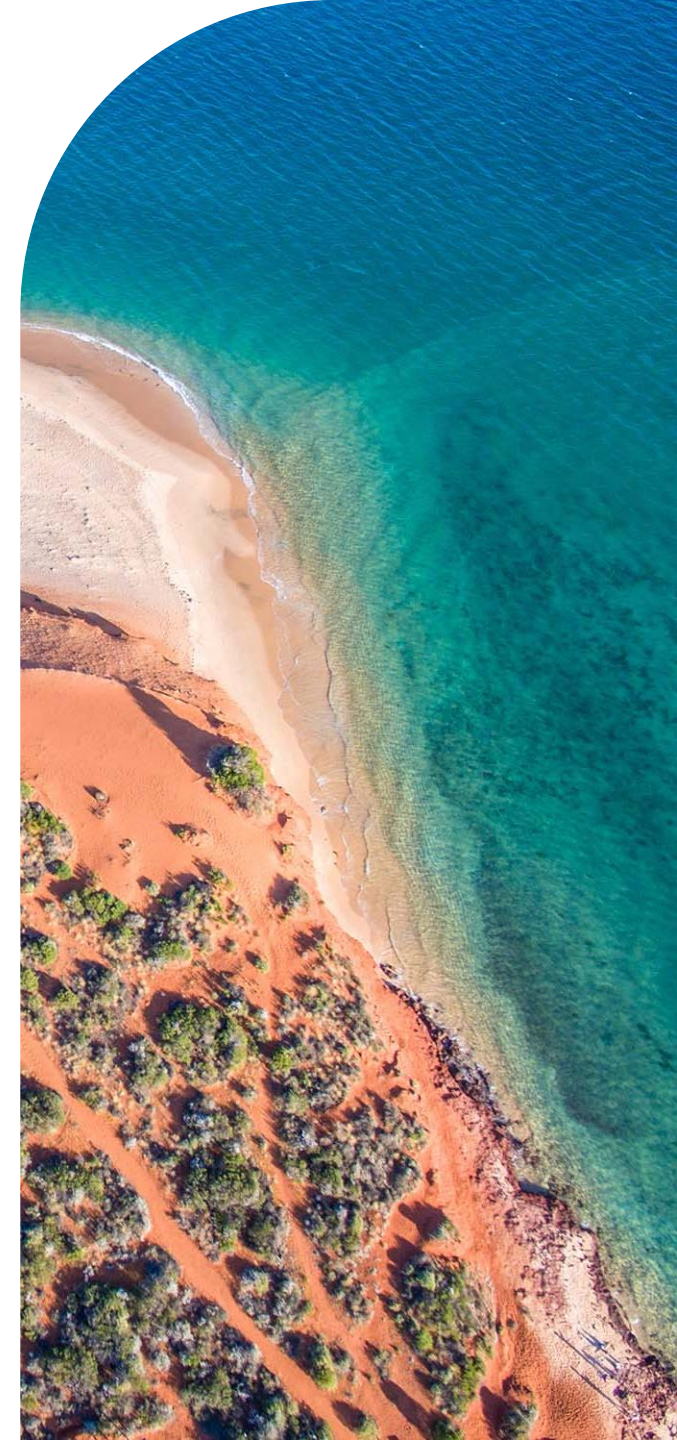
Under Clayton Utz's Policy Against Modern Slavery, any concerns with a supplier are escalated to the firm's National Risk Manager for review and advice. In the event the due diligence was not satisfactory or included incidents of modern slavery, we consider termination of any contract in accordance with our Modern Slavery Policy, or reach agreement with the supplier in relation to appropriate remediation.



Supplier due diligence

During the reporting period, we reviewed our modern slavery procedure including our risk based approach, due diligence process and supplier questionnaires. Some smaller suppliers that are not required to comply with the Modern Slavery Act did not feel they were required to complete the questionnaire or had difficulties answering questions relating to their supply chain, due diligence activities and grievance mechanisms. Most of these suppliers were in the recruitment, professional services and catering industry. Some smaller suppliers were completing a questionnaire for the first time and in those situations the Procurement and Risk Management Team offered to provide support to these suppliers if they had any questions. We will explore actions to increase awareness of modern slavery risks for our smaller suppliers.

The Clayton Utz Forensic and Technology Services team found corporate card transactions made by Clayton Utz partners and employees included spend related to airfares, entertainment, facilities operations, and accommodation. Some electronics and computer hardware supplies were procured from international vendors using corporate cards. We will continue to engage with the relevant teams to determine the necessity of procuring electronic goods using corporate cards and improved employee and management awareness of modern slavery risks through additional awareness-raising and training.





Employee awareness and training

The Clayton Utz Managers that may have responsibility for procurement are given training in relation to the firm's zero-tolerance approach towards modern slavery in any part of its business and supply chain. All Clayton Utz Managers have completed interactive modern slavery training designed to enhance awareness and an understanding of modern slavery. The training involves 4 modules covering an explanation of what modern slavery is, what the signs of modern slavery are, countering modern slavery in the supply chain and the modern slavery laws. Our partners and employees with procurement responsibilities are required to complete modern slavery procurement training every 2 years.

Our modern slavery training is available to all partners and employees, including those without procurement responsibilities. We will review our training and employee awareness program in the next reporting period to ensure it effectively prepares employees where relevant to assess and address the risks of modern slavery in our operations and supply chain.

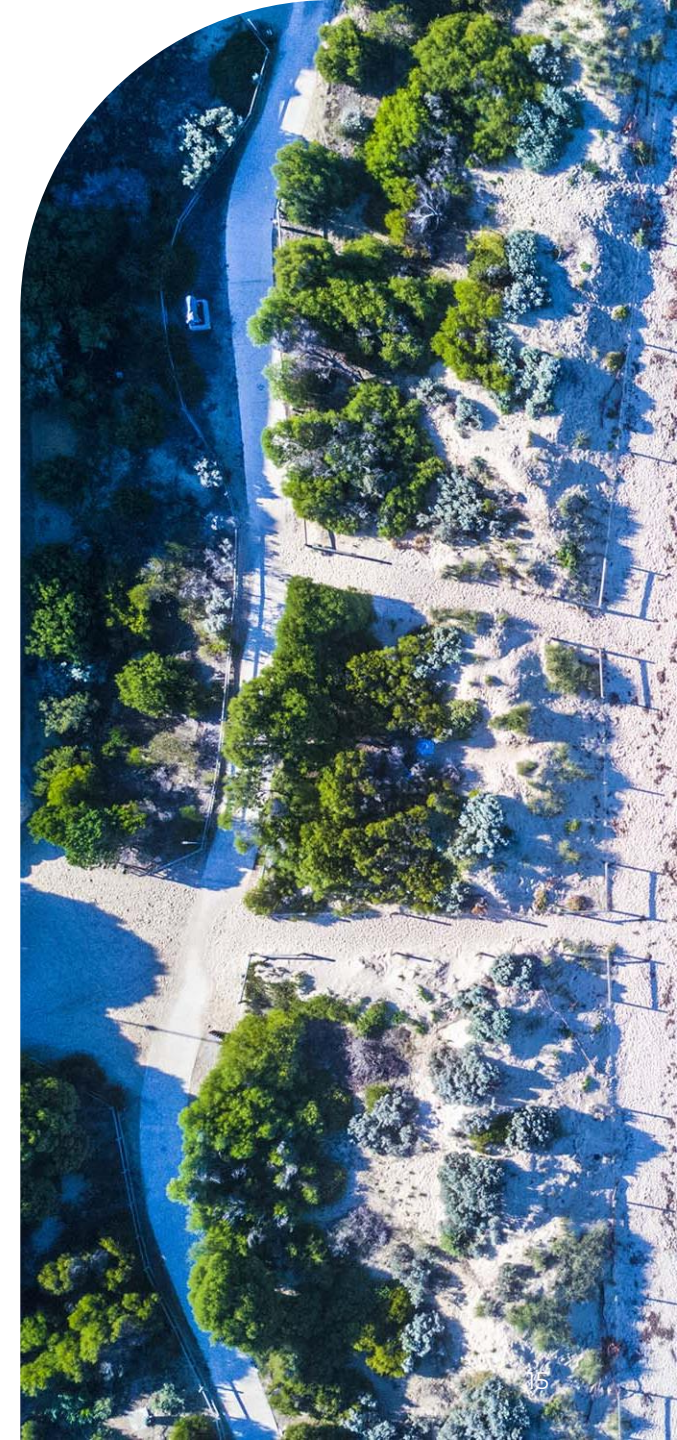
Contractors and suppliers are advised of their responsibilities through our Supplier Code of Conduct.

Collaboration

We acknowledge the significance of engaging in multi-stakeholder initiatives to exchange knowledge and refine best practices.

In FY24, Clayton Utz continued the Modern Slavery Working Group (**Working Group**) with the responsibility of overseeing the implementation and ongoing monitoring of our firm's response to modern slavery. The Working Group comprised of representatives from Legal, Business Operations, Procurement, People & Development, and Risk, with advisory support from our Office of General Counsel. They play a pivotal role in maintaining the trajectory of our work schedule and advancing agreed actions in relation to modern slavery. The Working Group conducted a comprehensive review of the lessons learned from the previous year and made improvements to strengthen the firm's approach to risk assessment, refining our processes, ongoing monitoring, and reporting related to modern slavery.

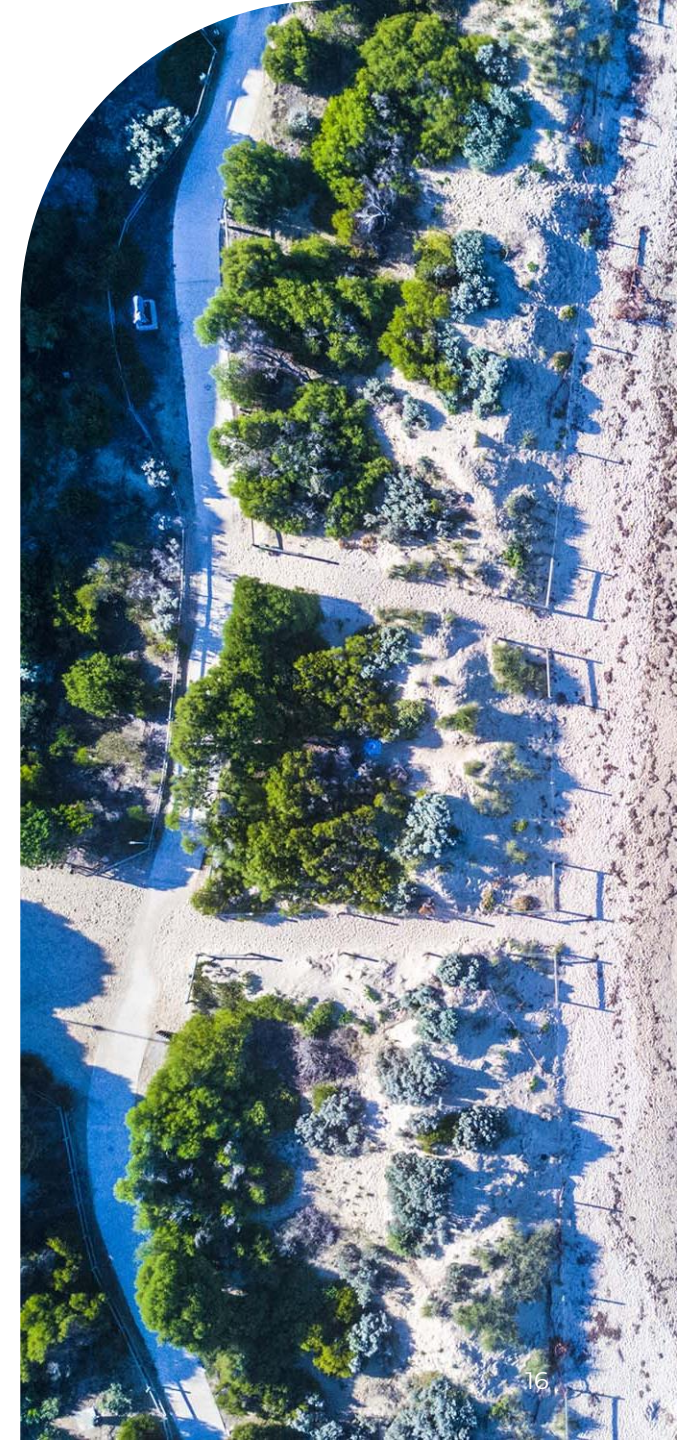
As members of Australian Legal Sector Alliance (**AusLSA**), we continue to participate in the Modern Slavery Co-Lab, a platform designed to facilitate collaborative discussions and knowledge sharing. We engaged in meetings with AusLSA representatives from other law firms to exchange insights gained from our journey addressing modern slavery, and to explore united approaches to drive change in this field. This platform offered a confidential and interactive environment for law firms to establish connections, share experiences, and provide information, advice, case studies, and potential solutions related to key issues in modern slavery. It aimed to articulate common concerns and actions for sustainable collaboration among law firms.



Collaboration

In August 2023, Clayton Utz hosted a Modern Slavery information session in our Sydney office for all partners and employees to attend in-person and virtually. The event provided an opportunity for attendees to further their understanding of modern slavery obligations and what Clayton Utz is doing to combat modern slavery through our statement, procurement process and further actions. The event was held in conjunction with the Sisters of Charity Foundation, who in collaboration with The Salvation Army, were fundraising and raising awareness of their Modern Slavery Transitional Housing Program. The program provides transitional housing assistance and casework support for survivors of modern slavery and human trafficking in Australia.

Through work alongside Anti-Slavery Australia, the Trafficking and Slavery Safe House Program at the Salvation Army and others, our Pro Bono practice has obtained hugely significant legal outcomes for modern slavery survivors. In 2023 we secured a half a million dollar payment under the Proceeds of Crime Act for our client's unpaid wages across years of servitude, which was paid out of assets seized by the AFP from our client's convicted slaveholders. In 2023 and 2024 we obtained globally-significant decisions in the Federal Court, in separate cases for domestic workers at two diplomatic residences in Canberra (Shergill v Suri Singh [2023] FCA 1346; Danaratna v Arunatilaka [2024] FCA 918). These decisions established that after an official has left their diplomatic post, there is no diplomatic immunity available to protect that diplomat against Australian employment law claims by their domestic workers, and saw hundreds of thousands of dollars awarded in unpaid wages and penalties.



An aerial photograph of a stone wall, likely a dam or breakwater, extending into a body of water. The water is clear, revealing the submerged stones. A teal-colored circular overlay is present in the top-left corner of the image.

Remediation and grievance mechanisms

Clayton Utz's Whistleblowing Policy and associated processes encourage the raising of any concerns about reportable conduct, including any modern slavery concerns. The whistleblowing process ensures that people can raise such concerns safely, securely and with confidence that they will be protected and supported. Clayton Utz partners and employees who make a report in relation to modern slavery in our business or supply chains will not experience any adverse consequence.

Clayton Utz also encourages its contractors and suppliers to report any incident of modern slavery (actual or suspected) in any part of the firm's business or supply chain. Suppliers and contractors can confidentially access Clayton Utz's Whistleblower Hotline in this regard.

There have been no concerns raised or reported relating to modern slavery through the firm's due diligence processes or grievance mechanisms during the reporting period.

The ways we assess the effectiveness of the actions we are taking

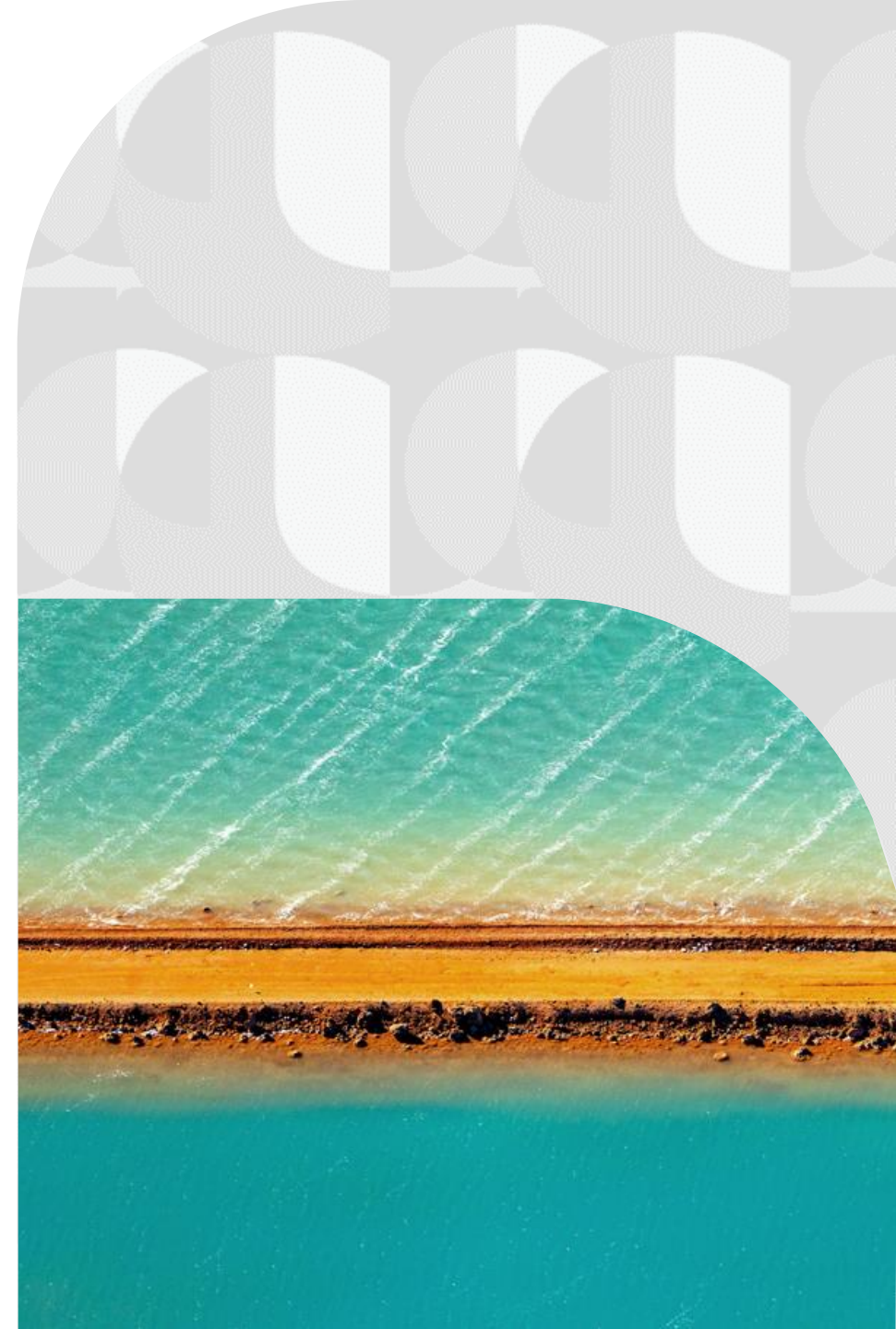
Clayton Utz monitors and reports on a range of indicators to assess the effectiveness of its modern slavery framework, seeking to review and enhance measurement indicators in line with continuous improvement. Areas include:

- a) Number of staff completing modern slavery training to assess whether our efforts in emphasising the importance of this issue internally are effective;
- b) Number of staff completing whistleblowing training to assess whether our actions to promote the use of our whistleblower channels are effective;
- c) Number of suppliers completing modern slavery questionnaires to assess whether our due diligence activities are comprehensive and fit for purpose; and
- d) Number of reports of modern slavery through our whistleblowing hotline, to assess whether the whistleblowing hotline is an effective channel to bring instances of modern slavery to our attention.

Our modern slavery framework is reviewed annually as part of our regular audit and assurance processes. This includes continuing to assess new suppliers and undertake appropriate supplier due diligence, training employees and suppliers of Clayton Utz of behavioural expectations, our Code of Conduct and policies and whistleblower framework.

The firm's Working Group has continued to meet on a monthly basis to monitor the progress and effectiveness of the firm's actions to build upon our due diligence activities and address modern slavery risks in our operations and supply chain.

The Head of Risk and Compliance and National Procurement Team have primary responsibility for auditing our modern slavery systems and procedures to ensure they are effective in identifying and addressing any identified risks of modern slavery in the firm's supply chain.





Consultation and approval

The Clayton Utz partnership developed this statement in consultation with reporting entities Tonclay Services Trust and CU Services Trust, and the entities controlled by the Clayton Utz partnership, being Budge Pty Ltd, CU Shareholding Pty Ltd and CU Services Pty Ltd. All of the Clayton Utz partnership's associated entities have been made aware of the Act's requirements, the policies set by the Clayton Utz partnership, and the actions required to address the modern slavery risks in Clayton Utz's operations and supply chain. Our Modern Slavery Working Group informed and contributed to the development of the statement. Senior leaders with knowledge of the operations and supply chains of each of the associated entities were actively

engaged and consulted to identify, assess and address the modern slavery risks in Clayton Utz's operations and supply chain and prepare this statement. The Board of all reporting and controlled entities were also given an opportunity to consider and provide comments on the statement prior to publication.

This statement was approved by the Board of the Clayton Utz partnership in their capacity as principal governing body of a higher entity with control of all entities comprising Clayton Utz (including the reporting entities), on 9 December 2024 and is signed by Emma Covacevich in her role as Chief Executive Partner.



Emma Covacevich
Chief Executive Partner
for Clayton Utz
Date: 9 December 2024

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