

2019/20 Modern Slavery Statement

March 2021

We would like to acknowledge the traditional custodians of the lands on which we live and work. We would like to pay respect to the Elders of these lands, both past and present, and extend that respect to all Aboriginal and Torres Strait Islander Peoples and First Nation Peoples globally.

This statement is made on behalf of Norton Rose Fulbright Australia and Norton Rose Fulbright Australia Services Pty Ltd pursuant to section 16 of the *Modern Slavery Act 2018* (the Act) and constitutes our modern slavery statement for the financial year ending 30 June 2020 ("Reporting Period"). Where we refer to "NRFA", "we", "us", "our" or the "firm" in this statement, it means Norton Rose Fulbright Australia, Norton Rose Fulbright Australia Services Pty Ltd and other entities owned or controlled by Norton Rose Fulbright Australia Group Pty Ltd as trustee for the equity partners of Norton Rose Fulbright Australia from time to time.

As providers of legal services, we have a responsibility to uphold the rule of law and respect human rights.

Wherever we are, we operate in accordance with our [Business Principles](#) of Quality, Unity and Integrity. These Business Principles guide our activities and staff across our offices. They describe our culture, the way we work and what we stand for. We value our people and promote a culture of respect for the individual.

This statement illustrates how we strive to apply our Business Principles in practice, and reflects our continued public commitment to not use forced, compulsory, trafficked or child labour within our organisation, and to challenge and confront use of such labour within our supply chains.

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Our structure, operations and supply chains

We have offices across Australia, in Brisbane, Canberra, Melbourne, Perth and Sydney, with a total head count of 911¹.

Norton Rose Fulbright Australia provides legal and advisory services to clients, while Norton Rose Fulbright Australia Services Pty Ltd provides ancillary services to support the activities of Norton Rose Fulbright Australia. Norton Rose Fulbright Australia Group Pty Ltd has a number of subsidiaries, most of which are non-trading and do not have employees. During the 2020 financial year, one of these subsidiaries acquired goods and services for the Norton Rose Fulbright Papua New Guinea law firm, which is now closed.

Norton Rose Fulbright Australia, Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa Inc are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself engage in the practice of law or other business. We have no liability for the acts or omissions of another Norton Rose Fulbright entity unless specifically agreed.

We also have associations or alliances with other organisations such as the law firms Jaramer Legal (in which we also have a minority shareholding) in Australia, TNB &

Partners in Indonesia and, until it closed on 30 June 2020, Norton Rose Fulbright Papua New Guinea in Papua New Guinea. We have no liability for the acts or omissions of such organisations unless specifically agreed.

Our principal activity is the provision of legal and advisory services to business enterprises, governments and other public sector organisations. We are focused on six key industry sectors: financial institutions; energy; infrastructure, mining and commodities; transport; technology and innovation; and life sciences and healthcare.

Our suppliers include suppliers of IT and communications equipment and services; property; office cleaning and other facilities management services; transport such as airlines and couriers; marketing such as merchandise suppliers and conference providers; office equipment and supplies; and professional services such as auditors, accountants and consultants, legal counsel, banks, insurers and recruitment agencies. We also have some suppliers that provide legal or other services which are used by us in the provision of services to our clients, primarily barristers. Our suppliers are primarily domiciled in Australia, but also include global entities that supply Norton Rose Fulbright globally. Our suppliers also include some entities domiciled in Papua New Guinea which supplied goods and services to one of our subsidiaries, which in turn provided services to Norton Rose Fulbright Papua New Guinea.

¹ This figure includes partners, employees and contractors.

Modern slavery risks in our operations and supply chains

Our operations

The legal services sector is considered a lower risk industry for modern slavery risks. However, we recognise that human rights impacts can permeate any sector and in any country irrespective of global indices and industry ratings. The concept of limited working hours as a human right was addressed in the Universal Declaration of Human Rights (Article 24) and the International Covenant on Economic, Social and Cultural Rights (Article 7). With this in mind, we consider excessive working hours to be a human rights risk facing the legal sector. We are not immune from this risk and so our People & Development team follow processes to review the risks on a regular basis.

In Australia, we consider that the level of risk of modern slavery in our employees is low. We follow set protocols in the way we recruit people into the firm via our recruitment practices. For example, we verify qualifications, conduct reference checking on prior experience, and verify the right to work in our country. We also monitor and engage with our staff on issues such as work hours and overtime, to ensure they are adequately compensated and we monitor any excessive work patterns.

We are confident the level of risk of modern slavery in Jaramer Legal, given the nature of its services and the jurisdiction in which it operates, is also low.

With respect to TNB & Partners, although Indonesia is a higher risk jurisdiction for modern slavery than Australia, we do not consider our association with that firm links us to a high risk of modern slavery. This is because of the nature of the services provided by TNB & Partners. This is also the case regarding Norton Rose Fulbright Papua New Guinea, which is now closed.

Supply chains

Our supply chain comprises the following main categories and we recognise that modern slavery risks exist in each one of them by virtue of the industry risk profiles and the globalised and often complex supply chains supporting the provision of goods or services:

Category	Generally known modern slavery risks ²
IT equipment and software	Modern slavery risks are present in the supply chains that provide IT companies with the necessary materials to produce electronic goods, and parts of those goods. The manufacture of IT equipment has also been linked to modern slavery.
Cleaning and laundry	The cleaning industry is considered high-risk for modern slavery largely due to the nature of the workforce and the often opaque nature of operations. The cleaning sector does not require a qualification in many instances and as such the workforce is often low-skilled and not fluent in the local language.
Hospitality and food services	Food-related supply chains have a high risk of modern slavery. These risks are not only a concern for supermarkets and suppliers generally, they should also be considered by producers, distributors and caterers.
Facilities maintenance	The prevalence of subcontracting in the facilities maintenance industry can lead to contractual liabilities and obligations diminishing to the point where the human rights of workers on site may go unnoticed due to a lack of transparency.

² The risks outlined in this table are general and do not relate to any actual instances of modern slavery in the supply chain of our first tier suppliers.

Category	Generally known modern slavery risks ²
Corporate merchandise	The higher risk of modern slavery in the supply chains supporting the garment industry is well documented. The same can be said of mass produced items manufactured in higher risk countries with components from numerous locations.
Furniture	There are increased modern slavery risks associated with raw materials such as timber, fabrics, metals and glass as well as risks in the manufacturing industry located in higher risk countries.
Travel services	Although global travel management services are typically the first tier suppliers for large companies, hotels and airlines inevitably form part of the supply chain for purchasers of travel services. A vulnerable workforce supporting these industries combined with complex supply chains result in greater modern slavery risks.
Postal and courier pick-up and delivery services	The utilisation of subcontractors and agents together with the utilisation of vulnerable workers places the suppliers in this category at greater risk of being directly linked to modern slavery.

One of our subsidiary companies, Norton Rose Fulbright PNG Services Limited, provided support services to Norton Rose Fulbright Papua New Guinea and used a number of suppliers domiciled in Papua New Guinea, which has been assessed as being a higher risk jurisdiction for modern slavery by the Global Slavery Index. Those suppliers were similar in nature to our suppliers domiciled in Australia, but we nevertheless appreciate the increased risk of modern

slavery inherent in all supplies originating in Papua New Guinea, given the jurisdiction, over and above the industry risk identified in Australia.

Impact of COVID-19

Our firm, like many businesses, had to make some changes to the way we operate in response to the COVID-19 pandemic, including as a result of government restrictions and reduced access to overseas products due to shipping delays. However, we have not observed any additional modern slavery risks in our operations or supply chain emerging as a result of the COVID-19 pandemic. We were able to continue our due diligence processes and training programs remotely during the Reporting Period.

Due diligence process and steps taken to assess and manage modern slavery risk

As a provider of legal services, a purchaser of goods and services and also an employer, we recognise our responsibility under the UN Guiding Principles on Business and Human Rights in *all* areas of our practice. Accordingly, we have developed due diligence processes to assess, mitigate, prevent and manage the risk of modern slavery across three levels of our business, namely, operations, client services and supply chain.

Our operations

We are committed to combatting modern slavery in all forms, and we strive to identify any actual or potential modern slavery risks occurring within our business. An overview of the measures we have in place to assess and manage modern slavery is set out below:

- All partners and staff are expected to comply with our **Business Principles** of Quality, Unity and Integrity as well as any relevant laws and professional code of conduct applicable to us. These ethical principles are embedded in employment contracts and supported by our policies as set out in our intranet, and are communicated to new employees on commencement.
- Our **Human Rights Policy** articulates our commitment to respecting internationally recognised human rights under the UN Guiding Principles, the International Bill of Human Rights and the ILO Declaration. It also sets out our expectations for the conduct of our business partners.

- All partners and staff are expected to report known or suspected violations of applicable laws, regulations, policies (including our Human Rights Policy) and our ethical standards. We did not receive any reports of actual or suspected violations of our Human Rights Policy via our reporting channels during the Reporting Period. We updated our **Whistleblowing Policy** which provides a process for reporting improper conduct occurring in our business in Australia to Disclosure Officers and sets out how to make a disclosure and the investigation and protections available. Disclosure Officers received specific training to equip them for their role. We also developed and launched mandatory Whistleblowing training for all partners and staff (in May 2020).
- Given that we operate a decentralised procurement model, we conducted face-to-face **Human Rights Training** for individuals from each of the departments of the firm involved in procurement. This training included how to conduct online due diligence via the online modern slavery questionnaire developed by the firm and also made available to clients (discussed further below).
- We have developed and rolled out firm-wide online **Human Rights Training** designed to increase awareness of how to recognise red flags for modern slavery in our day to day roles. During the Reporting Period, approximately two thirds of all staff in Australia completed the training.
- We have trained legal staff through continuing legal education in relation to how our clients can impact human rights and how that impact can be managed.
- We recognise that one of the fundamental human rights is the right to an adequate living wage. Norton Rose Fulbright Australia provides at least the minimum entitlements called the **National Employment Standards** to all its full-time and part-time employees. For those employed under the Legal Services Award 2020 (LSA), we ensure compliance with the minimum pay and conditions as set out in the award. We comply with the minimum wage standards applicable to each of our offices and there is a regular process in place to monitor compliance.
- We have an established **remuneration framework** which is designed to ensure our people are paid fairly, competitively and based on merit. Our remuneration framework is structured to reward people for their individual and collective contribution to our success, for demonstrating our values and for creating value for the firm, our clients and stakeholders.
- In our efforts to address the human rights risk of excessive working hours, our People & Development team conduct a **monthly survey** which allows LSA employees to report if they have been working beyond their regular work hours; thereafter HR Managers follow up to ensure timely payment of applicable overtime and to provide any necessary support to employees to manage their workload.
- Freedom from discrimination based on gender, race, ethnicity, sexual orientation or any other status is set out in the Universal Declaration of Human Rights and other international human rights treaties and Declarations. We recognise that **diversity and inclusion** is a critical business issue. We aim to leverage the rich diversity of our people in order to provide better service to our clients now and into the future. We value difference and the variety of perspectives that this brings to the firm. We have a well-developed diversity and inclusion policy and program — and promote a diverse workforce and an inclusive culture.
- The right to feel safe in our workplaces is another enshrined human right. We take a **Zero Tolerance** approach to sexual harassment and indeed any form of harassment, discrimination or bullying. Our policies reflect this stance and every member of our firm has the right to feel respected and safe. During the Reporting Period, we refreshed and updated our equal employment opportunity (EEO), discrimination and harassment policies and launched our Appropriate Workplace Conduct Policy and Issues and Complaints Resolution Procedure (policy effective April 2020). This was supported by a mandatory e-learning module, *Fostering a Respectful Workplace* (release date July 2020), covering a variety of topics such as discrimination, harassment, bullying, sexual harassment and other inappropriate behaviour.
- Workplace health and safety has been central to our response to the **COVID-19** pandemic. A comprehensive risk assessment framework was developed to identify hazards and control measures for the operation of our offices. Risk issues and control measures are brought to

the attention of the "Unlock" Committee (a committee comprising the Managing Partner, and senior partners and managers) who lead our response to the pandemic and ensure that business processes, procedures and standards remain in place while the firm adapts to new (more agile and virtual) ways of working.

- A **mental health risk assessment** was also developed to identify hazards and control measures to respond to heightened stress, anxiety and other mental health challenges caused and/or exacerbated by the pandemic. Our Mental Health First Aid Officers undertook mandatory refresher training in May 2020 and specialist training on COVID-19 Wellbeing journey and psychological risks in July 2020. A range of additional mental health initiatives has been offered to support employees, including wellness surveys, a dedicated wellness portal (providing mental health resources and tips) and wellness training sessions.

Client services

As a provider of legal services we take steps to identify our client and our scope of engagement. The overriding principle is that we will not act for clients in circumstances where it is illegal or inappropriate to do so. Our Human Rights Policy states that, when opening new client matters, we will "implement processes to assess potential human rights impacts and take these into consideration"

In 2017/2018 we undertook an extensive review of our client on-boarding system from a human rights perspective. Our client and matter induction process is extensive and it takes potential risks relating to human rights into consideration. Compliance officers, including those in our Australian Client Due Diligence (CDD) team, have been trained to extend their Know Your Client (KYC) screening to include the human rights record of, amongst other things, the client, counterparties and any relevant jurisdiction(s).

Our overriding philosophy is to alert our clients to any human rights issues their transactions or commercial practice are raising and work with them through these issues.

Through our advisory work and the sharing of best practices we are committed to supporting our clients' respect for, and understanding of, human rights issues and impacts, including modern slavery. We have an extensive

practice advising clients in relation to modern slavery and human rights and see ourselves as thought leaders in this area. We communicate with clients regularly in relation to business and human rights and have run or participated in over 20 seminars this year.

Supply chain

As a purchaser of good and services, we:

- strive to respect human rights in supplier procurement through being committed to engaging suppliers who respect human rights and share our commitment to high ethical standards; and
- seek to make contractual arrangements with suppliers that promote the principles contained in our Human Rights Policy and our Supplier Charter.

On a periodic basis, we review and revise our internal procedures to improve the way we assess, address, mitigate and prevent the risk of modern slavery occurring within our supply chain. We do this in recognition of the fact that striving to do better is the only way to bring about impactful change in the way we embed human rights considerations in our procurement processes. In 2019, we updated our Supplier Contracts Policy to formalise the processes across our business service units. In summary, our due diligence process during the Reporting Period required:

- the consideration of the human rights impacts of a supplier's provision of goods or services to us both at the time of first selecting the supplier and upon renewal or extension of the contract with the supplier;
- all suppliers to confirm in writing their compliance with our Supplier Charter or an equivalent document (for example, the supplier's own supplier charter) that is approved by our General Counsel. Our Supplier Charter sets out our expectations of suppliers in respect of anti-bribery and corruption, diversity and inclusion, health and safety, sustainability and human rights. In respect of human rights, it provides that our suppliers, whether directly or through their supply chain, must comply with all applicable human rights related laws in respect of their employees, conduct their business activities in a manner which respects human rights as set out in the UN Universal Declaration of Human Rights and the core

conventions of the International Labour Organization and must not hold another person in slavery or servitude, employ, engage or otherwise use forced or compulsory labour, trafficked labour or child labour; or engage in or condone the use of corporal punishments or mentally, physically or sexually abusive or inhumane treatment of workers;

- that suppliers meeting our internal procurement annualised spend threshold, and all suppliers providing goods and/or services relating to courier services, food and food-related goods and services and/or cleaning services, complete an annual online modern slavery questionnaire (MSQ); and
- staff with procurement responsibilities to have completed our human rights training and procurement training with the aim that staff have an understanding of human rights risks, the processes that we have in place at NRFA and how to use the MSQ.

The MSQ was developed by our Business Human Rights group in 2018 to promote more sustainable sourcing practices and to streamline the process of assessing modern slavery risk in our own supply chain. It was a cloud-based solution that brought together powerful analytics, our global human rights expertise and user-friendly design to identify and manage supply chain risk. Through the MSQ process, we allocate risk ratings to suppliers which then provide the groundwork for informing the actions to be taken. In July 2020, the MSQ was licenced to a different platform provider, ethiXbase. We continue to use the MSQ on this platform as a key part of our modern slavery due diligence program. For the purposes of our 2020 Modern Slavery Statement, we have provided an overview of some the findings from the MSQ on the previous platform:

- The majority of the 140 suppliers from the Reporting Period who responded to our MSQ were allocated a low risk rating based on the answers provided, which is broadly consistent with the geographic footprint (predominately headquartered in Australia) of our first tier suppliers who were requested to complete the MSQ. No supplier was allocated a high risk rating.
- Of our suppliers who responded to the MSQ, the majority of those who utilised a vulnerable workforce but did not have *any* policies or controls in place were from

the food and beverage services sector, which is generally considered a higher risk sector for modern slavery risk. One supplier from the cleaning sector also responded that they utilise vulnerable workers but did not have any policies or controls in place. This result highlights the need for proactive and effective interaction with our suppliers to ensure human rights are respected.

In addition to our due diligence processes, we are committed to not using suppliers who may be linked to modern slavery risks. For example, in the second half of 2019, we moved the venue for a major firm event following reports that the venue had not met worker entitlements.

Assessing the effectiveness of our actions

During the course of the next reporting period, we will seek to review, monitor and embed our processes by:

- incorporating business and human rights considerations in the firm's precedents;
- assessing the number of our suppliers which have adopted a human rights or modern slavery commitment, whether by agreeing to our Supplier Charter or otherwise;
- issuing the MSQ for our suppliers from the FY21 reporting period on the ethiXbase platform;
- assessing the results from the MSQ responses in FY20 and FY21 to ascertain patterns, trends and changes in risk profiles;
- identifying the suppliers requiring further due diligence following the MSQ results and developing remediation plans in conjunction with the supplier(s) as and when required;
- considering the modern slavery statements of suppliers and prospective suppliers (where available) when making procurement decisions;
- seeking to increase the completion rate of the Human Rights Training program; and
- continuing to monitor the reporting channels for any reported instances of human rights impacts in our operations and supply chains.

Other relevant information

We are committed to the sharing and dissemination of our knowledge and expertise in the area of business and human rights in order to promote capacity building amongst our clients as well as more widely in the market.

Our team of experts in the field of Business Human Rights assisted numerous clients from a wide range of sectors in relation to modern slavery reporting, risk assessments and due diligence, supplier engagement and remediation. Many of our engagements commence with a bespoke training session for our clients in relation to modern slavery. We also hosted a number of webinars and functions to increase the awareness of modern slavery risks in the business context, one of which was in collaboration with the Australian Border Force. We also spoke at events hosted by Anti-Slavery Australia and UNSW in relation to the Modern Slavery Act.

In the Reporting Period, we assisted Anti-Slavery Australia with a legislative update to its "Behind the Scenes" report published in 2017. In addition, two of our staff members completed 6-month secondments with Anti-Slavery Australia. One of these staff members continues to provide ad-hoc volunteer support for Anti-Slavery Australia as needed.

We have actively engaged in the Australian Border Force Modern Slavery Consultation groups and shared the learnings with our clients on best practice compliance and reporting trends. One of our consultants, Greg Vickery AO, sat on the Advisory Committee set up by the Australian Border Force in relation to the Modern Slavery Act guidance and implementation. Greg also chaired the Law Council of Australia Business and Human Rights Committee during the 2020 financial year. One of our partners, Abigail McGregor, also sat on the Committee.

In the Reporting Period, we also focused on the changing ESG/sustainability landscape of which Business Human Rights forms an indivisible part. It is becoming increasingly important to view the sustainability agenda holistically and deal with all its component parts, including human rights.

Consultation and approval

This statement was prepared by our General Counsel team and our modern slavery subject matter experts, who have consulted with partners, employees and contractors of both Norton Rose Fulbright Australia and Norton Rose Fulbright Australia Services Pty Ltd. Norton Rose Fulbright Australia's Australian Partnership Council approved this statement on behalf of the partners of Norton Rose Fulbright Australia on 18 February 2021, and the board of directors of Norton Rose Fulbright Australia Services Pty Ltd approved this statement on 26 February 2021.



Alison Deitz

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Director

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