



Our Statement on
Modern Slavery

Deliver Change. For Good.

REFRESHED JANUARY 2020 AT LONDON

Introduction

Stanley Group of Companies (“SGC”) is a global advisory company that works locally to transform lives by making economies stronger, societies more stable, and governments more effective. Stanley Group is headquartered in the UK and operates in over 35 countries worldwide. It partners with hundreds of individuals and organisations to deliver its work across Central Africa, East Africa, West Africa, the Middle East, South Asia and the Pacific Islands.

As a company delivering sustainable development, including in fragile states or where there is conflict, we strive to maintain the highest standards of integrity, professionalism and efficiency in carrying out our work. We set out these principles in our Code of Conduct. We see it as our responsibility to support transparency, identify and address risks, regularly review our business practices, and collaborate with others to protect the rights of those who are most vulnerable to abuses such as modern slavery. Beyond basic compliance with applicable employment and labour laws, SGC is committed to working with donors and partners to apply best practice through our supply chains and to use our expertise to help end human trafficking, modern slavery (sex trafficking and compelled labour) and all human rights abuses.

Modern slavery is a heinous crime and a morally reprehensible act that deprives a person's liberty and dignity for another person's gain. It is a real problem for millions of people around the world, including many in developed countries, who are being kept and exploited in various forms of slavery. Every company is at risk of being involved in this crime through its own operations and its supply chain.

At Stanley Group, we have a zero-tolerance approach to modern slavery and are fully committed to preventing slavery and human trafficking in our operation and supply chain. We have taken concrete steps to tackle modern slavery, as outlined in our statement. This statement sets out the actions that we have taken to understand all potential modern slavery risks related to our business, and to implement steps to prevent slavery and human trafficking during the financial year 2021.

Our business and supply chains

We establish a relationship of trust and integrity with all our suppliers, which is built upon mutually beneficial factors. Our supplier selection and on-boarding procedure includes due diligence of the supplier's reputation, respect for the law, compliance with health, safety and environmental standards, and references.

We haven't been made aware of any allegations of human trafficking/slavery activities against any of our suppliers, but if we were, then we would act immediately against the supplier and report it to the authorities.

Risk Assessment

In the past year, we conducted a risk assessment of our supply chain by taking into account:

- The risk profile of individual countries based on the Global Slavery Index
- The business services rendered by the suppliers
- The presence of vulnerable demographic groups
- A news analysis and the insights of labour and human rights groups

This assessment will determine our response and the risk controls that we implement.

Policies

Stanley Group operates the following policies for identifying and preventing slavery and human trafficking in our operations:

- Whistleblowing Policy - we encourage all employees, customers and suppliers to report any suspicion of slavery or human trafficking without fear of retaliation. We provide a confidential helpline to protect the identity of whistle-blowers.
- Code of Conduct - our code encourages employees to do the right thing by clearly stating the actions and behaviour expected of them when representing the business. We strive to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing our supply chain.
- Third-Party Risk Management Framework - we have updated our Purchasing Code and supplier contracts to make explicit reference to slavery and human trafficking.

Supplier due diligence

Stanley Group conducts due diligence on all new suppliers during on-boarding and on existing suppliers at regular intervals. This includes:

- Assessing risks in the provision of particular services
- Auditing the suppliers, and their health and safety standards, labour relations and employee contracts
- Requiring improvements to substandard employment practices
- Sanctioning suppliers that fail to improve their performance in line with our requirements

We require all suppliers to attest that:

- They don't use any form of forced, compulsory or slave labour
- Their employees work voluntarily and are entitled to leave work
- They provide each employee with an employment contract that contains a reasonable notice period for terminating their employment
- They don't require employees to post a deposit/bond and don't withhold their salaries for any reasons
- They don't require employees to surrender their passports or work permits as a condition of employment

Awareness

Stanley Group has raised awareness of modern slavery issues by putting up posters across our facilities and sending an email that is focused specifically on modern slavery to all our staff, which explains:

- Our commitment in the fight against modern slavery
- Red flags for potential cases of slavery or human trafficking
- How employees should report suspicions of modern slavery

Training

In addition to the awareness programme, Stanley Group has rolled out a fresh e-learning course to all employees and supplier contacts, which covers:

- Various forms of modern slavery in which people can be held and exploited
- The size of the problem and the risk to our organisation
- How employees can identify the signs of slavery and human trafficking, including unrealistically low prices
- How employees should respond if they suspect slavery or human trafficking
- How suppliers can escalate potential slavery or human trafficking issues to the relevant

- people within their own organisation
- What external help is available for the victims of slavery
- What terms and guidance should be provided to suppliers in relation to slavery policies and controls
- What steps ABC plc will take if a supplier fails to implement anti-slavery policies or controls
- An attestation from employees that they will abide by ABC plc's anti-slavery policy

Measuring how we're performing

Stanley Group has defined a set of key performance indicators and controls to combat modern slavery and human trafficking in our organisation and supply chain. These include:

- How many employees have completed mandatory training?
- How many suppliers have filled out our ethics questionnaire?
- How many suppliers have rolled out an awareness and training programme that is equivalent to ours?
- How many reports have been made by our employees that indicate their awareness of and sensitivity to ethical issues?
- What are the findings of our cross-functional Human Rights team, which reviews how we are addressing modern slavery and human trafficking?

Conclusion

Our efforts in identifying and mitigating the risks of modern slavery and human trafficking have focused on prevention through our third-party screening process and awareness-raising through training and policies, which clearly set out SGC's stance towards modern slavery and human trafficking. Our independent Speak Up hotline has been in place since December 2019 and enables the reporting of breaches that could relate to modern slavery and human trafficking. However, there is more to be done.

We understand that as we continue to gain a better understanding of our supply chains, we will expose further risks of modern slavery and we recognise that we will need to continually renew our efforts to minimise the negative impact on vulnerable people in our supply chain. We are therefore continuously reviewing potential processes to proactively identify and address modern slavery across our operations. Our ongoing commitment means that we will progress year on year in our efforts towards transparency, prevention, identification and mitigation of human trafficking and modern slavery deeper down our supply chains.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes SGC's Modern Slavery and Human Trafficking statement for the financial year 1 January 2021 to 31 December 2021 and has been approved by the Board of Directors of Stanley Group.