



Modern Slavery Statement

December 2024

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Modern Slavery Statement

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Contents

Our commitment	01
Our key activities	02
Our governance	03
Our culture	04

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Our commitment

This statement constitutes the modern slavery and human trafficking statement of BDO LLP and its subsidiary undertaking BDO Services Limited (together “BDO”) for the financial year ended 5 July 2024.

BDO's purpose is 'Helping you succeed', and one of our four values is 'Being responsible and acting with integrity'. As an accountancy and business advisory firm, we need to conduct our business to the highest possible ethical standards.

The Modern Slavery Act 2015 ('the Act') includes a duty on businesses to play their part in stopping modern slavery in global supply chains; a duty we see as important to help society succeed. Section 54 of this Act, 'Transparency in Supply Chains', requires BDO to publish a statement on its website.

This includes steps taken during the financial year to ensure that slavery and human trafficking, as defined by the International Labour Organization (ILO) indicators of forced labour, is not taking place in any part of our business or our supply chain.

Given the nature of our professional services activities and the categories of goods and services that we procure, we believe our inherent risk to be low with respect to modern slavery. The primary area of modern slavery risk lies within our supply chain, particularly around event staffing and use of recruitment agencies.

We have policies and procedures that describe our approach to the identification, reporting and prevention of modern slavery risks both within the firm and within our supply chain.

This statement summarises these steps, looking at both our supply chain management and our firm's governance and culture and our future developments.



Our key activities

Over the past year, we have undertaken the following:

- ▶ **Mandatory Modern Slavery Awareness Training:** Delivery of compulsory annual modern slavery awareness training to all partners and staff. All new hires are required to complete this training within their first 30 days at BDO
- ▶ **Monitoring and Assessment:** In the year 2023-2024, we conducted a full review of all our strategic suppliers and conducted refreshed due diligence which included a review for modern slavery risk factors
- ▶ **Events and Hotel Services:** We have identified this spend category to have potential higher risk for modern slavery and included additional review steps in our Events and Hotel contracts
- ▶ **New Supplier Onboarding:** We launched a new supplier onboarding process which requires all new suppliers to complete a risk assessment, due diligence, and acceptance of our Supplier Code of Conduct prior to providing any services or goods to BDO.

Our supply chain

Within our supply chain, we define 'suppliers' as domestic and international businesses that supply either goods or services (or both) to BDO. For the purposes of this statement, we do not include other members of the BDO International network.

Using insights from our UK 2023-24 financial year spend data, we used approximately 2,200 suppliers, with most goods and services being provided by suppliers based in the UK, the EU, and the US.

As part of our Supplier Code of Conduct, we seek to operate our business both lawfully and ethically, which includes working with suppliers who are aligned to the same values. We encourage and expect our suppliers to operate in accordance with applicable laws, respecting individuals' human rights, and to be mindful of the environmental and safety impacts of products and services.

Our Supplier Code of Conduct sets out the standards expected of suppliers doing business with us and is publicly available on our website. Key requirements of our Supplier Code of Conduct are for our suppliers to:

Have policies, systems, and/or procedures in place to ensure the prevention of unethical business practices, including, but not limited to, human rights abuses, money laundering, fraud, bribery, corruption, and other improper payments, benefits, or gifts

Not use slave labour, child labour or forced labour, nor to engage in or support human trafficking

Ensure that working hours, wages, overtime pay and working conditions comply with all applicable laws; and
Provide a clean, safe, and healthy working environment to protect the occupational safety of all staff.

Our Supplier Code of Conduct is an important part of our procurement process. It is shared for acceptance and signature before a supplier can participate in a competitive market process for a material purchase. Where a competitive process does not take place, or the purchase is immaterial to BDO, agreement to the Supplier Code of Conduct or evidence of a commitment to similar requirements will usually be required as part of the supplier take-on process.

In 2024, we launched a new events review process and made operational changes. All events undergo a Health and Safety Policy review prior to use, and any events for over fifty people require a separate risk assessment which includes a review of Modern Slavery risks and responses.

Supplier risk assessment & due diligence

We recognise our responsibility to identify and address potential or actual human rights impacts linked to the goods and services we purchase. We have no desire to establish or continue relationships with suppliers who are not themselves committed to prevent, ameliorate, and/or address the risks of modern slavery.

Assessing the risk profile of the suppliers we work with is a critical part of our responsibility to mitigate potential breaches and is outlined in detail in BDO's Procurement Policy.

Specifically:

1. Risk Assessment and Due Diligence:

Suppliers undergo risk assessment as part of our due diligence process, utilising criteria from our risk triage matrix. Where a supplier is assessed as higher risk, we require them to complete more detailed and comprehensive due diligence questionnaires. In the year 2023/24, we kicked off a process to renew our due diligence on our current top 220 suppliers making up 80% of our annual spend

2. Exception Response and Investigation: Exception responses prompt further investigation by our commercial and legal teams, with follow-up with suppliers to clarify and address concerns

3. Ongoing Monitoring: In instances where new suppliers lack adequate historical evidence of anti-modern slavery measures, we reperform our risk assessment and due diligence prior to engagement and place the supplier on a risk rating to ensure that supplier conduct and working conditions are monitored.

Our Procurement Policy and due diligence process was reviewed in 2024 to ensure that we obtain an appropriate level of visibility of our suppliers' anti-slavery practices. The Procurement Policy is accessible by all partners, staff, and contractors via our intranet.

Our governance

Our governance structure is overseen by the Modern Slavery Governance Group, chaired by our Chief Operating Officer, which reports into the firm's Operations Board. This group convenes bi-monthly to discuss policy matters, procedures, and to track key performance indicators that validate adherence to our commitments.

During the 2023/24 financial year, the group focused on:

- ▶ Ensuring inclusion of the BDO Modern Slavery terms in new and strategic suppliers' contracts, which necessitates suppliers to take reasonable steps to comply with the Modern Slavery Act
- ▶ Launching a new due diligence process with ongoing monitoring of suppliers' adoption of our BDO Modern Slavery terms and Supplier Code of Conduct
- ▶ Driving our commitment to adopting sustainable and socially responsible procurement practices, including those designed to prevent modern slavery.



Our culture

As an accountancy and business advisory firm, we have professional obligations to maintain the highest standards of professional conduct and ethical behaviour.

All partners and staff are required to abide by the ICAEW (Institute of Chartered Accountants in England and Wales) Code of Ethics, which requires the firm and our people to act in accordance with five fundamental principles:

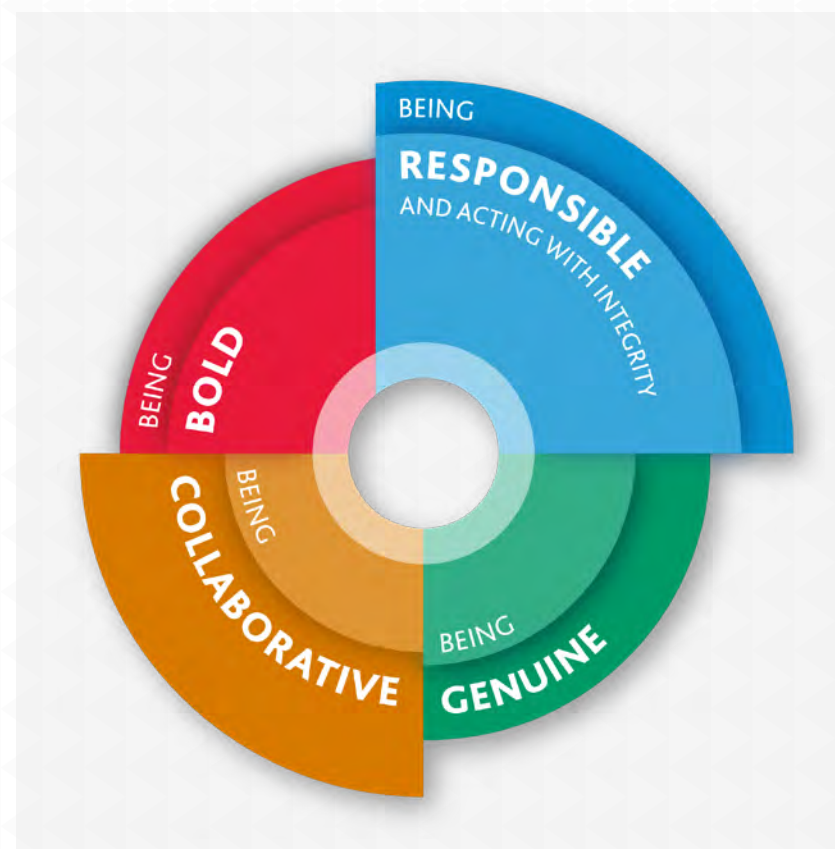
- ▶ Integrity
- ▶ Objectivity
- ▶ Professional competence and due care
- ▶ Confidentiality
- ▶ Professional behaviour.

A firm's culture is made of beliefs and behaviours. To promote positive, responsible behaviours, we seek to foster a Unifying Culture, in which people are encouraged to be themselves, are inspired and challenged, work together and be successful in our ambition to deliver high quality in all they do.

We are guided by our values which are:

- ▶ Being responsible and acting with integrity
- ▶ Being genuine
- ▶ Being collaborative
- ▶ Being bold.

Our values nurture and protect our culture, one that is ethical, empowering, collaborative, inclusive and ambitious. Together with both our staff and Supplier Codes of Conduct, they guide us in our day-to-day interactions and decision making with each other, our clients, audited entities, and society.



Our Supplier Code of Conduct is a framework to help us do the right thing. It is an expression of our shared values and the way we do business, which helps us to work openly, honestly, and ethically. With relevance to the Modern Slavery Act, it includes the following principles:

- ▶ We act with integrity. We are open, honest, and fair
- ▶ We reject unethical or illegal business practices
- ▶ We conduct ourselves professionally and always strive to protect and enhance our brand and reputation
- ▶ We are accountable for our actions.

BDO has been a signatory to the [United Nations Global Compact](#) since September 2018. This means that we prepare an annual report for review by the United Nations Global Compact, outlining the progress we have made in the preceding 12-month period. Signing up to the UN Global Compact, and reporting transparently each year, signals our support for adopting sustainable and socially responsible policies, including those relevant to modern slavery.



You can read more about this each year in both our [Culture and Impact Report](#) and our [Transparency Report](#).

Our culture

Continued

Training

To reflect our commitment to managing the risks of modern slavery across our business, we developed a new compulsory e-learning module for all our people which was launched in 2023 and is being run annually. This is an integral part of our induction process and is refreshed annually. We invest in the training, so our people all have the right skills and competence to conduct their roles effectively and to make sure they act in the public interest. This includes recognising signs of potential modern slavery during their interactions with businesses and individuals.

We have also identified approximately 130 staff buying services in higher risk categories and will roll out more extensive training aligned to the enhanced events planning policy.

Recruitment

We aim to use only specified, reputable employment agencies to source our partners and staff. Our policies include ensuring that all candidates produce original photo identification at interview stage, and we confirm the right to work in the UK prior to commencing employment. We include an Equality, Diversity, and Inclusion (ED&I) condition in our standard contract terms with recruitment agencies when we use them, and our own staff are required to complete training before they can lead interviews on behalf of the firm.



Speaking up

We encourage all our people, clients, and supply chains to report any concerns about our activities, or those of our partners, to either the firm or an independent body in line with our industry regulations.

Our Whistleblowing Policy and underlying procedures are designed to make it easy for our staff to make disclosures, away from their reporting lines, if necessary, without fear of retaliation.

By agreeing to our General Terms and Conditions at contracting stage, our Suppliers are required to take reasonable steps to ensure that slavery and human trafficking is not taking place in any of its supply chain. Information about the steps they have taken can be requested, and all suppliers must notify BDO immediately if it becomes aware of any actual or suspected slavery or human trafficking in a supply chain.

Future goals and key performance indicators (KPIs)

We are monitoring KPIs which track our progress against our Modern Slavery Act commitments and help shape our future modern slavery and human rights activity. For the 2024 -2025 financial year, these include:

- ▶ **Firm-wide Modern Slavery Training:** completion of mandatory modern slavery training by all staff
- ▶ **Incorporating Modern Slavery Act Provisions into our contracts:** Ensuring all contracts with new and strategic suppliers include robust Modern Slavery Act provisions
- ▶ **Assessment of Modern Slavery risk at our events:** Identified as higher likelihood, we are developing preferred supplier listings for events planning where we have Modern Slavery assurances in place and will undertake spot checks on site on a sample basis.

The BDO Modern Slavery Governance Group will support these initiatives and focus on:

- ▶ Appointing an Event Production Manager to support the additional reviews and risk assessments needed prior to contacting with new Event and Hotel service providers
- ▶ Conducting additional training to key stakeholders responsible for events and hotel bookings on our new risk assessment requirements.

This statement has been approved by the Members of BDO LLP and signed on their behalf by:

Andy Butterworth
Designated Member



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