



# Modern Slavery Statement

## About CIPS

The Chartered Institute of Procurement & Supply (CIPS) is the leading independent global body representing the procurement and supply profession. CIPS has a global community of over 120,000 in 150 countries, including senior business people, high ranking civil servants and leading academics. CIPS offers a “one stop shop” for Procurement and Supply excellence in People, Processes and Performance. CIPS has local operations in UK, Australia, South Africa, Dubai and Singapore. As a not-for-profit organisation CIPS is dedicated to promoting best practice, such as action against modern slavery, and is governed by a Global Board of Trustees, there are no shareholders.

# CIPS Modern Slavery Statement

## CIPS Eliminate Supply Chain Slavery Campaign

### CIPS is leading the way on raising awareness of modern slavery in supply chains...

...as well as equipping procurement and supply professionals with the necessary tools and guidance on how to address this issue in their own organisations.

Our own research from Jan 2015 found that UK businesses are woefully unprepared for the Modern Slavery Act's reporting requirements, whether that is because they are unaware of its existence or because they do not know where to start. One in five UK supply chain managers were unaware of the new rules; 27% do not fully understand what their business is required to do to; one in four cannot name a single step they have taken to comply with the law and more than half say they lack the skills to deal with modern slavery in their supply chains. Following this CIPS partnered with the Ethical Trading Initiative, to offer a skills training course that gives insight in to methods of identifying and minimising modern slavery in the supply chain, as well as guidance on how to respond to the act.

A relaunch of Supply Management Magazine in 2016 kick started our 'Eliminate Supply Chain Slavery' campaign which resulted in 91% of our readership having a better understanding of the issue and 67.2% said the campaign had altered the way they thought and behaved both as consumers and procurement professionals.

CIPS firmly believes that accountability for inadequate or exposed supply chains sits firmly with procurement professionals. CIPS therefore calls for the profession to apply a self-regulated approach to licensing by ensuring that individuals are ethically and professionally qualified. CIPS has received much support for this campaign from Kevin Hyland, the UK's Independent Anti-Slavery Commissioner, Paul Broadbent, CEO of The Gangmasters and Labour Abuse Authority, as well as from corporate organisations.

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### Our approach

Internally CIPS has a large number of policies and procedures within its own organisation that ensure poor work practices don't exist. Copies of these policies and procedures, including both grievance and whistleblowing policies (to help police our internal practices), are available to all employees via the organisation's intranet site.

All CIPS employees undergo annual e-learning and testing on ethics which includes a significant section about Modern Slavery, recognizing the risks and actions to take to eliminate it. This helps to ensure all employees know and understand the issues and responsibilities they and CIPS have in this matter. CIPS has been listed on the CIPS Corporate Ethical Register of organisations who have completed the ethics e-Learning and test since 2014.

Externally CIPS has a relatively small supplier footprint with 700 suppliers globally and with a high spend concentration (11 companies account for 50% of the total spend; 70 companies cover 80%). However we have a relatively long tail of suppliers, we spend less than £1kpa with 30% of our supply base. Also CIPS, by the nature of its supply chains, requires very little manufactured product which slightly reduces the risk profile for us as subcontracting and offshoring further down the supply chain is minimised. This therefore means less opportunity for hidden risks, or for risk levels to be changed, without our knowledge.

CIPS have reviewed the practices of 11 companies that account for 50% of CIPS total spend, and we are confident that they represent minimal discernible risk in this area. In the next 12–18 months we will be reviewing the remainder of the 70 companies. In addition, over the next 12 months we are doing a more detailed review, by commodity, to identify and resolve risks.

### Our suppliers

CIPS have five high-level commodity categories which cover the majority of our supply chain – professional and consulting services, IT equipment and services, site supplies and maintenance, travel and conferencing services, and exam and professional membership support. The higher risk areas are in IT equipment, site services and maintenance, and travel and conferencing.

- **IT equipment and services** – given the close control of supply chains by the major equipment brands and lack of transparency and CIPS very small spend we have very limited leverage, but will try to influence as we can.
- **Site services and maintenance** – is an area where we have more direct control in some geographies and is a focus area for the next 12 months. Where these services are part of a building rental agreement then as that agreement is up for review action will also be taken.
- **Travel and conferencing** – the major issue in this commodity is around staff working in the hotel and venue sector where wages tend to be low, hours can be long and where accommodation and subsistence are often provided by the employer. Therefore there is a risk of an employer limiting an employee's freedom to leave or to say no. The challenge is the fragmented nature of this commodity. We are working to understand how best to tackle this.

We are currently introducing new general and contract terms and conditions of purchase which strengthen the focus on modern slavery, and anti-corruption adherence. Further, we are planning to roll-out e-learning to our suppliers on modern slavery and anti-bribery in the next 12–18 months, as we develop the systems to support this.