

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

Edward M Astle

Chair of the Board of Governors
and Pro-Chancellor

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31st July 2020. This is our fifth statement under the Act and provides an overview of our activities in this area. It is being issued as normal though our business during the year has been severely impacted as a consequence of the COVID-19 pandemic with normal campus operations being largely suspended from mid-March onwards.

In the first quarter of 2020 an independent review of our approach to dealing with modern slavery was undertaken by Slave Free Alliance and as a result we have implemented a number of changes to improve what we do and the way that this is reported. One of the changes agreed was to restructure the lay-out of our report to aid transparency by mirroring the format suggested in the Modern Slavery Act 2015.

Our Organisation Structure, Business and Supply Chains

We are a UK Higher Education Institution which provides a wide range of teaching, research and related activities. Our main campus is in Manchester but our research and collaborative activities span the globe. In 2020 we have 40,250 students registered on undergraduate and post graduate courses on our campus and a further 3,450 studying outside the UK. We are one of the largest employers in Greater Manchester with 12,800 staff and an annual income in excess of £1 billion.

More information about us and our activities is available here: www.manchester.ac.uk

We are structured around three academic faculties comprised of individual schools: Biology, Medicine and Health (with 3 schools), Science and Engineering (with 2 schools), and Humanities (with 4 schools), and twenty one cross-disciplinary institutes. This facilitates work across disciplines, bringing innovative, and collaborative approaches to our research and teaching. In addition a Professional Services structure provides necessary administrative support. Our organisation is explained on our web-pages: www.manchester.ac.uk/discover/structure

In respect of modern slavery we have two main risk areas;

1. People: our large population of staff and students. In the latter category, for example, we have 11,545 non UK/EU students from many countries. We accord the welfare of staff, students and visitors the highest priority.
2. Supply chains: our campus comprises more than 300 buildings and we have a large and complex supply chain to support our academic activities and campus operations. We purchase a diverse range of works, goods and services and have in excess of 8,000 active suppliers listed on our Finance System. They provide us with items and services across all manner of spend from alkalines to zips. Regardless of what we buy we are committed to acquiring it in a responsible manner.

Our Policies and Processes relating to Slavery and Trafficking

Our approach around the issue of modern slavery is consistent with our civic origins and our mission to enhance society through activities in teaching, research and social responsibility. Our starting point is a zero tolerance of modern slavery and human trafficking and our internal policies and processes support this by;

- Integrating our actions with our well established risk management structures particularly around welfare and safeguarding procedures;
- Understanding our diverse supply base and the wider supply chain on which we rely through supplier engagement;
- Taking an informed risk based approach to prioritise what we do and target our actions;
- Promoting awareness and openness of the issue by sharing our experiences, collaborating within and outside the HE sector, and by taking opportunities to train our colleagues, students, suppliers, and others.

There is a clear chain of accountability for modern slavery; overall responsibility rests with our Board of Governors who have devolved

day-to-day responsibility for implementing and monitoring to the University's Professional Services function.

Following the independent review, oversight of this area has now been integrated within the portfolio of the Director of Risk and Compliance. Actions, across the University, will be co-ordinated through a group chaired by the Director of Risk and Compliance with senior representation from the following Directorates: Finance (Central Procurement Office), Human Resources, Legal Affairs and Board Secretariat, Social Responsibility, and Student Experience.

The University expects that all of its activities are carried out ethically and with integrity. Our clear commitment to a zero-tolerance approach to modern slavery is embedded in what we do to ensure that there is no modern slavery within our business, and we continue to work with our tier one suppliers to reduce the likelihood of modern slavery or human trafficking in our supply chains.

Our policies and procedures support this approach:

- We have had an Anti-Slavery and Human Trafficking Policy in place since 2016: <http://documents.manchester.ac.uk/DocuInfo.aspx?DocID=32018>
- We updated our approach to safeguarding during 2020, complementing and reinforcing our existing practice in this area, recognising the risk of slavery within an Adult Safeguarding Policy: www.staffnet.manchester.ac.uk/compliance-and-risk/safeguarding
- Annually we review our standard terms and conditions of business; they require legal compliance with the Modern Slavery Act 2015 and also that our suppliers work with us in tackling modern slavery throughout our shared supply chains.
- We continually review our procurement documentation and processes to ensure that they reflect best practice and support our objectives in this area. During the course of the year we have:

- Updated our Procurement Policy setting expectations around legal compliance including that relating to modern slavery and making specific reference to the UN Sustainable Development Goals (SDG) including SDG 8: Decent Work and Economic Growth, which provides for zero tolerance of forced labour, modern slavery and human trafficking as well as encouraging the protection of labour rights and working practices across supply chains.
- Adopted a new HE Sector Supply Chain Code of Conduct, based on a similar document created by Advanced Procurement for Universities and Colleges (APUC) in Scotland. This also makes clear reference to the SDGs and by utilising a common approach reinforces the behaviours with regard to social, ethical, economic and environmental practices we expect from our suppliers and their associated supply chains.

We remain committed to transparency as a means of driving up standards and highlighting human rights issues within supply chains, and we expect the same from our contractors, suppliers, business partners, and their supply chains. We signed up to Transparency in the Supply Chain (TISC) - the world's largest open data repository of Modern Slavery and Human Trafficking Statements - in 2017 and became a Public Partner in 2018 and our annual reports are available through their portal: <https://tiscreport.org/>.

Our Approach to Understanding and Managing Risk of Modern Slavery

As outlined above the two main risks areas for the University, in terms of slavery and trafficking, relate to people and supply chains.

The people issue was highlighted during the independent review. The University has responded by integrating modern slavery activities within its wider risk management framework and addressing specific risks through existing safeguarding structures. To support our work in this area, in addition to developing an adult safeguarding policy, the following will be developed fully once the University resumes normal activities:

- Modern slavery will be incorporated within the programme of annual risk and compliance training for senior staff;
- Utilising the effective channels and processes in place to support our Prevent Programme, targeted awareness raising will help to ensure that appropriate action is taken should any trafficking or slavery incidents be discovered;
- A range of actions to highlight modern slavery risks more widely, including: adding specific items on modern slavery within the schedule of regular risk and compliance updates, issuing news items through internal

web-pages, refreshing the content of the Risk and Compliance website, and embedding information within updates to the Senior Leadership Team.

In addition, and to raise the profile of the issue within the student body, the University will utilise its close contacts with its Students' Union and will mirror updates provided within the University for the Student Union Executive when the new leadership team takes up post.

In terms of supplier risks we have been working for several years to understand and address our supply chains. We acknowledge that there is a high likelihood that embedded within parts of our extended supply chains that some form of human exploitation is present. However, we do not condone this and take active steps to minimise this.

The first part of our due diligence process is to ensure that we deal with suitable and responsible suppliers. As a complex business we have a large and diverse supply base to enable us to carry out our wide range of teaching and research activities as well as our direct campus support operations. During 2018/19 we had 8,341 active suppliers set up on our finance system, and we see around 1,100 being added and retired each year.

However, the majority of our spending is with around 900 formally contracted suppliers with whom we either contract directly or through a public sector framework agreement. In both cases suppliers are subject to a full selection process which evaluates their capacity and capability to supply and includes assessments of, amongst other things, their supply chain practices and adherence to modern slavery legislation.

As an institution we make use of a number of external standards and agencies to provide assurance on labour practices for applicable products and processes. Of relevance to our commitments on zero tolerance of slavery and trafficking are the following:

- We have maintained Fairtrade status since 2005.
- We affiliated with the Worker Rights Consortium (WRC) between 2015 and 2019 when they stopped working in the UK HE Sector.
- We became the 5,000th organisation to be accredited with the Living Wage Foundation (LWF) in 2019.
- We affiliated with Electronics Watch (EW) as a member of our regional purchasing consortium (NWUPC) in 2019. EW assist public sector organisations to monitor rights of workers in the electronics industry. We have used for many years bespoke sector IT frameworks let by the London Universities Purchasing Consortium (LUPC), a founder member of EW.

- We signed up to the Gangmasters and Labour Abuse Authority (GLAA) construction protocol, to help prevent labour exploitation in that industry, in 2019.

Working with these organisations helps us to demonstrate good practice in our own business and encourage it amongst our contracted suppliers and their wider supply chains. Recognising the benefits of adopting widely accepted standards we continue to monitor the suitability of external validation in other areas as well.

The effectiveness of our approach to managing potential issues within our suppliers and supply chains depends upon two factors: (1) ongoing contract management processes, and (2) our ongoing supplier management practices.

Within the University we make use of a number of external framework contracts; high level ongoing contract management of these is undertaken by each letting authority. This includes monitoring of company capability and capacity as well as general reviews of their wider business practices to provide necessary assurance to contract users.

We work closely with two locally based procurement consortia: the North West Universities Purchasing Consortium (NWUPC) and The University Caterers Organisation (TUOCO), to manage risks through their contract management processes. Both these consortia have incorporated within their contract management practices physical supplier visits for UK based companies. Part of the visit includes a visual inspection of the premises, providing assurance around working practices and including looking for any signs of slavery. This provides good physical reassurance that actual working practice continues to meet our expectations. Unfortunately visits during this year have been restricted but they will resume once pandemic restrictions are relaxed.

Our own supplier management practices complement this and comprises of three elements: (1) our category management approach, (2) local contract management and (3) our active supplier engagement process.

We manage our suppliers using a category management model so that we can understand and manage risks within specific categories. Our high level supply chain risk is assessed using the UN Marrakech approach which provides a sound basis to focus our resources and actions. Effort is concentrated on categories and commodities that score highly on this and additional detail is provided in Schedule 1 below. Using this approach means we can target our limited resources to understand and promote best practice initially with our tier one suppliers but cascading this further as required, for example through our major construction contracts where sub-contractor appointments are of interest.

We undertake formal contract management for our directly let contracts and for the local delivery element of externally let contracts. Part of our contract management practice is to understand suppliers and their businesses and in particular to review their completion of our on-line supplier engagement tool.

Understanding our suppliers and their supply chains is central to our approach. During the year we have continued to use our on-line assessment tool to engage directly with all of our suppliers to identify their awareness of modern slavery and human trafficking. Each and every supplier is encouraged to share with us details of the impacts arising from their business activities, including slavery within their supply chains. This provides an opportunity for them to tell us how they are addressing these issues. To date over 1,900 suppliers have completed this information. A snapshot of this data is provided on pages 37 to 38.

We also provide support for our suppliers through our Central Procurement Office (CPO) web-pages including articulating clearly what is important to us from our suppliers. We have updated our on-line resources this year to provide more help and guidance for suppliers. Statistics from our web-pages confirm that external hits on our modern slavery pages and supplier pages are high.

We have continued work on mapping supply chains in high risk areas. This is a difficult process and we are collaborating with procurement colleagues in the sector to do this. Work on this has been halted as a result of COVID-19 but we are optimistic that it will start again next year, and that lessons on supply chain transparency resulting from the pandemic, will assist this exercise.

Staff Training and Promoting Awareness of Slavery and Human Trafficking

We remain committed to raising awareness of modern slavery amongst staff and we are in the process of incorporating relevant material into our schedule of annual risk and compliance refresher training. Wider staff training is facilitated through our staff sustainability engagement programme: 10,000 Actions. This has been updated during the year and the content of the Responsible Procurement module, which includes material on modern slavery, has been re-written. In addition the CPO web-pages have been fully re-written to include extra material on modern slavery, along with new links to external web-pages allowing staff to explore further material on the subject. Analysis of page visits over the year confirm that these pages remain in the top ten most visited on the CPO website.

Specific modern slavery training for our Estates professionals, in partnership with the GLAA,

had been planned to take place during the year but unfortunately had to be postponed as a result of our campus closedown. We will seek to re-arrange training for this high risk area in the coming 12 months.

Our central procurement team are all professionally qualified and maintain their certification by completing The Chartered Institute of Purchasing and Supply Ethical Procurement and Supply course annually. Skills and awareness, on aspects of modern slavery and human rights in a purchasing context, are kept up to date through a variety of bespoke training.

We have hosted training events for our suppliers over the past two years to raise awareness of slavery and trafficking within supply chains, with the aim of working together to encourage transparency and end unacceptable practices. In 2018 we held an event for our estates suppliers and in 2019 we hosted a joint event with TUCO for our nationally contracted catering providers. Both sessions were well attended and well received and we had planned a similar event for our laboratory suppliers during 2020 but this will be re-scheduled for next year.

As part of our continuing awareness raising, we engage widely to share best practice and keep up to date on slavery and human trafficking developments within the supply chain. Within the Higher Education sector our Head of Procurement continues to chair a sector wide Responsible Procurement Group whose remit includes modern slavery.

As a member of Slave Free Alliance we belong to a network that actively supports victims of trafficking alongside providing help and resources to organisations to manage their supply chains more effectively. They are based in Manchester and we continue to support initiatives within our immediate region particularly as a member of the Greater Manchester Modern Slavery Business Network. This group has continued to meet, physically and virtually, to collaborate, share ideas and provide opportunities to explore issues and experiences to tackle trafficking and its impacts within our city. For example: as a result of sharing the guidance we produced, in collaboration with academic colleagues in the Alliance Manchester Business School (AMBS), to help SMEs respond to modern slavery, two members of the Network have adapted this and are using it within their own supply chains.

This demonstrates the positive impact that our research activities can have in a real world context. The University is undertaking research in several areas related to slavery and human trafficking. Within AMBS there is active research on supply chains, enabling technology to monitor the various links in these chains, and broader human rights issues within supply chains. Within our Humanities

Faculty, researchers are investigating how the criminal justice system is responding to slavery and trafficking both structurally and in terms of networks, traffickers and their victims. We continue to use this work to inform approaches within our own operational activities. The University of Manchester, like other research intensive universities, is able to integrate innovative research into practical application. Use of relevant networks enables us to disseminate information and enhance understanding of key human rights issues such as slavery and trafficking.



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UNDERSTANDING OUR SUPPLIERS

We manage our suppliers through a category approach using a standard HE taxonomy that utilises 23 Level 1 codes further subdivided into 461 detailed level 2 codes. Suppliers are categorized based on their majority supply to us and we understand the risk of slavery in each area by applying the UN Marrakesh risk

profile allocated to each category which has been developed at a sector level by a group from the Higher Education Procurement Association (HEPA).

A summary of the 8,341 active suppliers in 2018/19 is provided below:

High Risk

41% of our suppliers are considered High Risk

Level 1 Category Codes	Number of Level 2 codes	Supplier Count
F - Furniture, Furnishings & Textiles	20	116
H - Janitorial & Domestic	13	75
M - Workshop, Engineering & Maintenance	19	310
W - Estates & Buildings	27	464
K - IT & Computer	23	423
Y - Facilities Operations	17	28
C - Catering	21	213
L - Laboratory	102	1,540
P - Printing	11	117
U - Health, Safety & Security	14	114

Medium Risk

12% of our suppliers are considered Medium Risk

Level 1 Category Codes	Number of Level 2 codes	Supplier Count
A - Audio-Visual & Multimedia	18	332
D - Medical	10	147
Q - Telecommunications	15	92
G - Sports & Recreation	9	0
E - Agricultural & Horticultural	16	56
N - Museums & Art	9	0
T - Travel & Transport	20	353

Low Risk

47% of our suppliers are considered Low Risk

Level 1 Category Codes	Number of Level 2 codes	Supplier Count
B - Library & Publications	21	325
J - Utilities	10	25
R - Professional & Bought in Services*	25	1,779
S - Stationary & Office Supplies	10	43
V - Vehicles & Fleet Management	14	30
X - Other (Rent, Rates, etc.)	17	1,759

*NB- This Category includes Recruitment Agencies which is High Risk

We also assess geographic risk based on the likelihood of use of forced and/or child labour of our suppliers using a country and product risk identified by the Anti-Slavery Organization: https://childhub.org/sites/default/files/anti_slavery_poster-final.pdf

High Risk

Area	Number of Suppliers by Registered Address	% of Total Suppliers
Africa	67	0.8
Asia	8	0.1
Central America	3	0.0
East Asia	68	0.8
South America	7	0.1
South Asia	45	0.5

Low Risk

Area	Number of Suppliers by Registered Address	% of Total Suppliers
Australasia	24	0.3
Europe	610	7.3
Middle East	15	0.2
North America	400	4.8
UK	7,094	85.0



Cross-referencing our list of suppliers against the 75 countries and 140 products listed by the Anti-Slavery Organizations list reveals 136 of our tier 1 suppliers are registered in 36 of the countries on that list. However, we have identified only 2 suppliers that fall into a category that may include a product on the list. We will investigate these further but they are both low value spends which we understand to be technical products unlikely to be produced using either forced or child labour.

ENGAGING OUR SUPPLIERS

All of our suppliers have been given the opportunity to complete our on-line assessment tool; this lets them tell us about the impacts (positive and negative) across the range of their business activities. The tables below provide a snapshot of what we have been told and what our suppliers are doing to combat modern slavery.

Engagement from suppliers has continued to grow year on year, and as of August 2020 over 1,900 have filled this in and have told us about aspects of their operations including their approach to modern slavery.

Engagement with our suppliers:

Our Supplier Tool	2019	2020
Suppliers have completed sustainability action plans	1,867	1,935
Suppliers have engaged with the Tool	1,537	1,606

The information provided helps us to better understand our supply base and the issues that they face. The data constitutes a rich source of information that allows us to assess the level of awareness of modern slavery and human trafficking, as well as the range of responses to it within our supply chains.

Of these suppliers they tell us that:

Our Supplier Tool	2019	2020
They have a head office outside the UK	18%	19%
They source >25% of goods / services they provide outside of Europe	21%	26%
They have a Corporate Social Responsibility or lead on on sustainability in their business	32%	31%

The evidence indicates that as suppliers are preparing for business after the UK leaves the EU, our suppliers and their supply chains are diversifying beyond Europe. It also suggests that some posts are disappearing, e.g. dedicated resource around sustainability and CSR, either due to cost pressures or as practice becomes more embedded within the mainstream. Both of these trends increase the need for due diligence on our part to understand and challenge our suppliers' supply chain practices.

Awareness of modern slavery amongst our suppliers has declined year-on-year for the first time:

Modern Slavery Data	2019	2020
Businesses are aware of the Modern Slavery Act	95%	94%
Businesses felt Modern Slavery is an issue for them	8%	9%

However, of those for whom slavery is an issue we know that:

Modern Slavery Data	2019	2020
Businesses who selected this issue have a CSR or lead on sustainability	46%	32%
Businesses selecting this issue have >25% of goods/services sourced from outside EU	29%	21%
Businesses who selected this issue have a head office outside the UK	14%	18%
Businesses selecting this as an issue are SME	76%	73%

The evidence seems to suggest that awareness of modern slavery is more widely disseminated, that it is relevant beyond those subject to UK legislation, and is also important to those who source mainly within Europe. This is encouraging and supports the view that understanding is key to tackling the problem. These responses reinforce our ongoing commitment to supporting SMEs to understand and respond to the issue.

One of our suppliers has told us:

"Our products are manufactured in the UK or EU, all personnel are employed in line with EU employment law. Supply of materials and components are sourced from an ethical source, we actively audit the supply base to ensure compliance with relevant ISO and EU requirements."

One of our suppliers has told us:

"We are committed to preserving human rights within our sphere of influence and welcome the Guiding Principles for Business and Human Rights adopted by the UN Human Rights Council. In the United Kingdom, we are required by the UK Modern Slavery Act to report on the steps and measures we are taking to counter forced labour and human trafficking."

Detailed Action Plans provide evidence that suppliers are developing actions to address slavery and trafficking within their businesses:

Supplier Action Plans	In Process		Completed		Not Started		With Evidence	
	2019	2020	2019	2020	2019	2020	2019	2020
Engage with your suppliers on Modern Slavery	32	40	27	28	85	93	30	34
Publish your 'Modern Slavery Act Transparency Statement'	16	25	42	41	86	96	32	32
Provide training for staff on Modern Slavery	23	27	26	29	95	100	28	29
Develop a robust approach to removing Modern Slavery from supply chains	31	43	41	37	72	83	36	38

Amongst our highest risk categories year-on-year results are mixed as the table below shows:

High Risk Areas	Estates and Buildings		IT and Computing		Catering	
	2019	2020	2019	2020	2019	2020
Number of registered suppliers in each group	128	126	128	129	75	75
Recognising Modern Slavery as an issue for their business	12%	12%	13%	14%	13%	11%

As part of our category management approach we will target these high risk areas to understand what is happening and work with suppliers and contract owners to make sure that modern slavery and human trafficking are being addressed adequately.

Over the coming year we will:



One of our suppliers has told us:

"At the induction training for all new staff, issues relating to Modern Slavery are discussed. Managers who work closely with our suppliers will monitor our supply chain, and are trained to identify any potential areas of concern."