The Institution of Engineering and Technology

Paper Number
**T(20)21**

25 February 2020

**PAPER CLASSIFICATION: OPEN**

**Board of Trustees**

**MODERN SLAVERY ACT 2015**

(Paper by Emily Meek, Compliance and Risk Management Officer and Dom Pickersgill, General Counsel. If you have any questions on this paper before the meeting please contact Emily Meek on 01438 765674 or by email emilymeek@theiet.org)

## 1. Issue

The IET needs to comply with the Modern Slavery Act 2015 (The Act) by producing a Transparency in Supply Chains (TISC) statement.

## 2. Timing

Board of Trustees meeting, 19 March 2020.

## 3. For Recommendation

The Board of Trustees is invited to approve the draft Transparency in Supply Chains statement.

## 4. Background

4.1. The Act applies to all commercial organisations with a consolidated turnover of over £36m per annum. The IET is caught within the definition of 'commercial organisation'.

4.2. The current IET anti-slavery policy came into effect from 1 February 2017. It was reviewed in February 2020 with no changes required.

## 5. Key Points

5.1. Modern slavery is 'slavery, servitude and forced or compulsory labour'.

5.2. Organisations to which the Act applies are required to provide an annual statement of Transparency in Supply Chains (known as a TISC statement or Anti-slavery and human trafficking statement) stating the steps they take to ensure there is no human trafficking or slavery in their supply chains, or a statement that they take no such action.

5.3. Increasingly the IET is being asked to provide its TISC statement to its customers as part of their supplier due diligence.

5.4. A risk assessment was requested of the Executive Team February 2020 to review areas of our supply train that might be susceptible to slavery or human trafficking.

5.4.1. All new contracts of suppliers located in high risk locations, geographically, should contain an anti-slavery clause, ie India, China, Hong Kong.

5.4.2. All new contracts of UK suppliers within high risk sectors should contain an anti-slavery clause, ie catering and hospitality, textiles, merchandise, recruitment agencies.

5.4.3. No risks to our supply chain were identified by the Executive Team during this risk assessment, or by the Legal team during the contract approval process.

5.5. The Legal and Compliance Team is researching modern slavery e-learning modules to roll out to appropriate staff in 2020.

5.6. During 2019 there have not been any changes to the guidelines of a Transparency in Supply Chains (TISC) statement so the 2019 statement contains only minor amends.

5.7. The current TISC statement is on the IET website with a link from the homepage and also appeared in the 2018 Annual Accounts. A draft statement for 2019 is attached as an Appendix with any changes highlighted. The 2019 global income figure is as included in the 2019 draft annual accounts.

5.7.1. The Board is recommended to approve the 2019 statement set out in the Appendix.

**6. Risk**

6.1. There is no personal liability for the Trustees for failure to include a TISC statement. However, the Home Secretary could bring High Court proceedings to force an organisation to publish a TISC statement.

6.2. The main area of risk would be on reputation.

**7. Resources**

Relevant staff within each directorate to be available to support Compliance and Risk Management officer by providing information as requested.

## Modern Slavery Act Statement

IET statement (regarding the Modern Slavery Act) as approved by the IET Board of Trustees

### Opening Statement

The IET runs its activities with integrity. Modern slavery is a complex and multi-faceted crime and tackling it requires all of us to play a part. The IET is committed to preventing acts of modern slavery and human trafficking from occurring within its business and supply chain.

The Modern Slavery Act 2015 requires UK organisations with an annual turnover of £36m or more to report on the steps they are taking to ensure that modern slavery is not taking place in its supply chains, and published with a link to the home page on its website. This includes the IET.

### Structure of the IET

The IET is one of the world's largest engineering institutions with members all over the world. It is a body incorporated by Royal Charter~~It is a company incorporated by Royal Charter in England and Wales~~, and is registered as a charity with the Charity Commission in England and Wales, and the Office of the Scottish Charity Regulator. The IET's charitable objects and purposes are as set out in section 3 of its Royal Charter. The IET is working to engineer a better world by inspiring, informing and influencing our members, engineers and technicians and all those impacted by the work of engineers. It does this through various channels including publications, events, conferences, networking and advice. As at the date this statement was approved, the IET had approximately ~~170,000~~167,000 members in more than 150 countries around the world.

The IET has offices in the UK, China, Hong Kong, India and the USA. In ~~2018~~2019, it had a global income of approximately ~~£68.7m~~£65.5m and in 2019 employed an average of 646 people worldwide.~~and employed about approximately 670 people worldwide~~. Its activities are supported by over 4,000 volunteers worldwide.

In order to deliver its activities, the IET works with a range of suppliers, including publishing services, software services, catering and facilities management, and professional services.

### Policies

The IET has an Anti-Slavery Policy in place and offers guidance on whistleblowing on its website at https://www.theiet.org/membership/career/ethics/whistleblowing-employers.cfm. In ~~2018~~ 2019 the IET undertook a risk assessment to identify areas of its supply chain which might be susceptible to slavery or human trafficking. The risk assessment considered both geographic and sector risk. It identified that as regards its operations and supply chains, catering and other services at its venues represented a risk, as did the use of certain outsourced services in India.

In 2016, the IET requested the relevant suppliers to confirm the measures they had in place to combat slavery and human trafficking. Since then, contracts with significant new suppliers, or new suppliers in sectors or countries where the risk of slavery is higher, include clauses regarding anti-slavery measures.

In 2019 the IET employed a dedicated Property and Procurement Manager whose roles includes overseeing the supplier process as part of its ongoing commitment to improving processes.

During 2019 the IET underwent a brand refresh, and due diligence was carried out on all merchandise providers.

The IET recognises the need to assess the risks of slavery or human trafficking. The IET also recognises that there may be gaps in visibility of supply chains and limitations in the tools used to identify risks. Addressing these is a complex task and therefore will take time and training to develop an effective framework. The IET will continue to look at training options during ~~2019~~2020.

To date, the IET has not found any instances of modern slavery in its operations or supply chain.

This statement was approved by the Board of Trustees on ~~21 March 2019~~.