

Modern Slavery Statement

1. Introduction

The Royal Academy of Engineering is committed to taking the appropriate measures to reduce the risk of slavery and human trafficking taking place in our organisation or our supply chains. This statement is made pursuant to section 54 of the Modern Slavery Act 2015 and constitutes the Society's slavery and human trafficking statement for the financial year ended 31 March 2023.

2. Our organisation

The Royal Academy of Engineering is a charity that harnesses the power of engineering to build a sustainable society and an inclusive economy that works for everyone.

As the UK's national academy for engineering and technology, the Royal Academy of Engineering brings together the most talented and successful engineers – our Fellows – to advance and promote excellence in engineering for the benefit of society.

We harness their experience and expertise to provide independent advice to government, to deliver programmes that help exceptional engineering researchers and innovators realise their potential, to engage the public with engineering, and to provide leadership for the profession.

Drawn half from business and half from academia, and from all branches of engineering including areas of emerging technology, our 1,600 Fellows give their time and expertise voluntarily.

3. Supply chain

The Academy engages suppliers to provide services to support in operational activities. The key areas in which we engage suppliers are:

- Facilities management
- Information technology
- Catering and events management
- Finance; and
- Legal and investments.

The risk of modern slavery in our supply chain is considered to be low due to the very low number and nature of our suppliers.

Commitment 1 - We have planned to consolidate a log of the Academy's suppliers and check whether the high-value suppliers have a Modern Slavery statement.

22/23 Progress – The Academy Finance system contains details of all our suppliers. A report has been extracted and the top suppliers have been identified. We have checked that our top suppliers have Modern Slavery Statements on their websites. If one is missing, we have contacted them to enquire on the reason. Moving forward, the Risk and Compliance team will perform a spot-check of our top suppliers to ensure they have mandatory Modern Slavery Statements.

Additionally, we have updated our Procurement procedure and delivered training to all impacted staff.

4. Our grant activities

We also deal with many organisations through our grants, prizes, and awards. We have a Grant Agreement that mentions that recipients are to follow the key Academy policies which include our Modern Slavery Statement. Our grants mainly go to research institutes and engineering organisations. The risk of modern slavery in our grant activities is considered to be very low due to the nature of our grantees.

Commitment 2 - The grant making procedures will undergo a detailed review through the Internal Audit process in the next 2 years as per our Annual Audit Plan. This Internal Audit will ensure that controls are effective and provide recommendations for improvement.

22/23 Progress – The Internal Audit took place between November 2022 and April 2023. Our dedicated audit team has assessed various risks and controls associated with our grant-making procedures. The risk of modern slavery in our grant programmes is considered very low.

We expect to have a follow-up audit activity in 2024 or 2025 to ensure our grant-making procedures align with best practices and ethical standards.

5. Policies

The Academy has in place core policies including Procurement, Risk Management, Whistleblowing and Code of Conduct.

In the last financial year, we have reviewed our Procurement Policy and supplier contracts templates with the support of a law firm. We have ensured that the content on Modern Slavery is present, effective, and still applicable.

We also acquired the support from a law firm to review our Modern Slavery policy. Numerous recommendations were given, and the planned actions have been captured in this Modern Slavery Statement.

6. Due diligence processes

The Academy wishes to foster long-term relationships with suppliers, through which policies aimed at minimising a range of risks (including the risk of slavery and human trafficking) can be advanced.

Commitment 3 - The grant-making and procurement procedures (including supplier vetting) will undergo a detailed review through the Internal Audit process in the next 2 years as per our Annual Audit Plan. This Internal Audit will ensure that controls are effective and provide recommendations for improvement.

22/23 Progress – To mitigate risks within our supply chain and procurement processes, the Academy has recently acquired a specialist due diligence solution. This solution screens individuals and organisations against various watchlists including Special Interest Persons lists which capture convictions of trafficking.

7. Risk assessment and management

The risk of modern slavery in the Academy will be captured to the Corporate Risk Register. The risk is assessed as low due to the nature of Academy operations and limited supply chain. The risk will be managed as part of the corporate risk management process which include quarterly review by the Audit and Risk Committee.

8. Key performance indicators

There are currently no key performance indicators (KPIs) to measure effectiveness and no plans to implement any. This is deemed as appropriate at this point given the low risk of modern slavery at the Academy and the priority to improve training and evaluate procedures via the Internal Audit function.

9. Training

All new joiners attend a mandatory induction session which includes information on our policies. All policies are also available to staff to refer to via the Intranet. All staff are required to read the core policies when they join the Academy.

The Head of Risk and Compliance will be responsible for the documentation and implementation of the Modern Slavery related procedures.

Commitment 4 - Training will be provided for any changes to policy and procedures as a result of the recommendations arising from the recent legal advice. E-learning is also being assessed to determine whether it is an appropriate avenue for Modern Slavery training at the Academy.

22/23 Progress – To address this commitment, we have developed a compliance e-learning pathway within our digital Learning Management System. This pathway includes a module on Modern Slavery. This newly created e-learning pathway is mandatory for all staff members, including new starters. We will continue to monitor and evaluate the effectiveness of the e-learning module and its suitability for Modern Slavery training at the Academy.

10. Approval

This statement has been formally approved by the Board of Directors on **18th September 2023**.