

# NATIONAL CHURCH INSTITUTIONS

# **Slavery and Human Trafficking Statement**

# in accordance with the

# **Modern Slavery Act 2015**



For the year ending 31 December 2022

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#### Introduction by the Archbishops of Canterbury and York

#### Isaiah 58:6

#### 'Is not this the kind of fasting I have chosen: to loose the chains of injustice and untie the cords of the yoke, to set the oppressed free and break every yoke?'

Slavery is all around us, but we are too blind to see it. It is in our hands, and yet we are too insensitive to touch it. The enslaved are next to us in the streets, but we are too ignorant to walk alongside them. It must not be relegated to a footnote in history. It is still a living reality in all our communities, not because we think it is acceptable, but because our sin lies in blindness and ignorance.

Slavery today takes many forms and encompasses a variety of situations, including women forced into prostitution, children and adults forced to work in agriculture, domestic work, or factories and sweatshops producing goods for global supply chains, even entire families forced to work for nothing to pay off generational debts or girls forced to marry older men.

The forms of slavery may differ, but they share the same essential characteristics - the coercive exploitation of the most vulnerable. People are enslaved through unpaid wages, withheld passports, physical violence, fraudulent contracts and un-repayable debt.

The tragedy of slavery is that it is a human condition of our own making. It is driven by human greed and those that would make a profit from excessively cheap labour. Slavery persists for no other reason than it is highly profitable. It is one of the most profitable international criminal industries. It feeds on human vulnerability. The majority of those who find themselves enslaved come from marginalised and impoverished communities.

Slavery never occurs in isolation. It takes place when the rule of law fails and when those that are vulnerable to human exploitation are offered no protection. It is nourished by chaos, conflict and natural disasters - all of which have been sadly on the rise in recent years.

The ground-breaking UK Modern Slavery Act 2015 provides a helpful template. If we are to eradicate modern slavery, then our efforts need to move beyond simply disrupting the flows of slavery to addressing the inequality or weak rule of law in source countries. This will be done alongside serious efforts to make supply chains slavery-free, bringing major investors alongside the work so that success in supply chains can have far-reaching impact, and making it easier to report slavery by making it more visible.

The Church of England is committed to eradicating slavery in all its forms and this statement explains the steps which the National Church Institutions take to try to ensure that it does not exist in any place in our supply chains. In addition, as you will read, we seek to exercise our influence as an investor on the companies in which we invest and to resource the wider Church to tackle this issue through initiatives such as The Clewer Initiative.

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The Most Revd and Rt Hon Justin Welby, Archbishop of Canterbury

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The Most Revd and Rt Hon Stephen Cottrell, Archbishop of York

#### **Executive summary**

**49.6 million** people are estimated to be trapped in some form of modern slavery in the world today

**136,000** victims estimated in the UK (according to the Global Slavery Index).

10,613 potential victims found in 2020 (UK)<sup>1</sup>.

Modern slavery is real. It is happening in our community. More than 200 years after the abolition of the slave trade, there are more slaves worldwide than ever before – an estimated 50 million.

At the core of this crime is deception. Survivors of modern slavery tell stories of being sold a better life. They are often vulnerable, coming from areas where there is little possibility of work. They are offered a job, a chance to make money and to build a new life for themselves. Those who offer these opportunities may even organise their travel to a different country, controlling every aspect of their trip.

The job they are offered turns out to be a lie and instead they are forced to work in difficult and degrading conditions, with little or no pay. The threat of violence, to themselves or their families, hangs over them and traps them in their situation. Even if their trafficker does not physically control them, a mistrust of authority may stop them from going to the police.

The National Church Institutions ("NCIs") are committed to tackling the issue of modern slavery in all its forms. We strive to ensure that acts of modern slavery and human trafficking cannot occur anywhere within our organisations or our supply chains, and we are committed to implementing and enforcing effective systems and controls to prevent this from happening.

We have a zero-tolerance approach to modern slavery and will not knowingly appoint or work with any supplier or partner who cannot demonstrate the same level of commitment in this area. We fully support the investigation and reporting of any supplier found to be in breach of our modern-slavery policy and approach to modern-slavery and human trafficking.

We also seek to use our influence as Institutional Investors to ensure the companies in which we invest take this issue as seriously as we do. We also have a role to play in resourcing and mobilising the local Church in the battle to eradicate modern slavery.

<sup>&</sup>lt;sup>1</sup> To the end of 2020 (the last year for which figures have been published, 10,613 potential victims of modern slavery were referred to the National Referral Mechanism (NRM), the official system through which victims of modern slavery are identified and provided with support.

#### Our organisations

The NCIs are national administrative bodies that work together to support the mission and ministries of the Church. Each NCI has a role to play in helping the day-to-day work of churches across England. They serve as the Church's central national office, managing finance, education, communications, and more, to keep the Church of England growing. They work with parishes, dioceses (regional offices), schools, other ministries and our partners at a national and international level.

The seven NCIs are:

- Archbishops Council (Charity No. 1074857) Co-ordinates, promotes, aids and furthers the work and mission of the Church of England by providing national support to the Church in dioceses and locally, working closely with the House of Bishops and other bodies of the Church.
- Church Commissioners for England ("Church Commissioners") (Charity No. 1140097) - Manages a c. £10bn investment fund to support the work and mission of the Church of England today and for future generations, helping it to remain a Christian presence in every community.
- The Church of England Pensions Board ("Pensions Board") (Charity No. 236627) - Provides retirement services for those who have served or worked for the Church including administering three pension schemes and providing retirement housing.
- Church of England Central Services (Charity No. 1155158) -Provides cost-effective support services to the NCIs and the wider church, including Finance, IT, HR, Office Services, Records Management, Legal, Communications and Risk Management, and Internal Audit.
- The National Society (Church of England and Church in Wales) for the Promotion of Education (Charity No. 313070) - The National Society was established in 1811 to provide schools for poor children. Today, we promote and resource nearly 4,700 Church of England and Church in Wales schools.
- The Archbishop of Canterbury (as a Corporation Sole) ("Lambeth Palace") The office and home of the Archbishop of Canterbury.
- The Archbishop of York (as a Corporation Sole) ("Bishopthorpe Palace") The office and home of the Archbishop of York.

The NCIs are separate legal entities, but they are a common employer. This statement has been adopted by all the NCIs on behalf of themselves and their subsidiary entities.

Further information about each of the NCIs and their activities can be found in the <u>Appendix</u>.

## Our policies and procedures

Our core policies and procedures reflect our commitment to acting ethically in our business relationships and help us enforce effective systems and controls to mitigate the risk of modern slavery occurring in our organisations or our supply chain.

Our policies apply equally to staff, trustees, volunteers, and anyone engaged on a temporary basis.

We make sure that our suppliers are aware of our policies and agree to adhere to the same high standards that we set ourselves.

As part of our commitment to combating modern slavery, the NCIs have implemented the following policies within our organisations to assist in minimising the risk of modern slavery and human trafficking occurring in our organisation and supply chain:

- HR Policies we deploy a wide range of HR Policies to ensure that staff are properly appointed, paid fairly and enjoy a competitive remuneration package
- Modern Slavery Policy sets out the NCIs' approach and process towards managing and minimising the risk of modern slavery and human trafficking from occurring in our organisation and our supply chain
- Procurement Policy sets out a number of factors which must be followed when selecting suppliers to assist in ensuring that a good business partner is selected, and includes supplier reputation and compliance with relevant laws and ethical procedures
- Supplier Code of Conduct designed to help our suppliers understand the behaviours and standards that are expected of them when working with the NCIs

We review policies on an ongoing basis, which may result in changes or may just be a check that information is still current

Our modern slavery policy continues to be communicated to staff and available on our intranet

Our Procurement policy is reviewed and updated regularly, and available on our intranet along with a range of other resources to support staff in following the policy

Our Supplier Code of Conduct is sent to all new suppliers as part of our regular due diligence and onboarding of new suppliers process

- Anti-Fraud, Bribery and Corruption policy – sets out the NCIs' stance on fraud, bribery and corruption and our approach to preventing, detecting, reporting and investigating fraud, bribery and corruption
- Whistleblowing policy The NCIs have in place a means by which employees can disclose without fear of reprisal any suspicion of an activity which may be illegal or fraudulent, including instances of modern slavery and human trafficking.

Our Anti-fraud policy is available on our intranet and staff are reminded of our zero-tolerance approach through regular training and communications.

Our Whistleblowing policy continues to be promoted with a recent webinar for all staff in late 2022.

# Our policies are monitored by a relevant policy owner and updated on a regular basis.

In 2021, the Church of England's National Investing Bodies ("NIBs") (which include the Church Commissioners and the Pensions Board) published a Human-Rights Policy based on advice from the Church's Ethical Investment Advisory Group (which was published in the same document).

The policy outlines new expectations of businesses "to demonstrate consciousnesses with regards to human rights through an active commitment to ensure that they prevent or mitigate the risk of adverse impacts on human rights in all their activities". This is implemented by the NIBs through data, research, prioritisation based on saliency, and reviewing outcomes and reporting to trustees.

#### Staff training and induction.

Once a member of staff commences employment with the NCIs, they must complete an induction process which includes information and training on our policies.

Our policies and statements are available on our intranet and where appropriate our website. Staff are expected to familiarise themselves with these.

Specific training on mitigating the risk of modern slavery and human trafficking in our supply chain is available to relevant members of staff through our procurement training with team advice being available on demand.

Training and resources are also available from the Clewer Initiative<sup>2</sup> who have developed materials for a church audience.

<sup>&</sup>lt;sup>2</sup> See p.12 for more details on the Clewer Initiative.

#### Our due diligence processes.

#### Through our supply chain

The NCIs have a dedicated procurement function, supported by a procurement policy, template documents and standardised processes, to ensure a good practice procurement approach.

As part of our ongoing efforts to monitor and reduce the risk of slavery and human trafficking occurring within our organisation and supply chain, we have adopted the following due diligence procedures:

- Undertake due diligence on our suppliers prior to their appointment and approval through our procurement and supplier onboarding process.
- Undertake risk based reviews with key supply chain partners on a regular basis to ensure continued compliance with our policies and requirements.
- Ensure that all new key contracts with our suppliers reflect agreement and compliance with our Modern Slavery policy and Supplier Code of Conduct; and
- Take appropriate investigation and reporting steps if we suspect, or are alerted to, any evidence of slavery or human trafficking occurring across our supply chain.

These procedures are designed to:

- Identify and monitor areas of potential risk in our business and supply chains;
- Minimise the risk of slavery and human trafficking occurring in our business and supply chains;
- Address incidents or reports of modern slavery in our business and supply chains; and
- Provide adequate protection for whistle blowers.

We continue to review and strengthen our process to ensure that our suppliers adhere to our Modern Slavery policy and our Supplier Code of Conduct, and to date we have assessed on average 600 new suppliers per annum to the NCIs under this process.

We enforce a strict compliance with our Code of Conduct and do not tolerate slavery or human trafficking within our supply chains. If we should find evidence of a failure to comply with these policies, or a breach of our Supplier Code of Conduct we will try to work with the supplier to improve standards and employee welfare.

We reserve the right to terminate an arrangement with any Supplier immediately for relevant transgressions or where there is no willingness to make the necessary improvements, and/or to report any findings to the appropriate authority. Similar due diligence arrangements remain in place for suppliers appointed by Parish Buying, a service facilitated by the NCIs through which framework contracts are negotiated with key suppliers which can then be used by parishes, dioceses, cathedrals and other bodies within the wider Church.

#### Through NIBs investment stewardship

The Church Commissioners and the Pensions Board, as NIBs, share a Human Rights Policy, adopted in 2021, which sets out the expectation for investee companies to respect human rights and commits to integrate human rights due diligence into the NIBs' stewardship approaches. The annual stewardship reports of the Church Commissioners and Pensions Board explain in more detail how this due diligence approach works and relates to modern slavery risks in the investment portfolio.

Within their investment portfolios, the NCIs have portfolios of real asset investments and review the risks of modern slavery and human trafficking occurring at these assets. We train our staff to be alive to these risks when inspecting our assets. We also review the Slavery and Human Trafficking Statements of the agents that the NCIs use across our property, rural land and forestry portfolios in the UK and instruct vigilance on modern slavery, including in contracts. We work collaboratively with other relevant third parties on modern slavery awareness and risks including police forces, local councils and other investors in property assets.

A cross-NIB example is where the Church Commissioners and The Church of England Pensions Board have become involved in the CCLA led "Find It Fix It Prevent it Initiative". This is an investor-led, multi-stakeholder, project designed to harness the power of the investment community to increase the effectiveness of corporate actions against modern slavery.

The Initiative includes three project streams:

- Public policy: to promote a meaningful regulatory environment through work with the UK government and the Home Office.
- Corporate engagement: aiding companies in developing and implementing better processes for finding fixing and preventing modern slavery.
- Developing better data: working with data providers, non-governmental organisations and academia to develop better data.

#### Through our investment partners

The NCIs are taking a number of steps to contribute actively towards the eradication of modern slavery and human trafficking through stewardship activities as investors.

The Church Commissioners, the Archbishops' Council, and The Church of England Pensions Board are all members of the Church Investors Group ("CIG") which represents institutional investors from many mainstream Church denominations and church related charities, and together represent over £21bn of investment assets. Through the CIG, the NCIs engage with investee companies on a number of issues, with modern slavery being a key area of focus. Since 2012 the CIG has:

- Led engagement with three hotel chains on the risk of their facilities being used for child sex trafficking. This led to one company identifying issues through a newly commissioned audit and another developing and leading a training programme for franchise holders.
- Conducted initial awareness raising with FTSE350 constituent companies about the requirements of the Transparency in the Supply Chain provision of the Modern Slavery Act.
- Helped develop and used the Business and Human Rights Resource Centre's ranking report to encourage improvements at FTSE 100 companies who lagged their peers in responding to the Act.
- Engaged with supermarkets about The Clewer Initiative's Safe Car Wash app.
- Worked with UK-listed hospitality companies and global personal and household goods companies to promote 'the employer pays' principle so that migrant workers are not trapped in abusive working environments unable to pay back recruitment fees.
- Supported international investor initiatives on modern slavery in Canada, the USA and Australia;
- Integrated modern slavery considerations into the CIG Voting Guidelines, recommending voting action against listed companies with inadequate approaches to modern slavery;
- Provided a submission to the Home Affairs Select Committee inquiry into the effectiveness of the Modern Slavery Act setting out the CIG's engagement experience; and
- Published the 'Modern Slavery Engagement Report' in conjunction with CCLA, detailing the work undertaken to engage with Companies and Regulators between 2017 2019.

# Other work by the Church

#### Joint Declaration Against Modern Slavery

Churches from all denominations have been at the forefront of efforts to tackle modern slavery. In December 2014, Pope Francis, Archbishop Justin Welby, and representatives of Ecumenical Patriarch Bartholomew joined other faith leaders in signing a Joint Declaration Against Modern Slavery which included a declaration to work together to try and eradicate modern slavery across the world by 2020. Whilst this ambitious deadline has now passed, the unwavering commitment to work towards the eradication of modern slavery remains.

## The Clewer Initiative

In 2017 The Clewer Initiative was launched as the Church of England's response to modern slavery. The Clewer Initiative's work involves enabling dioceses to develop strategies to raise awareness of modern slavery, identify victims, and support the survivors. They also run national campaigns such as Safe Car Wash, a smartphone app which enables users to identify the likelihood of modern slavery in their hand car wash and report their concerns.

Since launching, The Clewer Initiative has worked actively with the majority of the Church of England's 42 dioceses, on a variety of projects. These include training for those working with homeless people, resources for speaking about modern slavery in church, and Hidden Voices, a community development course designed to help a small group discern how they could respond to modern slavery in their area. The Clewer Initiative also runs a national network for sharing learning and best practice, which draws in lead officers from the dioceses as well as partners from around the country.

Working with the structures of the Church of England continues to be central to The Clewer Initiative's approach. The National Safeguarding team has supported this with an extensive programme of Modern Slavery training for Diocesan and Parish Safeguarding Officers, information and advice has been provided for the Lords Spiritual and there is also activity with a number of Cathedrals to produce larger, one off, pieces of work that draw in large audiences.

#### Actions and future commitments

Following a review of current policies and processes in 2021, we have embedded the following steps to minimise the risk of slavery or human trafficking from occurring in our organisations and supply chain:

- Continued to issue and -require compliance to our **Supplier Code of Conduct** with all new suppliers, which sets out what we expect of our suppliers, including their own response to issues of modern slavery.
- Continue to undertake a rolling review of current **high risk / significant suppliers** to ensure that we have undertaken the same due diligence processes as we would for new suppliers.
- Continue to manage our central register of **contracts** to improve the visibility of our key supplier relationships and terms.
- Ensure that new key contracts have relevant **modern slavery clauses** included in them.

# **Appendix: About the National Church Institutions**

# The Church Commissioners for England

The Church Commissioners for England ("Church Commissioners") are a body corporate established in 1948 by the Church Commissioners Measure 1947 and are also a registered charity (No. 1140097). The organisation was formed by merging two bodies - Queen Anne's Bounty, formed in 1704 to support poorer clergy, and the Ecclesiastical Commissioners, set up in 1836 to administer several functions of the Church.

The Church Commissioners exist to support the work and mission of the Church of England today and for future generations, helping it to remain a Christian presence in every community.

They do this by managing a c.£10bn investment fund in a responsible and ethical way, using the money they make from their investments to:

- Provide funding for mission activities.
- Support dioceses with fewer resources with their ministry costs.
- Pay for bishops' ministry and some cathedral costs.
- Administer the legal framework for re-organising parishes and settling the future of closed church buildings.
- Pay clergy pensions for service prior to 1998; and
- Run the national payroll for serving and retired clergy.

The Church Commissioners have plans to distribute approximately £400m per annum over the three year period 2023-25 to support the work of the Church of England, making them one of the largest charitable givers in the UK.

# The Archbishops' Council

The Archbishops' Council ("Council") is a body corporate established in 1999 by the National Institutions Measure 1998 and is also a registered charity (No. 1074857).

The Council exists to co-ordinate, promote, aid and further the work and mission of the Church of England. It does this by providing national support to the Church in dioceses and locally, working closely with the House of Bishops and other bodies of the Church.

The Council's vision is that the Church of England's calling is to proclaim the Good News of Jesus Christ afresh in each generation to the people of England.

The Vision for the Church in the 2020s is that it becomes a Church that is centered on Jesus Christ and shaped by Jesus Christ through the five marks of mission:

- To proclaim the Good News of the Kingdom.
- To teach, baptise and nurture new believers.
- To respond to human need by loving service.
- To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation.
- To strive to safeguard the integrity of creation and sustain and renew the life of the earth.

The Archbishops' Council has seven objectives.

- 1. **A Younger Church:** To double the number of children and young active disciples in the Church of England by 2030.
- 2. **A More Diverse Church:** To fully represent the communities we serve in age and diversity.
- 3. **Revitalise Parishes:** A parish system revitalised for mission so churches can reach and serve everyone in their community.
- 4. **New Christian Communities:** Creating 10,000 new Christian communities across the four areas of home, work / education, social and digital.
- 5. **Missionary Disciples:** All Anglicans envisioned, resourced, and released to live out the five marks of mission in the whole of life, bringing transformation to the Church and world. All local churches, supported by their dioceses, becoming communities and hubs for initial and ongoing formation.
- 6. **Sustainability:** A Church that cherishes God's creation and leads by example in promoting sustainability.
- 7. **Safety and Dignity:** A Church that affirms the dignity of all people by being a safe place for all, especially children and vulnerable adults.

# The Church of England Pensions Board

The Church of England Pensions Board ("Board") is a body corporate established in 1926 now governed by the Church of England Pensions Measure 2018 and is also a registered charity (No. 236627).

The Board provides retirement services for those who have served or worked for the Church of England. To provide these services it:

- acts as corporate trustee of three multi-employer pension schemes and administers pensions for around 40,000 people across more than 700 employers.
- manages pension funds in excess of £3bn.
- operates the Church's Housing Assistance for Retired Ministry (CHARM) scheme, designed to assist retiring clergy leaving tied accommodation and who have not been able to make their own provision for somewhere to live in retirement; and

• operates supported housing schemes for those retired clergy and their dependants who wish to live as independently as possible in a caring Christian community.

The Board also manages the Secretariat to the Ethical Investment Advisory Group ("EIAG") on behalf of the Church of England's National Investing Bodies ("NIBs") (the Commissioners, the Board, and the CBF Church of England Funds managed by CCLA Investment Management Ltd). The role of the EIAG is to advise the NIBs on ethical investment policies.

#### Church of England Central Services

Church of England Central Services ("ChECS") is a company limited by guarantee established in 2013 (Company No. 8776679) and is also a registered charity (No. 1155158).

ChECS is jointly controlled by its three members which are the three main NCIs (the Commissioners, the Council, and the Board). ChECS exists to provide cost-effective shared services to the NCIs and other related Church bodies and provides the following services: Finance, IT, HR, Office Services, Records Management, Legal, Communications and Risk Management, and Internal Audit.

#### The National Society (Church of England and Church in Wales) for the Promotion of Education

The National Society is a Royal Charter corporation and a registered charity (number 313070).

The National Society was established in 1811 to provide schools for poor children. Today, it promotes and resources nearly 4,700 Church of England and Church in Wales schools through:

- negotiating with the government and other national agencies to maintain and develop the contribution of church schools to public education in England and Wales.
- supporting and advising diocesan education teams on legal and technical, curriculum and ethos issues; the education teams operate within 41 Dioceses, each Diocese will have a structure of boards and councils responsible for different aspects of the Church's work including education.
- working closely with the other NCIs to contribute a Christian perspective to educational debate.

## Archbishop of Canterbury / Lambeth Palace

The Archbishop of Canterbury is a corporation sole. The office was established by St Augustine in 597 and the current Archbishop is the 105<sup>th</sup> holder of the office. Lambeth Palace was acquired by the Archbishop of Canterbury in around 1200. The Palace is now owned by the Commissioners but is still the London home of the Archbishop, his family, and two religious communities. It is the centre of the Archbishop's ministry, worship, and hospitality and serves as the office of his staff.

The Archbishop of Canterbury is the leading spokesman on behalf of the Church of England and has an automatic seat in the House of Lords. He is the Primate of All England, Chair and President of numerous Church bodies and leads the thirty dioceses in the southern province of the Church of England. He also fills a unique position as the spiritual leader of the world-wide Anglican Communion.

Lambeth Palace operates as a multi-functional premises, hosting working offices, meeting rooms, worship areas and living quarters. In addition to events hosted by the Archbishop, the palace and its grounds are also used as an events venue for organisations and charities. During the summer the garden is often host to receptions and outdoor activities. The Lambeth Palace Library, based in the grounds of the Palace, houses the largest collection of religious books outside the Vatican.

#### Archbishop of York / Bishopthorpe Palace

The Archbishop of York is a corporation sole. There was a bishop at York during the Roman occupation of Britain, but the current office was established by St Paulinus Augustine in 625 and the current Archbishop is the 97<sup>th</sup> holder of the office. Bishopthorpe Palace was acquired by the Archbishop of York in 1226. The Palace is now owned by the Commissioners but is still the home of the Archbishop of York and his family. It is the centre of his ministry, worship, and hospitality and serves as the office of his staff.

Together with the Archbishop of Canterbury, the Archbishop of York is a leading spokesman on behalf of the Church of England and he also has an automatic seat in the House of Lords. He is the Primate of England, Chair and President of numerous Church bodies and leads the twelve dioceses in the northern province of the Church of England.

Bishopthorpe Palace operates as a multi-functional premises, hosting working offices, meeting rooms, worship areas and living quarters. The palace and its grounds are also used for charity open days, retreats, evening receptions, village fetes, and more.