

Introduction

Adam Smith International Limited (**ASI**) has a zero-tolerance approach to modern slavery and human trafficking and we are committed to continually improving our practices to combat slavery and human trafficking.

Organisation's structure

We are a global advisory company that works locally to transform lives by making economies and societies more stable and governments more effective. We work with governments, foundations and companies that share our ambition to take on big challenges that face the world. We implement sustainable development programs, including in fragile states or conflict zones. ASI is a part of the Adam Smith Advisory Group, which is our parent company. ASI is headquartered in the UK and has subsidiaries and branches (the **ASI Group**) across the globe, operating in 24 countries with over 250 employees.

Our business

We deliver programmes in country, in the areas of stabilisation, security and justice, governance, public financial management, education, climate change, private sector development, and infrastructure. As a company delivering sustainable development, including in fragile states or where there is conflict, we strive to maintain the highest standards of integrity, professionalism and efficiency in carrying out our work.

Our supply chains

Our supply chains consist of third-party suppliers, self-employed consultants and partner organisations spread across our global operational platforms. We strive to ensure that all goods and services purchased as part of programme delivery and ongoing operations are free from modern slavery and human trafficking. We often engage local NGOs as local implementation partners and also as advisers. Alongside our employees, we engage local and overseas independent consultants as specialists to join the project team. Projects where there may be personal contact with members of the local community (including vulnerable individuals) and projects where licenses and authorisations are needed from local government and ministries, result in higher risks being carried through the supply chain. We have a thorough supply chain due diligence screening process for all our third parties to ensure that they have appropriate policies to minimise the risk of modern slavery and human trafficking with their business and onward supply chains. We seek to work with suppliers and third parties who can demonstrate that they share similar values as that of ASI. We endeavour to contractually require these suppliers to agree to abide by ASI's Code of Conduct.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We fully endorse and support the principles International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work and ILO's Forced Labour Convention.

Our Human Trafficking and Modern Slavery Policy reflects our commitment to act ethically and with integrity in all our business relationships, and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

Our Safeguarding Policy reinforces our commitment to all vulnerable individuals who may be affected by our work, including those are at risk of being human trafficked and subject to modern slavery.

Our Procurement Policy requires that ethical standards are adhered to in the purchase of goods and services.

Our Third-Party Screening Policy requires that all third parties with whom we do business are screened for compliance with our Human Trafficking and Modern Slavery Policy.

Our Equality, Diversity and Dignity at Work Policy requires that all ASI Workers are treated with respect and dignity at work, are free from bullying or harassment, and are paid equal to their counterparts.

Our Speak Up Policy gives a direct, anonymous, and free of charge phone line for incidents or suspected incidents of unethical behaviour, including human trafficking and modern slavery, to be reported and responded to with urgency.

Our Investigations Manual provides for the thorough and independent investigation of any reported violation of the above policies (and other AGI Group policies).

Due diligence processes for slavery and human trafficking

As part of our initiative to identify and mitigate risk we have in place systems to:

- Identify and assess potential risk areas in our supply chains, bearing in mind particularly high-risk jurisdictions and industries;
- Mitigate the risk of slavery and human trafficking occurring in our supply chains;
- Continuously monitor potential risk areas in our supply chains; and
- Protect whistle blowers.

We stay abreast of developments in best practice in relation to mitigating the risks of modern slavery and human trafficking.

Third Party and Staff adherence to our values

As we take a zero tolerance to slavery and human trafficking, we also ensure all those in our supply chain comply with our values:

- All employees and independent consultants (**Staff**) are engaged on terms that are compliant with local labour laws;
- All third parties and Staff are screened using RiskRate, a reputable due diligence risk management platform and where necessary, we supplement this with a local due diligence partners. An informal, on the ground due diligence is also carried out through local networks, where proportionate.
- All third parties and Staff are contractually required to comply with the Modern Slavery Act 2015;
- All third parties and Staff are required to sign an ethics declaration form which confirms their compliance with the Modern Slavery Act 2015, amongst other key and complementary pieces of legislation, such as anti-bribery legislation;
- All third parties and Staff are informed of and are given access to the anonymous, free of charge Speak Up phone line, and any reports are escalated and dealt with as a matter of urgency by our Head of People & Talent as well as our Head of Internal Audit and Investigations.
- The Internal Audit team conduct audit(s) during the life cycle of a project and make recommendations to ensure management take steps to mitigate identified risks.

Whistleblowing

ASI truly values and encourages anyone connected to our work; which includes staff and associates, as well as beneficiaries and supply chain partners to speak up and report any actual or suspected misconduct, possible breach(es) of our Code of Conduct, ASI's operations or laws and regulations. Anyone who suspects or knows of any violations of ASI's policies, or any commitment outlined in this statement should raise their concerns through an independent third party *Speak Up hotline* which enables the reporting of breaches that could relate to modern slavery and human trafficking.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our Staff as part of the annual compliance training programme. In addition, we have a dedicated page on our intranet with a range of safeguarding resources and tools that Staff can access at any time. We endeavour to build the capacity of our supply chain partners through training session and workshops in order to help them understand the importance of ensuring that their own workforce and supply chain is free from modern slavery and human trafficking. Where appropriate, we will work with suppliers to improve their own policies and processes to mitigate the risks of modern slavery and human trafficking.

Monitoring our mitigation of slavery and human trafficking risk

We maintain an investigations log of any reports of suspected slavery and human trafficking. We are pleased to state that no such reports have been made during the statement period.

The year ahead

Following a review of the effectiveness of the steps we have taken to date to ensure that there is no slavery or human trafficking in our supply chains, we intend to continue to strengthen our compliance programme including in this area by reviewing our Code of Conduct, due diligence policies and processes to strengthen your approach to eliminating the risk of slavery and human trafficking within our business and supply chain and to ensure our strategy is responsive to changing risks. This includes working with our key stakeholders on any recommendations and opportunities for improvement that might arise out of our assessment of a project.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2020. It was approved by the board on .

Jalpa Patel, Interim Chief Executive Officer

Adam Smith International Limited

Date: 29 October 2021 | 3:56 PM BST

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Jalpa Patel

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