

Modern Slavery and Human Trafficking Statement

Introduction to the IFRS Foundation and the Statement

The IFRS Foundation is a not-for-profit organisation established to develop in the public interest highquality, understandable, enforceable and globally accepted accounting and sustainability disclosure standards—IFRS Standards—and to promote and facilitate their adoption. It has business operations in the United Kingdom, Japan, Germany, China, the United States and Canada. The IFRS Foundation Group comprises the IFRS Foundation, IFRS Foundation LLC; IFRS Foundation Asia Oceania Ippan Shadan Hojin; IFRS UK Limited; VRF UK; VRF Reporting Charity; IFRS Foundation (ISSB) Montreal; and IFRS Foundation (ISSB) Frankfurt information about the nature of our work is available on our website: <u>our website</u>, <u>IFRS.org</u>. The IFRS Foundation remains committed to respecting human rights. We have policies, procedures, and practices designed to help safeguard against modern slavery.

The Foundation is funded through a mix of contributions and earned revenue with an approximate 61%:39% split. Key funders include, but are not limited to: Montreal International, the European Commission, the German Hessisches Ministerium für Wirtschaft, Energie, Verkehr und Wohnen, Japanese Financial Accounting Standards Foundation, Stichting IKEA Foundation, Ministry of Finance of the People's Republic of China, UK Department for Business, Energy & Industrial Strategy, and international accounting firms. See page 69 of our annual report for a full list of funders: <u>ifrs-foundation-annual-report-2023.pdf</u>. Funding is accepted in line with our Acceptance of Donations Policy.

To advance the Foundation's mission and activities, we work with various partners which have an interest in supporting our mission, these include international non-governmental organisations, such as the UN, international governmental groupings such as the G7 and G20, national governments, global accounting firms, groups of standards setters, and various accountancy interest groups and many others.

The Foundation's suppliers include, but are not limited to, software suppliers, warehousing suppliers, printers, public relations firms, photographers and cleaning and catering service providers.

As a global organisation the Foundation's anti-slavery and human trafficking programme is designed to align us with various international and national statutory and non-statutory instruments such as: the UN Convention on Human Rights Article 4, the UK Modern Slavery Act 2015 and other applicable laws and regulations.

The Foundation has prepared this Modern Slavery and Human Trafficking Statement as required by the UK Modern Slavery Act 2015. This Statement applies to the Foundation and all of its subsidiaries and companies listed above. The terms 'Modern Slavery' and 'Human Trafficking' are used below as defined in the UK Modern Slavery Act 2015 (<u>'UK Modern Slavery Act 2015</u>)

Modern Slavery and Human Trafficking Statement 2024

1. Our commitment

- 1.1. The IFRS Foundation (**the Foundation**) has a zero-tolerance approach to Modern Slavery and is committed to acting ethically and with integrity and transparency in all of its activities. This means we are committed to preventing acts of Modern Slavery and Human Trafficking from occurring within our business and supply chain and we require our suppliers to meet the same high standards.
- 1.2. The Foundation contractually requires all of its suppliers and business partners to conduct their business in a lawful and ethical manner, which includes adopting business practices that

prevent or eliminate Modern Slavery and Human Trafficking from taking place within their supply chains.

- 1.3. If we find evidence that a supplier is engaging in such activities, we will immediately seek to terminate our relationship with that supplier unless they can promptly eliminate those practices from their business.
- 1.4. We conduct an annual risk assessment process to ensure that our approach to Anti-Slavery and Human Trafficking Policy is aligned with the risks that we face.
- 1.5. The Foundation's commitment to tackling Modern Slavery and Human Trafficking is implemented through our policies, approach to risk management, due diligence processes, and training provided to staff. More information on each is provided below.

2. Our policies

- 2.1. Our organisational values are outlined in the Foundation's Culture Framework and are embedded in our policies and practices to ensure that at all times we are conducting business ethically and with integrity. These policies are reviewed and updated regularly. Our key policies which define our approach in this area are:
 - (a) the Culture Framework;
 - (b) the Equal Opportunities Policy;
 - (c) the Safeguarding and Child Protection Policy;
 - (d) the Acceptance of Donations Policy;
 - (e) the Procurement Policy; and
 - (f) the Whistleblowing Policy and Procedure.
- 2.2. Our Whistleblowing Policy is available on The Foundation's website and all other policies are available upon request from compliance@IFRS.org
- 2.3. Our employee recruitment, compensation and training practices support our zero tolerance approach to modern slavery and human trafficking.

3. Risk management

- 3.1. The Foundation's annual Modern Slavery Risk Assessment has rated our exposure to Modern Slavery risk as 'low'. This is because the Foundation does not operate in high-risk sectors and has a low level of business opportunity and business partnership risk.
- 3.2. The Foundation has in place both a Trustee-level Audit and Risk Committee and a senior executive-level Executive Risk Committee to oversee the timely identification of risks and our response to them. We are currently in the process of drafting a new global risk management policy and framework to further strengthen our approach to risk management.
- 3.3. The Foundation staff has a global independent whistleblowing service available through which any concerns can be raised in a confidential manner. We report periodically to the Trustee-level Audit and Risk Committee on concerns raised.
- 3.4. The Foundation verifies all its donors, suppliers and other partners through its due diligence process prior to donation acceptance / contracting.
- 3.5. The Foundation places obligations regarding prevention of Modern Slavery on our suppliers through our terms and conditions. These requirements include conducting regular Modern Slavery risk assessments within their own supply chains, implementing appropriate controls to prevent Modern Slavery, and notifying us immediately if they become aware of any Modern Slavery within their supply chains.



4. Due diligence processes

- 4.1. Within our organisation, we have robust due diligence processes, which include:
 - (a) undertaking document checks on candidates prior to employment, performing appropriate reference checks and ensuring that staff are paid directly into a suitable personal bank account.
 - (b) performing due diligence checks on all suppliers, partners, licensees and donors prior to approving and accepting them. These checks are built into the Foundation's Procurement Policy and process. The checks we make on donors are outlined in our Donation Acceptance Policy.

5. Training and capacity building

5.1. Training in detecting and preventing Modern Slavery has been available to staff upon request.

6. Effectiveness of our approach

- 6.1. The Foundation has received no notifications of Modern Slavery concerns regarding our staff or suppliers in the financial year 2022/23.
- 6.2. In preparation for making this Statement, being mindful of our recent expansion, the Foundation has conducted a baseline Modern Slavery risk assessment. As a result the Foundation intends to take the following steps:
 - (a) perform the Modern Slavery risk assessment process annually;
 - (b) establish clear internal accountability standards within our Anti-slavery and Human Trafficking Policy;
 - (c) implement mandatory training in detecting and preventing Modern Slavery to all staff upon recruitment;
 - (d) further educate staff on the importance of due diligence and procurement procedures;
 - (e) raise awareness around our refreshed Whistleblowing Policy and procedure;
 - (f) implement a new global, integrated approach to risk management;
 - (g) establish Modern Slavery Prevention Key Performance Indicators and report on this annually to our Trustees and the public through our next Modern Slavery Statement.

Approval of this Statement

This statement is made in accordance with section 54(1) of the UK Modern Slavery Act 2015 and constitutes The Foundation's slavery and human trafficking statement for the financial year ending 2024.

This statement was approved by the Foundation's Trustees on 22nd May 2024.

pour hope

Andrea Pryde, Acting Managing Director

Date: 22.05.2024