MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT THE ROYAL ACADEMY OF ARTS

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Introduction

The Royal Academy of Arts (RA) is committed to combatting slavery and human trafficking. This Statement sets out the steps that the RA is taking to ensure modern slavery is not taking place in our business or supply chains and is made pursuant to Section 54 of the Modern Slavery Act 2015. This Statement is applicable for the financial year which ended 31 August 2023.

Organisational Structure, Business and Supply Chains

This Statement applies to the RA as a whole, which includes the following entities:

- The Royal Academy of Arts ('RA') (company no. 6298947) An independent charity led by eminent artists and architects to promote the Arts of Design through exhibitions and education.
- RA Enterprises Ltd (company no. 1666333) A wholly-owned subsidiary of the RA that operates the RA's shops and e-commerce, restaurants and cafés, publications, art sales and commercial learning.
- Burlington House Ltd (company no. 2216104) A wholly-owned subsidiary of the RA that conducts fundraising, through ticketed events, from the corporate sector and individuals.
- RA (Arts) Ltd (company no. 2836364) A wholly-owned subsidiary of the RA that operates entertainment and community services for the corporate sector.
- The Friends of the Royal Academy (company no. 1291535) A separate charity with its own trustees, it supports the work of the Royal Academy and promotes the creation and appreciation of the arts.
- The Royal Academy Trust (charity no. 1067270) A separate charity with its own trustees, whose object is the maintenance, development, advancement and preservation of the Royal Academy.

See below for a description of the RA's business and supply chains, and areas of risk. You can read more about our activities in our latest annual report, <u>here</u>.

Policies

i. Modern Slavery and Human Trafficking Policy and Procedure

The RA has a Modern Slavery and Human Trafficking Policy and Procedure ("**Policy**"). The current version was approved on **12 December 2023**. This document contains the following Policy Statement:

Modern slavery is a punishable crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty, to exploit them for personal or commercial gain.

The RA is committed to acting ethically and with integrity in all our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our business or in any of our supply chains.

We are committed to ensuring there is transparency in our business consistent with our disclosure obligations under the Modern Slavery Act 2015.

We are committed to continually raising our standards and practices in assessing and monitoring those that work with us and those that work for us. We expect the same high standards from all our staff, contractors, suppliers, and other business partners in any capacity.

The Council of the RA (governing board) has overall responsibility for the Policy. The Head of Procurement, Legal Counsel and HR Projects Manager have day-to-day responsibility for implementing the Policy. Management at all levels are responsible for ensuring those reporting to them understand and comply with the Policy. Suppliers are responsible for ensuring they have robust policies of their own and for assisting the RA with its own compliance, including committing to contractual obligations to this effect.

The Policy requires individuals to: Read, understand and comply; Avoid any activity that might breach the Policy; Report any suspicion of a breach. Breach of the Policy may lead to: Disciplinary action for employees; Termination of contracts for suppliers; The RA making a report to the relevant authorities.

ii. Whistleblowing Policy

The RA has a Whistleblowing Policy, to facilitate the voluntary reporting of matters of concern, to act as a deterrent to malpractice and encourage openness and transparency. The Modern Slavery Policy refers to belief or suspicion of modern slavery as an example of a matter which ought to be raised under the Whistleblowing Policy. Individuals may report any concerns to one of three designated persons. Staff and others are also provided with direct contact information for the Modern Slavery Helpline and the Police.

iii. Code of Conduct

The RA has a Code of Conduct, which applies to staff, students, Royal Academicians and others. This Code of Conduct includes a set of fundamental standards to be followed by all in their actions on behalf of the RA. The Code of Conduct requires adherence to principles of accountability, openness, honesty and equality. It requires individuals to: (1) Conduct the RA's business with honesty and integrity and in a manner that protects the RA's good public image and reputation; (2) Comply with legal requirements and RA policies and procedures; (3) Avoid any actions or activities that could involve or lead to involvement in any unlawful practice; (4) Promptly report to the RA any violations of law, ethical principles or RA policies that come to the individual's attention; and, (5) cooperate fully in any audit, enquiry or investigation by or on behalf of the RA.

iv. London Living Wage

The RA is accredited as a London Living Wage employer, requiring larger value contractors and suppliers to pay their staff the London Living Wage. We have introduced these requirements into major contracts, for example in the areas of catering and security.

Due Diligence

Suppliers

As part of our procurement processes we ask questions of potential suppliers regarding their compliance with the Modern Slavery Act 2015, where anticipated spend is above £25,000. We have reviewed responses from suppliers, together with their own Modern Slavery policies, and raised further queries where appropriate. As at the date of writing this Statement, the RA had 62 suppliers with spend over £25,000, of which: 48 evidenced a published statement; 12 did not meet the criteria for publishing a statement and two were still being questioned at the time of writing. It was noted that a number of suppliers who were not required to publish on the grounds of turnover or staff numbers did in fact choose to publish or had created a standalone statement, which was encouraging.

Further Due Diligence - higher value & risk suppliers

In addition to the standard due diligence above, we selected five suppliers who fell in the highest risk categories identified in this Statement and had the highest levels of annual contract spend. For these contracts we reviewed in more detail the suppliers' modern slavery statements and the contractual arrangements between the supplier and the RA. We then prepared bespoke follow-up questions for each supplier to satisfy ourselves of the information that government guidance suggests ought to be contained in a modern slavery statement.

We also drafted a standard contractual addendum, which will require suppliers to: Comply with modern slavery legislation and standards; Warrant the accuracy of due diligence information provided; Implement standards with subcontractors; Maintain and provide the RA with records of its own supply chains; Train its employees and subcontractors (and keep and provide training records).

We will look to implement this standard contractual addendum with all higher value & risk suppliers, as described above. Failure to comply with these requirements would entitle the RA to terminate the contract.

Additionally, the RA's standard terms and conditions relating to sponsorship, venue hire and corporate membership, together with other terms and conditions the RA proposes to suppliers and other contractual partners, each contain explicit provisions requiring compliance with the Modern Slavery Act 2015 and/or the RA's policy.

Recruitment

The RA carries out due diligence on job applicants at the recruitment stage, by asking mandatory questions, including one which seeks to identify whether they may be a victim of modern slavery. When new members of staff begin work at the RA, they are provided with a staff handbook, which contains information on modern slavery and the policies referenced above.

Areas of Risk in Business and Supply Chains

Own Business

The Royal Academy of Arts consists of a number of different 'parts', including a body of practising artists and architects, fine art schools, public exhibitions and programmes, corporate events, the custodian of an art collection, all operating through several charities and trading subsidiaries. We have considered the specific business risks which might entail specific risks to workers and would make the following comments.

- Country Risks. The RA is based in the UK, where the majority of its activities are carried out. Supply chains may involve sourcing materials, products and services from overseas, in areas such as retail. Exhibitions often involve the loan of works from around the world, and partnership arrangements with overseas institutions and lenders.
- **Sector Risks.** The RA does not itself operate in a sector which is likely to generate the most significant risks for modern slavery and human trafficking, however it must pay attention to these risks, including where they may exist in its supply chains.
- Transaction Risks. The RA's business does not involve significant global financial transactions. The nature of its overseas engagements and activities are unlikely to generate significant risks of modern slavery of human trafficking. However we are determined to remain vigilant to any areas where such risks may exist or arise. The Royal Academy Trust adheres to a Responsible Investment Policy. This Policy actively promotes investment in companies and investment funds which are in line with the RA's values of strong ethical principles, including in the areas of human rights and labour. See https://www.royalacademy.org.uk/page/ethical-investment
- Business Partnership Risks. The RA's area of operation is unlikely to generate many high-risk business partnerships, compared to say the extractives or manufacturing industries. The RA outsources operations in areas which might have higher risks, for example security, catering, facilities management. These also tend to be the highest value contracts for the RA. For these reasons, the RA has paid additional attention to its suppliers and begun carrying out enhanced due diligence and implementing stricter requirements and contractual arrangements, as described in this Statement. The RA also requires these suppliers to pay their staff the London Living Wage. In addition, compulsory modern slavery and human trafficking training has been rolled out to RA staff responsible for managing outsourced security and facilities management personnel, and this is being extended to catering. The RA's Ethics Advisory Group provides advice and recommendations to the governing boards of the RA charities on the acceptance of financial support, in accordance with the RA's Gift Acceptance Policy. One of the specific areas of concern considered under this Policy is noncompliance with the Modern Slavery Act.

Supply Chains

We have established the highest risk categories in our supply chain based on level of spend and nature of activities. These categories are: 1. Building work / construction; 2. Art transportation; 3. Information Technology; 4. Print; 5. Facilities Management; 6. Catering; 7. Retail. Suppliers in these categories, with the highest amount of spend, form the basis of our targeted efforts to eradicate slavery and human trafficking in our supply chain, which are described elsewhere in this Statement. Our largest contracts based on spend in 2022 were in building works and facilities management.

Effectiveness

The RA has not directly received any reports of belief or suspicion of modern slavery or human trafficking in its business or supply chains. The information in the rest of this Statement sets out the measures the RA has been implementing to ensure that modern slavery or human trafficking does not take place, as well as some Key Performance Indicators. Some key indicators of effectiveness in these efforts are as follows:

- All but two of the RA's suppliers with contracts totalling over £25,000 in annual value have a valid modern slavery statement, or valid reason for not producing one.
- The RA is carrying out enhanced due diligence on five higher value / risk suppliers, which provides a more in-depth understanding of key suppliers' approach to modern slavery and human trafficking in practice. We are also looking to implement specific contractual provisions with these suppliers, as described. We will be able to report back on progress in the next statement.
- Training was introduced recently, for selected staff. Completion rates are high (see below). We will be following up on this to target 100% completion.

Training

The RA has sourced dedicated online training, to improve staff understanding and awareness, and increase the effectiveness of our efforts to combat modern slavery. This has been rolled out, on a mandatory basis, to the Senior Leadership Team, Senior Managers and legal team. As at the date of writing this Statement, 97% of those required to complete the training had completed it. We will follow up with those who have not yet completed their training.

Questions

If you have any queries regarding this statement, please contact:

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