

The Modern Slavery Act 2015: What does it mean for your business?

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Overview

In this session we will cover:

- > Background to the new modern slavery and human trafficking reporting requirements
- > Who needs to comply and by when?
- > What must be contained in a modern slavery and human trafficking statement?
- > What action can you take to back up your statement?

What constitutes modern slavery?

Someone is in modern slavery if they are:

- forced to work (e.g. through mental or physical threat);
- owned or controlled by an “employer”, usually through mental or physical abuse or the threat of abuse;
- dehumanised, treated as a commodity or bought and sold as “property”; or
- physically constrained or has restrictions placed on his/her freedom of movement.

The practice still continues today in one form or another in every country in the world, including the UK.



Growing awareness and action

FORCED TO WORK WITHOUT PAY?



THREATENED INTO WORKING?



CHEATED OUT OF YOUR WAGES?



If this is happening to you or someone you know, then you may be in forced labour. **FORCED LABOUR IS A CRIME.** Don't feel trapped and helpless, contact your local Citizens Advice Bureau.

**FORCED
LABOUR
AWARENESS**

For help and support if you are in forced labour call:



Citizens Advice Bureau
08444 111 444

National Trafficking Helpline
0300 303 8151

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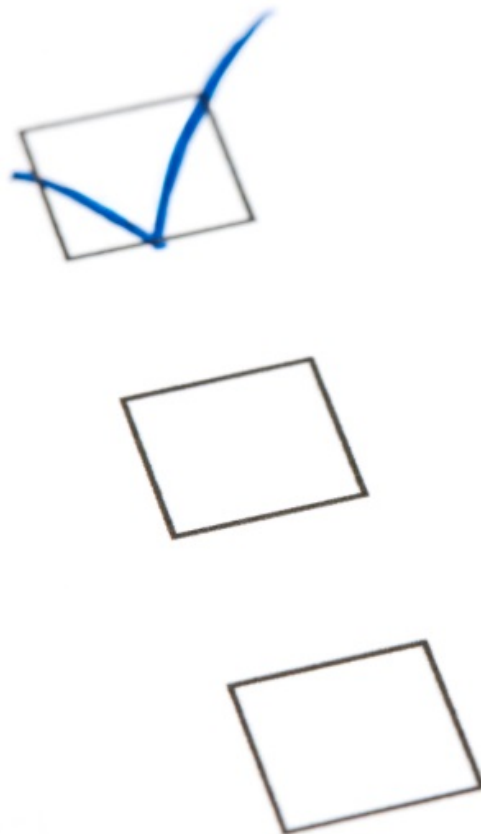
National Trafficking Helpline
0300 303 8151



COUNTRIES WITH THE HIGHEST PROPORTION OF THE POPULATION ENSLAVED



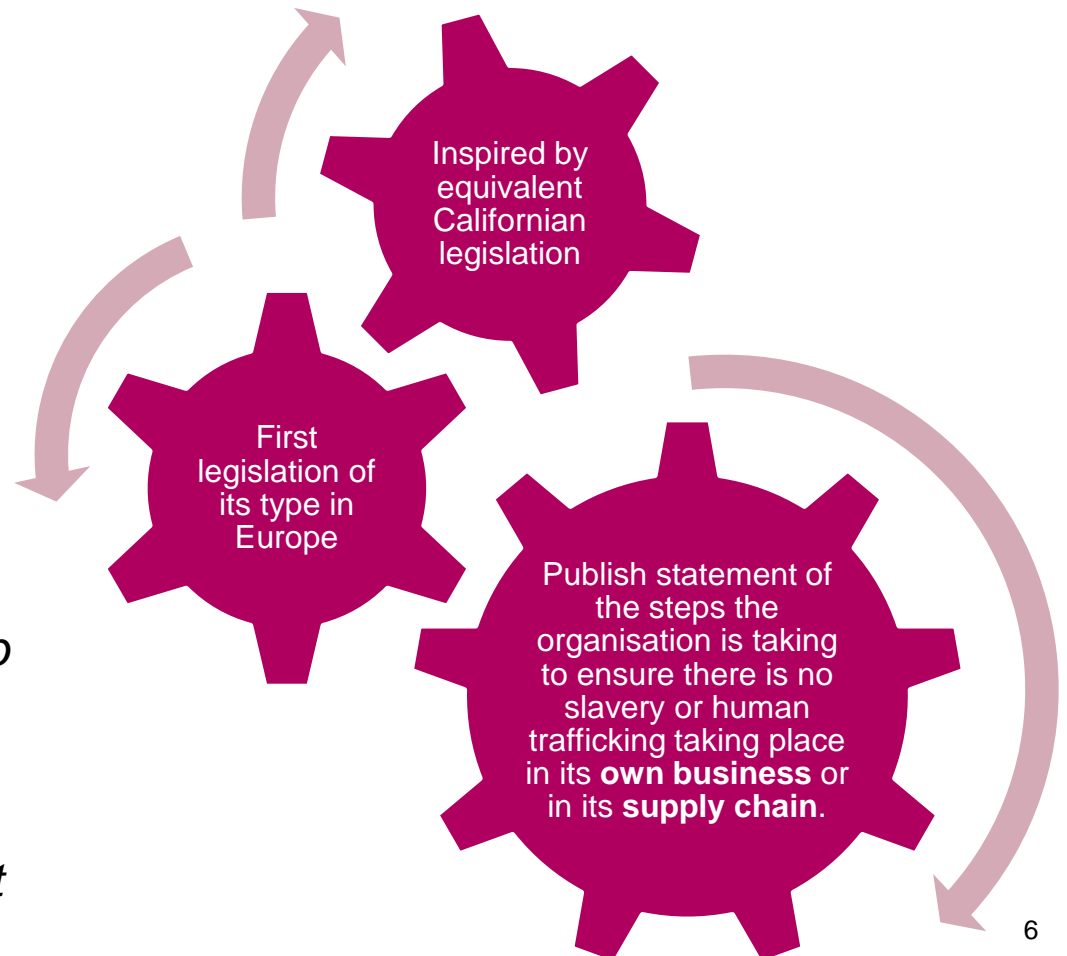
The Modern Slavery Act 2015 “TISC” provisions



Core requirement and background

“The provision seeks to create a race to the top by encouraging businesses to be transparent about what they are doing, thus increasing competition to drive up standards”

Senior level accountability is emphasised; senior management sign-off is required



Key legal materials

Modern Slavery Act 2015, section 54

Government guidance: “Transparency in Supply Chains etc.: A practical guide”

Who must publish a statement?

An organisation must comply with the TISC provision of the Modern Slavery Act if they:

are a body corporate (wherever incorporated) or a partnership

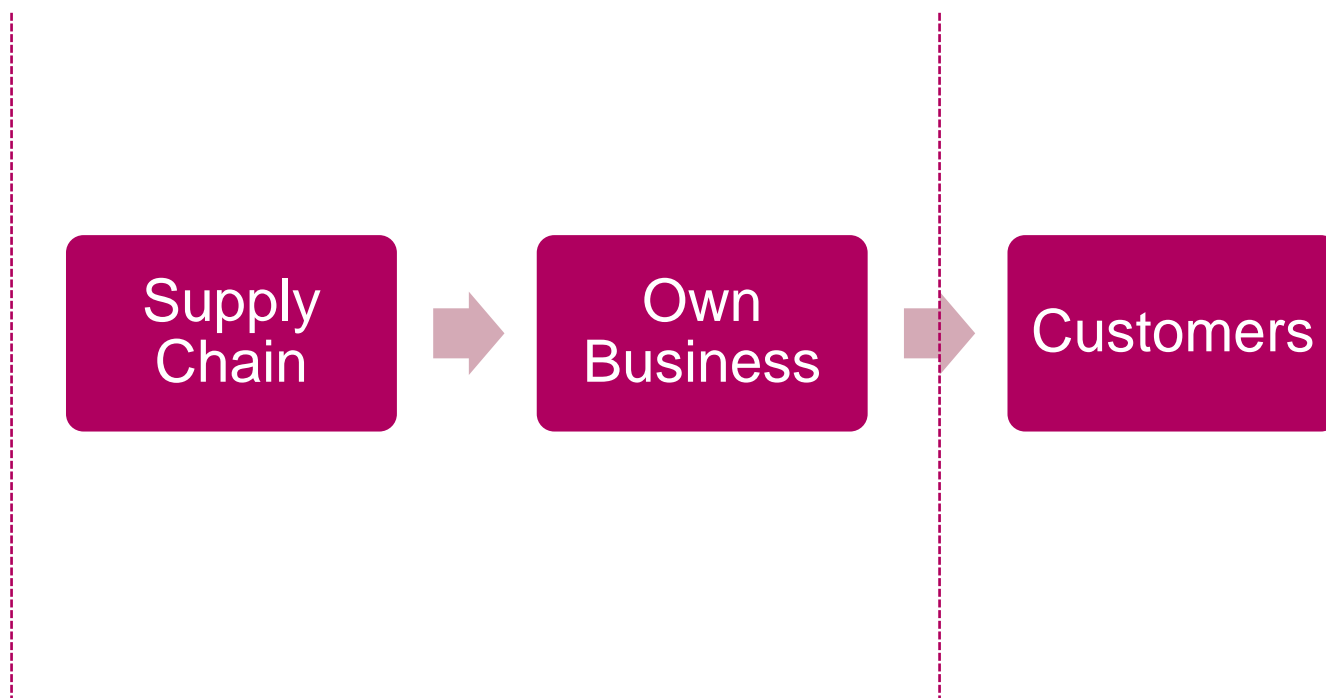
carry on a business, or part of a business, in the UK

supply goods or services

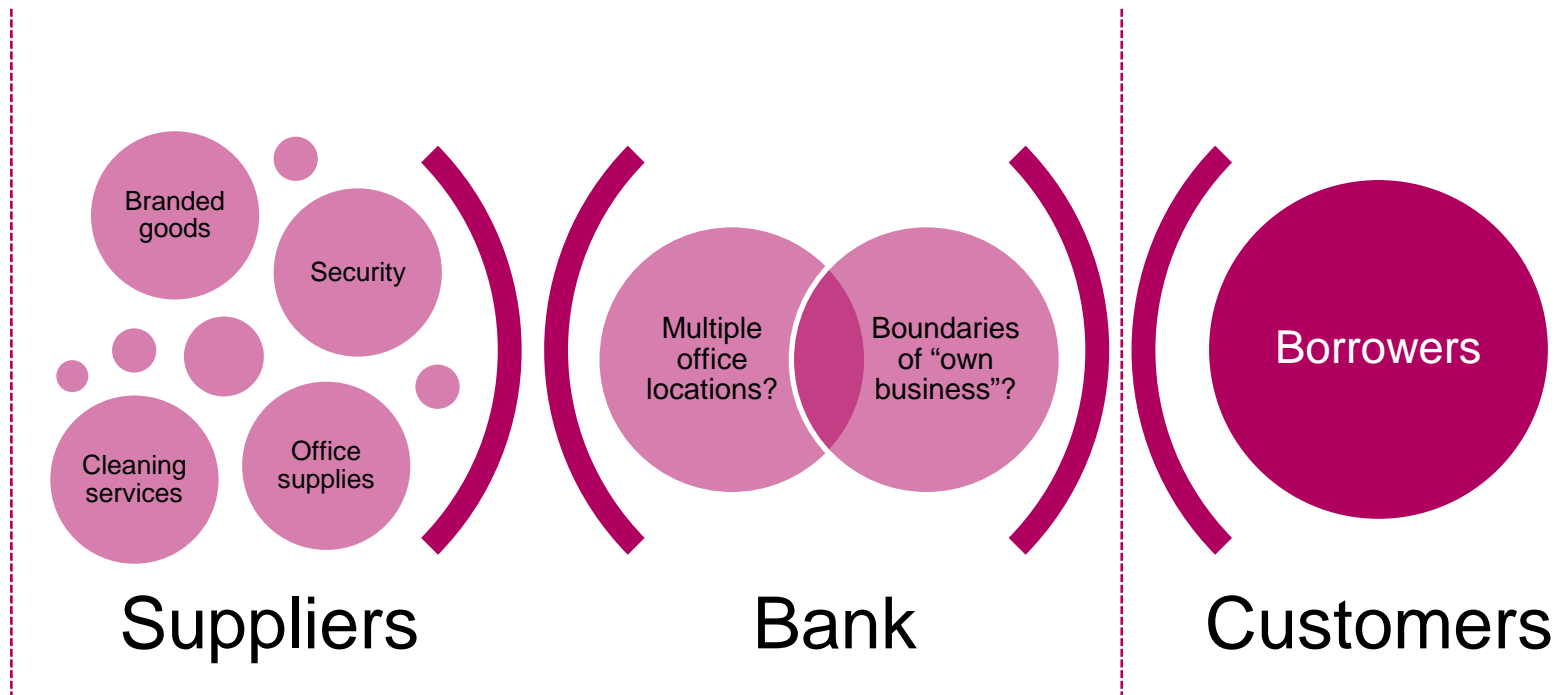
have an annual turnover of £36 million or more

Determining Scope

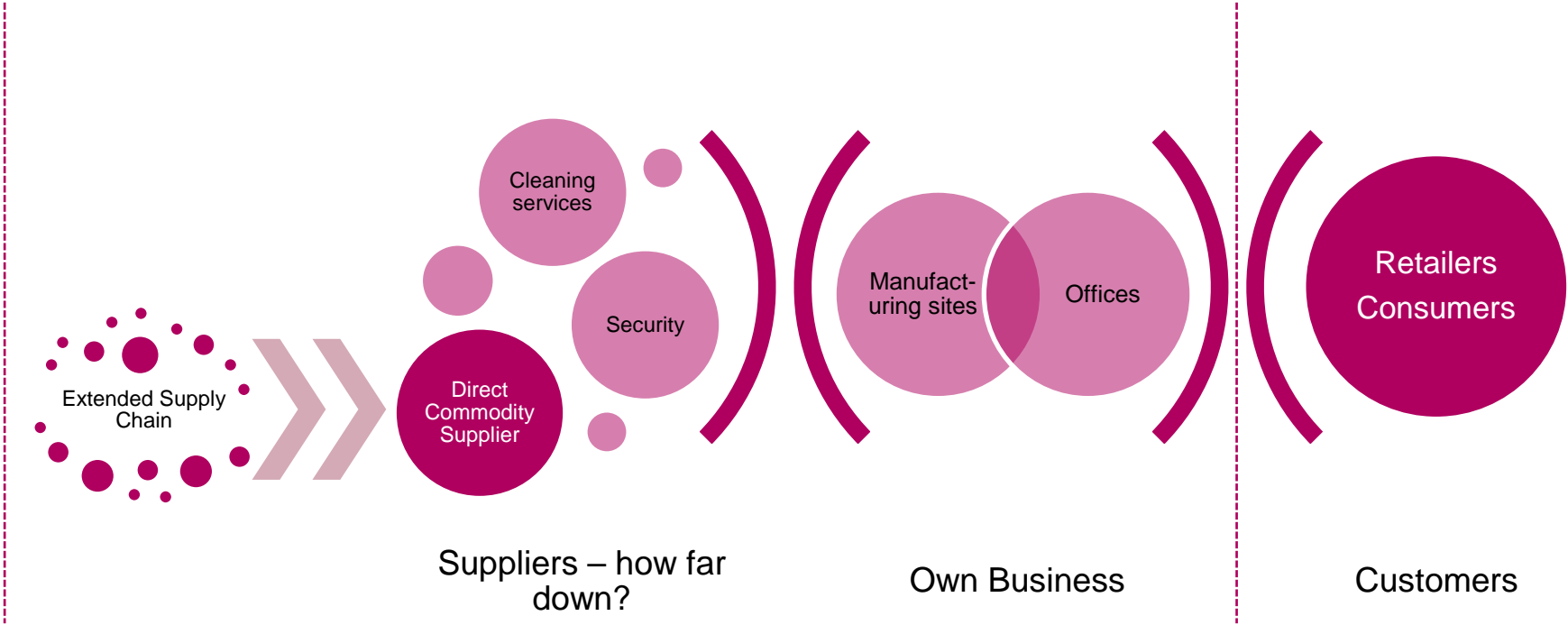
Where are the modern slavery risks in your own business and supply chain?



Case study: Lending institutions



Case study: Food business



When and where to publish

Businesses with a year end of 31 March 2016 will be the first to publish their statements



Publication must be as soon as reasonably practicable after the end of each financial year (within six months is encouraged)

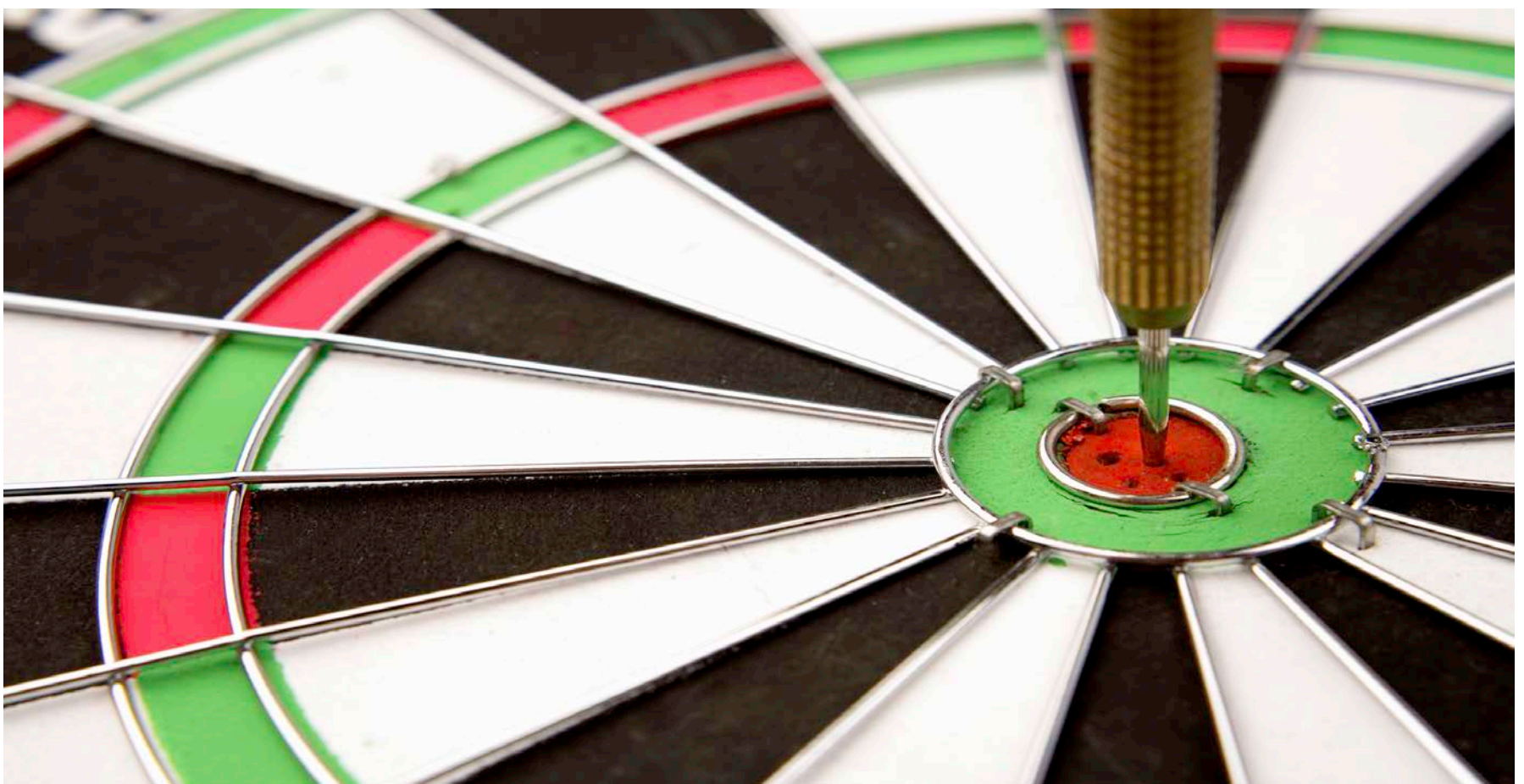


The statement must be on the organisation's homepage in a prominent place



Subsidiary statements can be combined into a parent statement

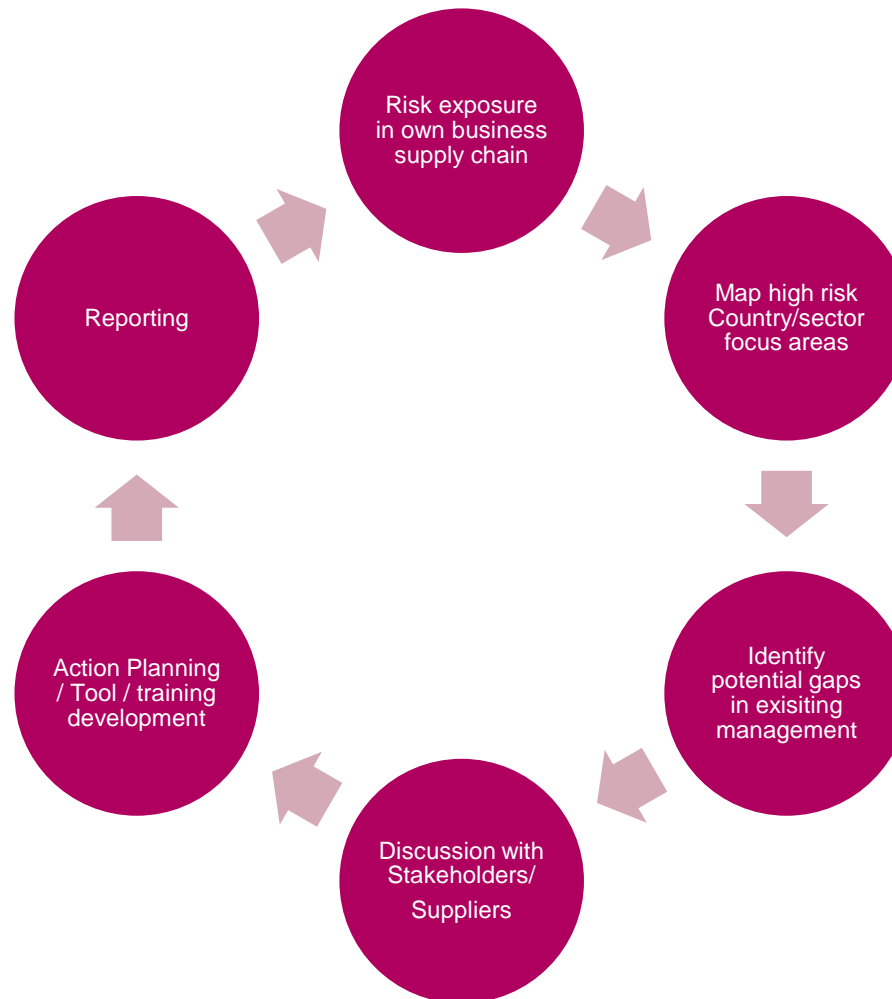
How to prepare to make your statement



What should your statement cover (cont'd)?

- > **Must** cover the steps the organisation is taking
- > **May** go beyond – both the Act and the Guidance suggest matters that could be covered
- > Although this is expressed as being optional, NGOs may benchmark against it
- > Government's stated aim is to create a race to the top
- > No one size fits all
- > But no need to guarantee supply chains are slavery and human trafficking free

Where to start? - Identifying and mitigating risk



What happens if you don't comply?

- > Secretary of State may seek an injunction requiring the organisation to comply
- > Failure to comply with the injunction is punishable by an unlimited fine
- > NB legal compliance does **not** turn on how well the statement is written or presented (provided it sets out the steps taken or that no steps have in fact been taken)

But:

- > NGO/activist group pressure
- > Reputational risks

Any questions?



Trends to watch out for



Growing stakeholder scrutiny/consumer demands

BloombergBusiness News Markets Insights Video

Nestle Accused of Putting Fish From Slave Labor in Cat Food

by Edvard Pettersson and Robert Burnson

August 27, 2015 – 10:54 PM BST Updated on August 28, 2015 – 9:49 AM BST



Bed maker that supplies retailers including John Lewis and Next 'used Hungarians as slave labour paying them £2 a day and forcing them to live in inhumane conditions'



Supplier accused of employing foreign nationals as 'slave workers'... an nationals employed by bed-making firm Kozee Sleep, Yorkshire... are paid £10 a week with promise of £1,000 after 6 months, jury told... d beds to large retailers such as John Lewis, Next and Dunelm Mill

FIELD FOR MAILONLINE
53, 9 October 2015 | UPDATED: 23:03, 9 October 2015

17 shares

which supplies beds to high street retailers including John Lewis and Next has been... using Hungarian nationals as slave workers and paying them just £2 a day.

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just £10 a week - with the promise of £1,000... itions'.

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Costco faces a lawsuit alleging it knew about slavery practices in supply chain AUGUST 19, 2015

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Costco faces a lawsuit alleging it knew about slavery practices in supply chain

by Michal Addady AUGUST 19, 2015, 5:52 PM EST



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Sabine works with clients to assist them to identify issues, to set policy and develop procedures and tools that respond to both business needs and stakeholder expectations and to consistently improve performance.

She also leads ERM's internal Global Human Rights and Business Network.