



Modern Slavery Act for Australia: *Lessons from the UK*

31st October 2017

Welcome



Simon Robinson
LBG Director, Australia



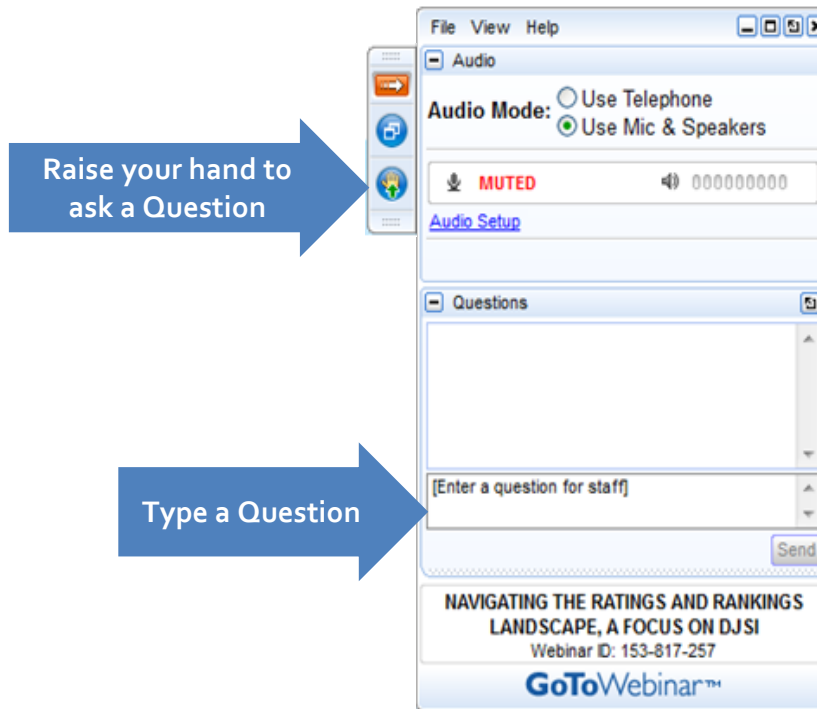
Mike Tuffrey
Co-Founder

Webinar protocol

To avoid feedback and background noise and so enable everyone to hear:

1. We will be muting all attendees but we welcome contributions, so please either:
 - a. Type a question into the question box and we'll monitor these as we go along, OR
 - b. Use the 'raise hand' icon to ask a question and we'll unmute you

In case of issues during the webinar, text Simon on:
0408 496 168



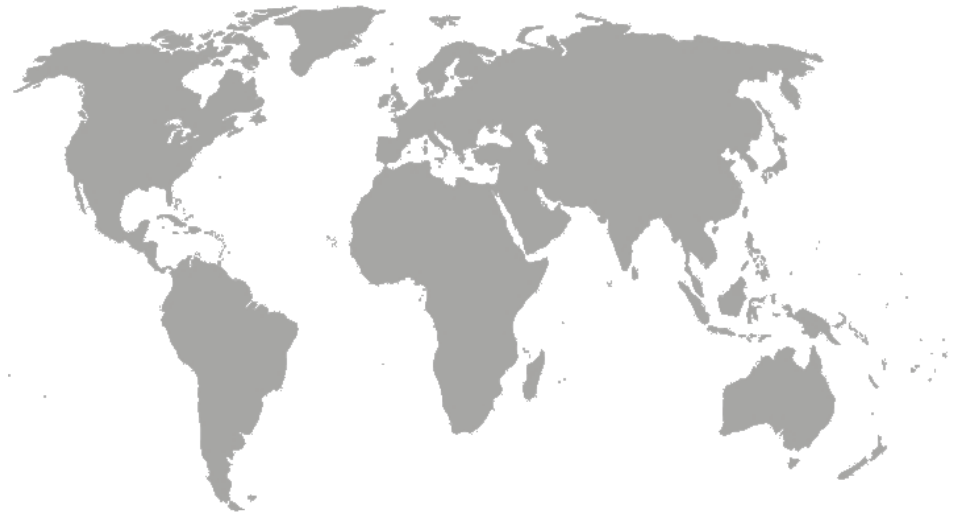
ABOUT CORPORATE CITIZENSHIP

Corporate Citizenship – fast facts

- Established in 1997, we are a global management consultancy specialising in sustainability and corporate responsibility.
- With offices based in London, Melbourne, New York, San Francisco, Santiago and Singapore, our 40+ team has valuable in-house knowledge and experience, each with their own areas of deep expertise.
- We are pro-business, and work with corporate clients to achieve their commitments to responsible business behaviours and sustainable practices.
- We have delivered and completed projects in more than 45 countries, advising Fortune 1000 and 50% of FTSE 100 companies, whilst also working with small- to medium- sized companies.
- We founded and manage [LBG](#), the globally recognised measurement framework for corporate community investment. LBG is an active network of more than 220 international companies, driven by its members.
- Our [thought leadership papers](#) inform and advise professionals with trusted insights, alongside our long established [Corporate Citizenship Briefing](#) , providing daily news and monthly analysis on sustainable and responsible business.

Our services - globally

- Assurance
- Benchmarking
- Community
- Corporate Foundations
- Engagement
- Environmental Management
- Impact Measurement
- LBG – CCI measurement
- Rankings, Standards and Awards
- Reporting
- Research and Futures
- Strategy and Purpose
- Supply Chain
- Sustainable Development Goals



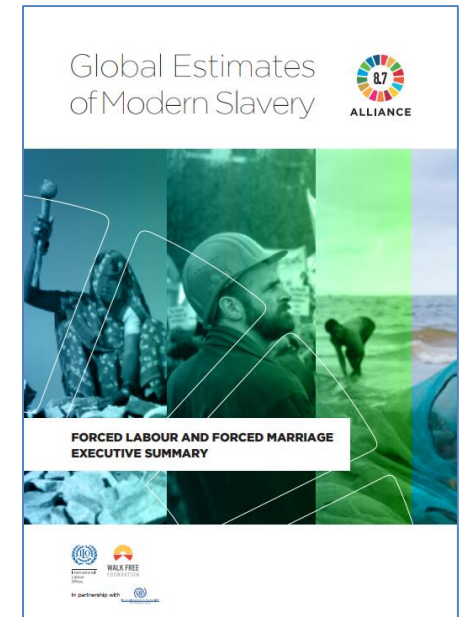
Agenda for today

- 1. What is modern slavery?**
- 2. Experience in the United Kingdom**
- 3. Modern Slavery Act 2015**
- 4. Reporting experience to date**
- 5. Best practice examples**
- 6. Mitigating risk and taking action**

What is modern slavery?

According to the International Labour Organization:

- 40.3 million people in modern slavery, including 24.9 in forced labour and 15.4 million in forced marriage (2016)
- Of forced labour, 16 million in private sector (eg domestic work, construction or agriculture), half through debt bondage; 4.8 million in forced sexual exploitation, and 4 million in forced labour imposed by state authorities
- 1 in 4 victims are children
- Women and girls disproportionately affected – 99% of victims in the commercial sex industry and 58% in other sectors



[Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, Geneva September 2017](#)

Experience in the United Kingdom

Modern slavery has
between 10,000 - 13,000
potential victims in the UK.

Figures from the Home Office (2013)

EveningStandard.

**'Barbaric crime that destroys lives', says
Justin Welby as PM backs modern
slavery campaign**

theguardian

Modern slavery referrals up 300% in UK
due to improved identification



UK Prime Minister Theresa May

Modern Slavery Act 2015



Modern Slavery Act
2015

The [Act](#) introduces measures including those to:

- Consolidate existing offences and update sentences
- Create an independent anti-slavery commissioner to improve and better coordinate the response to modern slavery
- Strengthen protection for victims of slavery and trafficking
- Require businesses over a certain size to disclose each year what action they have taken to ensure there is no modern slavery in their business or supply chains

The Act applies to all companies with an annual turnover of at least £36 million and operating in the UK

Reporting Requirements

Section 54 - Transparency in supply chains etc

A commercial organisation must prepare a slavery and human trafficking statement for each financial year.

A slavery and human trafficking statement for a financial year is -

- *a statement of the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place -
 - *in any of its supply chains, and*
 - *in any part of its own business, or**
- *a statement that the organisation has taken no such steps.*

An organisation's slavery and human trafficking statement may include information about—

- *the organisation's structure, its business and its supply chains;*
- *its policies in relation to slavery and human trafficking;*
- *its due diligence processes in relation to slavery and human trafficking in its business and supply chains;*
- *the parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk;*
- *its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate;*
- *the training about slavery and human trafficking available to its staff.*

The slavery and human trafficking statement must be published on corporate website with a link to the statement in a prominent place on that website's homepage

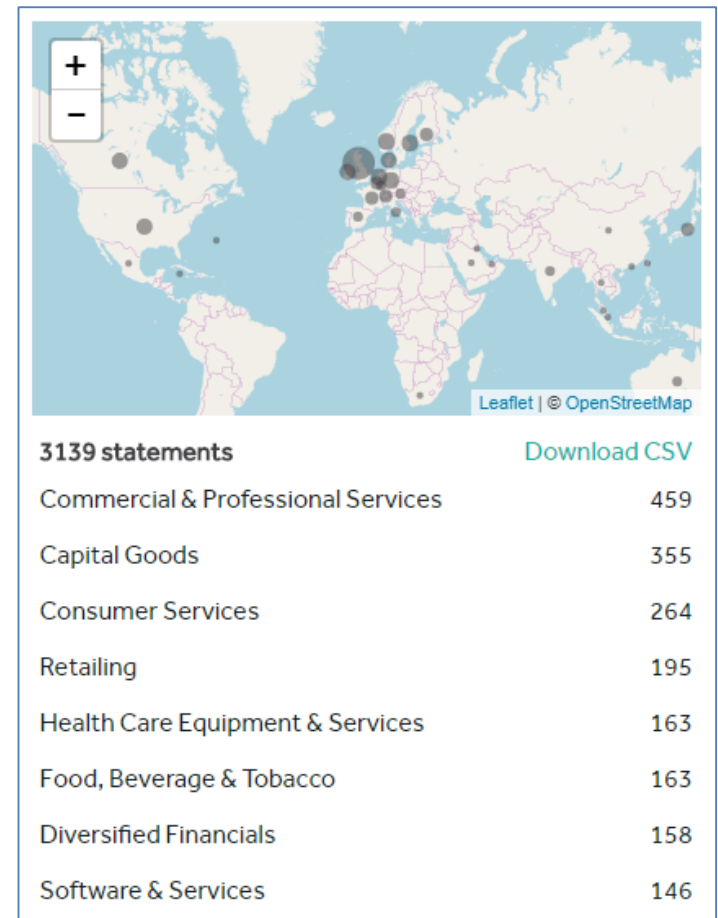
Approved by board of directors and personally signed by director.

Reporting to date



- 3139 statements, 26 sectors, 34 countries
- UK government (Home Office) estimates 9,000 – 11,000 firms should report

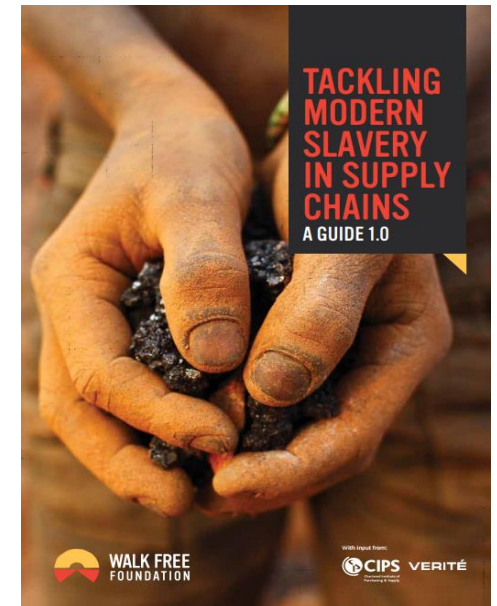
[Modern Slavery Registry by Business & Human Rights Resource Centre](#)



Reporting to date

- Over a third (34%) of businesses covered by the Modern Slavery Act don't meet reporting requirements
- 37% of supply chains managers subject to the Act's remit admitted to not even having read the Government guidance
- 10% of UK businesses report having found modern slavery in their supply chains, compared to 6% before

UK Supply Managers who:	Before the Act	After the Act
Said they would not know what to do if they found modern slavery in their supply chains	52%	17%
Have mapped their suppliers to understand the potential risks and exposure to modern slavery	33%	45%
Ensured all workers in the UK in their supply chain receive the minimum wage and apply robust immigration checks	41%	40%



Survey of 1,288 supply chain professionals by CIPS in September 2017

Reporting to date

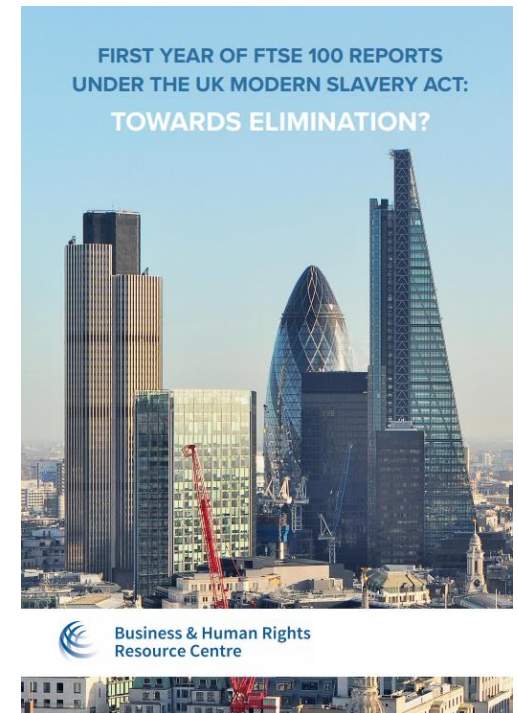


Business & Human Rights
Resource Centre

- 43 of the top 100 listed companies failed to meet even the minimum requirements of the Act
- Top performing companies were UK retailers **Marks & Spencer** and **Sainsbury's** and international FMCG company **Unilever**, followed by **British American Tobacco**, **Tesco** and **Vodafone**
- 51 new prosecutions under the Act in 2016, compared to only 12 in 2015.

Recommendations

- Companies to prioritise action internally, collaborate with peers and raise awareness with suppliers
- Investors to ask questions
- Governments to enhance enforcement and reporting, and incentivise compliance through public contracting



<https://business-humanrights.org/en>

Best practice examples

MARKS & SPENCER

MODERN SLAVERY STATEMENT 2017

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Marks and Spencer Group plc and other relevant group companies ('M&S') during year ending 1 April 2017 to prevent modern slavery and human trafficking in its business and supply chains.



M&S IS A GLOBAL MULTICHANNEL RETAILER

85,000 EMPLOYEES AND
979 UK STORES AND OVER
454 INTERNATIONAL STORES

OPERATING IN
55 TERRITORIES

32m CUSTOMERS

2,100 PRODUCT SUPPLIERS

20,000 FARMS

100,000 SMALLHOLDERS

OVER 1,000 GOODS AND SERVICES NOT FOR RETAIL - EQUIPMENT FOR NEW STORES TO CLEANING, SECURITY AND CATERING

INTRODUCTION

M&S published its first Modern Slavery statement in June 2016, and in the past year we have continued to increase the depth and breadth of our work on Modern Slavery, deepening our understanding of risk and ensuring we have in place the most effective responses to that risk. We consider Modern Slavery to be a growing global issue and know our customers share our concern. Our commitment to our customers is very clear, we will always treat people in our business and supply chain fairly, this includes being at the forefront of eradicating modern slavery. We have been active participants in the developing Modern Slavery agenda prior to the UK Modern Slavery Act (2015) and subsequently, in addition to the work in our own supply chains and operations, we continue to prioritise collaborations, which we view as essential given the deep rooted and systemic nature of many manifestations on Modern Slavery.

KEY AREAS OF FOCUS IN 16/17:

- Extending our work on Modern Slavery into the whole breadth of our sourcing and operations
- Joining and leading collaborations which are helping businesses to do more together on Modern Slavery eradication
- Refining our understanding of Modern Slavery risk, and identifying new tools beyond mainstream social audits

OUR BUSINESS AND SUPPLY CHAINS

M&S is one of the UK's leading retailers, selling own brand food, clothing and home products in 1433 stores and online both in the UK and internationally. Further details on our international locations and our franchise partners and locations can be found on our website. The M&S Group has an annual turnover of £10.6 billion. Plan A, our ethical and environmental programme, underpins everything we do, from sourcing responsibly and reducing waste to helping the communities in which we operate. Our extended product supply chains are extensive and global, numbering thousands of suppliers in more than 70 countries. In June 2016 we launched the M&S Interactive supply chain map <http://www.marksandspencer.com/modern-slavery-map>. This year we added sites used to make M&S home and beauty products onto the map. We also took the opportunity to indicate the presence of a trade union and/or workers committee in a factory where they've been declared. Factories disclosed on the map now represents over 98% of our first-tier manufacturer*. Excluded are sites used to produce M&S wine, some small Harrogate, continental meat and artisanal cheese suppliers. Other lower tier factories used by our supplier, for example those which manufacture fabric, yarn and primary food processors are not included on the map.

*This statement sets out the steps taken by Marks and Spencer Group plc, Marks and Spencer plc and Marks & Spencer Simply Foods Limited all of which fall within the scope of section 54(2) of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 (Transparency in Supply Chain) Regulations 2015. *Excluded are all first-tier manufacturing sites which produce M&S branded clothing, clothing accessories, footwear, beauty, food, non-alcoholic drinks, beers & spirits and household products.

M&S

EST. 1884



MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT



JANUARY 2017

Mitigating risk and taking action

- **Assess:** map your risks and prioritise
- **Integrate:** with human rights work, procurement, reporting
- **Engage:** on the ground and with business units
- **Network:** collaborate with other businesses, sector initiatives and NGOs
- **Progress:** “it’s a journey”

Further advice

[How to Get Your Modern Slavery Act Together](#)

By Nana Guar,
Senior Consultant at Corporate Citizenship

How to Get Your Modern Slavery Act Together



Nana Guar

18th April, 2016



Establishing a Modern Slavery Act in Australia

- [1. Why establish a Modern Slavery Act in Australia?](#)
- [2. Australian Government Public Consultation on proposed model of Modern Slavery in Supply Chains Reporting Requirement](#)
- [3. Parliamentary Inquiry into establishing Modern Slavery Act](#)
- [4. Where can I learn more? Events and webinars](#)

THANK YOU –

AND GET IN TOUCH



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