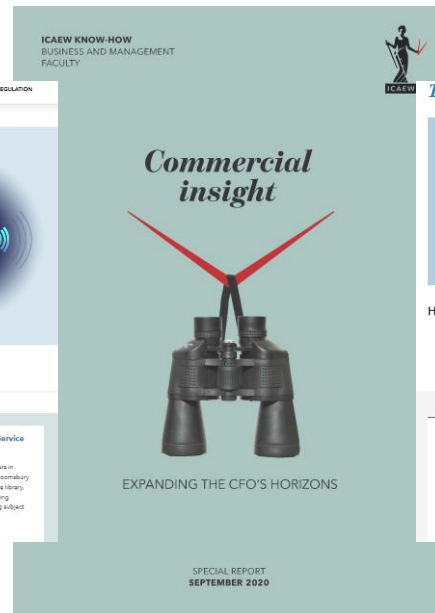
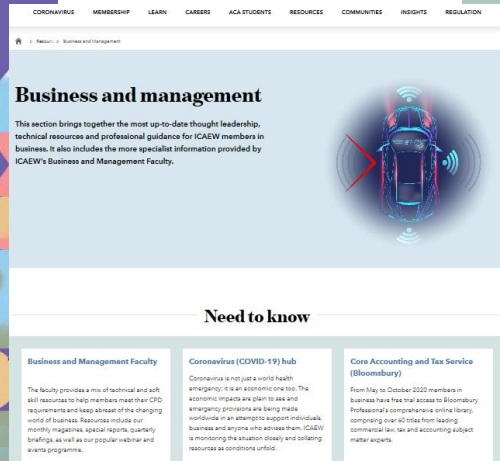




5144 reasons you should take the Modern Slavery Act seriously

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Today's presenter



Nick Wildgoose

5144 Reasons to take the UK Modern Slavery Act Seriously



Nick Wildgoose, CEO Suplien Consulting
December 2020

Introduction

- Provide a brief background on the Act itself, International context and potential developments
- Prioritising your risk approach and integrating it with other business initiatives
- Maximising the financial benefit you obtain from complying with the act

Existing Act 2015

- Applies to companies with revenue above £36m good and services
- Organisations must declare it's due diligence activities in respect of modern slavery(Section 54)
- Must publish on its website or through a written statement it's modern slavery policy

International Legislation

Examples of national legislation:

2010	<u>Section 1502 of the US Dodd-Frank Act</u> requires disclosure of due diligence on whether products contain conflict minerals.
2010	<u>California Transparency in Supply Chains Act</u> requires all businesses trading in California with a turnover of over \$60 million to report on efforts to combat slavery.
2015	<u>UK Modern Slavery Act</u> requires all commercial organisations trading in the UK with a turnover of £36 million or more to publish an annual statement on action to eliminate slavery from supply chains.
2015	<u>US Trade Facilitation and Trade Enforcement Act</u> prohibits companies from importing goods into the US produced by forced labour.
2017	<u>French Duty of Vigilance Law</u> makes human rights due diligence responsibilities for large multinational businesses established in France obligatory, including a requirement to produce and publish a due diligence plan.
2018	<u>The Australian Modern Slavery Act</u> requires more than 3,000 businesses and other entities to publish annual statements on actions to address modern slavery in their operations and supply chains on a government-administered public register.
2019	<u>In March, the Dutch Senate voted to adopt the Child Labour Due Diligence Law</u> requiring Dutch companies to identify, prevent and assess child labour in their value chains.

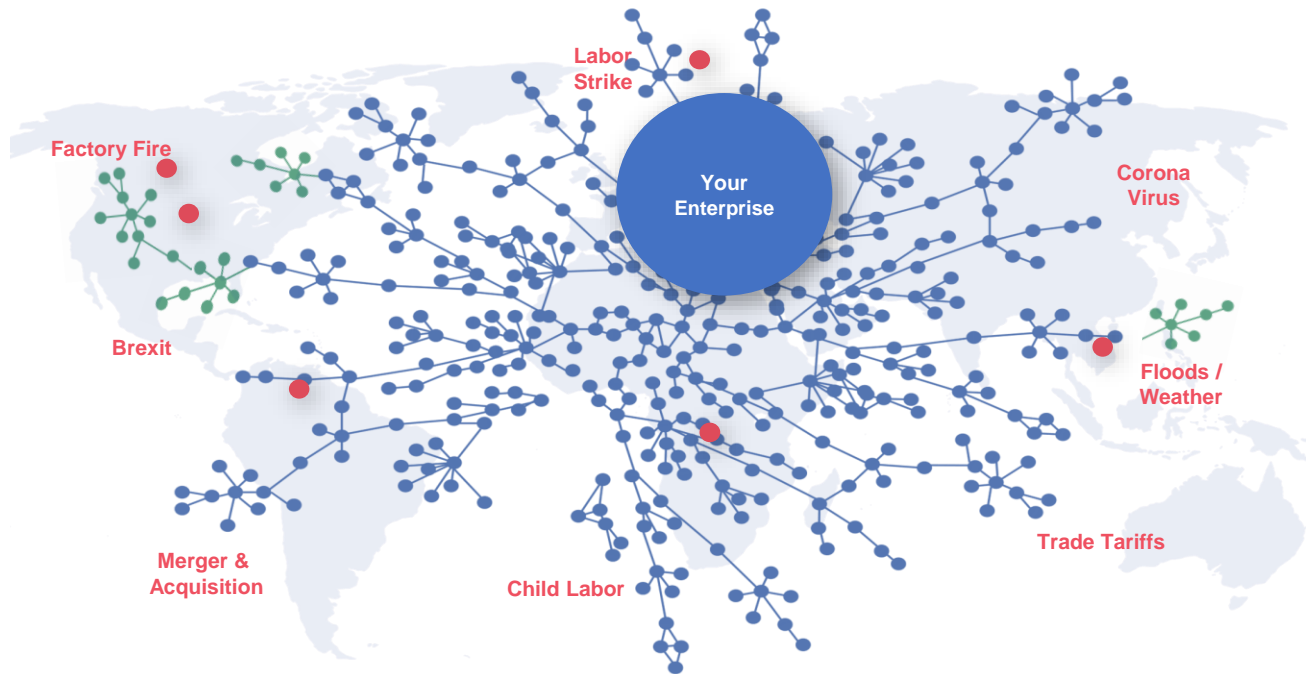
April 2020, the European Commissioner for Justice, publicly committed to introducing new mandatory human rights and environmental due diligence legislation, expected in 2021.

Proposed Changes

- Section 54 statement has been mandated
- Statement to be published on government run reporting service
- Single reporting period annually to 31st March
- Other areas of clarification included



Supply chains are increasingly complex, global & vulnerable



Disruption risks tend to increase in the lower tiers of the supply chain , but they are less well understood. Slavery risk varies by industry and geography.

Potential Exposures

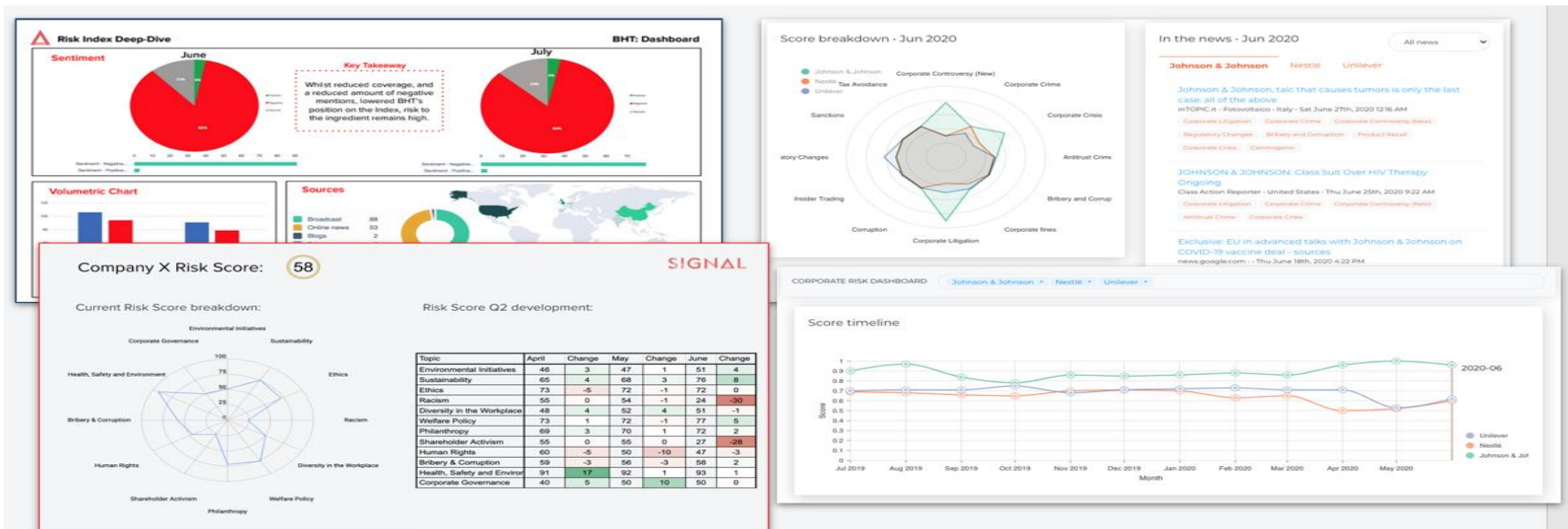
- £14 Billion of goods imported into the UK 2019 were from countries with high risk of slavery
- UK has its own issues textile factories in Leicester

Linking Initiatives

- Sustainability, cyber/data protection, collaboration to help improve business performance
- Preparedness = Visibility + Transparency
 - Disruption
 - Reputation
 - Cyber
- Incorporating into ROI model for Supply Chain Resilience

Potential Improvement Steps

- Review your supply chains in terms of risk of slavery or human trafficking
- Ensure your supply chain is aware of your employment term and working conditions requirements
- Carry out regular checks of suppliers based on risk



Some Key Questions

Ensure your procurement/operations team, working with you, can answer questions like:

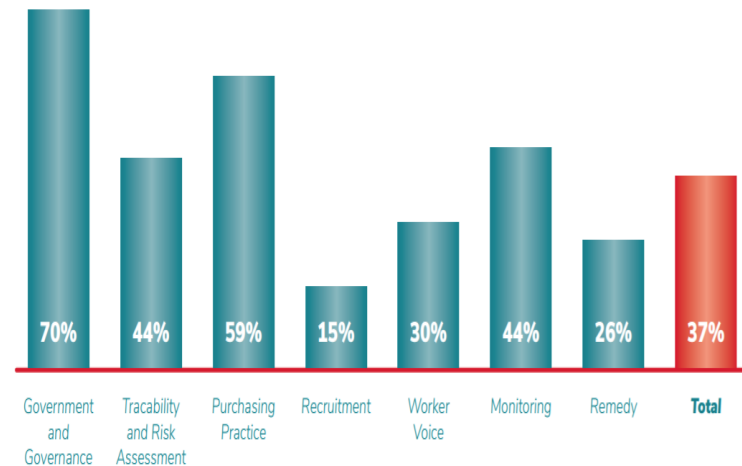
- Has the risk of modern slavery been established for the relevant product or service being purchased ?
- Did the awarding criteria take account of the risk of modern slavery ? How ?
- All there proposed KPI's in place to monitor progress against managing supply chain risks? Are they proportionate ?

Partner with organization's like “Stop the traffik”, “Unseen” and “Know the Chain”

Financial Benefits

- Links to COVID-19 recovery
- Disruption reduction
- Brand and reputational value protection

Percentage of EU companies scoring over 50/100 against KnowTheChain criteria on steps taken to address forced labour (2018)



2020 Food and Beverage Benchmark Findings Report

The 43 three largest global food and beverage companies are exposed to significant forced labor risks – to what extent are companies addressing these risks? What are practices, and gaps, and what action can investors take?

What Next?

- Do you want to play your part in saving people and the planet?
- Proud of what you do, does your business have a purpose?
- Take action to drive change one step at a time



The Issue

Today, an estimated 24.9 million people around the world are victims of forced labor, generating \$150 billion in illegal profits in the private economy.



Useful References

- Additional tools which you can use with NGO's to mitigate the risks of modern slavery include:
- The Walkfree Foundation's - Tackling Modern Slavery in Supply Chains guide.
- The Human rights due diligence framework by Ethical Trading Initiative
- The UN Guiding Principles on Business and Human Rights has a portfolio of guidance and tools on due diligence
- The Managing Risks associated with Modern Slavery: A Good Practice Guide for the Private Sector, commissioned by the International Finance Corporation (IFC), etc.

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Useful supply chain Info:

Supply Chain Risk Training: <https://www.theirm.org/scrm>

Upcoming BAM webinars

60 minute webinars – 10.00am

Practical Excel tips
7 December

Digital downtime
March (date tbc)

Skills to future proof your career as much as possible
5 May

Economic update
9 June

20 minute webinars – 12.30pm

Interview techniques for the Zoom age
10 February

Managing the risk of bribery and corruption
12 May

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