



Who Really Works For You?

FREETHS

The Modern Slavery Act 2015

Do you know enough about your supply chain?

Featured Presenter:

Rhys Bush, Avetta
Regional Vice President EMEA

Matt McBride, Freeths
Partner



Avetta and Rhys Bush

Avetta

- World's leading provider of supply chain risk management solutions
- Cloud-based platform, adaptive technology
- 300+ global enterprise clients



Rhys Bush

- Regional Vice President, Avetta
- Responsible for implementation of operational strategy across EMEA
- Multi-lingual team supporting clients and their suppliers
- Focus on sustainable business practices



Freeths & Matt McBride

Freeths LLP

- National law firm with a team of over 700
- Provides a wide range of legal services to commercial and private clients.



Matt McBride

- Partner at national leading law firm Freeths LLP.
- Over 16 years experience as an Employment Lawyer, working for a range of clients in the public and private sectors

The Modern Slavery Act 2015



Agenda

The Transparency in Supply Chains Provision: the legal requirements – who? what? how? when?

Assessing risk: due diligence

Managing the supply chain risk:

- Collaboration
- Contractual provisions
- KPIs

The Transparency in Supply Chains Provision: the legal requirements –

Who?
What?
How?
When?



Background



UK Government wants to *“support, motivate and incentivise organisations to understand the complex issue of modern slavery and how they can tackle it”*

“By increasing supply chain accountability, more workers will be protected and consumers will have greater confidence in the goods and services they buy. That is why the transparency in supply chains provision is world leading and will bring about the change that is so vitally needed.”



Background

Ethical Trading Initiative survey:

- 71% of retail companies surveyed believe there is a likelihood of modern slavery occurring at some stage in their supply chains
- Reputational risk is the biggest driver for change, but other factors are significant too





The Transparency in Supply Chains Provision: the legal requirements

Who

What

How

When

- A body corporate or a partnership, wherever incorporated
 - Which carries on a business, or part of a business, in the UK
 - And supplies goods or services
 - Has an annual turnover of £36m or more
-
- All subsidiaries that meet the threshold are included (although one statement can be produced for all)
 - Franchisee models – based on turnover of franchisor



The Transparency in Supply Chains Provision: the legal requirements

“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 parts of its business, or
- a statement that the organisation has taken no such steps”

Who

What

How

When



The Transparency in Supply Chains Provision: the legal requirements

It may include:

- Organisation's structure, its business and supply chains;
- Its policies in relation to slavery and human trafficking
- Its due diligence processes
- The parts of its business 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 that is available to its staff

Who

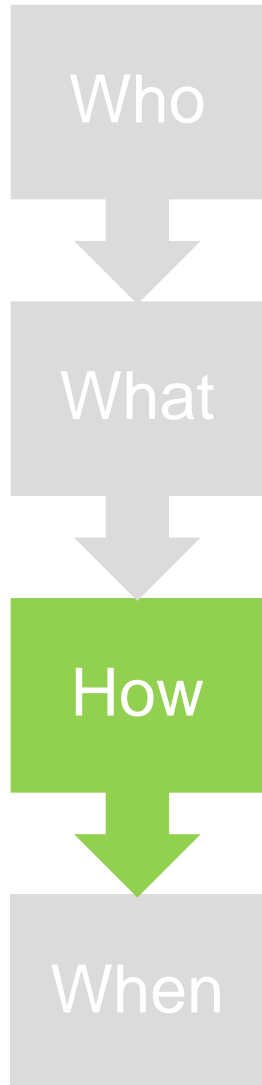
What

How

When



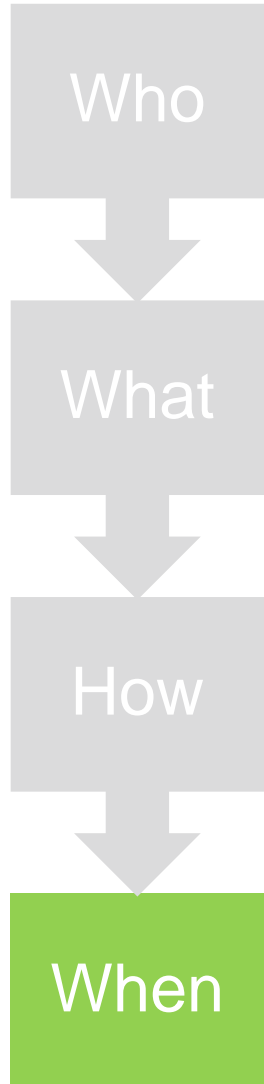
The Transparency in Supply Chains Provision: the legal requirements



- For Companies, must be approved by the Board and signed by a director
- If the organisation has a website, it must publish the statement on the website and include a link to the statement in a prominent place on the homepage



The Transparency in Supply Chains Provision: the legal requirements



- Applies to financial years ending on or after 31 March 2016
 - As soon as reasonably practicable after the end of the financial year
 - Organisations are encouraged to report within six months of the financial year end
- Secretary of State can seek an injunction enforcing the duty to publish a statement
- Primary compliance drivers are intended to be pressure from consumers, activist shareholders, trade unions, civil society and the press

Assessing risk: due diligence



Assessing risk: due diligence



Consider:

- Country
- Sector
- Transaction
- Business partnerships

Supply chain mapping

**Risk allocation to identify
priority areas
Audit**



ABB LTD UK

Tarmac Specific - May 2016

ID: 2168213	Expires: 2017-Mar-15		
Client Scope	Progress	Status	Date
Tarmac		Complete	2016-May-24

[Refresh](#)

TOOLBAR

- Recalculate
- View Answered
- Print Audit
- Download to Excel

CATEGORIES

- Tarmac Rules & Requirements
- Specific Insurance
- Tarmac Contracting
- Hot Topics / New Developments**
- Modern Slavery

Hot Topics / New Developments 6

There are a number of issues and areas that are under new and developing legislation and/or best practise advances within our organisation. While we make every effort to ensure these are reflected within the standardised industry question set supported by the MPA, there are some of these areas that are not yet captured. The following questions capture the knowledge we require to ensure that we are able to continue to develop these evolving requirements.

Modern Slavery 6.1

From October 2015, commercial organisations with a turnover of £36 million or more carrying on business in the UK will have to prepare a slavery and human trafficking statement each financial year, stating the steps they have taken to ensure their business and supply chains are slavery free.

Does your company have a turnover of £36 million or greater? 6.1.1

Yes

Has your company developed a Slavery and Human Trafficking statement? 6.1.2

Yes

If yes, upload statement: 6.1.3

[View File](#)

Have your company appointed a senior representative who is responsible for compliance? 6.1.4

Yes

Has your company published your annual "Slavery and Human Trafficking Statement?" 6.1.5

Yes

Please provide your electronic signature below: 6.1.6

Name / Title: Colin Newman / Service Manager - Measurement & Analytics
Date: 2016-05-24
IP Address: 10.177.10.19

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this question will trigger a Red Flag if answered "NO" as of 2017



Managing the supply chain risk:

Collaboration
Contractual provisions
KPIs



Managing risks

Responding to identified cases of modern slavery:

- Have a procedure for reporting suspected and identified slavery
- In the UK, must report to the police on 101
- Outside the UK, response should be tailored to local circumstances: eg local NGOs, industry bodies, trade unions or other support organisations

Training

Collaboration with:

- high and medium risk suppliers
- external organisations
- competitors?

KPIs





Managing risks – contractual provisions

Use of contractual provisions:

- Adherence to the organisation's anti-slavery policy;
- Obligation to abide by all applicable laws (including MSA 2015)
- Warranties that:
 - Applicable laws are being adhered to
 - The supplier has not been subject to any slavery investigations or charges
- Audit rights
- Obligation to co-operate with investigations
- Obligation to provide annual reports setting out steps the supplier is taking
- Termination rights where issues are identified
- Obligation to cascade obligations down to its suppliers

Conclusion



Thank You for Attending



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Next Webinar:

Workplace Wellness – The Business Value of Health and the Power of Prevention

23 June 2016 at 1900

HazCom Updates: Secondary Container Labeling and Training Essentials

29 June 2016 at 1900

Zero Hour Contracts

13 September 2016 at 1300