



Understanding and Addressing Modern Slavery Risks

Modern slavery is a pressing issue that affects businesses of all sizes across global supply chains. This presentation will provide an overview of the Modern Slavery Act 2018 (Cth) and the UN Guiding Principles on Business and Human Rights, helping you understand the scope of modern slavery and identify risks within your own operations and supply chain.

Overview of the Modern Slavery Act and UN Guiding Principles

Modern Slavery Act 2018 (Cth)

The Modern Slavery Act 2018 (Cth) requires certain businesses operating in Australia to report annually on the risks of modern slavery in their operations and supply chains, and the actions they are taking to address those risks. It defines modern slavery as practices such as slavery, servitude, forced labor, and human trafficking.

UN Guiding Principles

The UN Guiding Principles on Business and Human Rights provide a global standard for preventing and addressing the risk of adverse human rights impacts linked to business activity. They outline the state's duty to protect human rights, the corporate responsibility to respect human rights, and the need for access to remedy.

Alignment

The Modern Slavery Act aligns with the UN Guiding Principles by requiring businesses to conduct human rights due diligence, engage with stakeholders, and report on their efforts to address modern slavery risks in their operations and supply chains.

[Refer to Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities for more information.](#)

Understanding the Scope of Modern Slavery

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Defining Modern Slavery

Modern slavery encompasses a range of exploitative practices, including slavery, servitude, forced labor, debt bondage, human trafficking, and child labor. It involves the coercion of individuals through the threat or use of violence, deception, or other forms of abuse.

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Global Scale and Impact

Modern slavery is a widespread and persistent global issue, with an estimated 40 million victims worldwide. The impacts of modern slavery are devastating, including physical and psychological harm, restriction of freedom, and deprivation of basic human rights.

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Vulnerable Populations

Certain groups, such as migrants, refugees, women, and children, are disproportionately affected by modern slavery. Factors like poverty, lack of access to education, and conflict can increase an individual's vulnerability to exploitation.

The header features a dark teal background with a world map. Overlaid on the map are several white and light blue gears of different sizes. Within some of the gears are icons: a location pin, a clipboard with a checklist, and industrial smokestacks.

Identifying Modern Slavery Risks

Mapping Supply Chains

The first step in addressing modern slavery risks is to thoroughly map your organization's supply chain, from raw materials to finished products. This will help you identify potential hotspots where the risk of modern slavery may be higher.

Stakeholder Engagement

Engage with workers, suppliers, civil society organizations, and other relevant stakeholders to gain a deeper understanding of modern slavery risks and to inform your risk mitigation strategies.

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Risk Assessment

Conduct a comprehensive risk assessment to identify the specific modern slavery risks associated with your business operations and supply chain. Consider factors such as industry, geographic location, supplier practices, and worker vulnerabilities.

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Developing a Modern Slavery Policy

Policy Commitment

Develop a clear and comprehensive policy that outlines your organization's commitment to addressing modern slavery risks. This policy should be endorsed by senior leadership and communicated throughout the organization.

Due Diligence Processes

Implement robust due diligence processes to identify, prevent, and mitigate modern slavery risks in your operations and supply chain. This may include supplier assessments, audits, and collaboration with workers and civil society organizations.

Grievance Mechanisms

Establish accessible grievance mechanisms that allow workers, suppliers, and other stakeholders to report suspected instances of modern slavery without fear of retaliation. Ensure that these mechanisms are effectively communicated and utilized.

Remediation Processes

Develop clear procedures for providing remedy to victims of modern slavery, should it be identified within your operations or supply chain. This includes collaborating with relevant authorities and supporting the rehabilitation and reintegration of affected individuals.

Engaging with Suppliers

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Communication

Clearly communicate your modern slavery policy and expectations to your suppliers. Ensure they understand their role in addressing modern slavery risks within their operations and sub-suppliers.

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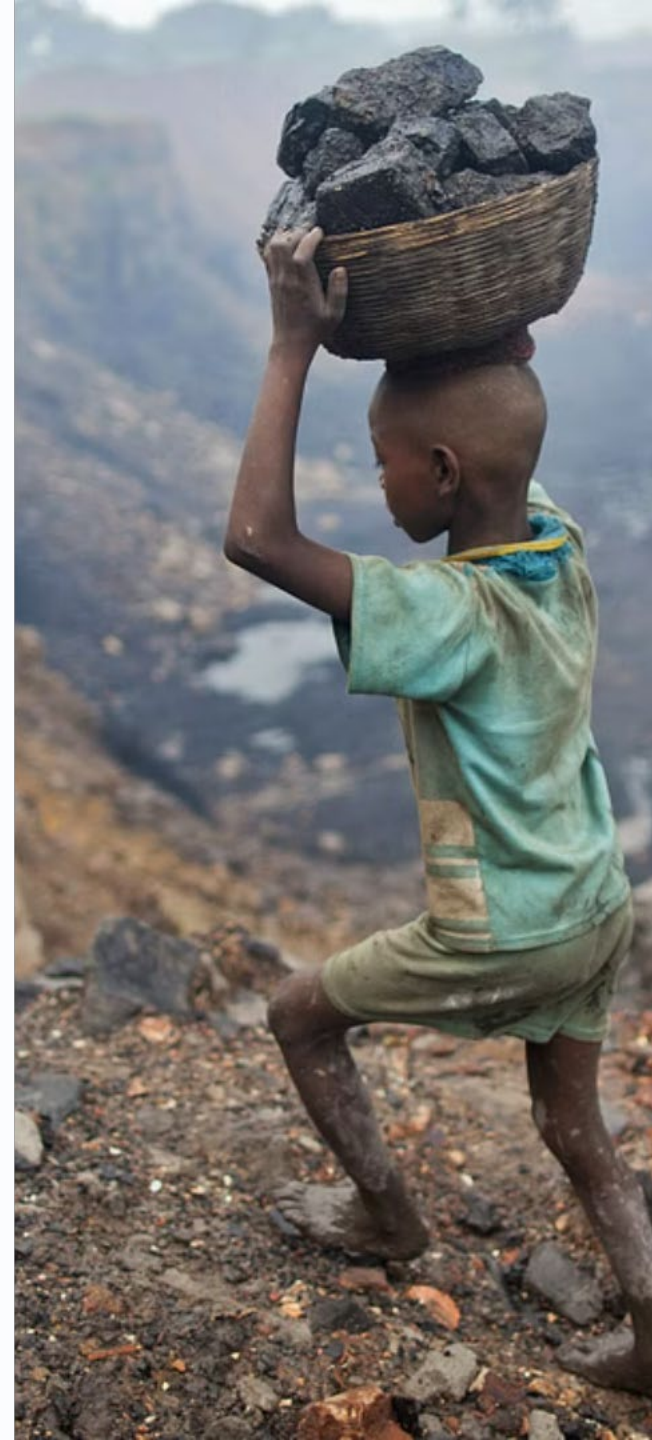
Capacity Building

Provide training and support to help your suppliers build their capacity to identify and address modern slavery risks. This may include resources, guidance, and collaborative initiatives.

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Incentives and Consequences

Establish positive incentives, such as longer-term contracts or increased business, for suppliers who demonstrate a strong commitment to addressing modern slavery. Conversely, consider terminating relationships with suppliers who fail to comply with your policy and expectations.



Reporting and Transparency



Reporting

Comply with the reporting requirements under the Modern Slavery Act, providing transparent and detailed information on your efforts to identify and address modern slavery risks in your operations and supply chain.



Performance Metrics

Develop and track key performance indicators to measure the effectiveness of your modern slavery mitigation strategies. This will help you identify areas for improvement and demonstrate your progress over time.



Stakeholder Engagement

Engage with a wide range of stakeholders, including workers, civil society organizations, and government agencies, to gather feedback and input on your modern slavery reporting and performance.



Continuous Improvement

Regularly review and update your modern slavery policies, due diligence processes, and supplier engagement strategies to ensure they remain effective and responsive to emerging risks and best practices.



Next Steps

Assess and Prioritize

Conduct a thorough assessment of your organization's modern slavery risks and prioritize the areas that require the most immediate attention. This will help you develop a targeted and effective action plan.

1

Commit and Implement

Secure the commitment and buy-in of your organization's leadership and ensure that your modern slavery policies and processes are effectively implemented across your operations and supply chain.

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3

Collaborate and Innovate

Engage with industry peers, civil society organizations, and other relevant stakeholders to share best practices, collaborate on solutions, and explore innovative approaches to addressing modern slavery.

Resources

Modern Slavery is a complex issue, and we encourage our suppliers to learn more. The following resources have been provided to provide information and tools for suppliers to adopt within their business.

Modern Slavery Register Resource Library

Access the resource library, below, including Guidance to the Modern Slavery Act and much more.

[Resources \(modernslaveryregister.gov.au\)](https://modernslaveryregister.gov.au)

Red Cross Australia

A guide for Australian Business

[addressing-modern-slavery-report-final.pdf \(redcross.org.au\)](https://www.redcross.org.au/~/media/Red%20Cross%20Australia/Files/Addressing-modern-slavery-report-final.pdf)

Global Slavery Index

Walk Free's flagship report, the Global Slavery Index (GSI) provides national estimates of modern slavery for 160 countries.

[Global Slavery Index | Walk Free](https://www.walkfree.org/global-slavery-index)

UN Global Compact

A practical guidance on how to assess and address the risk of modern slavery occurring within operations or supply chains.

[Modern Slavery Risk Management: A playbook for Australian SMEs](https://www.unglobalcompact.org/en/resources/publications/modern-slavery-risk-management-a-playbook-for-australian-smes)

Actionable insights on how to consider impacts on human rights as companies go through their decarbonisation journey.

[Reducing Emissions and Respecting Human Rights](https://www.unglobalcompact.org/en/resources/publications/reducing-emissions-and-respecting-human-rights)