

## Modern Slavery and Supply Chain Transparency

#### **Background**

The UK was one of the first countries in the world to introduce a transparency in the supply chain provision into law under the Modern Slavery Act 2015. Full details of this legislation can be found at:



www.legislation.gov.uk/ukpga/2015/30/contents/enacted

This aims to curb 'slavery, servitude and forced or compulsory labour' as well as 'human trafficking' and has done much to raise awareness of these practices as well as focus attention on business operations and supply chains.

The Modern Slavery Act not only gave greater powers to those working to prevent slavery and human trafficking but also placed legal obligations on organisations, with a UK footprint and a turnover over £36 million, to be transparent about their own activity in this area. This takes the form of an annual statement outlining what an organisation has done in respect of their activity and their associated supply chains.

The University of Manchester is subject to this legislation and we publish a statement annually within our financial accounts;



www.procurement.manchester.ac.uk/ procurementexcellence/responsible-procurement/ modernslavery

This outlines the steps we are taking to tackle modern slavery. One of central pillars of our approach is closer engagement with our suppliers, challenging where required but also supporting where needed. We know from this engagement that smaller firms are likely to need more help in this area than larger businesses and providing help is part of our commitment to Social Responsibility.

This guidance document is designed to support our suppliers to think about Modern Slavery, and more broadly about supply chain transparency, in their own business context.

#### **Understanding Supply Chains Makes Business Sense:**

For businesses caught by the Act, compliance is expected but modern slavery legislation provides a focus to consider wider supply chain issues. In fact under the UN Guiding Principles on Business and Human Rights all businesses have a direct responsibly to respect people's rights;



www.ohchr.org/documents/publications/ GuidingprinciplesBusinesshr\_eN.pd

For businesses of any size buyers are increasingly interested in where, and how, their suppliers source their products; your supply chain is also ultimately that of the buyer as well. Tackling modern slavery not only protects vulnerable workers and helps prevent human rights abuses it can bring many business benefits too, including:

- Managing risk by protecting and enhancing your business reputation and brand
- Demonstrating sound business practice and anticipating future legislative requirements
- · Complementing existing tools and requirements (e.g. for health and safety, employment etc.) rather than developing something new or from scratch
- · Attracting more business as higher ethical standards are sought
- Improving staff retention by promoting values and respect
- · Developing better relationships and building trust with your own supply chains

#### **Getting Started:**

There are several simple things that you can do to demonstrate that you consider trafficking, slavery and wider practices, such as sustainability, in your supply chains in the context of your own business. These will give confidence to your customers that you are addressing this important issue:

### Recognise your responsibility

All businesses have a responsibility to protect vulnerable workers in their own operations and those of their supply chain. If you are a business owner, or manager, recognising this and increasing awareness of the issue is a powerful first step.

#### Make a Commitment

Make a policy commitment about zero tolerance of slavery and trafficking. It can be simple but should establish in broad terms what you will do and how you will do it. This shows awareness and transparency.

#### **Develop some Actions**

This can be difficult but due diligence and impact assessment around modern slavery is important. This need not be too burdensome. Think about risk in your supply chain: these might be geographic or sector related for example. Consider what action you could take to monitor these, to track changes, log improvements, or review any new risks. Mapping your supply chain can be challenging but can help in managing your business relationships and processes in many ways.



#### **Involve your Staff**

Everyone has a role to play in combating slavery and trafficking and there are many free resources to help you do this. Training all staff to understand Modern Slavery and recognise the signs helps to prevent abuses either through your own activities or within your supply chain. You may want to consider specialist training for staff depending on what they do; there are NGO's that offer training in this area.



# Engage with your own suppliers on Modern Slavery

Engaging honestly and openly with suppliers to address issues should be a priority. You should be able to challenge your own suppliers. Do they understand the issues? How can they help you create a more transparent supply chain? If there are issues can you work together to address and resolve them? You may wish to update your terms of business as a means of initiating the discussion.



#### Develop a simple Modern Slavery Statement

There is no standard format for producing a statement; depending on your size and what you do they are likely to be different. However they should be clear and informative. Bigger businesses have to produce a statement but many smaller firms are also choosing to do so. They offer a chance to demonstrate that you look at your supply chains, that you understand the issues, have thought about them in relation to your own business and are willing to publically commit to addressing any challenges identified.

Things to include (based on the 6 criteria of the Modern Slavery Act 2015):

- 1. Business structure and supply chains: who you are
- 2. Policies: your commitment to opposing slavery and trafficking
- 3. Due diligence: your action plan
- 4. Risk assessment and management: your assessment of the likelihood of slavery in your sector and supply chains
- 5. Effectiveness: how you measure your commitments and actions
- 6. Training: raising awareness

#### **Resources to Help:**

There are a wide variety of resources covering slavery and supply chain transparency and many are accessible by searching the internet. Our own webpages contain a number of useful resources:

www.procurement.manchester.ac.uk/
procurementexcellence/responsible-procurement/
modernslavery

Below are some other links that may help in getting started.

www.gov.uk/government/publications/modern-slavery-closer-than-you-think

The government authority appointed to oversee this area is the Gangmasters and Labour Abuse Authority (GLAA)

www.gla.gov.uk

The University is involved in efforts across Greater Manchester to show zero tolerance to the practice of trafficking and slavery:

- www.stopthetraffik.org/modern-slavery-network-in-manchester/
- http://greatertogethermanchester.org/find-support/human-trafficking-and-modern-slavery

The Ethical Trading Initiative (ETI) has useful information on standards, resources and initiatives on slavery:

www.ethicaltrade.org/issues/modern-slavery

There is a variety of resources available to understand supply chains; for example:

www.cranfield.ac.uk/som/open-executive-programmes/logistics-and-supply-chain-management

If you work in ICT, food or clothing Know the Chain provide a helpful benchmarking tool:

https://knowthechain.org

<sup>&</sup>lt;sup>1</sup> This guidance has been put together based on feedback from our existing SMEs but also with expert advice from academic colleagues (especially Dr Lara Bianchi) from the Alliance Manchester Business School who specialise in research in the area of human rights in the supply chain.