

# Procurement Guide to Evaluating Modern Slavery Policies: Identifying Best Practice and Red Flags

As a procurement professional, you're already juggling a multitude of priorities – carbon footprints, social value, resource efficiency, health and safety. Now, add modern slavery and labour exploitation to your plate. The task can feel quite overwhelming.

I've lost count of how many times I've heard, "We ask our suppliers for their modern slavery policies, but it's a bit of a box-ticking exercise". Let's face it – many procurement teams feel out of their depth when it comes to reviewing these policies. And who can blame them? The procurement landscape has transformed dramatically in the last decade.

But fear not! This blog is your crash course in modern slavery policy evaluation. We're going back to basics folks. What does a good policy look like? What red flags should set off alarm bells?

A comprehensive modern slavery policy should clearly articulate an organisation's intentions, objectives and values as set out by its top management. It should provide a clear framework for action, helping to align all parts of the organisation in the effort to identify and eliminate modern slavery risks in its operations and supply chains.

## 1. Words Matter: Language Aligned with Best Practice Due Diligence

### Gold Standard

Look for signs that the organisation talks the talk of ongoing risk management, aligned with best practice due diligence. They should be using phrases like:

- Identifying potential risks
- Preventing adverse impacts
- Managing and mitigating the risks
- Accounting for our actions and remediation

These are hallmarks of an organisation that understands the complex web of modern slavery issues.

## Red Flag Alert: Assurance of Zero Slavery

Beware of overconfident declarers. If you spot statements like,

“We guarantee zero slavery in our operations and supply chain because we do ....’ or “our processes and systems ensures no exploitation”, then it’s time to raise an eyebrow (or two).

Any organisation claiming 100% slavery-free operations and supply chain is likely showcasing their lack of understanding, rather than their ethical superiority. Modern slavery is a complex and ever-evolving challenge. True experts acknowledge the ongoing nature of the fight, not a one-and-done victory.

## 2. Tailored to Fit: a Bespoke Approach

### Gold Standard

A good policy should be:

- Appropriate to the organisation’s size
- Tailored to its unique nature and operating environment
- Reflect the culture of the organisation

## Red flag alert: The Copy-Paste Policy

If you spot generic language that could apply to any company, vague statements with no specific details or a policy that seems oddly familiar, then you might be dealing with a copy and paste job.

A generic, one-size-fits-all policy screams either:

- We don’t think modern slavery applies to us (spoiler: it probably does)
- We need help understanding the risks

### 3. Clear Accountability and Implementation

#### **Gold Standard**

A well-structured policy should demonstrate:

- Clearly defined roles and responsibilities across the organisation and supply chain.
- Specific business functions assigned to manage modern slavery risks
- A clear chain of command for decision-making and action
- Reference or evidence of an implementation plan – who is Responsible, Accountable, Consulted and Informed (RACI)
- Clear leadership at the highest level in the organisation, with a named executive sponsor who is ultimately responsible for policy implementation.

An effective policy ensures every stakeholder understands their role in addressing modern slavery risks, from top management to frontline employees.

#### **Red flag alert: The Responsibility Void**

Be cautious of policies that use vague language about organisational responsibility, which fail to identify key roles or departments responsible for implementation.

A robust governance structure is crucial for translating policy into action. Without clear accountability, even the most well-intentioned policy risks becoming ineffective. Remember, in addressing modern slavery, knowing who does what is just as important as knowing what needs to be done.

### 4. Risk Radar: Pinpoint Vulnerabilities in Operations and Supply Chain

#### **Gold Standard**

A good policy should demonstrate:

- A methodology for assessing modern slavery risks across both internal operations and extended supply chains
- Identification of high-risk areas such as specific categories of spend, operational activities or vulnerable geographic areas

- Strategies for preventing modern slavery in high-risk areas, identifying potential instances of labour exploitation, mitigating risks effectively and remediating any discovered issues

## Red Flag Alert: The Risk-Free Illusion

Be wary of policies that:

- Claim no areas of risk exist in their operations or supply chain
- Provide only vague, generalised statements about risk without specifics
- Fail to acknowledge the pervasive nature of modern slavery risks

In the complex world of global supply chains and diverse operations, some level of risk is almost always present. A policy that recognises and addresses these risks head-on demonstrates a mature and responsible approach.

## 5. Links to Interconnected Policies – Joining the Dots

### Gold Standard

A good policy recognises that modern slavery doesn't exist in isolation. It should:

- Acknowledge modern slavery as the most extreme form of labour exploitation
- Demonstrate awareness of interconnected issues, for example:
  - Fairness, inclusions and respect
  - Wellbeing
  - Ethical recruitment
  - Fair wages and compensation
- Provide clear links to related policies like responsible recruitment, remediation, supply chain code of conduct, prompt payment, sustainable procurement and responsible sourcing
- Show an understanding of how these issues interrelate and impact one another

## Red Flag Alert: The Isolated Policy

Be wary of policies that:

- Treat modern slavery as a standalone issue
- Fail to reference other workplace or supply chain policies
- Overlook the broader context of labour rights and worker welfare

## 6. Remediation, Remediation, Remediation

### Gold Standard

A good policy:

- Will reference remediation and provide a clear definition in the context of modern slavery, such as, “the process of providing remedy for an adverse human rights impact and steps that can be taken to mitigate that impact or prevent the harm from reoccurring”
- Acknowledges that remediation is context-specific, and responses will depend on the circumstances of each incident
- Will reference or signpost to a remediation policy and process

## Red Flag Alert: Promises to Cut and Run: Hasty Supplier Severance

Cutting ties immediately with suppliers linked to modern slavery isn't ideal. It can push the problem underground, abandon vulnerable workers and miss opportunities for lasting improvement. Instead, organisations should work with suppliers to address issues, understand why they occurred in the first place and how those impacted can be remediated, and what can be done to prevent this from happening again.