

Modern

slavery

supplier

guide

49%

of our key suppliers have *not* conducted a human rights supply chain risk assessment.



## Shining a light on modern slavery

Geopolitical instability, widening inequalities and forced migration, exacerbated by the effects of climate change, continue to leave populations exposed to traffickers and labour exploitation. More recently, coronavirus (COVID-19) has dramatically altered global supply chains, creating high demand and recruitment drives in certain sectors which increases the risk of modern slavery occurring somewhere in businesses' value chains. Now, more than ever, the private sector has a duty to act in a responsible and decisive manner on this issue.

According to [Global Slavery Index](#), there are an estimated 40 million slaves in the world today, 136 thousand of which are in the UK, across business sectors, company operations and supply chains throughout the UK and abroad.

In line with our Purpose at PwC—to build trust in society and solve important problems—we are committed to addressing this complex issue in our business and our supply chains. And, as we strengthen our approach, we are formalising and embedding processes to increase transparency and assurance for modern slavery risks in our supply chain.

“Ensuring that businesses are doing all they can to prevent trafficking from taking place in their supply chains is vital.”

**Dame Sara Thornton** – UK Anti-Slavery Commissioner

What does this mean for you, our suppliers? According to our most recent survey, 74% of our key suppliers have published a modern slavery statement, but only 51% have conducted a supply chain risk assessment and 68% have provided training on the topic to staff.

Government legislation and statutory guidance in this area needs to be followed by everyone, where it applies. We require that our suppliers comply with it too. This guide has been developed to encourage you to consider how you manage modern slavery and broader human rights risks in your supply chain

Explore the assets on page two by clicking on the thumbnails and read the practical guidance on page three.



# 1. Modern slavery and global supply chains

Find out how slavery is more prevalent now than at any time in history. This Thomson Reuters Foundation video describes the conditions most slaves live under and outlines the high risk areas and sectors globally.

**Note:** The most recent figure of persons enslaved by The Global Slavery Index 2018 is 40 million.

**Credit:** Thomson Reuters Foundation



# 2. Learn to spot the signs of modern slavery

Modern slavery and labour exploitation affects thousands of people in the UK and is happening right now. Learn to spot the signs of modern slavery in your operations or at one of your supplier sites, and what action to take if you do.

**Credit:** Gangmaster and Labour Abuse Authority

# 3. Forced labour in the UK

Modern slavery is hidden in plain sight in every city across the UK and in many businesses. Could you recognise the signs and would you know the correct course of action to take if you did? This video from the Gangmaster and Labour Abuse Authority explores.

**Credit:** Gangmaster and Labour Abuse Authority



# 4. PwC UK Modern Slavery Statement

Each year, we publish a statement outlining our actions taken in the past year on this topic. Here you can learn how we manage modern slavery risks in our business and supply chain.

## Modern slavery practical guide



### What is your official position on modern slavery?

A modern slavery/human rights policy allows a business to be explicit internally and with third parties about what conduct it expects of all its stakeholders. By its design and review process it ensures that modern slavery risks are considered at senior levels of the business.

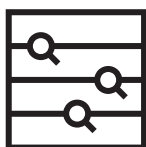
You can see the PwC UK Human Rights and Modern Slavery Policy [here](#).



### Where are the highest risks of modern slavery in your business?

If an organisation has properly assessed the nature and extent of its exposure to the risk of modern slavery, it will be better able to take targeted action to find it, to remedy it, and to prevent it occurring in the future.

Our risk assessment combined data from conversations with our suppliers, interviews with industry bodies, analysis of specialist human rights reports and desk-based research.



### What due diligence do you have in place to manage the risks of modern slavery?

Due diligence procedures and policies mitigate the risk of modern slavery occurring in your business and supply chain. These may include ensuring that your recruitment—whether in-house or an external agency—is not charging labourers fees to secure work; establishing and highlighting to relevant workers a channel to raise any concerns about labour exploitation; or that you have contractual arrangements in place with high risk suppliers to ensure that they inform you if a modern slavery instance occurs.

Our due diligence includes a declaration of adherence to our code of conduct policies, by both our operational staff and our suppliers. We also operate a 'Speak Up' helpline for staff to report modern slavery instances.



### Are you raising awareness of and educating your stakeholders about modern slavery risks in your business?

Modern slavery is often hidden in plain sight and therefore it can only truly be eradicated if we train internal teams and suppliers. Do your employees know about this issue? Do they know which areas are high risk? Could they spot the signs of modern slavery, at a supplier site or in your own operations? Would they know what action to take if they did?

In FY21, we introduced mandatory staff modern slavery training, designed to ensure that our people could answer each of the above questions.



### What will you do if an instance of modern slavery is found in your business or supply chain?

A considered escalation plan of what the procedure is if a modern slavery situation is identified ensures a swift response, which results in better support for the victim and reputation management. Any response should consider what the appropriate remediation to the victim should be and what actions are required to ensure that the situation does not arise again.

At PwC, we have worked in tandem with our procurement and risk teams to establish a common understanding of escalation processes. We currently deal with remediation on a case by case basis.



### How do you know if your actions are guarding against modern slavery?

As with any aspect of business, it's important to evaluate the effectiveness of your modern slavery programme using relevant metrics, monitoring and by reporting performance.

We use three supply chain-specific metrics that, along with progress against commitments, help inform the effectiveness of our programme.

**Read more on our actions in each of the above areas in our [Modern Slavery Statement](#).**

#### Useful references for further information and guidance<sup>1</sup>

- [CORE Coalition](#)
- [Ethical Trading Initiative](#)
- [Gangmasters and Labour Abuse Authority](#)
- [Global Slavery Index](#)
- [Stronger Together](#)
- [UK Government resources](#)
- [UN Guiding Principles on Business and Human Rights](#)

<sup>1</sup>These are a selection of our suggestions of publicly available resources—other reliable sources are available.

## Get in touch

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If you have any questions or want to discuss your approach to modern slavery prevention further, please contact us.



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