

Modern Slavery Global Benchmark

Assessment methodology and criteria



CCLA
GOOD INVESTMENT

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Introduction

Modern slavery is an abhorrent abuse of human rights that occurs primarily in the private economy. As stewards of business, investors have a unique opportunity and responsibility to engage companies to tackle modern slavery.

The CCLA Modern Slavery Benchmark has been developed in support of Find it, Fix it, Prevent it, a collaborative investor initiative on modern slavery with 70 members and £19.3 trillion in assets under management.¹

The benchmark assesses the modern slavery related disclosures of the top 100 global companies by market capitalisation that 'supply goods or services' in the UK and are therefore subject to Section 54 of the UK Modern Slavery Act.²

The benchmarks assess the companies on the degree to which they:

- conform with the requirements of Section 54 of the Modern Slavery Act 2015
- disclose information outlined in the Home Office Guidance on modern slavery
- align with international voluntary standards by reporting on finding, fixing and preventing modern slavery.

The CCLA Modern Slavery UK Benchmark has been conducted twice before and provides an objective assessment of corporate modern slavery performance. It provides an opportunity to see where corporate performance has improved and suggests a roadmap for work still to be done.

This is the first time CCLA has applied our methodology to non-UK listed companies as we expand the scope of our aim to incentivise and normalise better corporate labour practice.

The aims of the benchmark are to:

1. develop a framework on the degree to which companies are active in the fight against modern slavery
2. create an objective assessment of corporate modern slavery performance aligned with UK statutory requirements, UK government guidance, and international voluntary standards on business and human rights
3. support investors' engagement with companies on their approach to modern slavery
4. provide a vehicle for learning and sharing of good practice
5. create a mechanism to leverage business competition to drive improvement in practice.

As this is the first iteration of a global benchmark, we have conducted it as a pilot project and used it as an opportunity to develop our approach. Alongside this assessment criteria and methodology document, a brief results report will be published to provide a baseline assessment of current corporate practice.

Developing the benchmark

The CCLA Modern Slavery UK Benchmark was developed from CCLA's investor initiative 'Find it, Fix it, Prevent it'. The initiative was created in 2019 to provide a framework to guide investors' engagements with companies.³

The benchmark developed the Find it, Fix it, Prevent it approach by synthesising UK regulation, the UN Guiding Principles on Business and Human Rights, widely used and recognised frameworks, and best practice standards into 48 questions.

It takes a management systems approach. CCLA has analysed company disclosures on policy and practices. We look for evidence of corporate policies, governance of human rights, corporate human rights due diligence processes as well as disclosures of actual cases and evidence of remedy in such cases. In addition, preventative steps that have been put in place as a result of lessons learnt. Modern slavery is often hidden and global estimates of the number of people trapped in modern slavery are estimates only.

In 2023 we conducted the first CCLA Modern Slavery UK Benchmark. This assessed the 100 largest UK-listed companies by market capitalisation. The report can be found on our [website](#).

It provided a good baseline assessment. The average percentage score was 54% and 35 companies fell into Tier 3, 'meeting basic expectations'. It also demonstrated that much more work could be done to entrench and expand company approaches to forced labour.⁴

In 2024, we conducted the second CCLA Modern Slavery UK Benchmark. Again, the largest UK-listed companies were assessed, alongside all 2023 companies. The results demonstrated clear improvement. 65 companies improved their overall score and 35 companies moved up at least one performance tier. Crucially, more companies had disclosed finding cases of modern slavery. Despite this, there is still room for improvement and the average percentage score was 58%. The report can be found on our [website](#).

Additionally, the benchmarking process opened dialogue with the assessed companies. Throughout 2024, CCLA had contact with 65 of the assessed companies which is a pattern likely to continue into 2025.⁵

2025 has provided the opportunity to expand the remit of the CCLA Modern Slavery Benchmark. As well as our UK benchmark, we have embarked on this global pilot project. Learnings from the pilot project will be used to refine our methodology and assessment process. We will publish the inaugural CCLA Modern Slavery Global Benchmark in 2026.

Benchmark framework

The questions in the benchmark's framework are derived from international standards, widely used and recognised frameworks, and best practice guidelines.

It is grounded in the 2015 UK Modern Slavery Act and the UN Guiding Principles on Business and Human Rights (UNGP) and draws on existing best practice developed by organisations including the Business and Human Rights Resource Centre, the Ethical Trading Initiative and KnowTheChain.

The framework of the Modern Slavery Global Benchmark is split into five sections:

1. **UK Modern Slavery Act compliance and registry**

This section is derived from the requirements of the UK Modern Slavery Act 2015 as well as whether the statement has been uploaded to the UK government's Modern Slavery Statement Registry.⁶ For this section only modern slavery statements are considered.

The Modern Slavery Act applies to companies that provide 'services or goods' in the UK and have a turnover of over £36 million. CCLA interprets this to mean that any company with a global turnover of £36 million is in scope if they supply any goods or services in the UK. The turnover threshold does not apply to UK-only activities.

2. **Conformance with UK Home Office Guidance**

This section is derived from the UK government's guidance on transparency in supply chains.⁷ While it does not have statutory force, it indicates what the UK government believes a good modern slavery statement should contain. The law says that the statement 'may' include these issues, but we have used 'must'. For this section, only modern slavery statements are considered.

3. Find it

This section covers corporate business and human rights due diligence processes and efforts to find, assess and measure the risks of modern slavery in the supply chain. It also examines the extent to which companies have disclosed modern slavery, defined by the presence of any of the International Labour Office's 11 indicators of forced labour.⁸

4. Fix it

This section covers efforts to provide remediation to individuals who have experienced forced labour.






5. Prevent it

This section covers companies' efforts to prevent the occurrence of modern slavery in their operations and supply chains, including ensuring board-level oversight, allocating responsible people and resources, ensuring their own procurement practices support policies and standards, and applying concepts such as the Employer Pays Principle.⁹

Company scores are divided into five Performance Tiers:

- To qualify for Performance Tier 1, a company scored between 81% and 100% overall and had disclosed finding modern slavery or its indicators within its business or supply chain in the year under assessment.
- To qualify for Performance Tier 2, a company scored between 61% and 80% overall.
- To qualify for Performance Tier 3, a company scored between 41% and 60% overall.
- To qualify for Performance Tier 4, a company scored between 21% and 40% overall.
- To qualify for Performance Tier 5, a company scored between 0% and 20% overall.

PERFORMANCE TIERS

Performance tier	Percentage score	Tier description
 Leading on human rights	81-100	An evolved and mature approach to human rights due diligence. There are extensive discussions of the risks of modern slavery, case studies on systemic modern slavery risks in the sector, and discussions of meaningful activities to find, fix and prevent modern slavery.
 Evolving good practice	61-80	Evidence of human rights due diligence practices on modern slavery informed by experts and/or civil society partners. There is evidence of activity in the 'find it', 'fix it' and 'prevent it' categories.
 Meeting basic expectations	41-60	Meeting and exceeding minimum expectations, for instance by undertaking risk assessments for the business and supply chains, communicating regularly with suppliers on modern slavery risks, providing relevant training to staff and monitoring efficacy. There is also evidence of whistleblowing mechanisms. However, the due diligence processes could be improved to ensure they are fully capturing the risks to the business and rights-holders.
 Developing approach	21-40	The company has relevant policies, but there is little evidence of sufficient human rights due diligence. For instance, risk assessment processes are primarily desk-based and focused on compliance.
 Unsatisfactory	0-20	A limited modern slavery approach. The company may not have an in-date modern slavery statement.

Global benchmarking process

To produce a global benchmark, CCLA developed a new methodology for scoring. We worked with ESG data consultancy, Canbury, to train a large language model (LLM) to support in the assessment of company disclosures.

Between December 2024 and February 2025, CCLA and Canbury trained the LLM to assess companies' modern slavery disclosures. This involved developing artificial intelligence (AI) prompts for each question and training the LLM on correct answers using the dataset from the 2023 and 2024 UK modern slavery benchmark data. During this process we iterated different prompts to seek more accurate assessments compared with a subset of 14 companies that had been scored by both the LLM and human assessors.

CCLA and Canbury adopted a hybrid approach, applying a human-led quality assurance process at the data sourcing and data interpretation stages. This was done to ensure that the LLM focused on the areas that it is best designed for – analysing large sets of text and narrative at scale – while also ensuring that the engrained knowledge and skill within the CCLA and Canbury teams remained core to the process.

Both the companies in scope of the benchmark and their relevant disclosures were determined and collected by analysts. Relevant company disclosures were collected manually on 7 November 2024 and were put through the LLM, which created a scorecard for each company.

CCLA then employed a human-led quality assurance process. This involved assessing the final data against a control group of 14 companies to ensure broad accuracy and individually scoring 10 questions, which had been identified as 'problematic' for the LLM to handle.

The questions that had human oversight were:

- Q1: is the modern slavery statement available on the corporate website?
- Q2: is the statement available on the UK Modern Slavery Statement Registry?
- Q3: is the modern slavery statement signed by a director?
- Q6: is the modern slavery statement for the correct financial year?
- Q24: has the company provided details of how they analyse the overall supply chain by risk?

- Q25: has the company disclosed both employee numbers and numbers of supply chain workers?
- Q28: has the company provided details of how the risk assessment of its operations and supply chain was carried out?
- Q36: has the company disclosed finding modern slavery in the past year?
- Q42: has the company demonstrated using leverage to address systemic challenges where cases have been found?
- Q46: what evidence is there of responsible purchasing practices to encourage or reward good labour practices?

After completing the preliminary assessment process, we shared our findings with each company individually. Companies had a three-week period – from 24 February to 15 March 2025 – to point to additional disclosures or suggest amendments to their scorecard. Of the companies assessed, 30 engaged with the process and 16 provided written feedback.

From this, CCLA analysts evaluated all feedback and finalised the results. In some cases, the LLM was used to scan larger documents and provide the relevant information for final human assessment. This was then used to publish a [pilot benchmark report in May 2025](#).

All companies received their final assessment report in April.

How companies were chosen

Companies in scope of the CCLA Modern Slavery Global Benchmark pilot represent the 100 largest globally listed companies by market capitalisation (as at 7 November 2024) that provide goods or services in the UK (thus in scope of the UK Modern Slavery Act).¹⁰

To assess whether companies met this criterion, we used the following sources:

- Sustainalytics to determine the market capitalisation of companies in the MSCI All Countries World Index.
- Each company's own modern slavery statement pursuant to the UK Modern Slavery Act 2015.
- Accounts on Companies House or in annual reports (or equivalent), providing confirmation of a UK footprint.
- Further correspondence for a select number of companies to confirm that they were in scope of the UK Modern Slavery Act.

Accepted sources of evidence for benchmark assessments

All qualifying evidence must be available in the public domain through the company's own corporate reporting process. Disclosures via other platforms, such as the reporting function of the UK Modern Slavery Statement Registry, do not signal the corporate commitment that this benchmark assesses.

Sections 1 and 2: Compliance with the UK Modern Slavery Act and conformance with UK Home Office Guidance

A company's UK modern slavery statement is the only document awarded points for Sections 1 and 2 of the benchmark. Both sections are derived from the 2015 UK Modern Slavery Act and corresponding Home Office Guidance. Section 1 assesses compliance with the Act (a regulatory requirement); Section 2 assesses conformance with the guidance.¹¹

CCLA recognises that many businesses are under a significant reporting burden. Any hyperlinks included within a company's modern slavery statement are considered an extension of the main statement and therefore scored in Sections 1 and 2.

Sections 1 and 2: Subsidiary disclosures

Some global companies are in scope of the benchmark because of one or multiple subsidiaries operating in the UK market.

Group statements pursuant to the UK Modern Slavery Act were analysed first. Where a group statement did not exist, CCLA analysed all statements for subsidiaries pursuant to the UK Modern Slavery Act. For the company to be awarded points for each question, every underlying subsidiary pursuant to the UK Modern Slavery Act must comply.

Statements pursuant to modern slavery legislation outside the UK were not scored.

Sections 3, 4, and 5: 'Find it', 'Fix it' and 'Prevent it'

The benchmark aims to give a holistic picture of a company's approach to modern slavery, encouraging businesses to move beyond minimum regulatory standards to proactively finding, fixing and preventing modern slavery in their supply chains.

For the 'Find it', 'Fix it', 'Prevent it' sections of the benchmark, any group-level public disclosure will be considered. These can include but are not limited to:

- sustainability/ESG report
- annual report
- integrated report
- human rights report
- additional reports under other jurisdictions' human rights/supply chain disclosure requirements (e.g. CSRD reports, German Supply Chain Act (Lieferkettengesetz, LkSG), France's Corporate Duty of Vigilance law (Loi de Vigilance))
- code of conduct (including business conduct and ethics)
- supplier code of conduct
- human rights policy/statement
- whistleblower policy
- responsible sourcing policy
- diversity and inclusion policy
- recruiter agreements
- due diligence processes
- supplier lists.

Sections 3, 4, and 5: Subsidiary disclosures

The global benchmark evaluates group level corporate commitments. As such, for sections 3, 4 and 5, only group level disclosures are scored.

For example, the LVMH Group Code of Conduct was assessed, whereas the Ethics Policy of subsidiary, Christian Dior, was not.¹²

Reporting cycles

To ensure that we are comparing companies on a level playing field, only publications that cover the same time period as the modern slavery statement are scored. This is particularly relevant for annual reports, ESG reports, and integrated reports. CCLA recognises that companies often publish their human rights report biannually. Where this is the case, we assessed the most recent report, provided it had been published in the last two reporting cycles.

Assessment criteria

This section sets out the 48 questions assessed in the CCLA Modern Slavery Global Benchmark pilot.



Compliance with the UK Modern Slavery Act

This section is derived from the requirements of the UK Modern Slavery Act 2015 as well as whether the statement has been uploaded to the UK government's Modern Slavery Statement Registry. For this section only Modern Slavery Statements are considered.

The Modern Slavery Act applies to companies that provide 'services or goods' in the UK and have a turnover of over £36 million. CCLA interprets this to mean that any company with a global turnover of £36 million is in scope if they supply any goods or services in the UK. The turnover threshold does not apply to UK-only activities.

Question 1

Did the company include a prominent link to the slavery and human trafficking statement on its homepage?

Rationale

The Modern Slavery Act requires that a modern slavery statement must be published on a company's website and be in a prominent place on the homepage.

Scoring

- 0

No direct link to a modern slavery statement on website homepage
- 1

There is a direct link to a modern slavery statement on website homepage

Explanatory notes

- The link must be visible and clearly labelled on a company's homepage (either group or UK site).
- Links to corporate reporting webpages or general sustainability pages are not sufficient.

Question 2

Has the modern slavery statement been uploaded to the Modern Slavery Statement Registry?

Rationale

This is not a statutory requirement of the UK Modern Slavery Act but uploading to the registry is considered part of the spirit of the 'transparency in supply chains' that the Modern Slavery Act promotes.

Scoring

- 0

The modern slavery statement has not been uploaded on the UK Modern Slavery Statement Registry
- 1

The modern slavery statement has been uploaded on the UK Modern Slavery Statement Registry

Explanatory notes

- Company scope was determined on 7 November 2024. Uploads to the modern slavery registry need to be on or before this date to qualify.

Question 3

Was the statement signed by director (corporations), designated member (LLP) or partner (partnerships)?

Rationale

This is a statutory requirement of the UK Modern Slavery Act. It ensures that modern slavery processes have appropriate support from senior management and creates a public accountability mechanism.

Scoring

- | | |
|---|---|
| 0 | There is either a typed signature or no signature from a director on the modern slavery statement |
| 1 | There is a physical signature from a director on the modern slavery statement |

Explanatory notes

- The benchmark specifies a physical signature above a typed name to ensure that senior management have had oversight of the modern slavery statement.
- For global subsidiary statements, there must at least be a signature from senior management of the subsidiary, rather than the group.
- Font that looks like handwriting is not considered sufficient.

Question 4

Was the statement approved by the board of directors or equivalent management body (except for LLPs)?

Rationale

This is a statutory requirement of the UK Modern Slavery Act.

Scoring

- | | |
|---|--|
| 0 | The statement was not approved by the board of directors |
| 1 | The statement was approved by the board of directors |

Question 5

Did the company provide an explanation of the steps that it had or had not taken to ensure slavery and human trafficking is not taking place in any part of its business and service/supply chain?

Rationale

This is a statutory requirement of the UK Modern Slavery Act.

Scoring

- 0

 There is no discussion of the steps taken to combat modern slavery
- 1

 There is an explanation of the steps taken to address modern slavery

Explanatory notes

- The regulatory requirement is simple: this point is awarded for any discussion, no matter how brief, about the steps a company has taken to address modern slavery in its business or supply chain.

Question 6

Did the statement cover the most recent fiscal year?

Rationale

The Modern Slavery Act requires companies to report on their progress annually.

Scoring

- 0

 There is not a modern slavery statement from the most recent fiscal year
- 1

 There is a modern slavery statement that covers the most recent fiscal year

Explanatory notes

- Modern slavery statements were collected on 7 November 2024. The most recent fiscal year was defined by a company's own reporting cycle.

Conformance with Home Office Guidance

This section is derived from the government's guidance on transparency in supply chains. While it does not have statutory force, it indicates what the UK government believes a good modern slavery statement should contain. For this section only Modern Slavery Statements and any hyperlinks within the statement are considered.

Question 7

To what extent did the company provide information about its structure?

Rationale

Corporate structure is critical contextual information to assess how a company sets out its approach to modern slavery.

Scoring

- 0 There is no mention of how a company is structured
- 1 There is a high-level summary of corporate structure
- 2 There is detailed discussion, and the corporate structure is immediately clear

Explanatory notes

- Company structure refers to the legal structure of the company, i.e. which parts of the business are covered by its modern slavery statement, if subsidiaries are included etc.
- Two points are awarded if the statement makes corporate structure immediately clear and/or where statements list all the subsidiaries in scope of the statement and give brief details of their relationship with the parent company.

Question 8

To what extent did the company provide information about its business?

Rationale

Companies must have good oversight of their business to successfully identify modern slavery risks.

Scoring

- 0 There is no mention of what the business does and where it operates
- 1 There is a high-level summary of the business
- 2 There is detailed discussion of nature and locations of business operations

Explanatory notes

- The question seeks to understand what the business does, and how/where it operates.
- For two points, global companies must have enough detail on the countries in which they operate to be able to determine the risks to which they are exposed. This requires detailed business division breakdowns and market coverage with at least a rough geographic scope.

Question 9

To what extent did the company provide information about its supply/service chains?

Rationale

Demonstrating a good understanding of the supply/service chain is critical. Modern slavery can occur at any point across the supply chain and therefore companies need to have good oversight of their suppliers to successfully identify modern slavery risks.

Scoring

- | | |
|---|---|
| 0 | There is no or limited information of the geographic distribution of the supply chain |
| 1 | There is minimal information about the main supply chain locations and the products sourced |
| 2 | There is detailed information about the supply chain, including where the supply chain operates, the products sourced, and the locations of sub-suppliers |

Explanatory notes

- Geographical information is essential for at least one point to be awarded. This information needs to be given at country-level. Continents and regions are not considered sufficient.

Question 10

Did the company provide information about its policies in relation to modern slavery?

Rationale

Corporate attempts to tackle modern slavery should be supported by a strong internal governance processes.

Scoring

- | | |
|---|---|
| 0 | There is no information about policies in relation to modern slavery |
| 1 | There is evidence that the company has policies in relation to modern slavery |

Explanatory notes

- Many different policy disclosures are considered relevant to modern slavery. Most common are a specific modern slavery policy, a human rights policy, or a supplier code of conduct.

Question 11

Did the company provide information about its due diligence processes in relation to modern slavery in its business?

Rationale

Due diligence processes are important for protecting workers, helping to identify cases of exploitation and allowing for remediation. This question assesses whether due diligence processes have been implemented within the direct operations of the business.

Scoring

- 0 There is no discussion of any due diligence processes used within their direct operations
- 1 There is at least one example of the due diligence processes used within their direct operations

Explanatory notes

- ‘Business’ refers to direct operations rather than supply chain (labour, materials, services) and downstream value chain (customers, clients, investments).
- Companies often focus their modern slavery efforts on the supply chain as emphasised by the Home Office Guidance.
- There are many examples of due diligence processes: whistleblowing mechanisms, modern slavery training of staff, and audits of internal operations.
- The quality of due diligence processes is not assessed in this question; points are scored for their existence.

Question 12

Did the company provide information about its due diligence processes in relation to modern slavery in its supply/service chains?

Rationale

Due diligence processes are important for protecting workers, helping to identify cases of exploitation and allow for remediation. Given the global nature of supply chains, most companies will be exposed to modern slavery risks and should institute due diligence processes to mitigate this risk.

Scoring

- 0 There is no disclosed due diligence processes used within their supply/service chains
- 1 There is at least one example of the due diligence processes used within their supply/service chains

Explanatory notes

- Depending on the business model of the company, supply/service chains can represent the highest risk area for modern slavery.
- There are many examples of due diligence processes: supplier risk assessments, supplier codes of conduct, supplier audits.
- The quality of due diligence processes is not assessed in this question; points are scored for their existence.

Question 13

Did the company provide information about the parts of its business where there is a risk of modern slavery taking place?

Rationale

The question assesses whether companies have disclosed the places within their business that have the highest risks for modern slavery. It seeks to understand how modern slavery could occur in a company's direct operations. Additionally, identifying high risk areas is evidence that a company has undertaken a risk assessment.

Scoring

- | | |
|---|---|
| 0 | There is no information given about the parts of a company's direct operations where there are modern slavery risks |
| 1 | There is information about the places in a company's direct operations where there are modern slavery risks |

Explanatory notes

- 'Business' refers to direct operations rather than supply chain (labour, materials, services) and downstream value chain (customers, clients, investments).

- There are many ways in which direct employees can be at a higher risk of modern slavery, even in office-based businesses.
 - The nature of work may put some workers at higher risk – e.g. low-skilled jobs.
 - The nature of employment may make some workers at higher risk – e.g. contracted labour, migrant labour or unpaid internships.
 - The place of operations may put some workers at higher risk – e.g. workers in countries without strong freedom of association, collective bargaining or just compensation regulations. This risk often affects direct operations through outsourced IT, data processing or call centres.
- It is sufficient for a company to state that the risk in relation to their direct operations is low, since this is in their immediate control.
- Additionally, it is sufficient for a company to state that their highest risk is in their supply chain if they also state that their business risk is low in comparison. A point will not be awarded where a company simply states that they have a high-risk supply chain.

Question 14

Did the company provide information about the parts of its supply/service chains where there is a risk of modern slavery taking place?

Rationale

The question assesses whether companies have disclosed the places within their supply/service chain that have the highest risks for modern slavery. It seeks to understand how modern slavery could occur in a company's direct operations. Additionally, identifying high risk areas is evidence that a company has undertaken a risk assessment.

Scoring

- | | |
|---|--|
| 0 | There is no information given about how a business risk assessment was conducted |
| 1 | There is information about the places in a company's supply chain where there are modern slavery risks |

Explanatory notes

- Details of how the risk assessment has been conducted is not sufficient, this question is looking for the findings of the risk assessment and **where** the high risks are.
- Common practice has been to state high-risk geographies, products or commodities, and labour types (e.g. low wage contract labour).

Question 15

Did the company describe steps it has taken to assess the risk of modern slavery in its business?

Rationale

Businesses need to prioritise resource intensive due diligence mechanisms for the parts of their business where the modern slavery risks are the highest. To do this, a comprehensive risk assessment must be conducted.

Scoring

- | | |
|---|---|
| 0 | There is no information given about how a business risk assessment was conducted |
| 1 | There is disclosure about ways in which risk assessments are conducted for direct operations and how this results in an active risk management approach |

Explanatory notes

- 'Business' refers to direct operations rather than supply chain (labour, materials, services) and downstream value chain (customers, clients, investments).
- Some examples of business risk assessments are internal monitoring systems, code of conduct frameworks and general compliance frameworks.
- To score a point, companies must not only disclose the existence of these frameworks but also demonstrate how they are actively utilised to assess and manage risk.

Question 16

Did the company describe steps it has taken to manage the risk of modern slavery in its business?

Rationale

Managing and mitigating the risk of modern slavery within a business' direct operations is a material and salient issue for businesses. Risk management processes are crucial for protecting workers and also for limiting the potential reputational risk incurred by modern slavery cases.

Scoring

- 0** There is no information about the business risk management process
- 1** There is disclosure about the risk management processes used in direct operations and how this results in an active risk management approach

Explanatory notes

- 'Business' refers to direct operations rather than supply chain (labour, materials, services) and downstream value chain (customers, clients, investments).
- The framework considers many actions within the scope of risk management. Some examples are training staff, developing whistleblowing mechanisms, or developing risk profiles for further due diligence.
- There is no judgement on the quality or appropriateness of the risk management process, but we want to see that risks are being actively managed.

Question 17

Did the company describe steps it has taken to assess the risk of modern slavery in its supply/service chains?

Rationale

Businesses need to prioritise resource intensive due diligence mechanisms for the parts of their supply chains where the modern slavery risks are the highest. To do this, a risk assessment must be conducted.

Scoring

- 0** There is no information given about how a supply chain risk assessment was conducted
- 1** There is disclosure about ways in which risk assessments are conducted for the supply chain and how this results in an active risk management approach

Explanatory notes

- There are many types of risk assessment processes including desk-based analysis, using audit or meaningful dialogue, and consultation with civil society organisations operating in the locality with affected right-holders.
- To score the point, companies must not only disclose the existence of these frameworks but also demonstrate how they are actively utilised to assess and manage risk.

Question 18

Did the company describe steps it has taken to manage the risk of modern slavery in its supply/service chains?

Rationale

Managing and mitigating the risk of modern slavery within a business' direct operations is a material and salient issue for businesses. Risk management processes are crucial for protecting workers in the supply chain, who in many cases are at higher risk for modern slavery than direct employees.

Scoring

- 0** There is no information on the supply chain risk management process
- 1** There is disclosure about the risk management processes used in supply chains and how this results in an active risk management approach

Explanatory notes

- The framework considers many actions within the scope of risk management. Some examples are introducing whistleblowing mechanisms available throughout the supply chain, or developing risk profiles for further due diligence, engaging with suppliers.
- As this question focuses on the supply chain, the training of direct employees, even procurement teams, is not sufficient.

Question 19

Did the company provide information about its effectiveness in eliminating modern slavery from its business or supply chains, measured against such performance indicators as it considers appropriate?

Rationale

Monitoring is key to understanding how well a business' approach to modern slavery is working and where there are gaps. Setting Key Performance Indicators (KPIs) allows businesses to track their progress and demonstrate their ongoing commitment to developing their approach.

Scoring

- 0** There is no disclosure of KPIs, and no evidence that the company is tracking its process against these targets
- 1** There is disclosure of the KPIs used, how they are measured, and then evidence of reporting against these KPIs

Explanatory notes

- The benchmark looks for disclosures around the KPIs used, how they are measured, and then performance throughout the year.
- Where measures and figures are given in isolation, it needs to be clear that these are tracked by the company to measure their effectiveness. Figures or measures are not sufficient for the point to be awarded on their own.

Question 20

Did the company provide information about modern slavery training provided to staff?

Rationale

Training is a key part of embedding a modern slavery governance structure. Training helps staff to identify modern slavery cases and risks. It also helps to support broader business policies and practices by making modern slavery a clear priority on the company's agenda.

Scoring

0

There is no information on the training of staff

1

There is information on the training of staff

Explanatory notes

- Disclosures around training need to be specific to modern slavery. Whistleblowing or a generalised human rights training are not sufficient for the point.
- Best practice is to provide detail about the training for specific roles or within certain geographies.

Find it

The 'Find it' section of the Modern Slavery Benchmark covers a company's human rights due diligence processes and the degree to which they are designed to find modern slavery. To be active in the fight against modern slavery, companies need to be able to identify their areas of highest risk and increase the visibility of their employment practices in these areas.

All information disclosed by the company in the public domain is considered.

Question 21

Did the company state that it is continuing to map the extent of its operations and supply chains?

Rationale

Mapping the supply chain refers to an ongoing process undertaken to understand where products come from and where primary or tier one suppliers' sub-suppliers are located. This process is crucial in combatting modern slavery because visualising the supply chain allows for high-risk areas and groups to be identified. Given the ever-changing nature of business relationships and supply chains, ongoing mapping can always be conducted.

Scoring

- 0 There is neither evidence of current supply chain mapping nor a commitment to extend this
- 1 There is evidence that the company has started mapping the supply chain beyond tier one and commits to continuing to expand this process

Explanatory notes

- Tier one supply chain is defined as suppliers that have a direct relationship with the business and excludes buying agents. Tier two supply chain comprises direct suppliers to tier one, and so on.

Question 22

Did the company disclose the locations of its tier one suppliers?

Rationale

Understanding where tier one suppliers are located is a crucial first step in a modern slavery risk assessment.

Scoring

- 0 There are no disclosures of tier one supplier locations, or locations are given as continents or regions
- 1 There is a partial list of supplier locations, to at least a country level
- 2 There is a list of supplier locations with addresses

Explanatory notes

- Tier one supply chain is defined as suppliers that have a direct relationship with the business and excludes buying agents. Tier two supply chain comprises direct suppliers to tier one, and so on.
- For one point, we are looking for a list of locations in which the company has tier one suppliers. These must be disclosed at least at country level; continental/regional disclosure is not deemed sufficient.
- For two points, the list of supplier addresses should either focus on a particularly high-risk sector or cover all tier one suppliers.

Question 23

Did the company disclose the locations of its suppliers beyond tier one?

Rationale

Mapping suppliers beyond tier one is necessary for further supply chain transparency. Evidence has shown that further down the supply chain, workers are more vulnerable to modern slavery. Understanding where sub-suppliers are located allows companies to sufficiently point to the riskiest parts of their business.

Scoring

- | | |
|---|--|
| 0 | There are no disclosures of tier two and below supplier locations, or locations are given as continents or regions |
| 1 | There is disclosure of supplier locations to at least a country level |

Explanatory notes

- Tier one is defined as the highest point where labour is applied. This means the suppliers that have a direct relationship with the business and excludes buying agents. Tier two is therefore defined as suppliers to tier one, and so on.
- For one point, we have specified that locations must be to a country level as a minimum threshold. This is to ensure that we are awarding points to companies who have sufficient visibility of where their workers are located.
- The mapping does not need to cover all suppliers and could focus on a particularly high-risk sector.

Question 24

Did the company provide details of how they analyse the overall supply chain by risk (e.g. in relation to sourcing, geography, commodity, manufacture, and spend)?

Rationale

Given the complexity of global supply chains, having a sophisticated risk assessment process is key for assessing where due diligence should be prioritised. Disclosing how risk factors are integrated into a risk assessment is one way to show a robust process. Best practice is to have ongoing monitoring using site-level data, which is awarded top marks.

Scoring

- | | |
|---|--|
| 0 | There is no disclosure of the factors that influence risk assessment processes |
| 1 | There is disclosure of the factors that influence the risk assessment process |
| 2 | There is detailed disclosure on how the named factors, particularly geography and commodity, affect how risk assessments are conducted |
| 3 | There is disclosure of how risk assessment data gathered on-site influences the risk assessment process |

Explanatory notes

- Risk factors must be named to score the first point. These should relate to the factors that make a worker more vulnerable, rather than relative risk to the business. Some examples of common risk factors that influence assessments are geography, commodity, manufacture, or spend.
- For two points, 'detailed disclosure' is defined as discussion of at least three countries or commodities. Geographic locations should be given to at least a country level.
- For three points, the company needs to show how data collected on-site, like audit data, is fed back into future risk assessments.

Question 25

Did the company provide information on the workforce in both its operations **and** supply chain?

Rationale

Knowing the number of employees in a business' direct operations and supply chain is another facet of mapping the supply chain. It allows companies to visualise their workforce and who they are responsible for.

Scoring

- | | |
|---|--|
| 0 | No information given or just information on number of employees disclosed |
| 1 | The number of direct employees and the number of workers in the supply chain have been disclosed |
| 2 | There is a more detailed breakdown on the supply chain workforce in addition to disclosing the broad number of workers |

Explanatory notes

- For one point, the number of workers in the supply chain and in the business must both be given. The numbers given should be specific enough to demonstrate that a business understands the workers it is responsible for.
- Depending on the sector (particularly where contractors or contingent workers are linked to salient risks), companies can receive points for discussing numbers of contractors and contingent labour within their supply chain.
- For two points, detailed breakdown can be disclosing the number of workers operating at each site.

Question 26

Did the company identify recruitment of migrants/temporary labour as a human rights risk?

Rationale

Indirect methods of recruitment and lack of permanent contracts can make workers more vulnerable to labour exploitation. The issues of debt bondage and recruitment fees particularly affect migrants, alongside other temporary staff. Recognising the risks migrants and other temporary workers face is a crucial first step for businesses to take.

Scoring

- | | |
|---|---|
| 0 | The risks surrounding the recruitment of migrants and other temporary labour is not disclosed |
| 1 | Migrant/temporary workers have been identified as a strong risk factor for modern slavery |

Explanatory notes

- This point can also be awarded where the risks to migrants have been recognised through a case study.

Question 27

If so, has the company provided details on how migrants are recruited?

Rationale

Given the higher risk that migrants face, companies should disclose their methods for monitoring temporary labour and the recruitment practices used to avoid exploitation.

Scoring

- | | |
|---|--|
| 0 | No information about recruitment of migrant or temporary labour |
| 1 | Details of risk management processes related to the recruitment of migrant or temporary labour have been disclosed |

Explanatory notes

- Right to work checks are not sufficient to score because they are a standard recruitment procedure for all employees and do not screen for legal migrants that are in modern slavery situations.

Question 28

Did the company provide details of how the risk assessment of its operations and supply chain was carried out including which indicators, resources, and tools were used and/or which experts, stakeholders, and civil society organisations were consulted?

Rationale

The tools used within a risk assessment are another way to judge the sophistication of the process. This question follows from Question 24 to build a picture of a business' risk assessment process. Direct worker engagement is the most effective way to identify modern slavery risks and cases. In many cases this is challenging, which is why we consider industry or initiatives related to modern slavery, who tend to have contact with localities, as an interim stage between desk-based analysis and local dialogue.

Scoring

- | | |
|---|--|
| 0 | There is no information about the tools used to conduct the risk assessment |
| 1 | The risk assessment is based on desk-based analysis |
| 2 | The risk assessment process engages with multistakeholder initiatives related to modern slavery |
| 3 | The risk assessment incorporates dialogue with the rights holders themselves, or their representatives on the ground |

Explanatory notes

- Desk-based analysis often involves using risk assessment software or conducting a theoretical assessment based on other factors or indexes. One example of this would be using Walk Free's Global Slavery Index to assess geographical risk.¹³
- Multistakeholder initiatives are often industry bodies or other broader initiatives. Engaging with charities or NGOs on modern slavery can also score this point where these organisations are fulfilling the same role as a multistakeholder initiative. The crucial determinant are organisations that connect companies with rights holders.
- For businesses whose modern slavery risks are most salient within their value chain and customer base such as the finance sector, detailed explanations of how they incorporate dialogue with investees or customers into their risk assessment process is sufficient for three points.
- The benchmark recognises that dialogue with rights holders might be difficult, particularly where independent groups are heavily monitored and their activities curtailed.

Question 29

Did the company disclose its most salient modern slavery risks?

Rationale

The UN Guiding Principles define salient human rights risks as 'the human rights at risk of the most severe negative impact through the company's activities and business relationships'. Naming the salient risks most applicable to a business demonstrates a risk assessment that centres the impact of modern slavery to its workers rather than its business.

Scoring

0

There are no named salient risks

1

Salient risks have been named and the company has described the likelihood and how these risks can occur

Explanatory notes

- Describing the area of the business where modern slavery is most likely to occur is not sufficient for this point as salient risk focuses on the risks to the rightsholders or workers.
- Some examples of salient human rights risk that companies can disclose are forced labour, debt bondage, and child labour.

Question 30

Did the company include a discussion on what supply chain auditors/partners it had appointed, including how they have assured their competency in finding and detecting modern slavery?

Rationale

Due diligence procedures will vary but are a crucial part of a company's approach to modern slavery. Social auditing or the use of third-party monitors is one of the most common approaches to understanding risk in the supply chain. However, it is not without its critics who point to significant flaws and the opportunities for audit fraud. Companies should ensure that auditors are suitably qualified to identify modern slavery, where it may exist.

Scoring

- | | |
|---|---|
| 0 | There is no information given about how the competency of audits has been assured |
| 1 | Company has disclosed information on audit protocols and the competency of auditors appointed |

Explanatory notes

- There are many ways to assure competency: using human rights specialist auditors, reviewing third party auditors to check they are undertaking audits effectively, or ensuring auditors undertake qualifications like the Association of Professional Supply Chain Auditors (APSCA).
- Some companies will disclose this information in a separate supply chain audit protocol.

Question 31

Did the company disclose how suppliers were prioritised for audit purposes?

Rationale

All companies with a supplier audit policy will have a prioritisation process. Some will decide to audit all suppliers supplying goods for resale, but others may take a high-medium-low risk approach. This question seeks to understand what that process is, rather than judging its suitability for addressing the risks.

Scoring

- | | |
|---|---|
| 0 | There is no information on the audit prioritisation process |
| 1 | There is discussion of the audit prioritisation process |

Explanatory notes

- Audit prioritisation can be disclosed in many ways. A common way is to disclose how supplier risk assessments result in audits for the highest risk suppliers.

Question 32

To what extent did the company include a discussion on their audit protocols?

Rationale

A comprehensive audit process is crucial for combatting modern slavery and this question seeks to understand how robust a business' audits are. Protocols such as unannounced visits, conducting off-site interviews, or auditing other production facilities demonstrate an advanced audit process that has ways to mitigate audit fraud and elicit more information from workers who are unwilling to share in view of management.

Scoring

- | | |
|---|---|
| 0 | There is no information on the audit protocols used |
| 1 | There is some detail on how audits are conducted and what the audits are assessing |
| 2 | There is detailed discussion of the protocols used including the steps taken to counter audit fraud |

Explanatory notes

- For one point it is not sufficient to state that auditors are used. There must be some discussion of how audits are conducted.
- For two points, there are many examples of thorough audit protocols. Some examples are using non-scheduled or unannounced audits, conducting off-site interviews, and including associated production facilities and/or worker dormitories within the scope of the audit.

Question 33

Did the company include in its audit protocol any monitoring beyond tier one and/or did its supplier code of conduct include an expectation that monitoring is cascaded down the supply chain?

Rationale

Companies should ensure that their audit processes are replicated down their supply chain as the most vulnerable workers are often further down the chain.

Scoring

- | | |
|---|---|
| 0 | There is no statement that audits are conducted down the supply chain |
| 1 | There is a commitment to auditing beyond tier one |

Explanatory notes

- A commitment to auditing the supply chain is often a statement that companies expect their suppliers to uphold audit standards in their own supply chain and beyond.
- Companies are awarded a point for stating that they audit/monitor beyond their tier one supply chain themselves.

Question 34

Did the company ensure there is a grievance mechanism (its own, third party or shared) available to all workers in its operations and the supply chain to raise human rights-related concerns (including labour conditions) without retaliation?

Rationale

Enabling workers to report concerns is necessary for the identification of labour exploitation and the assessment of risk. These whistleblowing systems should be anonymous, in a language they understand, and available to all workers in the operations and supply chain.

Scoring

- | | |
|---|--|
| 0 | There is not a grievance mechanism available to both direct operations and supply chain workers |
| 1 | There is a grievance mechanism available to workers in their own operations and in supply chains |

Explanatory notes

- Whistleblowing systems should be clearly accessible to both direct employees and supply chain workers.

Question 35

Did the company disclose the number of whistleblowing reports that were flagged for concern?

Rationale

An indicator of the effectiveness of grievance mechanisms is whether workers are using them to report concerns. Reporting the number of whistleblowing reports flagged for concern also demonstrates that these concerns are being actively managed.

Scoring

- | | |
|---|---|
| 0 | The number of whistleblowing reports has not been disclosed |
| 1 | The number of whistleblowing reports has been disclosed |

Explanatory notes

- It is sufficient to state that there were no reports using the grievance mechanism.

Question 36

Has the company disclosed finding modern slavery and/or indicators of modern slavery (e.g. the International Labour Office's 11 indicators of forced labour) in its supply chain this year?

Rationale

Not identifying cases of modern slavery does not necessarily demonstrate an effective approach. With 28 million people worldwide estimated to be trapped in forced labour, modern slavery is a prevalent human rights concern. It can occur in any country and in a wide variety of circumstances. Finding modern slavery demonstrates effective risk assessment and due diligences processes whereas not finding cases may indicate weaknesses in approach.

Scoring

0 A case has not been disclosed

1 There is disclosure of a case of modern slavery, a suspected case or a widespread systemic challenge in a particular sector or geography that is linked to the company

Explanatory notes

- Although we recognise that some companies struggle to find modern slavery, this point cannot be scored without disclosing a case. It is not sufficient to say that there were no incidences.
- A suspected case might be identified through the presence of more than one of the ILO 11 indicators of forced labour.¹⁴
- Financial sector companies will often disclose cases found within an investee company or within their customer base which is sufficient.

Fix it

There are an estimated 28 million people in forced labour.¹⁵ According to the International Labour Organisation, forced labour occurs primarily in the private economy.¹⁶ We consider it is therefore a reasonable assumption that modern slavery occurs within the supply chains of all major corporations. CCLA believes that all assessed companies have the capacity to find modern slavery in their supply chains. As such, to score points in 'Fix it', companies must have disclosed finding a case of modern slavery.

Question 37

Did the company have a human rights policy which clearly states that they support the UN Guiding Principles on Business and Human Rights and recognise their duty to respect human rights and provide access to remedy?

Rationale

The UN Guiding Principles on Business and Human Rights (UNGP) are a 'set of guidelines for states and companies to prevent, address and remedy human rights abuses committed in business operations'.¹⁷ They commit companies to support or enable remedy for human rights abuses.

Scoring

- | | |
|-------|--|
| 0 | There is not a human rights policy aligned with the UNGP |
| <hr/> | |
| 1 | There is a human rights policy aligned with the UNGP |

Explanatory notes

- There must be explicit support for the UN Guiding Principles on Business and Human Rights for the point. Support for other UN initiatives such as the Global Compact or the Declaration of Human Rights is not sufficient.

This section covers efforts to provide remedy to people who have experienced forced labour, as required by the United Nations Guiding Principles, the OECD Guidelines on Multinational Enterprises and the Corporate Sustainability Due Diligence Directive. For financial services companies, remedy efforts within their value chains are also in scope.

Question 38

Where violations were found, in the words of the UN Guiding Principles, has the company disclosed whether it has caused, contributed to or been linked to an adverse human rights impact (modern slavery case)?

Rationale

The UN Guiding Principles require that businesses disclose how they have been linked to adverse human rights impacts as part of their human rights due diligence. Recognising responsibility for cases of modern slavery is the first step towards meaningful remediation.

Scoring

- | | |
|-------|--|
| 0 | The company has not discussed how its actions caused, contributed to, or linked it to a case of modern slavery |
| <hr/> | |
| 1 | The company states that they recognise their responsibility for having caused, contributed to, or being linked to a case of modern slavery |

Explanatory notes

- It is rare for companies to state that they have caused or contributed to a case of modern slavery. Therefore, to encourage greater disclosure, it is sufficient to state that a company has been linked to a case.
- Finance sector companies can be awarded the point for talking about being linked to cases through their value chain.

Question 39

Where violations were found, has the company disclosed the steps taken to end and mitigate ongoing risks?

Rationale

Remediation plays a pivotal role in addressing modern slavery by directly addressing those who have been impacted. Where violations have been found, it is vital to revise procedures to protect workers in the future.

Scoring

- | | |
|---|---|
| 0 | There is no disclosure about the steps taken to end and mitigate ongoing modern slavery risks |
| 1 | There is brief discussion about the steps taken to end and mitigate ongoing modern slavery risks |
| 2 | There is detailed discussion about the steps taken to end and mitigate ongoing modern slavery risks |

Explanatory notes

- Stating that 'remedial action was taken', without detail of the steps that were taken to provide remedy is not sufficient to score points for this question.
- For two points, companies should detail the specific actions taken, the outcomes of these actions, the timeline of the case, and how they verified their effectiveness in dealing with the case.
- Financial sector companies can be awarded two points for talking in detail about actions companies in their portfolio took to deal with modern slavery, so long as they can evidence engagement with the company.

Question 40

Has the company reported outcomes of the remedy process for the victims?

Rationale

Remediation should be centred on those that have experienced harm and be tailored to their needs.

Scoring

- | | |
|---|--|
| 0 | There is no information about the outcome of remedy for survivors of forced labour |
| 1 | The outcomes of remedy process for survivors of forced labour have been reported |

Explanatory notes

- The point cannot be scored for stating that a company has exited a business relationship with a supplier after finding a case of forced labour. Terminating the relationship means that workers are unlikely to receive remedy.

Question 41

Did the company provide evidence that remedies were satisfactory to the victims or groups representing the victims?

Rationale

Evidence that remedy was satisfactory demonstrates an effective remediation process focused on the needs of those affected.

Scoring

- | | |
|---|--|
| 0 | There is no evidence given that remedy was satisfactory to survivors of forced labour |
| 1 | There is evidence that survivors had been consulted on remedy and have indicated that they were satisfied with the outcome |
-

Question 42

Where provision of remedy has not been possible, did the company demonstrate how it has tried to use and increase its leverage with other responsible parties to enable remedy to take place?

Rationale

Provision of remedy is often challenging because multiple companies may source from the supplier where modern slavery is occurring, or the issue is widespread and pervasive across a sector. In this situation, companies should try to affect systemic change beyond the remedy for the specific people who have experienced forced labour harm involved in the cases disclosed.

Scoring

- | | |
|---|---|
| 0 | There is no information about how the company has tried to increase its leverage and affect systemic change |
| 1 | There is minimal information about how the company has tried to increase its leverage and affect systemic change |
| 2 | There is detailed information about how the company has tried to increase its leverage and affect systemic change |
-

Explanatory notes

- There are many ways in which companies can disclose their efforts to affect systemic change and provide remedy.
- For one point, companies will disclose the public policy campaigns, industry initiatives, roundtables, and multistakeholder initiatives that they have collaborated with to attempt to provide remedy.
- For two points, detailed disclosures tend to include the specific actions companies have taken through significant industry initiatives (rather than just membership). There are also disclosures around the impact and results achieved by their work. In other cases, detailed discussion of their public policy campaigns for places or sectors where forced labour is pervasive is sufficient.

Prevent it

Companies can take a variety of preventative actions without having identified cases of modern slavery. This section of the Modern Slavery Benchmark focuses on governance and resources to tackle modern slavery, ensuring the company has responsible procurement practices and endorsing key policy stances such as the Employer Pays Principle.

Question 43

Did the company have a corrective action process for its suppliers and potential actions taken in case of non-compliance, such as stop work notices, warning letters, supplementary training, or policy revision?

Rationale

Terminating a supplier relationship over forced labour concerns often further jeopardises the workforce under the supplier and denies the responsibility for remedy. A corrective action process is a good way to work constructively with suppliers to address the causes of labour issues.

Scoring

- | | |
|---|---|
| 0 | There is no information on corrective action policies disclosed |
| 1 | There is a corrective action plan that includes escalation procedures in the event of a case of modern slavery being identified |

Explanatory notes

- This point can be awarded by setting out a corrective action approach through a policy, often in the supplier code of conduct, or evident from a case study.

Question 44

Did the company discuss a responsible exit strategy from a supplier relationship?

Rationale

Where a supplier will not engage constructively, exiting the relationship may be the only option. Where this is the case, companies should disclose the efforts made to ensure workers are not adversely affected by this decision.

Scoring

- | | |
|---|--|
| 0 | There is no information disclosed on responsible exit strategy |
| 1 | There is disclosure of a responsible exit strategy that emphasises exiting a supplier relationship as a last resort and the company evidences understanding that leaving a relationship might put rights holders at further risk |

Explanatory notes

- Often companies say that they will terminate the relationship without exhausting all other means first, which is a 'cut and run' approach and not deemed sufficient.

Question 45

Had the company integrated the Employer Pays Principle into its recruitment practices?

Rationale

The Employer Pays Principle states that a worker should not have to pay for employment, and that the responsibility for recruitment fees falls to the employer. Companies should commit to this principle as a mechanism for responsible recruitment that protects migrant and temporary labour.

Scoring

- | | |
|---|--|
| 0 | There is not an explicit commitment to the Employer Pays Principle |
| 1 | There is an explicit commitment to the Employer Pays Principle or a statement to this effect |

Explanatory notes

- A crucial aspect of the Employer Pays Principle is that the cost of recruitment is a company responsibility. Stating that a worker should not pay for employment without also taking responsibility for recruitment fees is not sufficient.
- The Employer Pays Principle is championed by the Institute for Human Rights and Business (IHRB). The IHRB runs a Leadership Group for Responsible Recruitment. All members of this group are committed to the Employer Pays Principle.

Question 46

What evidence was there of responsible procurement practices to encourage or reward good labour practices?

Rationale

Responsible purchasing practices are processes enacted to ensure that a company is not putting suppliers under undue pressure through its commercial practices. Suppliers should be treated with respect and in a fair, reasonable way. Increased pressure on suppliers increases the likelihood that they will use forced labour.

Scoring

- | | |
|---|---|
| 0 | There is no evidence of responsible procurement practices |
| 1 | There is a policy disclosure that sets out how the company's employees should treat their suppliers with respect and in a fair, reasonable way |
| 1 | There is evidence of responsible procurement policies through external accreditation |
| 1 | There is a specific mechanism for suppliers to anonymously give feedback to the company about purchasing practices and there is evidence that companies are surveying their suppliers' purchasing practices down the supply chain |

(3 points available)

Explanatory notes

- Unlike the other multipoint questions in the framework, this question is not laddered. A point is awarded for each of the three criteria individually.
- For the first point, the existence of a supplier code of conduct does not automatically demonstrate treating suppliers with respect. These codes of conduct often set out the responsibilities placed on suppliers without giving a reciprocal commitment from the business.
- For the second point, common examples of external accreditation are being a signatory to the Prompt Payment Code or being Living Wage accredited.
- For the third point, demonstration of monitoring purchasing practices down the chain can be through membership of the Better Buying Foundation or the Action Collaboration Transformation (ACT on Living Wages).
- For the third point, a whistleblowing/grievance mechanism is not the same as an anonymous supplier feedback mechanism. We are looking for a mechanism specifically used to feedback on issues such as purchasing practices.

Question 47

Was there a board member or board committee tasked with oversight of its modern slavery policies?

Rationale

Modern slavery risks are comprehensive and require coordination across the business. It is important to have buy-in at executive level to enable work throughout the business and to have board members accountable for forced labour.

Scoring

0 There is no disclosure of the board member or committee who has oversight of modern slavery policies

1 There is disclosure of the board or committee responsible for addressing modern slavery and/or broader related business and human rights concerns

Question 48

Did the company have a committee, team, programme or officer responsible for the implementation of its modern slavery policies and responding to violations?

Rationale

Executive oversight is important but to have an effective modern slavery process, there need to be people responsible for the implementation of these policies. This question is seeking to understand that a relevant person or team is in place to drive the work forward.

Scoring

0 There is no information on who is responsible for the implementation of modern slavery policies and responding to violations

1 There is a team or person who is primarily responsible for tackling modern slavery

Explanatory notes

- It is not sufficient to state that the CEO is responsible for the implementation of modern slavery policies, as they are ultimately responsible for all action within a company. We are looking for more granular detail about which people or teams are responsible for implementing the company's modern slavery processes.
- Similarly, stating that subsidiaries or business units are responsible for their own modern slavery approaches is not specific enough as it does not effectively illustrate where accountability lies for implementation across the group.

Endnotes

- 1 CCLA (2024), 'Better World Sustainable Investment Outcomes 2024', online at <https://www.ccla.co.uk/documents/better-world-sustainable-investment-outcomes-2024/download?inline>
- 2 Modern Slavery Act 2015, online at www.legislation.gov.uk/ukpga/2015/30/contents
- 3 CCLA (2020), 'Engagement expectations: Find it, Fix it, Prevent it – an investor project to tackle modern slavery', online at www.ccla.co.uk/documents/modern-slavery-engagement-expectations/download?inline=true
- 4 CCLA (2023), 'Modern Slavery UK Benchmark 2023', online at www.ccla.co.uk/documents/ccla-modern-slavery-uk-benchmark-2023/download?inline
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- 6 Home Office (2024), 'Modern Slavery Statement Registry', online at <https://modern-slavery-statement-registry.service.gov.uk>
- 7 Home Office (2021), 'Transparency in supply chains: a practical guide', online at www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide#full-publication-update-history
- 8 International Labour Office (2012), 'ILO indicators of forced labour', online at www.ilo.org/sites/default/files/wcmsp5/groups/public/%40ed_norm/%40declaration/documents/publication/wcms_203832.pdf
- 9 Institute for Human Rights and Business, 'Six Steps to Responsible Recruitment: implementing the Employer Pays Principle', online at https://ihrb-org.files.svdcdn.com/production/assets/uploads/member-uploads/Six_Steps_to_Responsible_Recruitment_-_Leadership_Group_for_Responsible_Recruitment.pdf?dm=1726489439
- 10 Modern Slavery Act 2015, online at www.legislation.gov.uk/ukpga/2015/30/contents. CCLA interprets this to mean that any company with a global turnover of £36 million is in scope if they supply any goods or services in the UK. The turnover threshold does not apply to UK-only activities.
- 11 Home Office (2021), 'Transparency in supply chains: a practical guide', online at www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide#full-publication-update-history
- 12 LVMH Moët Hennessy Louis Vuitton (2024), 'Code of Conduct', online at www.lvmh.com/en/ethics-and-compliance/the-lvmh-code-of-conduct
- 13 Walk Free, 'Global Slavery Index', online at www.walkfree.org/global-slavery-index
- 14 International Labour Office (2012), 'ILO indicators of forced labour', online at www.ilo.org/sites/default/files/wcmsp5/groups/public/%40ed_norm/%40declaration/documents/publication/wcms_203832.pdf
- 15 Modern Slavery Index (2021), 'Understanding the scale of modern slavery', online at www.walkfree.org/global-slavery-index
- 16 International Labour Organization (2024), 'Profits and poverty: the economics of forced labour', online at www.ilo.org/publications/major-publications/profits-and-poverty-economics-forced-labour
- 17 UN Working Group on Business and Human Rights (2011), 'The UN Guiding Principles on Business and Human Rights: An Introduction', online at www.ohchr.org/sites/default/files/Documents/Issues/Business/Intro_Guiding_PrinciplesBusinessHR.pdf

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TO FIND OUT MORE

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BECAUSE GOOD IS BETTER