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UNDERSTAND MODERN SLAVERY



...that's the number of people estimated to be enslaved in Australia today, according to the Global Slavery Index. That's a fraction of the 40.3 million people enslaved globally, but it doesn't reflect the full picture of modern slavery in Australian business.

Modern slavery is a term that covers all situations where a person is forced into labour under threat, violence, coercion, abuse of power or deception. It remains a difficult crime to detect, investigate, and bring to justice because of its covertness and impact on survivors.

Prevalent in the lower echelons of manufacturing and service industries, modern slavery can only be uncovered with proactive and committed businesses.

Modern slavery is an extreme practice, but tolerance of less severe abuses creates an environment that endorses modern slavery.

 $\label{lem:condition} \mbox{Understanding your organisation's supply chain is the first step to minimising human rights abuses.}$ 

-SPECTRUM OF EXPLOITATION/

recursor conduct could include

Child labour

Deceptive recruitment practices

Underpayment of wages

Poor working conditions

Forms of modern slavery

Forced labour

Human trafficking

Bonded labour

Worst forms of child labour

58%

of people held in slavery are in just <u>five</u> countries

These countries produce many goods in Australian-owned supply chains.



we thought slavery was a thing of the past — we haven't been paying attention.

# UNDERSTAND WHY YOU SHOULD ACT

Does your business have an international or multi-tiered supply chain? If 'yes', it is at risk of exposure to modern slavery. The human impact is too severe to ignore.

Australian businesses have an opportunity to act now and address the issue of modern slavery in their supply chains, before it becomes a legal requirement.

#### <u>UNDERSTAND</u> <u>YOUR RISKS</u>

Australian businesses have recently been implicated in serious labour abuses, both within and beyond Australia's borders, including:

Slave labour in the production of surf products by Australian brands in North Korea.



Human trafficking and exploitation in Thai, Chinese and Vietnamese fishing industries.



Labour abuses in domestic fresh food and retail supply chains.



Complex, offshore supply chains and unethical labour hire companies operating in Australia expose many Australian businesses to slavery.

Australian businesses have a responsibility to respect human rights and must play a role in addressing modern slavery in supply chains.

The risks of not doing so include:

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#### -COMMERCIAL RISKS/

Slavery-based supply chains are less resilient and can lead to loss of business and customers.

#### -INVESTOR-RELATED RISKS/

More investors are demanding the defence of human rights – and may divest otherwise.

#### -REPUTATIONAL RISKS/

Global media, trade unions and civil networks are exposing unacceptable practices, damaging goodwill and public perception of companies.

#### -LEGAL RISKS/

Legislation addressing corporate responsibility for slavery is soon to be adopted in Australia and will require large businesses to transparently report on supply chain risks.

#### -WORKPLACE RISKS/

Modern slavery is an abuse of human rights in pursuit of profit. Employees believe employers have a moral responsibility to address this.



# UNDERSTAND HUW MILLS DAKLEY CAN HELP

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Our Modern Slavery Practice supports businesses in identifying modern slavery risks. We also work with suppliers and stakeholders to mitigate risks and work towards slavery-free supply chains.

Our services:

Due diligence and governance training for boards and executives

Modern slavery business diagnostic

Capacity building and training for procurement staff and contract managers

Supply chain identification and risk assessment

Supply chain audits

Supplier questionnaires, code of conduct and contract clauses

Supplier engagement forums

Development of management systems and processes

Staff and stakeholder engagement

Preparation of modern slavery statements

Staff and supplier hotline and support services

Free legal advice for victims of modern slavery

## Mills Oakley is making modern slavery visible - so we can eliminate it.

#### <u>UNDERSTAND</u> MILLS OAKLEY

Mills Oakley is a leading national law firm, with over 90 partners and 670 staff throughout offices in Melbourne, Sydney, Brisbane, Canberra and Perth. In 2017, Mills Oakley was named Law Firm of the Year at the Australasian Law Awards. For almost 15 years, Mills Oakley has partnered with The Salvation Army to assist vulnerable individuals, including acting in landmark cases involving human trafficking and labour exploitation.

As part of its commitment to supporting victims of human trafficking and labour exploitation, Mills Oakley donates 10% of all revenue from its modern slavery practice to The Salvation Army's Freedom Partnership—to End Modern Slavery.

www.endslaverysolutions.com.au

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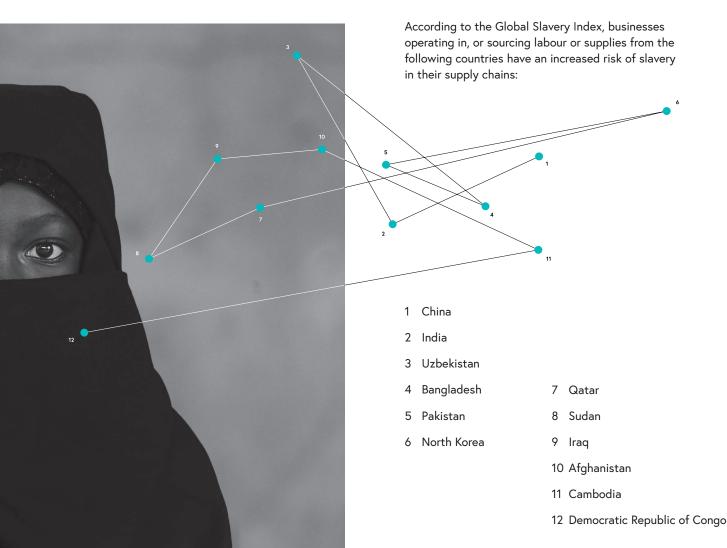
Modern slavery has gone unseen for too long. Unscrupulous practices leave both victims and aggressors unidentified. But Mills Oakley can help you uncover the risks.

## UNCOVER YOUR SUPPLY CHAIN VULNERABILITIES

Your risks should be evaluated according to geography, industry and raw materials procured.

Multi-tiered supply chains are at risk. Tier one suppliers may be able to guarantee humane manufacturing, but lower tiers are less transparent and more vulnerable to human rights abuses.

## -GEOGRAPHIC RISK/



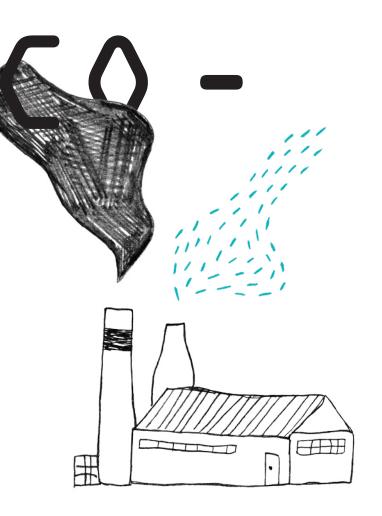
### -COMMODITY RISK/

A 2016 US Department of Labor report on child and forced labour lists 75 countries involved in exploitative labour practices, spanning 139 product types.

High risk products include:



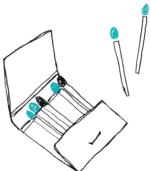
And the list goes on...



#### -INDUSTRY RISK/

<u>Industries that have a prevalence</u> <u>of modern slavery include:</u>

- // Manufacturing
- // Agriculture
- $\ensuremath{//}$  Food processing and meat works
- // Fishing
- // Apparel & footwear
- // Construction
- // Mining
- // Electronics
- // Industrial cleaning



your company is vulnerable to slavery in its supply chain if you:



Rely on migrant workers recruited by agencies or brokers



Have multi-tiered supply chains where some tiers are unmonitored

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Conduct cross-border business in weakly regulated countries



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#### UNCOVER WHAT YOU CAN DO

If your business is engaged in international commerce, you can proactively use management tools and audit solutions to assess and benchmark your suppliers.

You can demonstrate good corporate governance by measuring: business risk, capacity and capabilities, workplace conditions, product quality and safety, security, and environmental sustainability throughout your supply chain.

Start by asking, do we...:

Have a policy on modern slavery and human trafficking?

Identify who's responsible for ensuring policy compliance?

Have a documented supply chain due diligence process?

Know who our suppliers are, where they operate and what products or raw materials they source?

Assess and prioritise our supply chain risks?

Have risk mitigation strategies in place?

Know what to do if we suspect or encounter slavery in our supply chain?



#### The Freedom Partnership End Modern Slavery





We offer a high-level modern slavery business diagnostic to identify gaps and opportunities.

www.endslaverysolutions.com.au

#ENDSLAVERY