

# Modern Slavery Act 2015

## Quick Reference Guide for Companies

March 26, 2015

**FIFTY EIGHT**  
Ethical Supply Chain Management

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# Modern Slavery Act 2015

The Modern Slavery Act 2015 consolidates the current legislation relating to trafficking and slavery, and was passed into law on March 26, 2015.

It contains specific requirements for businesses and their supply chains.

es.parliament.uk/bills/2014-15/modernslavery.html

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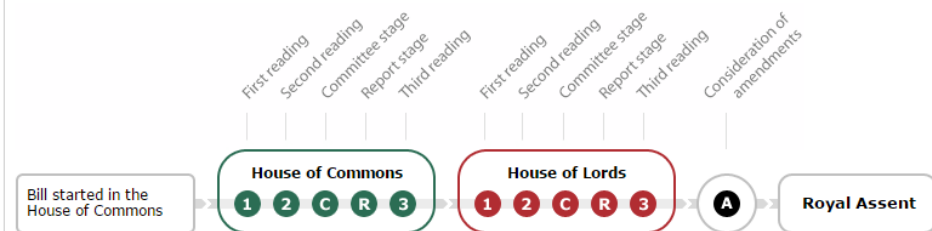
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## Modern Slavery Bill 2014-15

**Type of Bill:** Government Bill  
**Sponsors:** Theresa May  
Home Office  
Lord Bates  
Home Office

### Progress of the Bill



**Last event**  
3 3rd reading: House of Lords 4 March, 2015 | 04.03.2015

**Next event**  
Ping Pong | 17.03.2015

Read debates on all stages of the Modern Slavery Bill 2014-15

### Latest Bill

House	Bill	Date
©	Lords Amendments - Bill 184 2014-15   PDF version, 117KB	06.03.2015

All Bill documents

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# Definition of Modern Slavery

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Modern slavery is a broad term used to encompass the offences of **'slavery, servitude and forced or compulsory labour'** and **'human trafficking'**.

These offences are closely related but not identical in a legal sense. Slavery is where ownership is exercised over a person; servitude involves the obligation to provide services imposed by coercion; forced or compulsory labour involves work or service exacted from any person under the menace of a penalty and for which the person has not offered himself voluntarily; human trafficking concerns arranging or facilitating the travel of another with a view to exploiting them.

***UK Government Definition***

# Supply Chains Clause

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Will require businesses over a certain size threshold to **disclose each year what action they have taken** to ensure there is no modern slavery in their business or supply chains. The requirement applies to:

- Companies or partnerships that;
- Sell goods or services and are;
- UK based or;
- Based outside of the UK, but have a part of their operations in the UK.

# Supply Chains Clause

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A slavery and human trafficking statement **must be approved by the board of directors (or equivalent management body)** and signed by a director (or equivalent).

*“This will ensure that those at the top level take this issue seriously and understand the implications of taking little or no action.”*

# Supply Chains Clause

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The government is currently consulting on two aspects of the Supply Chain Clause – (the **consultation closes on May 7, 2015** and as such the requirement for businesses is not likely to commence until October 2015):

- 1. The threshold for disclosure**
- 2. Guidance for exactly what should go into an annual Modern Slavery statement**

# Consultation – Feb 12 – May 7, 2015

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## 1. Size of threshold for disclosure?

- Seeks to clarify the size of company which will be required to disclose as part of the legislation. The suggested brackets are:

Turnover thresholds	Estimated total number of UK active companies whose turnovers exceed the threshold <sup>**</sup>
£36 million*	12,259
£250 million	2,554
£500 million	1,409
£1 billion	724

# Consultation – Feb 12 – May 7, 2015

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## 2. An annual statement should include?

- A brief description of an organisation's **business model and supply chain relationships**;
- A business' **policies** relating to modern slavery, including **due diligence** and **auditing processes**;
- **Training** available and provided to those in **supply chain management** and the **rest of the organisation**;
- The **principal risks related to slavery and human trafficking** including, how the organisation **evaluates and manages those risks** in their organisation and their supply chain; and
- **Relevant key performance indicators**



# Other related business requirements

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- **Corporate Human Rights Benchmark (CHRB)**
  - 500 of the top global companies from four key sectors – Agriculture, ICT, Apparel, and Extractives – will initially be researched and ranked
- **UN Guiding Principles on Human Rights Reporting Framework**
  - Investors' preferred reporting framework for CHRB
- **EU Social and Environmental Reporting Regulations**
  - Will apply to listed companies with more than 500 employees (estimated at 6,000 within the EU) by 2016
- **UN Sustainable Development Goals**
  - Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and **decent work for all.**

**Please contact us with any Questions**

[info@50eight.com](mailto:info@50eight.com)

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