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Introduction

Your comments on this draft are invited and will assist in the preparation of the consequent standard.

For international and European standards, comments will be reviewed by the relevant UK national committee before submitting the consensus UK vote and comments. If the draft standard is approved, it is usual for the resulting published standard to be adopted as a British Standard.

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Organizational responses to modern slavery - Guidance

DRAFT

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Foreword

Publishing information

This **British Standard** is published by BSI Standards Limited, under licence from The British Standards Institution, and came into effect on **XX Month 201X**. It was prepared by Technical Committee G/001, *Governance*. A list of organizations represented on this committee can be obtained on request to its committee manager.

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Commentary, explanation and general informative material is presented in smaller italic type, and does not constitute a normative element.

Requirements in this standard are drafted in accordance with *Rules for the structure and drafting of UK standards*, subclause **G.1.1**, which states, “Requirements should be expressed using wording such as: ‘When tested as described in **Annex A**, the product shall ...’”. This means that only those products that are capable of passing the specified test will be deemed to conform to this standard.

Where words have alternative spellings, the preferred spelling of the Shorter Oxford English Dictionary is used (e.g. “organization” rather than “organisation”).

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0 Introduction

0.1 General

This guidance document is for use by organizations in managing modern slavery risks in their operations, supply chains and wider operating environment.

Modern slavery can be difficult to define. For this standard, it is used as an umbrella term that covers a set of specific legal concepts including forced labour, debt bondage, forced marriage, slavery and slavery-like practices, and human trafficking. Modern slavery focuses attention on commonalities across these legal concepts. Essentially, it refers to situations of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception, and/or abuse of power.

NOTE For further reading regarding on why it is difficult to define, see Change in Rhetoric but not in Action? Framing of the Ethical Issue of Modern Slavery in a UK Sector at High Risk of Labor Exploitation [1].

Modern slavery practices sit at the extreme end of a continuum of exploitation ranging from decent work to severe forms of exploitation amounting to modern slavery. It is a criminal justice issue and a serious violation of people's fundamental human and labour rights. The right not to be held in practices such as slavery, servitude and forced labour is echoed in core international frameworks, such as the UN Guiding Principles on Business and Human Rights (UNGPs) and, sustainable development goals (SDGs), including consideration of people as well as organizations. Modern slavery is more than a corporate risk. It is a risk to humans and therefore humanity. Therefore, decision-making around modern slavery should be people focused.

This British Standard uses a risk-based approach to help organizations understand the risk of modern slavery and how to manage and reduce this risk as part of legal and non-legal frameworks. It encourages organizations to go beyond legal and statutory duties and address the wider risks associated with modern slavery.

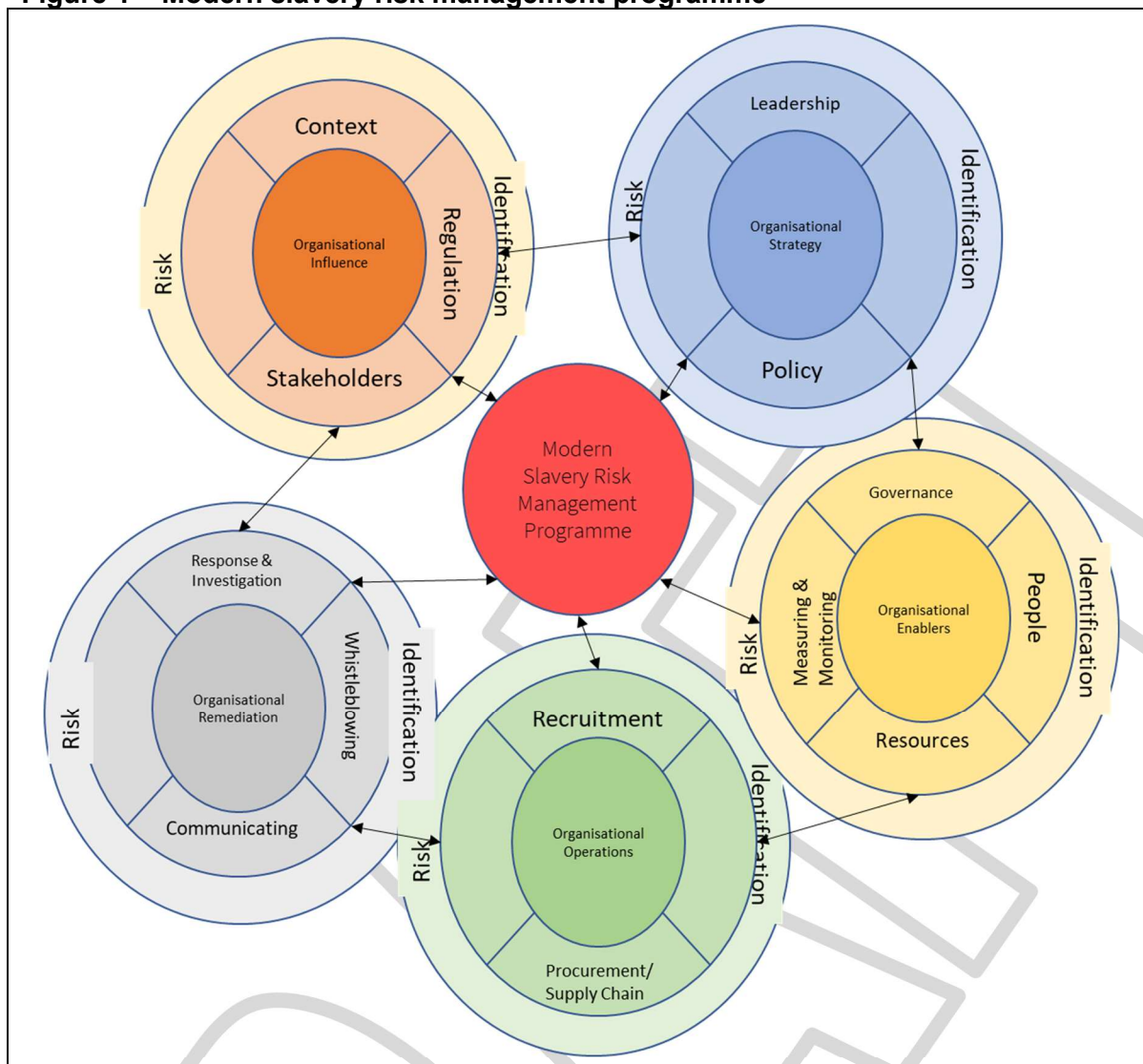
The British Standard is applicable to all organizations, regardless of type, size and nature of activity. Organizations of all types and sizes can contribute, cause or be linked to modern slavery practices in their supply and value chains. Organizations have a responsibility to understand modern slavery risk to their business and whether they can be implicated due to their activities and business relationships.

It is the responsibility of organizations to understand and respond to the specific risk of modern slavery. Organizations can vary in understanding and responding to the risk of modern slavery and have different degrees of resources and leverage. Thus, this standard should be complemented by cross-functional expert knowledge tailored to the nature and industry of the organization and associated risks.

This British Standard recognises the changing nature of modern slavery and related human rights legal instruments both on national and international levels. It does not intend to replace these frameworks. It is the organization's responsibility to comply with all relevant legislation.

This British Standard can be read in isolation; however, it has been written in a way that organizations can integrate it into their systems or strategic approach to operational risks. It is intended to complement other activities addressing the risk of modern slavery and related practices but not to replace them. Figure 1 illustrates the modern slavery risk management programme outlined in this British Standard.

Figure 1 – Modern slavery risk management programme



0.2 Modern slavery risk factors

Modern slavery practices can occur in any country or industry sector. However, there are some factors that can increase modern slavery risks, such as:

a) Geography;

Countries or regions with poor labour market governance (e.g. restricted freedom of association and/or collective bargaining) or legal accountability for rights violations can present an elevated risk of modern slavery. Organizations should take a risk-based approach to value chains reaching into territories in which these features are present.

b) labour market structure;

Countries, regions or sectors that are dominated by a single industry or a single or small number of employers can render workers more vulnerable as a result of a lack of employment choices for workers.

c) migration for work;

Lower skilled or poorly protected migrant workers can be at great risk of modern slavery abuses. These can manifest themselves during the recruitment of workers in labour source countries and in their treatment at work in labour destination countries.

d) discrimination;

In some countries or regions, discrimination based on ethnicity, gender, caste, tribal group, religion and other factors can render workers more vulnerable to modern slavery risk.

e) long and opaque value chains;

Highly complex global business models can lead to a lack of appropriate governance and oversight mechanisms and an elevated risk of modern slavery. Similarly, positive influence and/or leverage can be difficult to exert in business relationships, such as joint ventures.

f) corruption; and

Corrupt business practices are often a root cause of modern slavery abuses.

g) vulnerable groups of people.

There are particular individuals and groups that might be more at risk to modern slavery, see **0.3**.

0.3 Vulnerable workers and groups

There are certain characteristics which can increase workers' vulnerability to modern slavery. This can include the external labour and product market and the nature of the employer and employee relationship. In some circumstances, certain groups might be more vulnerable to exploitation and modern slavery. This can include:

a) migrant workers;

While migrant workers are not inherently more vulnerable to modern slavery factors such as migration status, language skills, knowledge of rights, and limited support and access to personal documents can contribute to their being at risk of modern slavery. Migrant workers who have limited access to basic necessities such as accommodation and food can rely on their employer to provide these which contributes to their dependency and vulnerability.

b) women workers;

Women can be vulnerable to modern slavery due to issues such as harmful cultural practices, discrimination, marginalization, harassment, domestic and sexual violence, limited employment opportunities and poverty. These factors can increase the risk of women being exploited and hinder their reporting of abuse or modern slavery practices in their workplace.

c) seasonal migrant workers;

Seasonal migrant workers in temporary migrant programmes are at increased risk due to factors such as debt bondage due to upfront migration costs and illegal recruitment feeds, barriers to changing jobs, discrimination, lack of pathways to permanent residency and barriers to accessing justice. These workers are less likely to have access to social security nets, such as unemployment assistance, workers on precarious employment contracts.

Workers on precarious employment contracts, such as zero-hours contracts and dependent self-employment can result in a lack of guaranteed working hours. This creates insecurity and a higher risk of destitution.

d) young workers and children; and

Young people aged from 15 to 18 year's old in work can be vulnerable to exploitation. Young people can be more vulnerable to physical, psychological or moral exploitation. Children under the age of 15 who are in work even when permitted by law are

particularly vulnerable to exploitation. They can often be more easily persuaded to lie about their age or working conditions in order to protect their income.

e) socially disadvantaged groups

Those who are socially excluded or in unstable social conditions can have limited economic opportunity and are typically more vulnerable. These groups can include those who are homeless, have disabilities or belong to a minoritized ethnic group.

NOTE It is important to note that in some sectors and regions men and women can be disproportionately affected. For example, men are likely to make up a high proportion of modern slavery victims in the construction sector and women in domestic work or the textiles industry.

0.4 Factors influencing organizational responses to modern slavery

The motivations of organizations to identify and respond to modern slavery risks differ depending on the type of organization and the context in which they operate.

In addition to an organization's own values, drivers for addressing modern slavery in supply chains include:

- a) legislation and regulation: compliance with modern slavery, labour and human rights standards and due diligence requirements;
- b) investment: responding to investors' expectations (such as supporting responsible return on investment);
- c) customer pressure: responding to customer and consumer expectations (such as sourcing sustainable and ethical goods and services);
- d) stakeholder expectations: responding to increasing stakeholder expectations to take account of modern slavery risks; and
- e) positive business reputation: opportunity to differentiate itself in the marketplace by holding itself up to the highest standards.

1 Scope

This British Standard provides organizations with guidance for managing the risk of modern slavery, including prevention, identification, response, remediation, mitigation, and reporting modern slavery in its operations, supply chains and its wider operating environment.

NOTE This applies regardless of whether state authorities have established mechanisms to abolish and prohibit such practices.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

3.1 business associate

external party with whom the organization has, or plans to establish, some form of business relationship. This includes any party whether a corporate body or an individual, including but not limited to franchisees, suppliers, outsources services, purchasing agents who has a contractual relationship with the organization.

[SOURCE: BS ISO 37001:2016, 3.26]

3.2 business associate

any third party that an organization plans to have, or has, a contractual relationship with

NOTE Business associate is sometimes referred to as a business relationship

3.3 child labour

work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.

NOTE: The UN Convention on the Rights of the Child [2] stipulates that a child is a human being below the age of 18 years unless under the law applicable to the child, majority is attained earlier

3.4 compliance function

person or group of persons with responsibility and authority for the operation of the compliance management system

NOTE: Preferably one individual will be assigned to the oversight of the compliance management system

3.5 compliance obligations

requirements that an organization mandatorily has to comply with as well as those that an organization voluntarily chooses to comply with

[SOURCE: BS ISO 37301:2021, **3.25**]

NOTE Requirements can include laws and regulations, contracts, codes of practice and voluntary commitments like industry standard.

3.6 debt bondage

situation where people are forced to work for an employer in order to pay off their own debts or those they have inherited.

NOTE 1 The victims, if they try to leave their employment, are usually caught and returned by force. Providing wages or other compensation to a worker does not necessarily indicate that the labour is not forced.

NOTE 2 Debt bondage is sometimes referred to the term bonded labour

NOTE 3 As defined by ILO Forced Labour Convention, 1930 (No. 29) [3].

3.7 downstream

handling, processes and movements of goods and services when they are no longer in the custody of the organization in the supply chain

[SOURCE: BS ISO 28001:2007, **3.10**]

3.8 due diligence

ongoing risk management process to identify, prevent, mitigate and account for how adverse impacts are addressed.

[SOURCE: United Nations Guiding Principles Reporting Framework]

NOTE The UN Guiding Principles on Business and Human Rights [4] stipulates that the main purpose of a human rights due diligence is the prevention of adverse impacts on people.

3.9 forced labour

work or service exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.

NOTE See ILO Forced Labour Convention, 1930 (No. 29) [3].

3.10 governing body

group or body that has the ultimate responsibility and authority for an organization's activities, governance and policies and to which top management reports and by which top management is held accountable.

[SOURCE: BS ISO 37000:2021, **3.3.4**]

3.11 human trafficking

recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.

NOTE See United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime [5].

3.12 stakeholder

person or organization that can affect, be affected by, or perceive itself to be affected by a decision or activity

NOTE This constitutes one of the common terms and core definitions for ISO management system standards given in Annex SL of the Consolidated ISO Supplement to the ISO/IEC Directives, Part 1 [6].

3.13 organization

person or group of people that has its own functions with responsibilities, authorities and relationships to achieve its objectives

NOTE 1 The concept of organization includes, but is not limited to, sole-trader, organization, corporation, firm, enterprise, authority, partnership, charity or institution, or part or combination thereof, whether incorporated or not, public or private.

NOTE 2 If the organization is part of a larger entity, the term “organization” refers only to the part of the larger entity that is within the scope of the compliance management system.

[SOURCE: BS ISO 37301:2021, **3.1**]

3.14 risk

effect of uncertainty on objectives

NOTE 1 An effect is a deviation from the expected. It can be positive, negative or both, and can address, create or result in opportunities and threats.

NOTE 2 Objectives can have different aspects and categories and can be applied at different levels.

NOTE 3 The UN Guiding Principles on Business and Human Rights [4] stipulate that risks should be understood in relation to people and not only to the organization itself.

[SOURCE: BS ISO 31000:2018, **3.1** modified — Note 3 has been deleted.]

3.15 slavery

status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised.

NOTE 1 As legal ownership rights are no longer asserted by exploiters, powers attaching to the right of ownership should be understood as constituting control over a person in such a way as to significantly deprive that person of his or her individual liberty, with the intent of exploitation through the use, management, profit, transfer or disposal of that person. Usually this exercise will be supported by and obtained through means such as violent force, deception and/or coercion.

NOTE 2 See Bellagio-Harvard Guidelines on the Legal Parameters of Slavery [7].

3.16 subcontractor

organization or individual contracted by the supplier to perform a specific part of a contract

[SOURCE: BS ISO 20400:2017, **3.29**]

3.17 supplier

organization that provides goods or services

[SOURCE: BS ISO 20400:2017, **3.30**]

3.18 supply chain

two-way relationship of organizations, people, processes, logistics, information, technology and resources engaged in activities and creating value from the sourcing of materials through the delivery of products or services

NOTE The supply chain may include vendors, subcontractors, manufacturing facilities, logistics providers, internal distribution centres, distributors, wholesalers and other entities that lead to the end user

[SOURCE: BS ISO 18788:2015, **3.71**]

3.19 top management

person or group of people who directs and controls an organization at the highest level

3.20 upstream

handling, processes and movements of goods and services that occur before the organization in the supply chain takes custody of the goods

[SOURCE: BS ISO 28001:2007, **3.27**]

3.21 value chain

process of value creation within a business model, across different types of assets from inputs, activities, outputs and outcomes.

NOTE 1 Types of assets can include finance, raw materials, factored goods, human resource, IP and relationships)

NOTE 2 Value chains can also be highly connected to form value ribbons, e.g. the travel industry connects travel agents to airports to airlines to hotels.

3.22 victim

Person(s) who is or was in situations of modern slavery

NOTE 1 Many people who experienced modern slavery prefer the term “survivor” to describe their self-identity in the process of regaining their freedom. This British Standard recognises the individual self-identity of survivors which can vary between people throughout their liberation process and that how they choose to identify cannot be assumed by others. We therefore use the term victim (of modern slavery) throughout the standard.

NOTE 2 For further reading see, A Full Freedom: Contemporary Survivors’ Definitions of Slavery [8].

3.23 worker

person performing work or work-related activities that are under the control of the organization

NOTE 1 Persons perform work or work-related activities under various arrangements, paid or unpaid, such as regularly or temporarily, intermittently or seasonally, casually or on a part-time basis.

NOTE 2 Workers include top management, managerial and non-managerial persons.

NOTE 3 The work or work-related activities performed under the control of the organization may be performed by workers employed by the organization, workers of external providers, contractors, individuals, agency workers, and by other persons to the extent the organization shares control over their work or work-related activities, according to the context of the organization.

4 Context of the organization

4.1 Understanding the organization and its context

In managing the risk of modern slavery an organization should understand and examine its external and internal context.

The organization should define and document the context in which it operates including its supply chain, subcontractors and business associates. It is important to evaluate internal and external factors that can influence the way in which the organization will assess and

mitigate modern slavery risk. This is important to feed into the organization's overall modern slavery risk management process.

The external context refers to factors that are outside the organization but related to the management of modern slavery risk. This can include:

- a) the geographical locations in which the organization operates (such as its own activities; activities in its supply chain, subcontractors and business partners and activities, products and services within the organization's influence);
- b) the social, cultural, political, legal, regulatory and economic factors, whether international, national, regional or local;
- c) external stakeholders (such as businesses, civil society organizations, regulatory bodies, local governments, the public, communities of interest, press and media, special interest groups, trade unions and employer organizations), and their expectations regarding the management of modern slavery risk;
- d) applicable market conditions related to the organization; and
- e) laws of the countries where the products/services provided are delivered or supplied.

The internal context refers to factors that are substantially in the control of, or subject to the authority of, an organization through its governing and management systems. The organization should identify and evaluate its internal context including objectives and strategies to mitigate modern slavery risks. This can include:

- 1) vision, mission and values;
- 2) governance, organizational structure, roles and accountabilities;
- 3) strategy, objectives and policies;
- 4) the organization's culture;
- 5) standards, guidelines, agreements and business models adopted by the organization;
- 6) capabilities, understood in terms of resources and knowledge (e.g. capital, time, people, processes and systems);
- 7) relationships with internal stakeholders, taking into account their perceptions and values;
- 8) contractual relationships and commitments;
- 9) interdependencies and interconnections;
- 10) the labour provision models being used (see Annex A);
- 11) processes used to determine suitability of supplier of contractors or service suppliers;
- 12) supply chain management and governance of victim vulnerabilities and applicable financial processes relating to employment, especially of seasonal (or similar) workers; and
- 13) the nature of the workforce and vulnerabilities associated with certain aspects or types of employment.

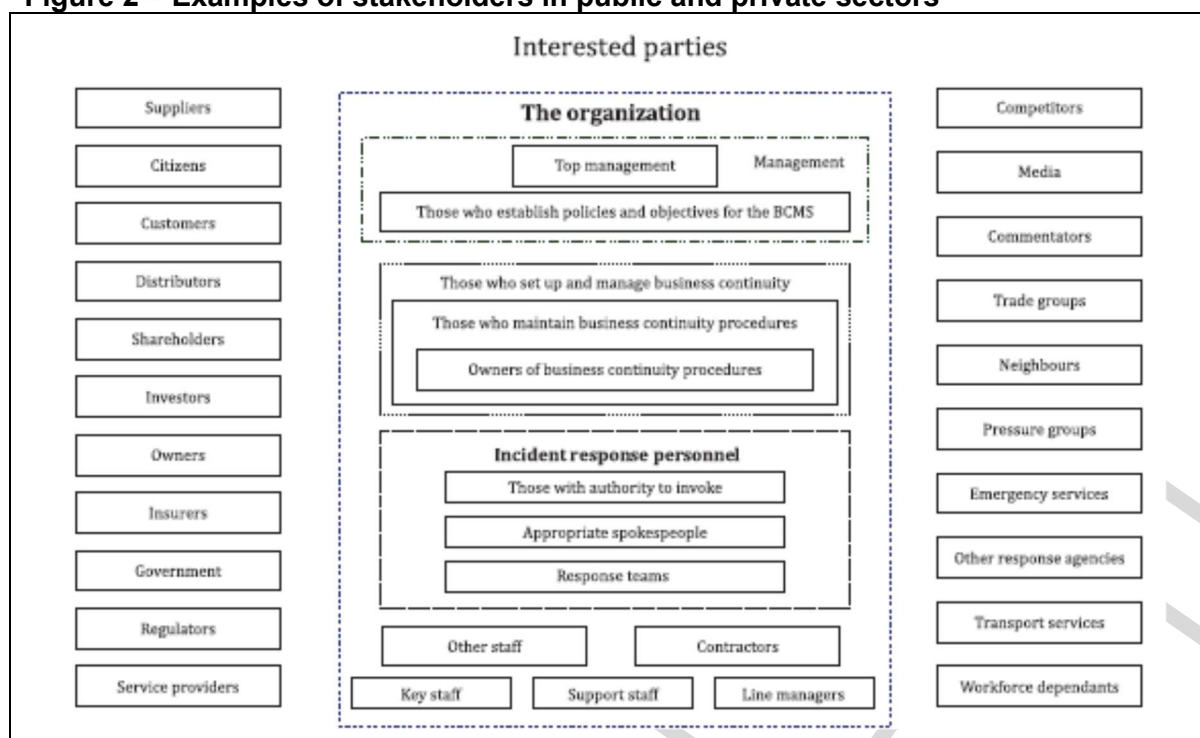
4.2 Understanding the needs and expectations of interested parties

4.2.1 General

The organization owes a duty of care to a wide range of people within and outside the organization. It should identify all stakeholders that are of relevance to its modern slavery strategy and approach and consider their requirements based on their needs and expectations. It is important to identify not only obligatory and stated requirements but also any that are implied.

NOTE See Figure 2 for examples of stakeholders in public and private sectors.

Figure 2 – Examples of stakeholders in public and private sectors



4.2.2 Compliance, legal and regulatory requirements

There are numerous international, regional and national initiatives driving organizations to act in an ethical and responsible manner such as the UN Guiding Principles on Business and Human Rights (UNGPs). There is also growing mandatory human rights due diligence requirements in the EU. Additionally, there are mandatory reporting requirements that require organizations to disclose the steps they are taking to tackle modern slavery.

Organizations should consider how to achieve international good practice in countries in which they (or their suppliers) operate, in which the law or its implementation may not provide for minimum human rights safeguards.

Organizations should understand their compliance obligations which include:

- legislation, UK and international (e.g. Modern Slavery Act 2015 [9]); and
- local government requirements
- voluntary requirements and frameworks (such as the UNGPs and industry codes of conduct);
- agreements with community groups or non-governmental organizations;
- public commitments of the organization or its parent organization; and
- contractual relationships and commitments.

An organization should have policies and procedures to ensure compliance with legal and regulatory requirements. To fulfil its compliance obligations, an organization should:

- identify and have access to legal compliance obligations related to modern slavery, such as national legislation and regulations;
- identify all legal requirements and other requirements relating to modern slavery;
- ensure it understands the requirements the national and international legislative framework, as well as voluntary compliance frameworks;

- iv. determine how these compliance obligations apply to the organization's structure, operations, and supply chain;
- v. understand both internal and external issues that could impact on the management of these issues to deliver its intended results. One way to do this is through consulting among the reporting organization, its suppliers, contracting partners and relevant stakeholders such as investors, consumers and employees;
- vi. assign a team of cross-functional personnel to assess compliance risks annually;
- vii. assign accountability to a director (or equivalent) to oversee the assembly of a team and ensure this process takes place on an annual basis;
- viii. ensure that a central risk register is maintained; and
- ix. monitor new compliance and modern slavery risks and ensure that they are continually mainstreamed into contractual agreements.

4.2.3 Legal and compliance teams

The organization should identify key personnel responsible for managing and implementing legal compliance. It should also consider how to ensure key personnel understand their responsibilities. In larger organizations, it can be that legal counsel, along with compliance managers or the company secretary, have a key role in ensuring legal compliance. In smaller organizations, the role of understanding compliance obligations can fall across a number of functions, such as human resources, procurement and the ethical or sustainability managers.

The role of legal and compliance teams can include:

- a) ensuring that legal compliance and other obligations are met;
- b) helping to set the organization's ethical standards beyond what the law requires;
- c) ensuring the organization's terms and conditions of contract are reviewed and appropriate contract clauses are inserted to address the risk of modern slavery;
- d) ensuring that any tender documents are reviewed, and the appropriate modern slavery provisions are inserted;
- e) understanding how the organization will address any default provisions in contract clauses where modern slavery has been uncovered;
- f) advising the board on the risk relating to human rights and modern slavery;
- g) ensuring an annual review is carried out and take into account circumstances, including developments in legal and other requirements, related to its modern slavery policy;
- h) devise internal accountability for the management of legal compliance risks;
- i) identify and document mandatory legal obligations related to modern slavery mitigation;
- j) identifying emerging modern slavery-related legislation applicable to its activities, products and services;
- k) establishing a schedule to review incoming legal obligations; and
- l) ensure there is a suitable and sufficient audit programme.

The legal counsel should:

- 1) provide top management with effective advice on organizational strategies and their implementation;
- 2) influence the organization on issues relating to ethics, governance and risks;
- 3) manage the legal function of the organization;

- 4) oversee the work of external legal counsel so that they understand and can advise on modern slavery issues;
- 5) oversee the finalisation of the publication of external statements and policies to ensure they are legally compliant; and
- 6) ensure an annual review of contractual agreements is conducted.

Once the organization has identified the relevant compliance obligations, it should:

- I. devise internal accountability for the management of legal compliance risks;
- II. identify and document mandatory legal obligations related to modern slavery mitigation;
- III. identify emerging modern slavery-related legislation applicable to its activities, products and services and establish a schedule to review incoming legal obligations;
- IV. make a public commitment to upholding compliance obligations in the organization's modern slavery policy or statement and ensure it is communicated to relevant parties. (Most disclosure legislation requires that the organization's statement should be made available on the homepage of its website);
- V. clarify whether the statement or policy relates solely to the organization's own activities or includes the organization's expectations of other organizations;
- VI. the process of creating a policy or statement should involve both internal and external consultative processes and top management and/or the board should be involved; and
- VII. specify how the public policy will be communicated to the different parties, e.g. stakeholders, communities that might be affected.

5 Leadership and commitment

5.1 Governance

Modern slavery risk management is part of governance and leadership. Top management and oversight bodies (in a smaller organization, this could be the owner) should ensure that the management of modern slavery risk is integrated into all organizational activities and demonstrate leadership and commitment by:

- a) approving the organization's values and purpose, ensuring they reflect a zero tolerance of unethical behaviour, including modern slavery;
- b) approving reporting mechanisms (such as a modern slavery statement) on actions taken by the organization to address modern slavery as required by relevant law and/or regulations;
- c) approving the organization's policy(s) relating to modern slavery;
- d) ensuring that the organization's strategy, business processes and modern slavery policies are aligned;
- e) requiring that adequate and appropriate resources needed for effective modern slavery risk management are allocated;
- f) exercising reasonable oversight over the implementation of the organization's modern slavery risk management and measuring its effectiveness (for example, by risk and key performance indicators, benchmarking and the organization's ability to respond);
- g) at planned intervals, receiving and reviewing information about the content and operation of the organization's modern slavery risk management approach;
- h) ensuring that all board members are adequately trained in Occupational Safety and Health (OSH) and human rights at work. These activities should be carried out by top management if the organization does not have a governing body; and