

ARE YOU AWARE OF

The UK Modern Slavery Act and its requirements?

Overview

The UK Modern Slavery Act, which came into force in 2015, is a landmark piece of legislation that seeks to eradicate modern slavery from supply chains and businesses in the UK. It requires companies to take steps to prevent slavery and human trafficking in their operations and supply chains. In this blog post, we will explore what the UK Modern Slavery Act requires of companies and the steps that they must take to comply with the law.



Who does it apply to?

Under the UK Modern Slavery Act, all companies that are either incorporated in the UK or carry on business in the UK and have an annual turnover of £36 million or more are required to comply with the Act's reporting requirements.

This includes companies that are involved in manufacturing, retail, services, and other sectors. Additionally, the Act applies to companies that have a subsidiary or franchise in the UK, regardless of where the parent company is

Who does it apply to? (CONT)

located. Companies that do not meet the turnover threshold may also voluntarily comply with the Act's reporting

requirements to demonstrate their commitment to eradicating modern slavery from their operations and supply chains.

What are the penalties for non compliance?

Apart from the moral obligation to prevent slavery and human trafficking, companies that fail to comply with the Act can face legal penalties, reputational damage, and loss of investor confidence. The government can issue an injunction to companies, which can result in the suspension of the business operation. In addition, non-compliant companies can face significant fines and other legal sanctions. From a reputational perspec-

tive, companies that are associated with modern slavery can face severe criticism from customers, stakeholders, and the media, which can result in a significant decline in market value. Therefore, it is crucial for companies to take the UK Modern Slavery Act seriously and implement robust policies and procedures to prevent modern slavery in their operations and supply chains.

What is required?

1



Transparency Statement

One of the key requirements of the UK Modern Slavery Act is for companies with a turnover of over £36 million to publish an annual slavery and human trafficking statement on their website. This statement should outline the steps that the company has taken to ensure that slavery and human trafficking are not taking place in any part of its business or supply chains.

- 1 The statement should also include details of the company's policies and procedures for identifying and addressing modern slavery risks, as well as any due diligence processes that it has implemented. Additionally, the statement should outline the training that the company provides to its staff and suppliers on modern slavery issues.

FRDM assists some of the world's biggest brands to comply with UK Modern Slavery Act. We map and risk monitor your entire supply chain, including sub-suppliers and commodities. Our annual modern slavery reports include details about training, mitigation and impact.

2

Due Diligence

Under the UK Modern Slavery Act, companies are required to conduct due diligence on their supply chains to identify and address any modern slavery risks. This includes conducting risk assessments, mapping their supply chains, and engaging with suppliers to understand their policies and practices related to modern slavery. The due diligence process should also involve monitoring and auditing suppliers to ensure that they are complying with the company's modern slavery policies and procedures. If the company identifies any instances of modern slavery in its supply chain, it must take action to address the issue and prevent it from occurring in the future.



FRDM uses basic vendor level data to build a dynamic risk monitoring system for your supply chain. Reporting features cut your team's time to prepare report 60-80%.

3



Training and Awareness

The UK Modern Slavery Act also requires companies to provide training and awareness-raising to their staff and suppliers on modern slavery issues. This includes training on how to identify and report modern slavery risks, as well as on the company's

3 policies and procedures for addressing these risks. In addition, companies must ensure that their suppliers are aware of modern slavery issues and understand the importance of compliance with the law. This may involve providing training or guidance to suppliers on how to identify and address modern slavery risks in their own operations and supply chains.

FRDM offers online training for team and suppliers including the award-winning www.slaveryfootprint.org that FRDM's founder developed with the US State Department and Google.

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Collaboration and Reporting

Finally, the UK Modern Slavery Act encourages collaboration between companies, NGOs, and other stakeholders to address modern slavery issues. This may involve sharing best practices and collaborating on initiatives to address modern slavery risks in specific industries or regions.

Companies are also encouraged to report any instances of modern slavery that they identify to the relevant authorities. This may include reporting to the police or other law enforcement agencies, as well as to NGOs or other organizations that are working to address modern slavery issues.



FRDM is a leader in the modern slavery space. Our technology has been covered by CNN, Vogue, Fast Company, Wall Street Journal and others. We are partnered with Made In A Free World, one of the most influential NGOs in the Anti-Slavery space, and to whom FRDM donates 5% of every subscription fee.

FRDM is here to help, so please don't hesitate to reach out if you have any questions.