

ATTACHMENT A

PART A – MANDATORY REPORTING CRITERIA

1. Do you support the potential changes to the reporting criteria? Are any further changes needed to the reporting criteria?

ACSI supports clearer, more actionable reporting criteria.

The proposed consolidation of criteria (d) (actions taken by an entity to assess and address modern slavery risks) and (e) (effectiveness of such actions) to require entities to disclose actions taken to identify, assess, address, and monitor modern slavery risks is a good step toward improving the quality, consistency, and utility of modern slavery statements.

Our research in [2021](#) and [2023](#) consistently found a significant gap between entities identifying modern slavery risks and explaining how those risks were assessed. Many entities rely on generic or high-level sector risk assumptions or third-party indices. Whilst these are important inputs, they are insufficient on their own to demonstrate robust, tailored, methodologically sound residual risk assessments that consider an entity's own operating context. The proposed amendment can facilitate a shift from passive disclosure to active risk management by requiring entities to demonstrate how they are systematically evaluating risk exposure.

ACSI supports the new criteria on grievance mechanisms and remediation. See detail at questions 6-10 below in relation to our views on grievance mechanisms and remediation.

2. Do you support the matters the department proposes to include in delegated legislation (such as rules)? If not, what changes are needed?

ACSI supports the use of appropriately calibrated delegated legislation to define and clarify reporting expectations on governance, policies, training and stakeholder engagement. It is a useful tool for setting specific actions an entity must report on, providing consistency across reporters, with a level of authority above general guidance. However, core obligations should remain in primary legislation for transparency and parliamentary oversight. In addition, guidance remains important to help reporting entities and drive meaningful reporting and recognising sector specific application.

3. Are there any challenges associated with including details about reporting criteria in delegated legislation? If so, what are they?

There is a concern that delegated legislation could become overly prescriptive or burdensome, especially if it attempts to codify detailed expectations across diverse sectors and business models. There remains a role for guidance to fulfil this role. We also caution against a "one-size-fits-all" approach and any rules introduced should be proportionate, risk-based, and adaptable to the size and nature of the reporting entity.

To mitigate against these risks, we recommend:

- Clear drafting of rules with defined terms.
- Public consultation on proposed rules.
- Alignment with international standards such as the UNGPs.
- Any new rules should be accompanied by comprehensive guidance materials.
- Regular review to ensure delegated legislation remains relevant and effective.

4. Should additional guidance be developed to assist reporting entities to comply with the proposed changes to the mandatory reporting criteria? If so, what topics should be addressed by new guidance.

ACSI supports additional guidance. It plays a critical role in translating obligations into practical,

actionable steps, especially for entities with limited internal capacity or experience in human rights due diligence. Guidance also promotes continuous improvement, helping entities move beyond a “tick-box” approach. Many entities have faced challenges in effectively implementing the Act due to the limited guidance provided which has contributed to inconsistent application and reporting.

To support the proposed changes to the mandatory reporting criteria on **identifying and assessing modern slavery risks** and **grievance mechanisms and remediation**, the following should be addressed:

- Risk identification and assessment methodologies
- Due diligence processes, including how the results are factored into business decision making and promoting finding instances of modern slavery as an opportunity to drive meaningful change
- Designing, implementing and evaluating grievance mechanisms
- Remediation pathways
- Reporting on incidents
- Assessing effectiveness

Careful consideration should be given to the use of both delegated legislation and guidance to support the identification of instances of modern slavery, and meaningful action to address it. We recommend leveraging existing guidance where appropriate and fit for purpose.

Where possible, guidance should take a sectoral approach, to reflect the different risks and assessment methodologies appropriate to different sectors. Further, survivor-informed frameworks and safeguards are essential to support the grievance and remediation criteria. Without them, entities may underreport or avoid disclosure.

On effectiveness, our research in [2023](#) found that companies continued to experience difficulties measuring and reporting on the effectiveness of their modern slavery response. Most entities continued to rely on basic output focused frameworks, rather than outcomes. As an evolution and indicator of growing maturity, clear guidance is needed to help entities develop metrics that assess impact, as well as the volume of activities. As set out above, guidance should seek to position the identification of modern slavery as positive, allowing the opportunity to address the issue, build trust, and for remediation.

5. Should a new criterion be added that requires entities to report on key actions or changes since their previous statement?

ACSI supports the introduction of this new criterion. Our research in [2023](#) shows a broader stagnation in practice, indicating that the Act's expectation of continuous improvement is not functioning efficiently. Currently, many entities repeat similar content across reporting cycles, with minimal updates or reflection on progress. Without a mechanism to track year-on-year changes, it is difficult for stakeholders, including investors, to assess whether entities are genuinely improving their modern slavery risk management or simply maintaining a compliance baseline. The proposed criterion would help shift the reporting culture from static compliance to dynamic improvement.

Entities could report on issues such as:

- New risks identified since the last reporting period, and how these were assessed.
- New or updated policies, procedures, or governance structures.
- Changes in supply chain visibility, such as mapping Tier 2 or Tier 3 suppliers.
- New training programs or capacity-building initiatives.
- Remediation efforts undertaken in response to identified incidents.
- Improvements in grievance mechanisms, such as increased accessibility or uptake.

These types of information would provide investors with more meaningful disclosure on the activities that reporting entities are undertaking. To support reporting entities, we recommend that guidance accompany the proposed new reporting criterion, to help entities report year-on-year changes. Entities should be encouraged to focus on substantive developments, rather than minor administrative updates, and to explain the impact of those changes on their modern slavery risk

profile.

6. Should reporting entities be required to report information about grievance mechanisms? If so, what specific information about grievance mechanisms should entities be required to report on?

ACSI supports reporting on grievance mechanisms. Grievance mechanisms can operate to help identify instances of modern slavery. Remediation is often conflated with general risk mitigation, so the elevation to a standalone criterion will align with the UNGPs which emphasise that remediation is a distinct and essential component of corporate responsibility.

Our research in [2023](#) found a key area of weakness continues to be companies' capacity to identify and remediate or take a role in remediation of modern slavery incidents in their operations and supply chains. For example, the number of companies able to explain in detail how their grievance mechanisms operate and identify steps taken to ensure their grievance mechanisms are trusted and accessible remained low.

ACSI recommends that guidance supplement the reporting requirements. Useful information on the operation of grievance mechanisms that could be made publicly available might include:

- Availability and accessibility
 - Who can access the mechanism (e.g. direct employees, supply chain workers, community members).
 - Whether it is available in relevant languages and formats.
 - Whether it is accessible to vulnerable groups, such as migrant workers or subcontracted labour.
- Design and governance
 - Whether the mechanism is internal, external, or hybrid.
 - Whether the mechanism is survivor-informed and culturally appropriate.
 - Whether it is independently monitored or audited.
 - What safeguards are in place to protect complainants from retaliation.
- Promotion and awareness
 - How the mechanism is communicated to workers and suppliers.
 - Whether training or awareness campaigns are conducted.
- Usage and outcomes
 - Number and nature of complaints received (quantitative data).
 - Types of issues raised (e.g. wage theft, forced labour, harassment).
 - Resolution rates and timeframes.
 - Examples of how complaints led to remediation or systemic change.
- Effectiveness
 - How the entity evaluates whether the mechanism is trusted and effective.
 - Whether feedback loops in place to improve the mechanism.

All entities should be permitted to cross reference to publicly available policies and procedures to ease reporting burden.

Clarifying legal liability in line with the UNGPs through guidance material or delegated legislation should be a key consideration, as our view is that this would provide entities with confidence to disclose where they have found modern slavery and report outcomes from their grievance mechanisms.

ACSI recognises that smaller entities may need support to develop appropriate mechanisms. Tailored guidance for SMEs and voluntary reporters would help ensure that the requirement is scalable and inclusive.

7. Are there any sensitivities with requiring an entity to report on grievance mechanisms?

While disclosure of the design and implementation of grievance mechanisms is reasonable, we note several important sensitivities associated with requiring entities to report on the operation of

grievance mechanisms.

Privacy

Detailed case disclosure should be avoided as it risks identifying survivors or whistleblowers, especially in small workplaces or supply chains. Reporting should be aggregated and anonymised, with no personally identifiable information shared unless explicitly permitted by the individuals involved.

Legal risks

Clarifying legal liability in line with the UNGPs (for example, the UNGPs state 'the responsibility of business enterprises to respect human rights is distinct from issues of legal liability and enforcement, which remain defined largely by national law provisions in relevant jurisdictions' and 'If an enterprise is at risk of involvement in an adverse impact solely because the impact is linked to its operations, products or services by a business relationship, it does not have responsibility for the impact itself: that responsibility lies with the entity that caused or contributed to it') should be a key consideration to promote identification and disclosure. Reporting should focus on process and effectiveness, rather than outcomes alone, and that entities be supported in explaining the context and limitations of their data.

Reputation

Entities may underreport or avoid grievance mechanisms if they fear reputational damage from high complaint volumes. This creates a perverse incentive, where transparency appears negative. Guidance should normalise disclosure by emphasising that complaints can reflect trust in the system and represent an opportunity to take meaningful action against modern slavery.

Data interpretation

Grievance data needs context – high complaint numbers may reflect trust, while low numbers could signal fear or lack of awareness. Qualitative data is harder to standardise, so entities should include narrative explanations on how mechanisms work, are promoted, and assessed for effectiveness.

8. Should reporting on remediation be a separate mandatory reporting criterion? If so, what specific information about remediation actions and processes should entities report on?

ACSI supports the inclusion of a separate criterion on remediation (see response to Q1.)

Entities could be required to report on the following aspects of their remediation actions and processes:

- Approach to remediation
 - Policies and procedures
- Identification of incidents or allegations
 - The number and types of modern slavery incidents remediated.
 - How these were detected (e.g. through grievance mechanisms, audits, stakeholder engagement).
 - Referrals to law enforcement or support services.
- Remediation pathways
 - The processes used to determine appropriate remedies (e.g. consultation with survivors or affected groups).
 - The steps taken to provide remedy to affected individuals, including measures such as compensation, rehabilitation, legal support, or relocation.
 - Whether the entity cooperated with law enforcement, civil society, or government agencies.
 - The effectiveness of remediation efforts, including follow-up actions.
- Systemic reforms

- Changes made to policies, procedures, or supply chain practices to prevent recurrence.
- Whether the incident led to broader organisational learning or reform.
- Barriers
 - Challenges encountered in providing remedy (e.g. jurisdictional issues, lack of cooperation from suppliers).
 - Steps taken to overcome these barriers.

9. Are there any sensitivities with requiring an entity to report on remediation, noting information about remediation may include quantitative or qualitative information?

Please see our response to question 7.

10. Are there any specific safeguards we should consider to protect workers in relation to reporting on grievance mechanisms and remediation?

Yes, specific safeguards are essential.

Confidentiality protections

As we set out above fundamental safeguard is ensuring that any information disclosed in modern slavery statements does not identify or indirectly reveal the identity of complainants, survivors, or whistleblowers. This includes avoiding the use of names, locations, or case details that could be triangulated to identify individuals. We recommend that entities should report in aggregated and anonymised formats, and that any qualitative descriptions should be carefully vetted.

Survivor-informed reporting protocols

Reporting on remediation and grievance mechanisms should be guided by survivor-informed principles, meaning that survivors of modern slavery should be consulted in the design of reporting frameworks and have agency over how their experiences are represented. This includes obtaining informed consent before sharing any case-related information and ensuring that survivors understand the potential risks and benefits of disclosure.

11. Do the proposed changes to the consultation criterion address the lack of clarity currently experienced by reporting entities?

ACSI supports aligning consultation with statement preparation. This will improve understanding and compliance. Guidance should address internal consultation within complex corporate structures. If corporate group reporting is adopted, repeal is appropriate.

PART B – COMPLIANCE AND ENFORCEMENT FRAMEWORK

12. To date, the regulator has not used its power to request remedial action or publish information regarding non-compliance, focusing instead on education. Would additional or enhanced guidance be sufficient to address current non-compliance?

The statutory review indicates that a significant proportion of entities continue to submit statements that are incomplete, low-quality, or fail to meet the mandatory criteria.

Guidance should be paired with a credible enforcement framework that is proportionate, and encourages meaningful disclosure.

13. Will the use of these existing compliance powers be sufficient to address current non-compliance?

While the current framework allows the Minister to request explanations or remedial action and publish information about non-compliance, these powers have not been exercised and lack the deterrent effect necessary to drive behavioural change. This suggests a need for a responsive

regulatory framework that is appropriately resourced to enable proactive investigation and proportionate enforcement.

14. Should the existing compliance powers be amended? If so, how?

Existing compliance powers could be expanded to include broader information-gathering powers, clearer timelines for remedial action, redaction powers, enforceable undertakings, and civil penalties (enforceable by regulator only) – aligning with best practice regulation. These changes would strengthen the regulator's ability to investigate, verify, and respond to non-compliance, while maintaining proportionality and procedural fairness. We emphasise that these powers should be implemented and used to support meaningful action on modern slavery, and therefore be focused on non-disclosure or outliers, and considered for use only after education and opportunities for redress are exhausted.

15. Under section 16A of the Modern Slavery Act, the regulator can request an entity provide an explanation for the failure to comply with reporting requirements. Would broader information gathering power be more effective to address non-compliance?

Broader information gathering powers can be effective in addressing non-compliance. Currently, section 16A is narrow and reactive, limiting the regulator's ability to verify statements or identify non-reporting entities. Enhanced powers could enable proactive oversight to investigate suspected false or misleading statements, identify entities that should be reporting but are not, and monitor systemic risks across sectors.

16. Should additional regulatory tools be introduced into the Modern Slavery Act to penalise non-compliance?

We suggest a "smart mix" of regulatory tools including infringement notices, enforceable undertakings, redaction powers and potential exclusion from government procurement. These allow proportionate regulatory responses to varying levels of non-compliance, from minor omissions to deliberate misreporting. We note that regulatory tools should be risk-based, and a proportionate enforcement approach, starting with education and escalating to penalties when needed. Further, the tools should act to encourage transparency and promote activities to identify, remediate and mitigate risk.

17. If yes, which of the following additional regulatory tools should be introduced to respond proportionately to non-compliance? a) infringement notices; b) enforceable undertakings; c) redacting a statement; d) other

See question 16.

18. Should civil penalties be introduced into the Modern Slavery Act?

Civil penalties, enforceable only by the regulator, should be introduced to strengthen accountability and uphold the integrity of the reporting regime. Penalties should be proportionate, used as a last resort after repeated instances of non-compliance and after other options such as a warning and the opportunity to improve. Instances of non-compliance could include: failure to submit a statement; providing significant false or misleading information and failure to comply with a request for remedial action. As previously stated, while they should be available, they should be considered a tool of last resort.

19. If yes, which of the following civil penalties should be introduced in the Modern Slavery Act? a) failure to submit a modern slavery statement; b) providing false or misleading information; c) failure to comply with a request for remedial action

We are of the view that civil penalties could apply in all three circumstances, subject to taking a proportionate and pragmatic approach that allows reporting entities and opportunity to improve.

Failure to submit a modern slavery statement

This is a fundamental breach of the Act and undermines the transparency framework. Introducing a penalty for non-submission would reinforce the mandatory nature of the obligation and ensure that all eligible entities participate in the regime. It would also support the regulator's ability to maintain an accurate and complete Register.

Providing false or misleading information

This penalty should apply to entities that knowingly or recklessly include false or misleading information in their statements. For example, an entity might claim to have conducted supplier audits or implemented grievance mechanisms when no such actions occurred. Such misrepresentations can mislead stakeholders, distort market perceptions, and erode trust in the reporting framework.

Failure to comply with a request for remedial action

A penalty for failing to comply with such a request would enable enforcement of corrective measures. This would be particularly important in cases of repeated or deliberate non-compliance.

In all three circumstances, appropriate safeguards are required, including:

- Review mechanisms for entities to contest penalties.
- Consideration of mistake of fact or other defences.
- Clear guidance and education to support compliance.

We are also of the view that penalties could cover failure to submit a statement by the due date and failure to address all mandatory criteria.

20. Should any defences, such as mistake of fact, be considered for any proposed civil penalties?

Civil penalty provisions should incorporate appropriate legal defences, that promote fairness, proportionality, and procedural integrity. As set out above, reporting entities should be provided an opportunity to improve and update before civil penalties are sought. This is essential to distinguish deliberate non-compliance.

21. What key considerations should be taken into account when considering the maximum penalty units for any penalty provisions?

ACSI is of the view that the following are key considerations, reiterating our view that penalties should be considered a 'last resort':

- Proportionality to entity size and revenue
 - Penalties should reflect the scale and financial capacity of the reporting entity. A flat penalty may be inconsequential for large corporations but punitive for small or medium-sized entities. A tiered penalty structure, based on revenue bands or entity type, would maintain incentives for compliance across the spectrum.
- Nature and severity of breach
 - The penalty should correspond to the seriousness of the non-compliance. For example, failure to submit a statement may warrant a lower penalty than knowingly providing false or misleading information. Repeat or deliberate breaches should attract higher penalties.
- Deterrence value
 - Penalties must be high enough to deter non-compliance; however, they should not be so severe as to discourage transparency or voluntary engagement.
- Alignment with other regulatory frameworks
 - Penalty units should be consistent with those applied under comparable Commonwealth legislation to ensure coherence across the regulatory landscape and avoid confusion or perceived unfairness.
- Impact on victims

- o Penalties should be designed to reinforce protections for vulnerable workers and communities.

22. If additional regulatory tools are introduced, who should carry out these new functions: a) current regulator who has an existing support and advisory role; b) an independent section or body; c) other

Establishing an independent regulator, such as a statutory authority or a dedicated enforcement unit, would maintain regulatory independence and transparency. If the current regulator's mandate is expanded to include enforcement, this may raise concerns about capacity, independence, and potential conflicts of interest. Another potential is the Anti-Slavery Commissioner, although there can be difficulties with the same person having both advisory and enforcement functions. We note that the Information Commissioner is an example of a statutory holder with guidance, monitoring and advice functions, as well as regulatory powers. In any event, sufficient resources should be allocated to carry out responsibilities effectively.

23. For the regulator to effectively identify, investigate and litigate alleged non-compliance, the regulator will require: a) access to relevant information and data to identify regulated entities; b) sufficient powers and access to relevant information to identify false or misleading information; c) sufficient funding for investigation and litigation costs; d) other

The regulator will require the stated a-c combination of legal powers, operational capabilities, and resourcing.

24. Are there any other subsidiary issues to be considered?

If enforcement powers are expanded or transferred to a new or independent regulator (e.g. the Anti-Slavery Commissioner), there should be clear governance arrangements to avoid duplication, confusion, or regulatory gaps. This includes defining which body is responsible for education, monitoring, enforcement, and complaints and establishing protocols for inter-agency cooperation and data sharing. Where possible, interoperability with international regimes should be considered, to manage regulatory burden.

PART C – JOINT REPORTING

25. Are there any additional difficulties encountered with joint reporting under the Modern Slavery Act?

We note the difficulties detailed in the consultation paper.

26. Does corporate group reporting adequately resolve challenges experienced by reporting entities with the current joint reporting model?

ACSI supports corporate group reporting to improve compliance, streamline reporting and reduce administrative burden, and align with financial reporting practices.

27. Are there any new challenges that may result from replacing the current joint reporting process with a corporate group reporting model (with exemptions)?

A possible issue is the potential loss of visibility into subsidiary-level risks, particularly where entities operate in distinct sectors or regions. Over-centralisation may also lead to reduced engagement from local teams, weakening the quality of risk identification and remediation efforts. Clear guidance will be needed to preserve entity-level accountability, including mechanisms for subsidiary input and transparent criteria for exemptions.

28. Should a corporate group reporting model be adopted, do the proposed exemptions (via application to the regulator) for subsidiary and nominee reporting entities provide appropriate and sufficient accommodations for different business structures?

ACSI broadly supports the proposed exemptions for nominee entities and subsidiaries recognising that these exemptions can reduce administrative burden and improve the clarity of reporting obligations. We reiterate the need for clear criteria, transparent processes, and regulatory oversight to ensure the exemptions are applied appropriately and do not undermine accountability.

29. Should a corporate group reporting model be adopted, should any additional exemptions be considered to alter the default reporting arrangements of corporate group reporting?

No response.

30. Are there alternative mechanisms to improve or amend the current joint reporting processes?

Entity level attestations could ensure that each entity included in a joint or group modern slavery statement remains accountable for its own risks, actions, and disclosures, even when reporting is consolidated. Alternatively, as mentioned above, clear guidance on accountability and processes could assist.

PART D – VOLUNTARY REPORTING

31. Are there any changes needed to the proposal to amend notification requirements for voluntary entities?

ACSI supports the proposal to allow voluntary entities to provide notification at any time that they will no longer be reporting.

32. Should the requirement for voluntary reporting entities to notify the Minister of their intention to voluntarily report be removed altogether?

ACSI prefers retaining this requirement. Maintaining a notification requirement helps track which entities are voluntarily reporting and monitor trends over time. ACSI members use modern slavery disclosures to inform responsible investment, so knowing who voluntarily reports helps assess risk and corporate commitment.

The process could be simplified, for example, through an online portal with minimal data entry. Clear guidance on how voluntary entities can engage and disengage is also beneficial.

33. Are there any changes needed to what potential new regulatory powers should apply to voluntary reporting entities?

ACSI supports limiting regulatory powers over voluntary reporting entities to information-gathering functions only, reflecting the voluntary nature of their engagement with the Act. This approach maintains the integrity of the reporting framework while acknowledging the non-mandatory status of these entities.

34. Should the regulator be provided with a new power to revoke and entity's status as a voluntary reporter (for example to manage non-compliant voluntary statements)

ACSI broadly supports granting the regulator the power to revoke the voluntary reporting status of entities in specific circumstances, particularly where there is evidence of non-compliance, misleading disclosures, or bad faith engagement. This measure is necessary to uphold the integrity of the reporting framework and ensure that voluntary participation remains credible.

35. Will voluntary reporting entities use guidance designed to support small and medium-sized entities to engage with modern slavery risks in operations and supply chains and support compliance with the Modern Slavery Act? What topics should the guidance address and what form should it take?

ACSI supports developing tailored guidance for small and medium-sized enterprises (SMEs) to help them engage meaningfully with the Act. SMEs often face unique challenges, including limited resources, lack of internal expertise, and complex supply chain relationships, that can make compliance difficult. Targeted support is essential to ensure that SMEs can participate effectively.

We recommended:

- Reporting templates
 - Easy-to-use formats that reduce administrative burden.
 - Templates should include prompts for basic risk identification, mitigation actions, etc.
- Risk identification tools
 - Sector-specific risk indicators to help SMEs understand where modern slavery risks may arise.
 - Practical examples of red flags and high-risk supplier characteristics.
- Remediation pathways
 - Clear steps for responding to suspected modern slavery, including referral options and victim-centred approaches.
 - Guidance on how to work with suppliers to improve practices rather than disengage immediately.
- Case studies and examples
 - Real-world examples of SME engagement with modern slavery risk management.

PART E – NOTIFICATION REQUIREMENTS TO CEASE AS A REPORTING ENTITY

36. Are any changes needed to the proposal to amend the notification requirements to cease as a reporting entity?

ACSI broadly supports the proposed notification framework for entities seeking to cease reporting under the Act. The framework is seen as a practical and necessary mechanism to ensure transparency and regulatory oversight when an entity no longer meets the reporting threshold or undergoes structural changes. Consider giving the regulator discretion to review and verify cessation claims.

37. Are any changes needed to the proposed requirement for an entity to provide notification they will cease as a reporting entity within 6 months following the end of the reporting period?

ACSI supports the six-month notification window for entities intending to cease reporting under the Act. This period aligns with business planning cycles, giving entities time to confirm changes in revenue, structure, or operations that affect reporting obligations. Allowing flexibility for exceptional circumstances would support the framework.