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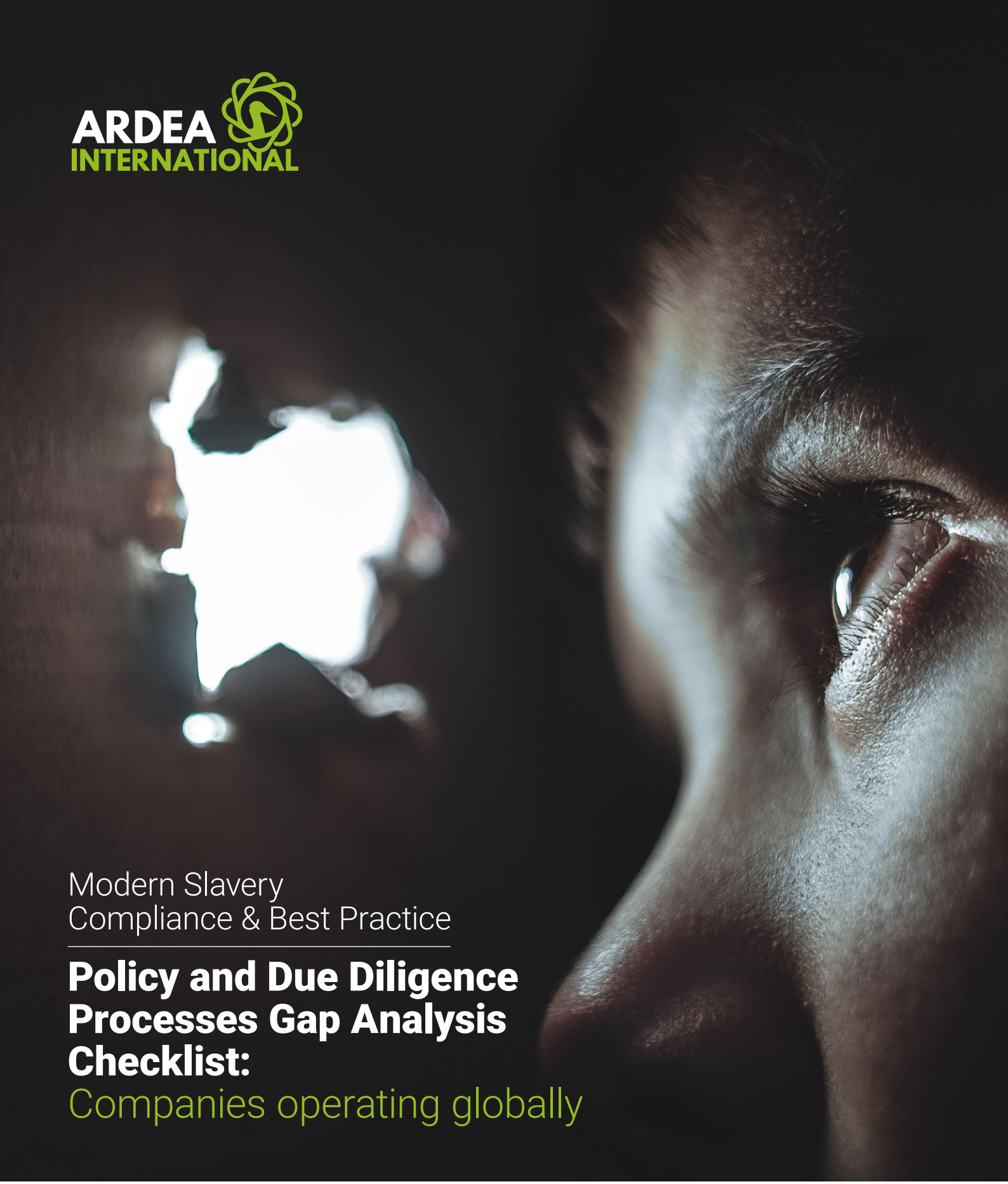

Modern Slavery
Compliance & Best Practice

# Policy and Due Diligence Processes Gap Analysis Checklist:

## Companies operating globally

**Leading business beyond compliance**


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This checklist can be used by any organisation (including suppliers) to determine the gaps in their current policies and due diligence processes in addressing modern slavery risk. The Gap Analysis checklist Scorecard should be used in conjunction with this checklist. It will benchmark the organisation's current performance to help it track progress.

## 1. **Policies**

A company's anti-slavery and human trafficking policy will aim to prevent slavery and human trafficking in its business and supply chains. It may form part of the company's wider corporate social responsibility policy.

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Does the company have a policy on modern slavery and human trafficking? | | | | |
| Does the company have any sustainability policies that can be adapted to address slavery? | | | | |
| Does the company have any human rights policies that can be adapted to address slavery? | | | | |
| Is the policy integrated into the company's business and contractual processes? | | | | |
| Is there an obligation to comply with the policy? | | | | |
| Is there a penalty for disregarding the policy? | | | | |

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## 2. **Key policies for responsible business**

Which of these policies does the company have in place?

ⓘ **Note** – Please provide a copy of each policy when you return this form.

There is no requirement to have a standalone policy to tackle modern slavery. It is possible to adapt or clarify how existing policies or procedures work in respect of modern slavery and forced labour issues.

| POLICYS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Modern slavery policy | | | | |
| CSR policy | | | | |
| Sustainability policy | | | | |
| Human Rights policy | | | | |
| Ethical/Sustainable procurement policy | | | | |
| Supplier Code of Conduct | | | | |
| Employee Code of Conduct | | | | |
| Employment handbook | | | | |
| Recruitment policy | | | | |
| Health and safety policy | | | | |
| Whistle-blowing policy | | | | |
| Grievance mechanisms | | | | |
| Policies concerning staff training | | | | |
| Child labour policy | | | | |
| Migrant labour policies | | | | |

## 3. **Management**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Can the company identify who is specifically responsible for modern slavery and human trafficking? | | | | |
| Does your company actively champion anti-slavery measures? | | | | |
| Is the modern slavery policy supported by the board? | | | | |
| Are breaches of the policy dealt with by an internal process? | | | | |

## 4. Due Diligence Process: identifying, assessing and managing risk

### What is due diligence?

It is such a measure of prudence, activity or assiduity as is properly expected from a reasonable person. In context of the UNGPs, human rights due diligence comprises an on-going management process that a reasonable and prudent enterprise needs to undertake.

The company's due diligence processes, whether on modern slavery and human trafficking or on the environment, should aim to identify and address potential risks and strive for continual improvement.

### 4.1 Human rights mapping

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Has the company undertaken a high level human rights/ modern slavery risk mapping exercise? | | | | |

### 4.2 Identifying product / service risk

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Has the company identified its key products and services? | | | | |
| Has the company identified what raw materials are used in the business or are required in the manufacturing process? | | | | |
| Has the company identified where services/products are provided to the company outside of the UK? | | | | |

## 4.3 **Business or transaction risk**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Has the company identified its suppliers, subcontractors, agents, distributors, franchises in each country or region? | | | | |
| Is there someone responsible for managing these relationships? | | | | |
| Are minimum labour standards expected of the business, its subsidiaries and suppliers? | | | | |
| Do the minimum labour standards align to minimum legal requirements? | | | | |
| Do the minimum standards align to industry standards (such as ETI)? If so, which ones? Please answer in the comments box. | | | | |
| Are there contingency plans if a supplier is found to be involved in slavery or human trafficking? | | | | |
| Are these relationships frequently reviewed? If so, how often? Please answer in comments box. | | | | |

## 4.4 **Sub-contracting risk**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Do any suppliers sub-contract? | | | | |
| Does the company ask the supplier to provide modern slavery policies? | | | | |
| Does the company carry out due diligence on potential suppliers? | | | | |
| Does the company expect suppliers to adhere to their modern slavery policies? | | | | |
| Do your contracts with service providers include a clause to enforce compliance with modern slavery standards? | | | | |
| Is support or guidance available to business operations or suppliers willing to remediate situations of slavery or forced labour? | | | | |
| Does the company assist suppliers with setting/ reviewing goals? | | | | |

## 5. **Internal risks and ethical sourcing**

Does the business have external providers for the services listed below:

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Cleaning | | | | |
| Facilities management | | | | |
| Gardening | | | | |
| Catering | | | | |
| Is the company aware if there is any actual or potential exploitation of external providers? | | | | |

## 6. **Critical questions on due diligence for management team**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Are there systems in place in the company to cover key functions? For example procurement, employment, legal, marketing, CSR. | | | | |
| Are these systems fit for purpose for what they were designed to do? E.g.: are they fit for purpose of addressing modern slavery risks? | | | | |
| Are changes needed to make them fit for purpose? | | | | |
| Is there sufficient internal expertise to develop modern slavery due diligence? | | | | |
| Does the company have the adequate resources needed to support internal expertise? | | | | |
| Has the company considered at what point in the human rights due diligence process it should seek to engage with its directly affected stakeholders or their representatives? | | | | |

## 6.1 **Risk register—checklist**

ⓘ **Note** – A risk register is an important component of the overall risk management framework. It is used to assess, record and manage risk and can be used alongside a central legal register.

Does the company have the required document or action:

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Has the company identified the material risks the company faces? | | | | |
| Have the material risks been documented? | | | | |
| Do the risks include the risk of modern slavery? | | | | |
| Has the company categorised and prioritised those risks? | | | | |
| Does the company have a central Risk Register? | | | | |
| Does the company record and monitor those risks in a Risk Register? | | | | |
| Does the company have a board member responsible for any liability arising from risks? | | | | |

## 7. **Effectiveness of compliance**

The company will need to assess how effective it has been in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate.

### 7.1 **Effectiveness in ensuring no slavery or human trafficking**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Are management reports available to help assess the risk of modern slavery and human trafficking in the company? | | | | |
| Are these reports frequently made? | | | | |
| Is a director responsible for these reports? | | | | |
| Do these reports assess all the potential risk areas? | | | | |
| Are the reports assessed and updated to identify new risks? | | | | |
| Is the effectiveness of steps taken by the company to ensure that slavery is not taking place in the business or its supply chains measured? | | | | |

## 7.2 **Monitoring risk, audits and key performance indicators**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Are measures or key performance indicators (KPIs) used to assess the risk of slavery and human trafficking in the supply chain? Please provide examples in the comments box. | | | | |
| Are suppliers contractually obliged to audit their own supply chains? | | | | |
| Are suppliers obliged to report on the findings of the audits? | | | | |
| Is there a means to easily raise concerns on the risk of modern slavery and human trafficking in the supply chain (such as a link on the website to report concerns or a helpline)? | | | | |
| Are suppliers working conditions monitored? | | | | |
| Are audits carried out by external auditors? | | | | |
| Are internal audits carried out? | | | | |
| Are audits carried out throughout the year? | | | | |
| Are suppliers required to self-report on any identified risks or concerns? | | | | |
| Do you reward supplier sustainability performance? If so, please provide an example in the comment box. | | | | |
| Are supplier contracts terminated where a supplier fails to meet the standards set by the KPIs? | | | | |

## 7.3 **Remediation**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Are remediation plans in place? If so, please give an example. Please use comments box to answer. | | | | |
| Are there corrective actions in place in policies? | | | | |
| Is the effectiveness of these plans monitored? | | | | |
| If the company does not have sufficient internal expertise to address the risk of modern slavery in the organisation and supply chain has sufficient resources been allocated to appoint an expert? | | | | |
| Is sufficient protection given to whistle-blowers? | | | | |

## 8. **Training**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Is training on human rights and modern slavery available to staff? | | | | |
| Has training actually been provided? | | | | |
| Has the board been trained to help understand and support risk prevention? | | | | |
| Does the training need to be repeated? If so, how often? | | | | |
| Is training provided in different languages? | | | | |
| Is the impact of the training monitored? | | | | |
| Has training been given to suppliers? | | | | |

## 9. **Further steps**

Further steps to be taken by the company are a logical follow – on from assessing the company's effectiveness in ensuring that neither the business nor its supply chains are involved in slavery or human trafficking.

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Are targets set for staff to help manage modern slavery risk? | | | | |
| Has the company reviewed what steps need to be taken annually to address the risk of modern slavery and human trafficking in its organisation and supply chains? | | | | |
| If the company does not have sufficient internal expertise to address the risk of modern slavery in the organisation and supply chains, have sufficient resources been allocated to appoint an expert? | | | | |
| Following completion of this checklist, list the 5 key steps the company will take to improve its performance in the next 12 months. Please use comments box to answer. | | | | |

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## 10. **Questions to be raised by the board**

| QUESTIONS: | YES | NO | UNSURE | COMMENTS |
|---|---|---|---|---|
| Are any further steps needed to ensure that modern slavery and human trafficking is not taking place in the business or in the company's supply chains? | | | | |
| Are any further steps needed to ensure that whistle-blowers are protected? | | | | |
| Has training been provided to all staff? | | | | |
| Has the company considered supporting a company or forum committed to eradicating modern slavery and human trafficking? | | | | |
| Has the company created sufficient resources (linked to turnover) that there is no modern slavery or human trafficking in its business or supply chains? | | | | |

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SEND