

# Tackling modern slavery in PPE supply chains:

A practical guide  
for PPE suppliers



APRIL 2021



## ACKNOWLEDGEMENT

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<sup>1</sup> Ergon Associates (2018) Managing Risks Associated with Modern Slavery, <https://ergonassociates.net/wp-content/uploads/2018/12/Managing-Risks-Associated-with-Modern-Slavery.pdf>

Government Commercial Function (2019) Tackling Modern Slavery in Government Supply Chains, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/830150/September\\_2019\\_Modern\\_Slavery\\_Guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/830150/September_2019_Modern_Slavery_Guidance.pdf)

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## KEY MODERN SLAVERY DUE DILIGENCE MEASURES TO TAKE IN PPE SUPPLY CHAINS

1. Ensure clear modern slavery policies are in place.
2. Embed modern slavery clauses in contracts with all suppliers.
3. Check supplier understanding of contracts and commitments.
4. Begin by identifying risks.
5. Ask suppliers detailed questions related to their modern slavery diligence processes.

### **When risks and gaps are identified:**

6. Carry out or commission an expert assessment.
7. Commit to core remediation principles.
8. Identify parties responsible for remediation.
9. Involve third-parties where relevant.
10. Work with suppliers to develop an action plan on risk prevention and remediation.
11. Track implementation progress and results.
12. Communicate how issues are addressed and engage in continuous improvement.

# Introduction

## There is a strong focus on tackling modern slavery in the UK.

The Modern Slavery Act (2015) made the UK the first country to require large businesses to report transparently on the steps they have taken to tackle modern slavery in their operations and global supply chains. Following strong support from a broad coalition of stakeholders, the UK Government has committed to taking forward an ambitious package of changes to strengthen and future-proof the Modern Slavery Act's transparency legislation, including extending the reporting requirement to public bodies with a budget of £36 million or more. The UK Government has already voluntarily published the world's first Government Modern Slavery Statement, which sets out the steps the Government has taken to identify and prevent modern slavery in their own supply chains.

With the COVID-19 pandemic leading to a surge in demand for Personal Protective Equipment (PPE), the UK government's Home Office has commissioned, the business and human rights consultancy, Impactt Limited, to develop guidance to assist PPE suppliers understand best practice measures they can implement to mitigate modern slavery risks within their supply chains.

### Who is this guidance for?

This guidance is intended to support PPE suppliers, including resellers and manufacturers, to provide tailored information on the key measures that should be taken to carry out effective modern slavery due diligence in supply chains.

PPE suppliers should ensure and be able to demonstrate that they:

- Are transparent about modern slavery risks in the tender applications.
- Have processes in place to ensure that workers' human and labour rights are protected, during their recruitment, employment, and repatriation to their home country – see Section 2 for details on specific risks to migrant workers.
- Carry out due diligence to check that any suppliers that form a part of their supply chains (e.g. sub-contractors or recruitment agencies), are upholding international labour standards.
- Provide effective remedies to workers, if abuses are identified.

### What are the benefits to suppliers?

There are compelling moral and business arguments for taking steps to prevent and mitigate modern slavery risks in their supply chains and remediate occurrences of modern slavery if it happens. These include:

- **Underlying ethical values:** nobody should be forced to work under conditions of slavery, penalty or threat, or be subject to trafficking.
- **Reputation management:** companies may suffer significant reputational damage if they are linked to cases of modern slavery and can lead to negative media coverage, legal cases and potential sanctions. As well as the critical interest in managing reputational risks and establishing credibility, there is increased evidence of a strong case

Please refer to the 'Tools and Further Guidance' document for useful resources on identifying forced labour, remediation, key questions to ask suppliers and further reading.

## “ Scrutiny on global supply chains and treatment of migrant workers is increasing.

for suppliers to give priority to social and labour rights. Suppliers which do<sup>1</sup>, tend to be more successful and have greater levels of productivity and innovation, more predictable supply of goods and services, better retention and motivation, and more robust due diligence and monitoring systems.

- **Ensuring compliance with international conventions and laws:** scrutiny on global supply chains, and treatment of migrant workers in particular, is increasing, and a growing number of countries e.g. UK, Australia and France, are passing legislation related to modern slavery and forced labour, with a growing likelihood of punitive consequences for non-compliance.
- **Reducing business risk and securing access to markets:** where gaps in relevant management systems have been identified (either in the business or potential supplier/contractor), improved modern slavery risk management can support and enhance existing management and control systems in other areas of a business. Failure to properly manage modern slavery risks can make it harder for companies to access markets or secure investment. Due to the planned extension of transparency legislation to large UK public bodies, it is likely that UK public bodies will strengthen the policies and procedures they have to prevent modern slavery in their supply chains.

### KEY TERMS

**Debt bondage:** A situation in which workers are bound in debt to a person or institution resulting from inherited debt, wage advances or loans to cover recruitment or transport costs or from daily living or emergency expenses, such as medical costs<sup>2</sup>.

**Modern slavery:** An umbrella term that encompasses a wide spectrum of high harm crime, including human trafficking, slavery, servitude and forced labour. The ILO defines it as a situation of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception, and/or abuse of power<sup>3</sup>.

**Modern slavery due diligence:** the actions taken by a company to both identify and act upon actual and potential human rights and modern slavery risks for workers in its operations, supply chains and the services it uses. Processes of modern slavery due diligence include:

- a) Assessing actual and potential risk, e.g. review country risks, map supply chains, and identify risks to workers etc.
- b) Identifying leverage, responsibility and actions, e.g. assess scale and scope of corporate responsibility, review leverage and examine sourcing practices etc.
- c) Mitigating risk and remediating workers, e.g. take immediate steps to mitigate human rights abuses, provide training and capacity building on worker-management communication etc.

1 Tufts University (2018) The Impact of Better Work: Firm Performance in Vietnam, Indonesia and Jordan, <https://sites.tufts.edu/laborlab/files/2016/06/Better-Work-Firm-Performance-19-Feb-2018.pdf>

2 Ergon Associates (2018) Managing Risks Associated with Modern Slavery <https://ergonassociates.net/wp-content/uploads/2018/12/Managing-Risks-Associated-with-Modern-Slavery.pdf>

3 ILO (2017) Global Estimates of Modern Slavery, [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms\\_575479.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf)

- d) Monitoring, reviewing, reporting and improving, e.g. track actions and review decision-making, responsibility and accountability etc.

**Manufacturer:** a company which makes finished products from raw materials. The goods are later distributed to resellers, wholesalers and retailers who then sell to customers.

**Reseller:** a company that purchases goods or services with the intention of selling them rather than consuming or using them.

**Tier 1 supplier:** Provide their products and services directly to your organisation.

**Tier 2 supplier:** Provide products and services to your organisation via your Tier 1 suppliers.

**Tier 3 supplier:** Provide products and services to your organisation via your Tier 2 suppliers or the next higher level in the chain.

**Sub-contractor:** a person or commercial entity contracted to carry out a service by a contractor.

## RELEVANT INTERNATIONAL STANDARDS

This guidance document is underpinned by the following set of core international standards related to workers' rights. All suppliers are encouraged to familiarise themselves with these. The first four provide information that is critical to the implementation of effective modern slavery due diligence.

1. [Ethical Trading Initiative Base Code](#)
2. [Dhaka Principles for Migration with Dignity](#)
3. [International Labour Organisation's \(ILO\) 11 Indicators of Forced Labour](#)
4. [ILO General Principles and Operational Guidelines for Fair Recruitment](#)
5. [UN Guiding Principles on Business and Human Rights](#)
6. [OECD Due Diligence Guidance for Responsible Business Conduct](#)

## Requirements related to worker engagement and protection

All suppliers have an obligation to protect workers under the UN Guiding Principles on Business and Human Rights. Throughout the modern slavery risk mitigation and due diligence process, all suppliers should:

- Engage with workers via interviews, informal discussions, and grievance mechanisms where available, to build a detailed understanding of the issues they face.
- Consult with workers on appropriate remedy whenever possible/appropriate.
- Provide workers with access to effective grievance mechanisms and platforms for seeking remedy, including independent (i.e. not-company provided) mechanisms where possible.
- Verify whether action plans have been implemented effectively by speaking with workers and confirming whether the action has made a difference to their lives.
- Protect workers from harm, including threats and retaliation.
- In some cases, referral to law enforcement may be necessary to pursue criminal justice, however, this should be done carefully in a manner that protects the workers' safety and best interests.
- Provide workers with information on how to access support from local NGOs, worker representatives or law enforcement officials.



“ All suppliers have an obligation to protect workers under the UN Guiding Principles on Business and Human Rights.

# Indicators of Modern Slavery in PPE Supply Chains

This section provides an overview of the key indicators of modern slavery in PPE supply chains, and guidance on how to identify them.

Modern slavery is an umbrella term encompassing a wide spectrum of high harm crime, including human trafficking, slavery, servitude and forced labour. This guidance focuses on identifying and addressing indicators of forced labour, however, much of the information is applicable to the other categories of modern slavery.

## The ILO Forced Labour Indicators (FLIs)

The ILO has developed a set of 11 indicators of forced labour to support the identification of people who are trapped in a forced labour situation:

1. Abuse of vulnerability
2. Deception
3. Restriction of movement
4. Retention of identity documents
5. Isolation
6. Physical and sexual violence
7. Intimidation and threats
8. Withholding of wages
9. Debt bondage
10. Abusive working and living conditions
11. Excessive overtime

Table 1: The ILO 11 Indicators of Forced Labour

These indicators represent the most common signs or clues that point to the existence of a forced labour case. The ILO notes that in some cases, the presence of a single indicator in a given situation may imply the existence of forced labour. In other cases, one may need to look for several indicators which, taken together, point to a forced labour case.

Modern slavery or forced labour issues are not restricted to the workplace, they can occur throughout recruitment and employment processes, as well as in relation to worker housing and transport.

It should be noted that recruitment is often the stage at which workers in supply chains can be particularly vulnerable to modern slavery. It is where practices such as charging recruitment fees to workers and confiscating identity documents can take place, compelling workers into debt bondage and forced labour. Understanding recruitment methods is key to reducing risks.

See Resource 1 for an overview of all 11 FLIs, including the definitions, a toolkit of questions that all companies, whether re-sellers or manufacturers, can ask both themselves and their suppliers, in order to identify whether there is a risk of forced labour within their supply chain.

The ILO defines recruitment fees or related costs as “any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection”<sup>1</sup>.

See Resource 2 for more information on ILO’s definition of recruitment fees and related costs.

1 ILO (2016) General principles & operational guidelines for fair recruitment [https://www.ilo.org/wcmsp5/groups/public/---ed\\_protect/---protrav/---migrant/documents/publication/wcms\\_536755.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---migrant/documents/publication/wcms_536755.pdf)

“ Spend time speaking to workers and their agency partners to get a better understanding of what happens during the recruitment process.

### CASE STUDY 1 – DECEPTION AND DEBT BONDAGE AT A PPE SUPPLIER

A PPE company recruits migrant workers from Pakistan, using two recruitment agencies, one in the production country, and another in Pakistan. The company HR tells the recruitment agency about the job offer, and the terms and conditions of the job, but other than this, the company doesn't engage in any due diligence to check how these agencies are carrying out the request. When the workers arrive at the production site, the company finds out that they were promised work in an entirely different sector, and at much higher wages than the company is able to offer. Throughout their recruitment journey, workers were forced to pay various recruitment fees and related costs to recruitment agents and brokers. They had to take on loans to pay these costs, which will take them up to a year to pay off.

This example offers a clear case of the workers have been deceived about their employment conditions. Due to the recruitment fees and related costs paid, and the debts taken on by workers to fund them, workers are also highly likely to be in a condition of debt bondage. In this case, both FLIs for deception and debt bondage have been identified.

The following diagram provides an overview of the common stages of a workers' recruitment journey, and approximate recruitment fees and related costs that can be incurred by workers during their journey to Malaysia<sup>1</sup>.

#### Reflect

If a supplier lacks visibility of their recruitment supply chain, and how agencies promote jobs to workers, they are at risk of having a deceptive recruitment process. Spend time speaking to workers and their agency partners to get a better understanding of what happens during the recruitment process. If possible, commission an assessment to get detailed insights into where recruitment and deception-related risks exist, and how to address them.

<sup>1</sup> The recruitment fees and related costs presented in this diagram are based on Impactt's interviews with over 4,000 migrant workers in Malaysia between 2018-2021.

# WORKER VILLAGE / CITY

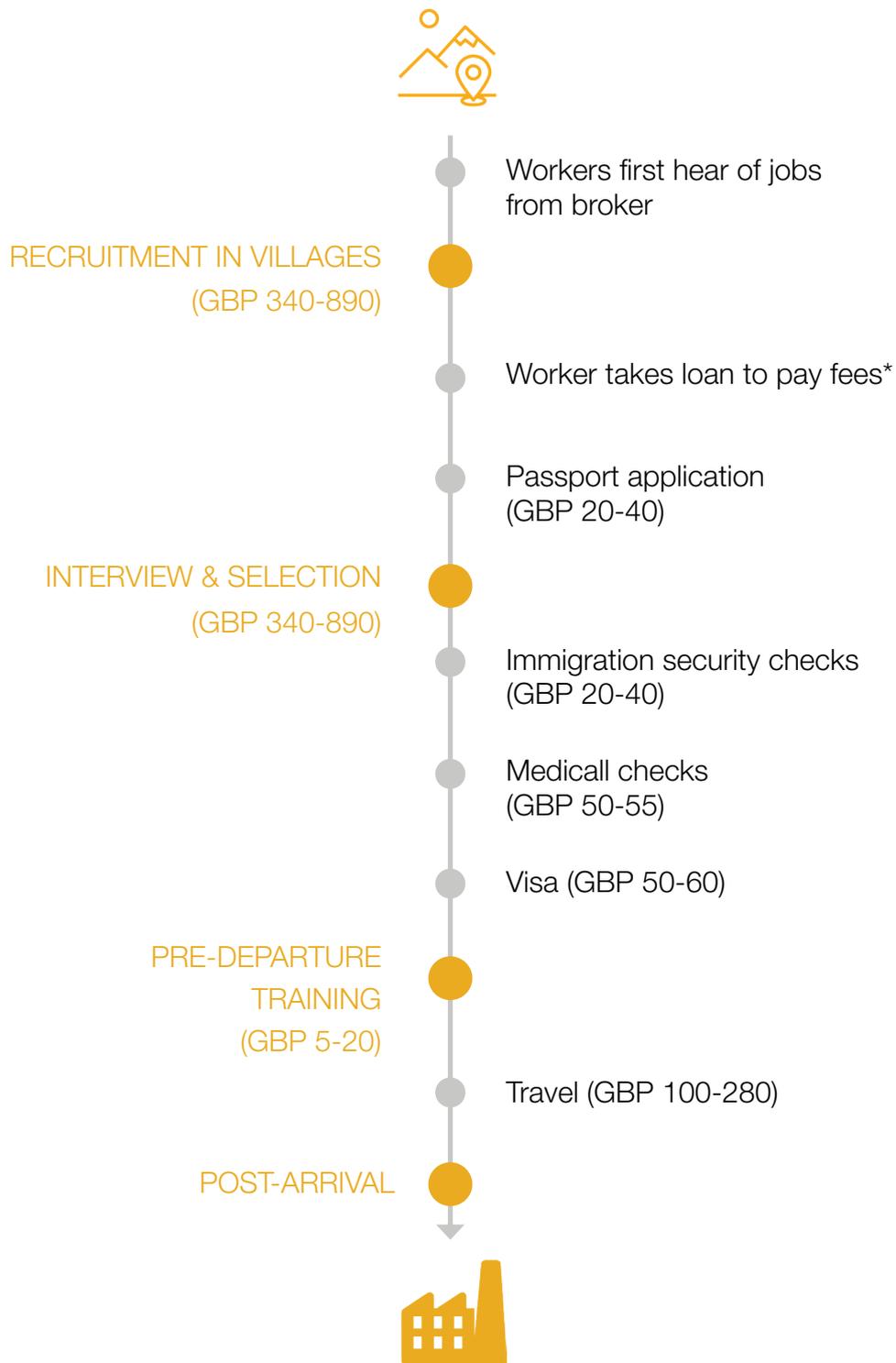


Diagram 1. Recruitment-related Risks for Migrant Workers in Malaysia

\*workers may sell their land/property or borrow money from friends and relatives.

## “ Workers’ eagerness to work overtime is often due to their need to supplement their low wages.

### CASE STUDY 2 – EXCESSIVE OVERTIME

An internal audit has found that workers in a factory have been working more than 2 consecutive weeks without a rest day during the past 3 months. An investigation discovers that workers have been encouraged to work on their rest days to earn more money as part of a volunteer program to ramp up PPE production in the context of a COVID-19 related Corporate Social Responsibility (CSR) initiative. Workers were also found working back to back day to night shifts and often working over the legal limit in a 24-hour period.

The presence of overtime does not constitute an indicator of forced labour as long as it is within the limits permitted by legislation or collective agreements. However, the instances described in the example above constitute ‘excessive overtime’ as the hours or days worked are in excess of those prescribed by national law, and “abuse of vulnerability”, as workers are provided with financial incentive to do this.

### Reflect

Companies should respect national legislation and international standards on maximum working hours and review their practices to ensure that these do not encourage workers to work beyond the legally permissible limits.

### GOOD INTENTIONS OR POTENTIAL FORCED LABOUR RISK?

It is common for local laws to allow a higher number of working hours than permitted by international standards. In addition, employers report that workers want to work as much overtime as possible, and that companies risk losing workers if they are unable to offer as much overtime as their competitors. However, companies must remember that:

- Workers’ eagerness to work overtime is often due to their need to supplement their low wages.
- Working in excess of set limits can cause exhaustion and cause life-threatening situations.
- Ultimately, employers are obliged, at minimum, to uphold local laws related to working hours, and to strive towards implementation of international standards.



# Conducting Modern Slavery Due Diligence in Your Supply Chain

As a PPE reseller or manufacturer, it is the company’s responsibility to have robust visibility of its supply chain.

Undertaking effective due diligence at all times will provide an early understanding of potential risks and increase leverage to positively influence should an issue arise later. Due diligence should be carried out throughout the supply chain, including on:

- Direct suppliers.
- Sub-contracted suppliers – for example, outsourcing companies that may be employing workers to support the manufacturing or packing of the products the company sources, or catering / cleaning / security companies that are employed at the manufacturing facilities.
- Suppliers in Tier 2 and below within the supply chain.

It is important to note that due diligence should be undertaken in a strategic-risk based approach, and it should be proportionate based on the risks identified.

The Organisation for Economic Cooperation and Development (OECD) has developed detailed Due Diligence Guidance for Responsible Business Conduct<sup>1</sup>. For the purposes of this guidance, the key due diligence steps outlined by the OECD have been adapted to the PPE sector context. In order to carry out effective due diligence, companies should follow the process shown in Diagram 2.

The following section provides guidance in each of these categories:

1. Embed modern slavery requirements into policies, tender processes and contracts.
2. Identify and assess actual and potential modern slavery risks and abuses in your supply chain.
3. Remediate and prevent modern slavery abuses.
4. Monitor implementation and results.
5. Communicate how modern slavery abuses are addressed and engaged in continuous improvement.



Diagram 2. Modern Slavery Due Diligence Process in the PPE Sector

1 OECD (2018), OECD Due Diligence Guidance for Responsible Business Conduct, <http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>

## PHASE 1. EMBED MODERN SLAVERY REQUIREMENTS INTO POLICIES, TENDER PROCESSES AND CONTRACTS

### Ensure a clear modern slavery policy is in place which states how the company mitigates and manages modern slavery risks and what it requires of suppliers.

In particular, companies should have in place:

- Forced labour policy, including a protocol for identifying and addressing forced labour abuses.
- Commitment to The Employer Pays Principle and a broader responsible recruitment policy.
- Policies concerning access to remedy, compensation and justice for victims of modern slavery.
- A Supplier Code of Conduct, which requires suppliers to adhere to the above.

### Embed modern slavery clauses in contracts with all suppliers.

Contracts with PPE suppliers should include clauses that asks suppliers to:

- Demonstrate its approach to modern slavery and human trafficking. This includes the obligations to share:
  - Company policies related to forced labour.
  - Details on employment and recruitment practices.
  - Updates on action plans put in place within its supply chain.
  - Evidence of ongoing supply chain monitoring and risk management activities (including of recruitment agencies and sub-agencies involved).
  - Findings from internal and external investigations and assessments on workforce conditions.
- Submit, agree and deliver an action plan to remedy any modern slavery issues.
- Gather information relating to modern slavery issues from third parties including

local NGOs, trade unions, researchers or experts and use that information to exercise other rights under the contract.

- Allow unannounced inspections of premises by buyers or 3rd party auditors and ensure that inspectors/auditors are able to speak directly to supplier's employees in a confidential manner and using the employee's native language. The clause should say which party bears the cost of the audit.
- Ensure their subcontractors are contractually bound by the same terms, in relation to modern slavery and human rights issues and terms are cascaded throughout the supply chain.
- Ensure approval of all subcontractors, and any changes to subcontractors, who are to carry out services as part of the contract in the supply chain.
- Ensure to require the supplier to terminate a sub-contract, if the sub-contractor is in breach of any of the terms of the sub-contract relating to modern slavery and human rights issues.
- Collaborate with other buyers on assessing risks and designing due diligence processes and report regularly on their own due diligence.

The contract should also include a termination or suspension clause triggered when charges are brought against the supplier in relation to modern slavery and human rights abuses. This should only be triggered as a very last resort and where the supplier does not take steps to resolve the situation (See Step 2 "Identify and Assess" for additional information on escalation).

- **Check supplier understanding of contracts and commitments.** It is important to make sure that all suppliers and their sub-contractors clearly understand what the key contractual requirements related to modern slavery mean in practice. Before signing a contract, take the time to talk to each supplier and/or sub-contractor to make sure the requirements are clear.

## PHASE 2. IDENTIFY AND ASSESS ACTUAL AND POTENTIAL MODERN SLAVERY IMPACTS ASSOCIATED WITH SUPPLIERS' OPERATIONS

### Begin by identifying risks.

Begin by building the company's own understanding of the key risks that exist in the suppliers' operating environment. This can be done by carrying out **desk research**. This will help the company look out for key risks in a more targeted way. It's also a good idea share experiences with **other resellers and manufacturers**.

Please refer to Resource 6 for additional resource and institutions regarding modern slavery and human rights related issues.

### Ask suppliers detailed questions related to their modern slavery policies and due diligence processes.

Once the company has an initial idea of key risks that might exist within the country(ies) the supplier is operating in, ask detailed questions related to the supplier's modern slavery policies and due diligence processes.

### When asking questions:

- Aim to understand the reality on the ground, rather than the policy alone. Companies often have "copy-pasted" forced labour policies in place, which are not implemented on the ground. Ask for examples of how policies are implemented in practice, and how issues are remediated when identified.
- Don't trust information at face value. Look for gaps, omissions, and things that look too good to be true.
- When suppliers are unable to answer questions convincingly – it is an indicator that more work may be needed to understand the modern slavery risks in their supply chain.

See Resoure 3 for suggested questions to ask, documents to request, and responses to look out for.

### Carry out or commission an expert assessment.

Once the company has identified and built an initial understanding of the forced labour risks that exist in the supply chain, an assessment should be carried out to get a more detailed picture of actual issues on the ground. It is good practice to use a variety of methods to assess risks and understand if labour abuses occur in the supply chain. This can include:

- Audits.
- In depth/specialised assessments (including remote assessments where necessary).
- Engagement with local NGOs, trade unions, researchers or experts that have close relationships with vulnerable workers.

In many cases, FLIs may not be picked up by standard social audits so it's important to commission specialised assessments. In-depth assessments should establish:

- Issues related to the 11 ILO Forced Labour Indicators.
- Amount of recruitment fees and related costs paid by nationality (on a sample basis). Testimony of workers, triangulated with industry data, should be deemed sufficient proof. Receipts will not be required, as these typically do not exist.
- Amount of outstanding payments of any other kind, for example unpaid wages, worker-paid deposits, or illegal financial penalties and deductions that should be reimbursed to workers.
- Level of implementation of ethical recruitment and management practices by the supplier and their partner recruitment agencies.

### Specialised assessments should:

- Be carried out by trained assessors with region-specific knowledge.
- Ensure that a prior risk assessment has been carried out which gives assessors a clear overview of the types of vulnerable workers who may be present and some of the drivers of modern slavery risk in the geography/ sector. Areas of investigation and questions should be adjusted to focus on these issues.

- It is essential that a ‘do-no-harm’ approach is taken in the first instance and safeguards are put in place to ensure that actions by an assessor or investigator do not put vulnerable workers at greater risk, nor compromise the ability to conduct further investigation by competent authorities if criminal abuse and exploitation is suspected.
- Focus primarily on understanding worker perspectives of the issues, via interviews carried out in a confidential setting, in the workers own language and triangulating this information with evidence submitted by management. A sample size of 15-20% of the migrant workforce is recommended.

### Identifying a forced labour situation

Identifying a forced labour situation with certainty can be complex, requiring detailed understanding of the financial, social and psychological exploitation in a wide range of different contexts. The below decision tree provides a simple method that may help to identify a forced labour case using the ILO FLIs, during or after an assessment has been carried out.

- **Black indicators:** debt bondage, restriction of movement. The presence of either of these indicates a high risk of the presence of forced labour.
- **Red indicators:** withholding wages, retention of identity documents. The presence of either of these in combination with one or more amber indicators indicates the presence of forced labour.
- **Amber indicators:** abuse of vulnerability, abusive living and working conditions, physical and sexual violence, intimidation & threats. One or more of these, without a red or a black should prompt further investigation.
- **Blue indicators:** excessive overtime, deception, isolation. These supporting indicators do not amount to a diagnosis of forced labour in combination with a red indicator but can support a diagnosis of forced labour when other aspects are present.

Once hotspots are identified, then more detailed analysis using ILO guidance provided in the [Hard to See, Harder to Count](#) survey guidelines can be used to refine responses.

### Escalate if needed

Where forced labour issues have been confirmed, whether through an audit, in-depth assessment, or via a whistle-blowing or grievance process, the company should escalate this issue, and make sure remedy is provided to workers as soon as possible.

- **When to escalate?** Once the company has sufficient evidence that forced labour issues are present on site, alert senior management (e.g. C-suite and board level personnel). Senior management should determine next steps in line with best practice guidance on remedy (see Phase 3 below) and any contracts in place. In some cases, referral to law enforcement may be necessary to pursue criminal justice, however, this should be done carefully in a manner that protects the workers’ safety and best interests.
- **What constitutes sufficient evidence?** Sufficient and credible evidence to escalate typically consists of triangulated data from a variety of sources including a representative sample of workers, management interview, document reviews and where relevant, in-person or remote site inspection. This data is typically gathered through an in-depth assessment. However, in extreme circumstances, testimony from several workers or stakeholders may be enough.

It is in vulnerable workers’ interests for resellers and suppliers to work together to improve standards and improve worker welfare, rather than ‘cut and run’. Often, this may be in the long-term commercial interests of all parties. The ‘cut and run’ approach should only be a last resort, once options for capacity building with the supplier have been exhausted.

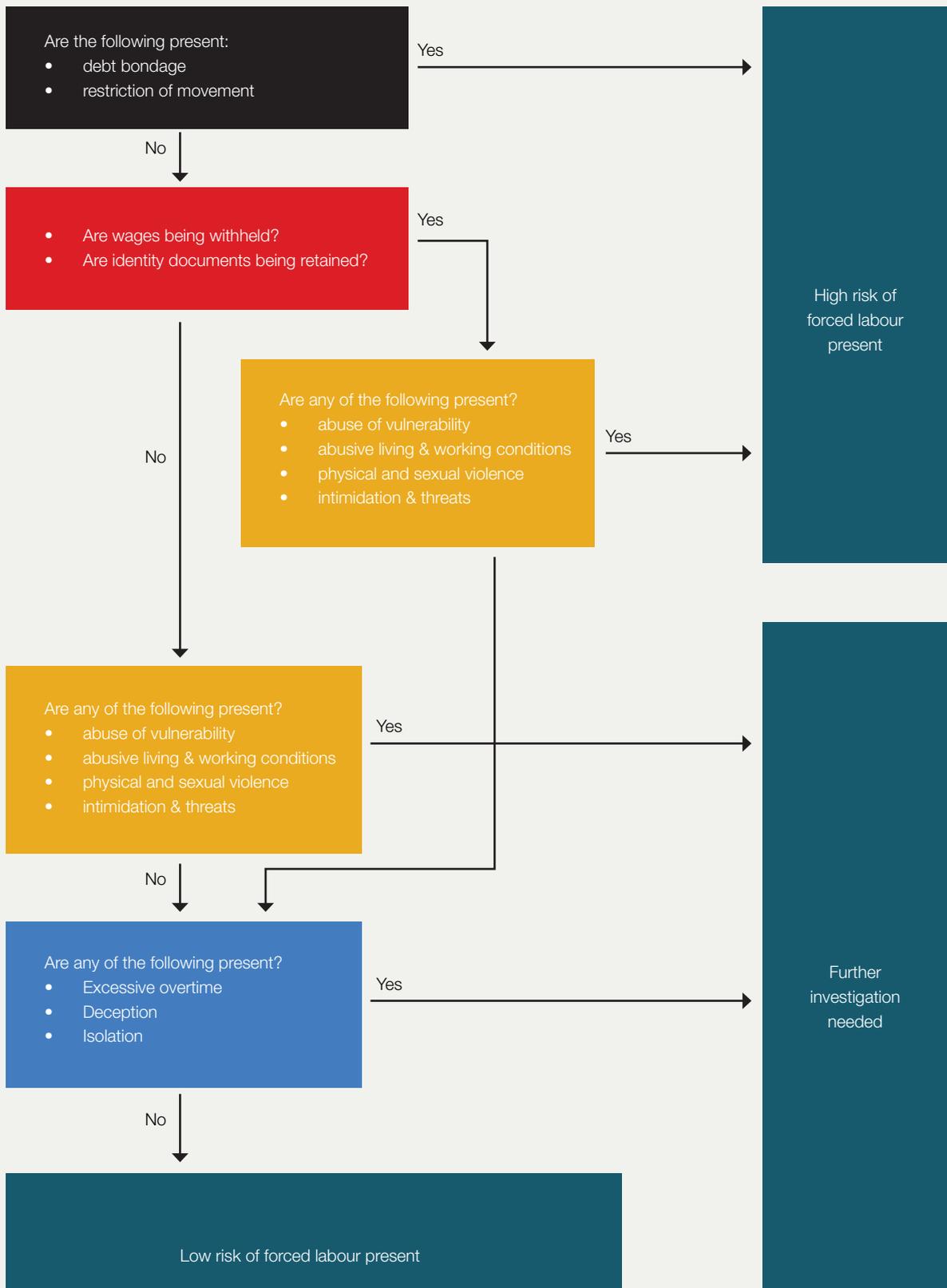


Diagram 3. Impactt Limited Decision Tree to Identify a Forced Labour Case Using the ILO FLIs

### PHASE 3. REMEDIATE AND PREVENT MODERN SLAVERY ABUSES

#### Commit to core remediation principles.

Where an occurrence of modern slavery has been identified – whether through due diligence, monitoring processes or otherwise – it is necessary to explore how to remedy the situation. Remedy can take a variety of different forms, including apologies, restitution, rehabilitation, financial and non-financial compensation as well as actions that aim to prevent harm, for example, injunctions or guarantees of non-repetition or non-retribution. In the context of this guidance, remediation is the process that ends a situation of modern slavery, and as far as possible should reduce or reverse the harms experienced by workers.

#### Effective remediation should:

- Protect the worker from further harm or greater vulnerability to risk and provide a means or prevent further abuses to other workers.
- Reflect the needs and wishes of the worker; i.e. remedy should be agreed in consultation with workers wherever possible.
- Be relevant to and achievable in the context.
- Contribute to addressing the underlying root causes driving modern slavery.
- Involve key stakeholders and decision-makers of the relevant companies, including senior management, in the remediation process, to ensure company-wide buy-in for the process.
- Build on the strengths and capacities of external stakeholders, in a collaborative manner.
- Be delivered in accordance with national law and international labour and human rights standards.
- Checks are in place to make sure that remedy has been implemented (e.g. organise worker interviews to check commitments have been held).

Before beginning the remediation process, it is good practice to ensure that company representatives and suppliers and/or sub-contractors are all committed to the above principles.

#### Identify parties responsible for remediation.

In the majority of cases, the workers' direct employer is responsible for providing remedy. However, in some cases, especially where remedy requires financial investment from the supplier, the supplier may be unable to cover the upfront costs of remedy alone. In such cases:

- Review whether other companies in the supply chain and/or investors/bankers/lenders can provide cashflow upfront to fund the remedy required. Arrangements can be made for the supplier to pay the company back over time.
- Take on a shared responsibility approach. Consider sharing the cost of remedy with the supplier, recognising the company's potential role in the situation and lack of due diligence carried out.

Where the buyer and supplier are both responsible for an issue (e.g. resellers and suppliers may both be responsible for issues related to excessive working hours), it may also be appropriate to take joint responsibility for remedy.

#### Involve third-parties where relevant.

Remediation processes can be complex, so it is recommended that companies involve third-party organisations (such as NGOs, mediators, consultants or other experts) in the process. This helps ensure the programme is monitored by an independent party, and benefits from relevant expertise. Having an independent party involved also provides a channel for workers to engage, in contexts where they may not feel comfortable engaging directly with management.

See Resource 4 for an overview of common forced labour issues within the PPE supply chain context and appropriate remedies that may be required.

## “ Work with suppliers to develop an action plan which prevents risk of forced labour abuses.

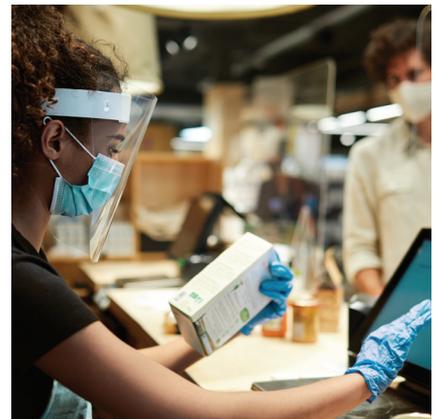
### **Work with suppliers to develop an action plan which prevents and/or mitigates risk of forced labour abuses from recurring in future.**

Once the immediate needs of workers have been met, companies should engage with suppliers to develop an action plan which will effectively end forced labour abuses that have been identified and mitigate risks of reoccurrence in the future. It is good practice to develop such plans collaboratively, providing relevant expertise and support where needed.

To address issues and modern slavery risks in the supply chain in an effective and systematic manner, action plans should be developed. The plan should:

- Be time-bound, with clear milestones, and responsible persons for each action item.
  - Prioritise remediation (i.e. fixing issues identified) and prevention (i.e. addressing root causes of issues in a systemic manner and preventing them from happening in future).
- Prevention typically include actions that strengthen management systems. Examples include:
    - Strengthening company recruitment processes. This often requires at least 12 to 18 months to implement a complete overhaul of the company's process, establishing formal selection criteria for agencies, a formal risk assessment procedure, revising contracts with agencies, implementing monitoring controls, etc.
    - Building an effective grievance mechanism and platform for workers to raise issues (including through collective bargaining processes where possible within the sourcing country's legal system).
    - Capacity building programmes for internal staff and external recruitment agencies and other service-provider partners to strengthen their ability to implement requirements.





“ Remediation is the process that ends a situation of modern slavery, and as far as possible should reduce or reverse the harms experienced by workers.

## PHASE 4. TRACK IMPLEMENTATION PROGRESS AND RESULTS

As a reseller or a manufacturer, it is the company's responsibility to track suppliers' implementation of the action plan. Monitoring activities can include:

- **Regular progress calls** to understand how far implementation has progressed, as well as any challenges.
- **Review of relevant documentation** such as policies, protocols, and internal risk assessment tools that the supplier is revising as part of the action plan.
- **Verifications.** In some cases, it may be appropriate to verify progress against critical parts of the action plan soon after the initial assessment. For example, where the supplier is repaying recruitment fees, a verification early in the repayment process may help to check that payments are being made correctly, and workers understand the process.
- **Follow-up assessments.** Plan to carry out a follow-up assessment 6 to 12 months after the initial assessment to check progress against the action plan. The follow-up assessment should focus on verifying whether changes have been made effectively and sustainably and identifying gaps in implementation.
- **Routine assessments/audits.** Identify a timeframe for the supplier to be re-assessed. This can be done annually or bi-annually. The frequency should be determined based on the risk level identified in the initial and follow-up assessment, with a maximum of 2 years between assessments.
- **Regular interviews with workers.** Suppliers should carry out regular on-arrival and post-arrival interviews with workers to monitor progress on recruitment practices (e.g. within the first month of arrival, and 3-6 months after arrival) as well as regular interviews with workers employed for varying durations on other action plan items.

In cases where the supplier does not respond to requests for remedy and/or preventive actions to be implemented or fails to implement agreed actions after numerous attempts to engage with them, then companies may wish to consider suspension or termination of the contract. This should only be triggered as a last resort, given the risks to workers of this approach. Where contracts are terminated, workers are at risk of losing their jobs and/or losing their regular source of income. Sub-contractors are especially vulnerable in this regard.



## PHASE 5. COMMUNICATE HOW MODERN SLAVERY ISSUES ARE ADDRESSED AND ENGAGE IN CONTINUOUS IMPROVEMENT

Companies may be required to report on progress on a variety of platforms:

- **Modern slavery statement.** The “transparency in supply chains” provision in the UK’s Modern Slavery Act 2015 requires businesses with a turnover of £36m or more to publish annual modern slavery statements on the steps they have taken to tackle modern slavery in their operations and global supply chains. The Home Office has provided guidance for businesses to help them do this. Organisations are also encouraged to publish their modern slavery statements on the [Modern Slavery Statement Registry](#).

- **Modern slavery assessment tool (MSAT).** Suppliers to UK public bodies may be asked to complete MSAT to explain the steps they are taking to tackle modern slavery in their supply chains. Implementing the measures in this guidance document will aid suppliers to score well in their assessments and in demonstrating their commitment to continuous improvement.

Forced labour and recruitment-related abuses can exist within a complex web of actors, locally and internationally. Companies should invest in ongoing learning and training for internal staff to enable the company to address the issues in a sustainable manner. There are numerous international and local initiatives that companies can participate in. See Resource 5 for more detail.



Please refer to the ‘Tools and Further Guidance’ document for useful resources on identifying forced labour, remediation, key questions to ask suppliers and further reading.

## KEY MODERN SLAVERY DUE DILIGENCE MEASURES TO TAKE IN PPE SUPPLY CHAINS

1. Ensure clear modern slavery policies are in place.
2. Embed modern slavery clauses in contracts with all suppliers.
3. Check supplier understanding of contracts and commitments.
4. Begin by identifying risks.
5. Ask suppliers detailed questions related to their modern slavery diligence processes.

### **When risks and gaps are identified:**

6. Carry out or commission an expert assessment.
7. Commit to core remediation principles.
8. Identify parties responsible for remediation.
9. Involve third-parties where relevant.
10. Work with suppliers to develop an action plan on risk prevention and remediation.
11. Track implementation progress and results.
12. Communicate how issues are addressed and engage in continuous improvement.