

Responsible business practices – operating in line with sustainability standards

Colleen Theron – Director



Introduction

Colleen Theron

Director of Ardea International

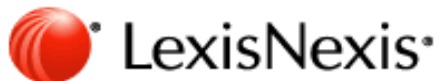
@ardeaint

@colleentheron

- Who am I ?
- What do we do?



Who we work with



Why does being a responsible business matter?

Shifts in global forces

LOOKING AHEAD Through 4 Global Forces



New centres of
customer demand
and geopolitical
influence



Rapid digitisation
and the disruption
from big data



Shifting customer
and workforce
preferences



Resource constraints
and climate change

Source: Qantas

Climate change



Mandatory reporting legislation

- EU non financial reporting
- UK Modern Slavery Act
- French Vigilance Law
- Netherlands Child Labour Due Diligence law
- Swiss Coalition
- Australian Modern Slavery act
- Covers both environmental and human rights legislation



Sustainable development goals

- SDG Goal 8

Commits international community to:

- take immediate and effective measures to eradicate forced labour, end modern day slavery and human trafficking

ALLIANCE



Business and human rights



Generation Z and millennials



Gen Z

Born Between
1995 - 2015



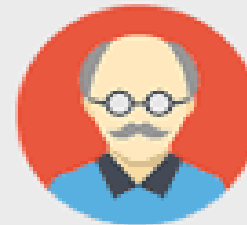
Millennial

Born Between
1980 - 1994



Gen X

Born Between
1965 - 1979



Baby Boomer

Born Between
1944 - 1964

Increase in slavery numbers

Global Slavery Index – 2016 report

45.8 million

people are enslaved

Landmark ruling – directors liability

NOBLE
FOODS



Gangmasters agree to pay more than £1m to settle modern slavery claim

High court found couple failed to pay Lithuanian employees minimum wage and did not provide adequate facilities

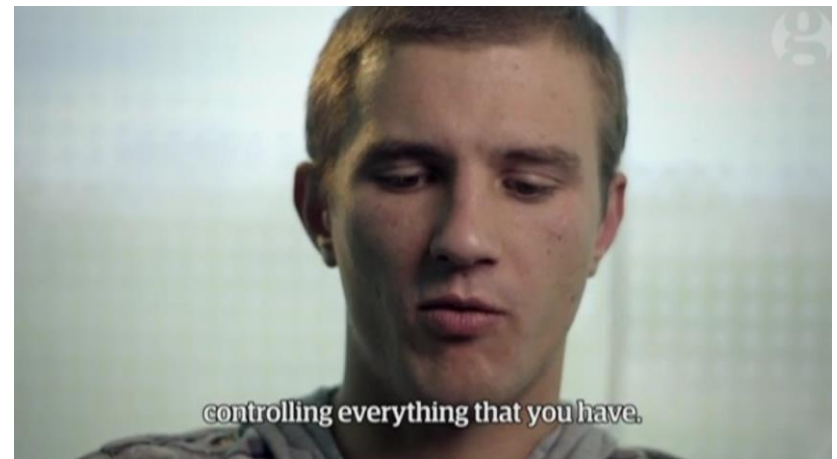


▲ Jacqueline Judge and Darrell Houghton. Photograph: Kent Online

A Kent-based gangmaster couple have agreed to a landmark settlement worth more than £1m in compensation and legal costs for a group of migrants who were trafficked to work on farms producing eggs for high street brands.

The deal reached with six Lithuanian chicken catchers is the first settlement of a claim against a British company in relation to modern slavery, and came after the group became frustrated at the lack of a criminal prosecution.

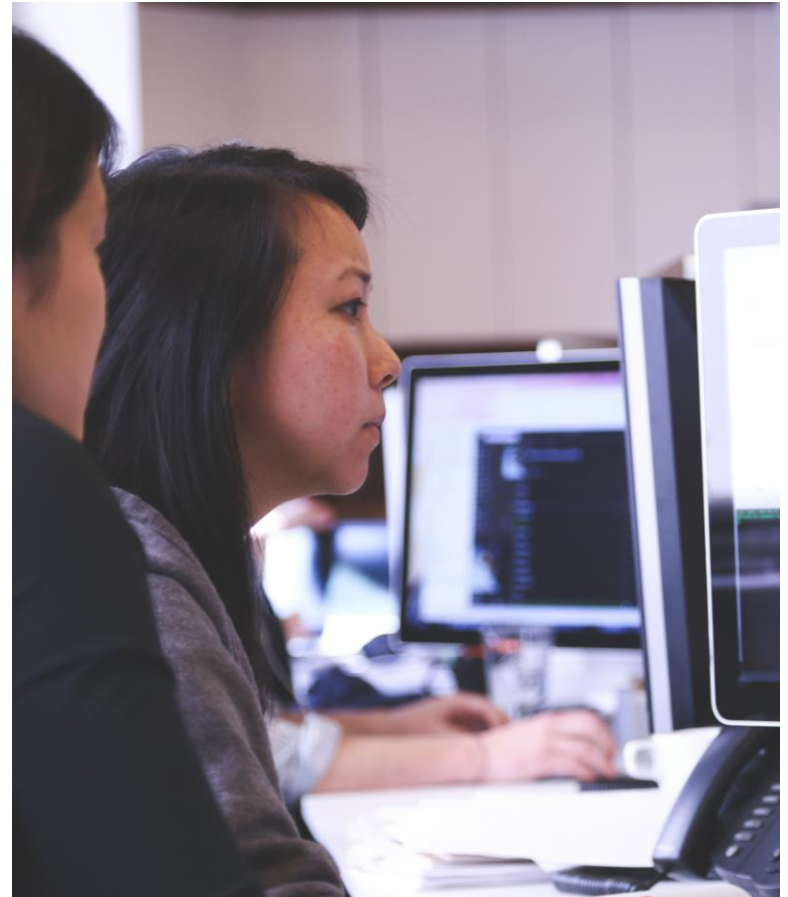
Ten other claimants are now expected to bring similar cases against DJ Houghton Chicken Catching Services, of which Darrell Houghton and his wife, Jacqueline Judge, are the sole directors.



Source: The Guardian

Investor interest

- ESG risks, impacts and opportunities have material effect on companies long term sustainability performance
- Considered part of their fiduciary duties
- Challenge of limited availability of information from companies to mitigate exposure



Adding value to your business

- Ensuring legal compliance
- Reducing negative impacts on communities
- Realizing cost savings
- Motivating and attracting and retaining staff
- Demonstrating excellence to investors
- Identifying new markets
- Becoming a resilient business



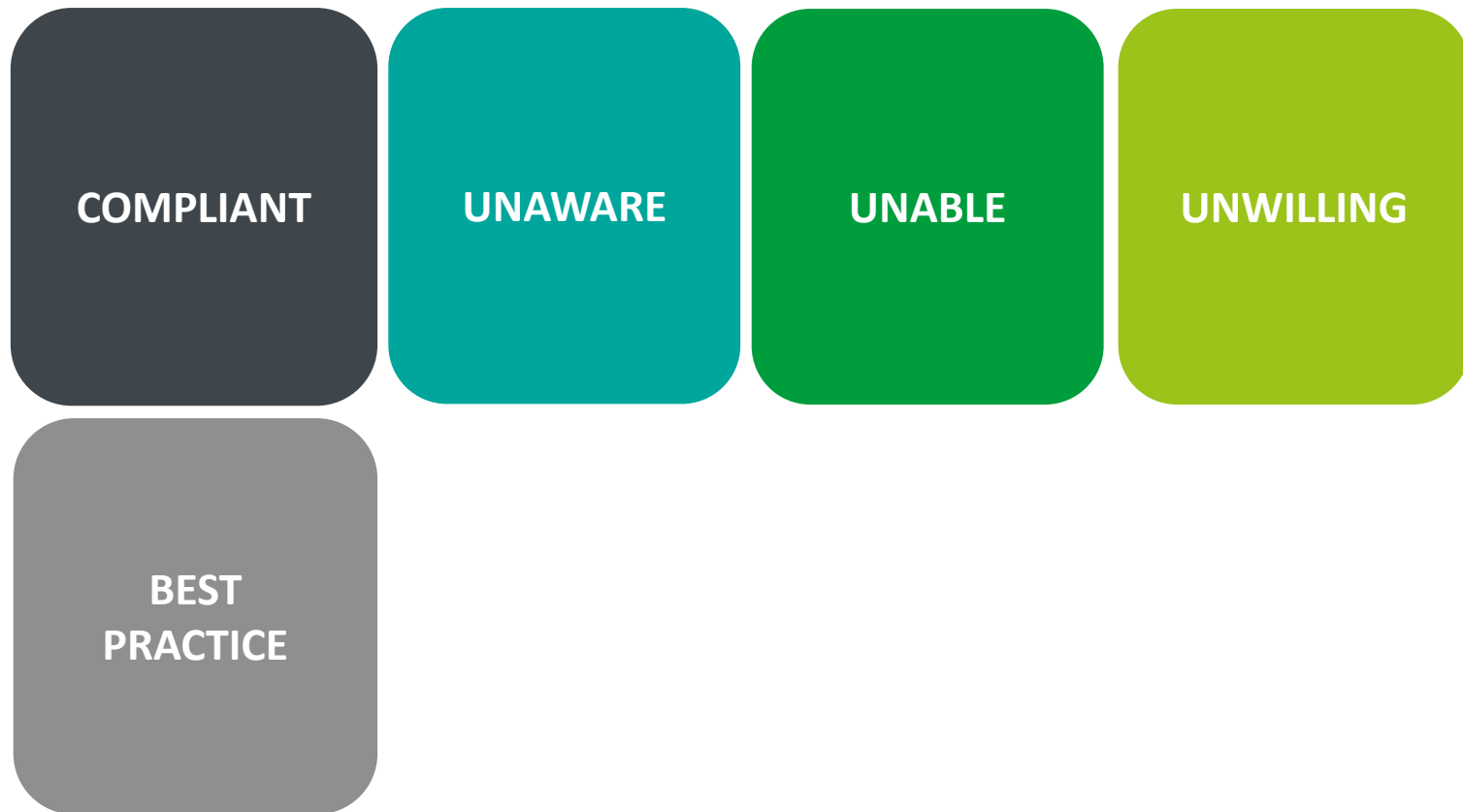
Key responsible business standards

- Meeting legislative requirements
- CEO/ Top management buy in
- Defining strategy and ambition
- Engagement with stakeholders-
- Supply chain management
- Monitoring effectiveness
- Reporting transparently



Companies responses

- Companies responses – for example to the MSA



Its getting harder to hide!



Source: Curisotiy.com

Connect environment and human rights risk

- Silo mentality
- Necessary to integrate



Beyond compliance

- Tick boxing?



Key steps

- Know the law!
- Find out what gaps exist
- Consider relevant guidance
- Create cross disciplinary group in the company
- Integrate ethics and compliance
- Develop policies
- Develop due diligence processes
- Monitor effectiveness
- Train!



Sustainable business health check tool

- TRY our FREE questionnaire :
<https://www.ardeainternational.com/toolkits-guides/sustainable-business/sustainable-business-health-check-tool/>



2. Sustainability Policy – checklist to determine key requirements are met

Sustainability Policy – checklist to determine key requirements are met.

Once you have completed your sustainability policy, use this checklist to ensure that the policy has met key requirements set out below.

QUESTIONS	CHECK BOX
Does it briefly describe your organisation's activities?	<input type="checkbox"/>
Does it provide a framework for setting and reviewing environmental, social and economic objectives and targets?	<input type="checkbox"/>
Does it reflect your organisation's significant sustainability impacts?	<input type="checkbox"/>
Does it include a commitment to: - Legal and other compliance? - Continual improvement?	<input type="checkbox"/>
Is it documented, implemented and maintained?	<input type="checkbox"/>
Is it communicated to all employees and stakeholders?	<input type="checkbox"/>
Is it signed and dated by a member of senior management?	<input type="checkbox"/>
Is it available to the public (e.g. on website)?	<input type="checkbox"/>
Does it state when it will be reviewed? If so, has the date been set in the calendar and those responsible aware of what is required to update the policy?	<input type="checkbox"/>

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Managing compliance – resource guide



Policy and Due Diligence Processes Gap Analysis Checklist



2 Policy and Due Diligence Processes Gap Analysis Checklist: Companies operating within the UK

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?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
Does the company have any sustainability or human rights policies that can be adapted to address slavery?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
Is the policy integrated into the company's business and contractual processes?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
Is there an obligation to comply with the policy?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
Is there a penalty for disregarding the policy?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	

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3 Policy and Due Diligence Processes Gap Analysis Checklist: Companies operating within the UK

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.

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

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Sustainability policy toolkit



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 - Sustainable Business Health Check Tool
 - ISO 20121 ONLINE Gap Analysis Tool
 - Sustainability reporting package toolkit

↓ Business & Human Rights

Sustainability policy toolkit and template

Does your organisation need a sustainability policy to demonstrate its sustainability credentials? Does it need a sustainability policy to meet the requirements of a tender for a public sector bid or a private sector buyer? Has your organisation determined its key sustainability objectives covering environmental, social and economic impacts ?





Sustainability Policy Template

What is a sustainability policy?

A sustainability policy is a written corporate statement outlining a company or organisation's:

- Commitment to sustainable development
- Strategy covering each aspect of sustainability

New online training and support programme



END Slavery: learn.ardeainternational.com



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END Slavery Programme workbook

Your name _____

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END Slavery - Workbook

Orientation

Welcome to the END slavery programme! We hope that you find this course useful and that it meets your expectations. This workbook is part of the Ardea International END slavery course: Use it to complete the activities for each module in the course.

Using the workbook to complete the exercises and capture ideas from the 'classroom' will help capture valuable information, that will help you and your organisation make a positive impact to combat modern slavery in your supply chains.

The activities in this workbook are numbered to match the stage and module numbered in the course. For example, Stage 1, Module 1, Activity 1.

GET PREPARED
Think about your expectations for this course and complete the expectations survey.

YOUR EXPECTATIONS
Notes:

END Slavery - Workbook

Stage 1 – Exploring the issues

Module 1, Activity 1
Reflect on the different kinds of modern slavery.
Write down who in your business would be able to spot if there were workers that were being treated by slaves?

Notes:

Module 1, Activity 2
Definition of modern slavery.
There is no single international definition of 'modern slavery'. The term refers to situations where the one person takes away the freedom of another person. This may be the freedom to control their body, their freedom to choose to refuse certain work, or to stop working – so that they can be exploited. Freedom is taken away by threats, violence, coercion, abuse of power, and deception. The net result is that a person cannot refuse or leave the situation.

Use the Global Slavery Index <https://www.global-slavery.com/> to answer the question below. List the country where you are based and also two other countries where your company operates or imports goods or services from in the table below. Then answer the questions in the two other columns in the table below.

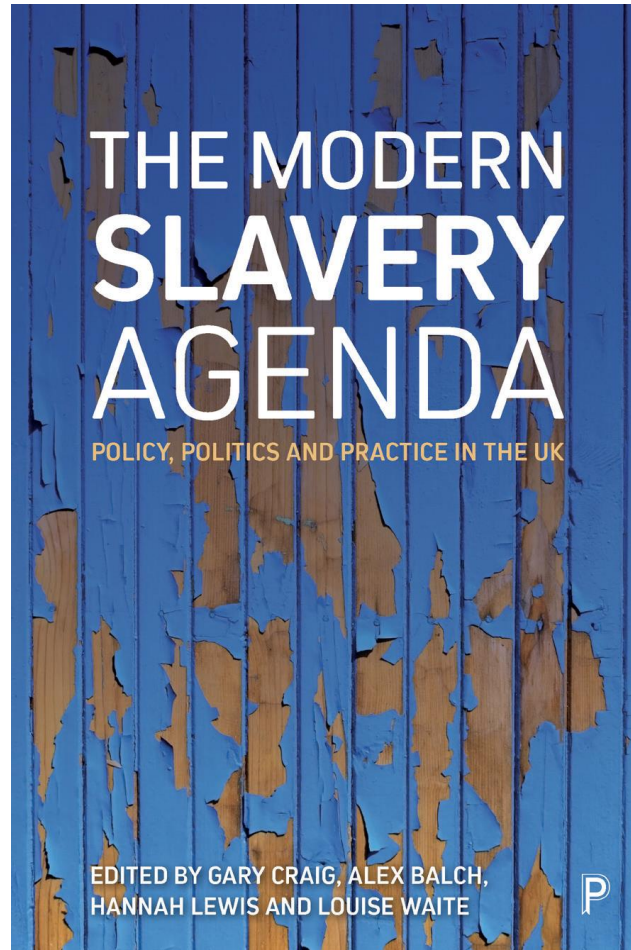
COUNTRY	HOW MANY PEOPLE ARE ESTIMATED TO BE LIVING IN MODERN SLAVERY?	GIVE ONE EXAMPLE OF THE VULNERABILITIES FOR THE COUNTRY OR REGION?
1.		
2.		
3.		

(adapted from GRI human rights e-learning)

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New book addressing modern slavery and business risk



Ardea International report: impact of the MSA



ARDEA INTERNATIONAL

All that glitters is not gold: Shining a light on supply chain disclosure in the jewellery sector.

Has the Modern Slavery Act had an impact?

Emily Foale Intern, Ardea International
Colleen Theron Director – Founder, Ardea International
With special thanks to Greg Valerio MBE

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4. All that glitters is not gold: Shining a light on supply chain disclosure in the jewellery sector. Has the Modern Slavery Act had an impact?

Introduction

The jewellery industry relies on the glittering facade of its luxury branding ('a diamond is forever'), which in fact, disguises reported atrocities relating to the abuse of human rights and modern slavery occurring in their supply chain. 'Blood diamonds' is now a widely-understood term, following the media uproar in the 2000s about the emergence of the diamond industry's role in fuelling conflicts in African countries such as Sierra Leone and Zimbabwe. Global Witness highlights the devastating impact the jewellery industry has had on creating wars in these conflicts.⁴ However, this is not the only issue the multi-billion pound jewellery industry is reported to help fund. Mining for diamonds and gold has also been implicated in the use of child labour, which is still legal in many countries, and environmental damage, with mining producing toxins which are harmful for both the environment, and the people working in the mine.

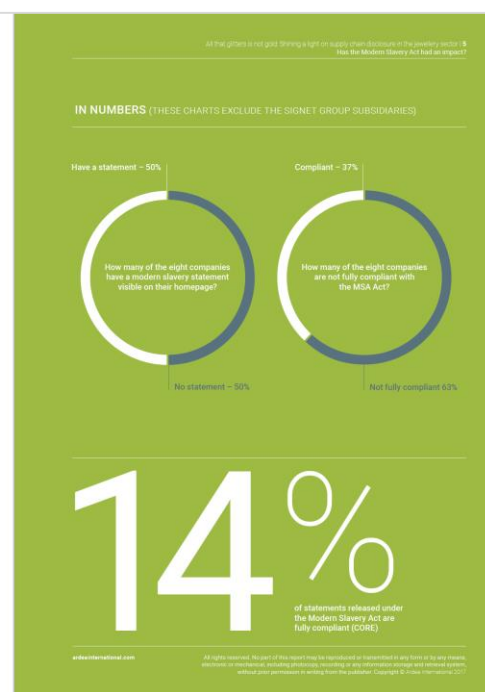
From our research, it is also apparent there is an undeniable link between the environmental damage caused by mining practices and the impact on the human rights of the workers, which parts of the jewellery industry seemingly fail to address. For example, in Tanzania, Africa's fourth largest gold producer, mercury and cyanide poisoning is commonly caused by the pollution of these chemicals used in mining.⁵ The focus of this report is not on the alleged environmental impacts of the industry. The implementation of a Transparency in Supply Chains clause in the UK Modern Slavery Act was seen to be a move to start getting companies to address these kinds of human rights violations and to report on the steps they are taking to combat modern slavery in their supply chains.

Modern slavery statements-disclosures

Investigation into the impact of the reporting requirements of those UK jewellery retailers subject to the UK Modern Slavery Act, passed in 2015,⁶ led to the initial interest in investigating this sector's reporting practices on their supply chain impacts. What many improvements have been made to create:

4. <http://www.globalwitness.org/en/campaigns/blood-diamonds/blood-diamonds-in-sierra-leone/>
5. <http://www.globalwitness.org/en/campaigns/blood-diamonds/blood-diamonds-in-sierra-leone/>
6. David Dwyer, 'Which mine with polluting practices to produce its first Fairtrade Gold?', *The Guardian*, 6 September 2013, <https://www.theguardian.com/uk-news/2013/sep/06/fairtrade-gold-africa-mining>, Accessed 6th May 2017.
7. Downloaded a guide on the MSA: <http://www.ardeainternational.com/uk/uk/modern-slavery-act/modern-slavery-act-guide>
8. <https://business.transparency.org/assets/2017/07/20/170720-UK-Modern-Slavery-Act-Guide.pdf>
9. <http://www.transparencyinternational.com/assets/2017/07/20/170720-UK-Modern-Slavery-Act-Guide.pdf>
10. <https://www.transparencyinternational.com/assets/2017/07/20/170720-UK-Modern-Slavery-Act-Guide.pdf>
11. <https://www.transparencyinternational.com/assets/2017/07/20/170720-UK-Modern-Slavery-Act-Guide.pdf>

Ardea International



Get in touch!

We're a specialist sustainability, business and human rights consulting firm with expertise in modern slavery

- Bespoke training and e-learning
- Flexible, robust, friendly advice
- Training and support programme



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Thank you

