

PRESS RELEASE

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UK Modern Slavery Act: First 75 statements in

Early company reports so far appear not to be meeting the Act's requirements, and lack adequate information

- [Guidance now available](#) for company reporting, but ultimately government may need to enforce better reporting to drive corporate action on modern slavery
- New free, public registry will monitor company compliance with the Act

London 7th March - There has been a welcome flurry of early compliance reports from companies on the UK Modern Slavery Act. However, the majority of these early company statements on modern slavery in supply chains appear not to meet the Act's requirements, according to corporate accountability groups the [CORE Coalition](#) and [Business & Human Rights Resource Centre](#).

The Modern Slavery Act 2015 is a landmark piece of legislation for big business around the world. All companies with an global annual turnover over £36m or more operating in the UK must report on what they are doing to ensure slavery and trafficking are not taking place in their supply chains and businesses. The requirement is estimated to apply to at least 12,000 companies globally, with operations in the UK.

Business & Human Rights Resource Centre has created a [central registry](#) which now hosts over 75 company statements. This public Registry will allow comparison and benchmarking of companies' policy and practice to generate a 'race to the top' between companies; allow investors to assess company risks; and help consumers and activists to reward leading companies and press laggards for action. Companies will also use it to learn from their peers.

But analysis reveals that the majority of company statements published to date do not yet comply with the Act's requirements: companies must make a statement approved by the Board and signed by a company director (or equivalent) available on the homepage of the company's website.

Out of 75 statements found, only 22 were both signed by a director and available from the company's website homepage. Thirty-three were not signed by the director, and 33 companies had not placed a link to the statement from their website homepage.

While there are no legal requirements on the content of the statement, the legislation suggests six areas on which information may be included, such as organisational structure, company policies and due diligence; nineteen statements published so far address all these points. Critically, only 9 statements met the minimum requirements and covered the six suggested areas.

However, there are stronger statements by leading companies that already point to better practice in the future. For example, Intel described how it engages with major suppliers to create a risk profile which includes slavery and human trafficking, it said it then works with suppliers to build their capacity to identify and prevent these risks; and Ford detailed how it assesses risk looking at geography, commodity type and quality of supplier performance.

The CORE Coalition and its partner organisations including Amnesty International, Anti-Slavery International, CAFOD, Focus on Labour Exploitation (FLEX), Know the Chain, Quakers in Britain, ShareAction, Traidcraft and Unicef UK have produced [new guidance](#) for companies on how they can report effectively under the Act. The guidance is also supported by ECPAT UK, Walk Free and Unseen.

Marilyn Croser, director of the CORE Coalition, said: *“We campaigned for this vital measure to be included in Act and we want to see it succeed. While the companies that have published reports under the Act are to be commended as early movers, it’s clear that there is widespread misunderstanding among business about what’s required. We hope our guidance will help address this, but if a pattern of non-compliance emerges, government must start taking enforcement action against companies.”*

Until now, the only way to locate statements has been by trawling the internet. During the passage of the legislation through Parliament, members of the House of Lords attempted to amend the bill to require companies to upload statements to a single, government-managed website, but this was defeated. Business & Human Rights Resource Centre has now created a central registry and invites companies to submit statements there.

Phil Bloomer, director of Business & Human Rights Resource Centre, said: *“Investors and consumers want to know if companies are doing all they can to eliminate the curse of slavery from their supply chains. Our central registry of company statements is a free and public one-stop-shop to compare companies’ policies and practice on slavery. Investors can assess companies’ risks, consumers can decide if they want a company’s products in their homes, and companies can learn from their peers about how to do better.”*

Matt Crossman, Ethical Research & Corporate Engagement at Rathbone Greenbank Investments, said: *“Investors with a total of £940bn in assets have backed the supply chain reporting requirements in the Modern Slavery Act. Implementation of the Act is vital in helping managing the investment risks which can arise. Business & Human Rights Resource Centre’s central registry of company statements is a useful tool which will allow investors to identify company action to comply with the Act, and protect their long-term returns.”*

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Notes to Editors

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