

ETHISPHERE®

A SPECIAL REPORT ON: **HUMAN RIGHTS**

In Partnership with
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A SPECIAL REPORT ON:

HUMAN RIGHTS

"To deny people their human rights is to challenge their very humanity." - Nelson Mandela

Human rights abuses remain a significant challenge worldwide. As Ernie Allen, founder and former CEO of the International Center for Missing and Exploited Children said at Ethisphere's recent Global Ethics Summit, "Most people think that slavery ended a century ago and it didn't. Slavery is alive and well in the world today." By its nature, exact data and metrics around forced labor and other abuses are hard to come by, but reports by the U.S. Department of State and Human Rights-focused NGOs estimate that more than 20 million people worldwide are forced to work against their will and without compensation.

Beyond forced labor, other Human Rights abuses regularly occur around the world and in various forms, even within countries that recognize the rule of law. This comes in the form of trafficking, racial and other demographic discrimination, intentionally disparate health care coverage, abuses towards refugees/immigrants and more.

The private sector has an ability to positively combat these challenges through creating and enforcing proper policies, engaging with governments and NGOs focused on ending these abuses, and working together to ensure suppliers, partners and other stakeholders are aligned with similar goals.

To help further this conversation, Ethisphere has published this Special Report on Human Rights. The following pages feature contributions from a number of experts and leading companies, sharing insight into what organizations can and are doing to address this challenge. We hope this inspires other leaders to improve their own programs and to work with one another to continue to raise the bar on overcoming human rights abuses worldwide.



Stefan Linssen
Chief Content Officer
Ethisphere



A Growing Problem

Written by Amy Sobel, Vice President, Anti-Trafficking Campaign and Senior Advisor to the CEO and COO of Human Rights First



The Logistical Approach

Written by Catherine Muldoon, Chief Legal Officer of BDP International, Inc. and Caitlin Smith, a Juris Doctor Candidate at the Thomas R. Kline School of Law at Drexel University



Monique Villa on Giving a Voice to Those Who Need It

Interview by Les Prendergast, Managing Editor of *Ethisphere Magazine*



Protection Under the Law

Written by André Bywater, a lawyer with Cordery in London, UK where his focus is on compliance issues



Turning the Tide

Written by Mari L. Snyder, Vice President, Corporate Social Responsibility of Marriott International, Inc.

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A Growing Problem

Written by
Amy Sobel



In recent years, public awareness of human trafficking has increased, along with anti-trafficking action in Congress. Yet the problem persists. It's a human rights catastrophe, claiming more than 20 million victims worldwide. And contrary to the myth that it's a problem "over there," the United States is both a source and destination of victims. With \$150 billion in annual profits, trafficking is the world's fastest-growing criminal enterprise. The reason for the trafficking boom is no mystery: large profits, low risks.

Traffickers work hard to protect their lucrative business model. Victims are lured by the promise of a better life, often paying a fee for the promise of this new opportunity, and when they arrive at their destination, their identification papers are taken away and wages withheld to pay off the enormous debts they incurred and the false expenses manufactured by unscrupulous recruiters. To better protect potential victims, the US government recently banned federal contractors from charging workers recruitment fees at any stage in their supply chains. But the traffickers have caught on and are now charging workers fees under the guise of "mandatory" training or equipment, which they will never receive.

What we need is a comprehensive effort to stay one step ahead of the traffickers and change the financial equation. This must entail an increase in prosecutions, which are so infrequent—fewer than 4,500 convictions worldwide last year—that traffickers enjoy near impunity. But it must also entail an increased effort by businesses, working in partnership with government and law enforcement, to root out the problem. The US economy, still the largest in the world, has global reach; so, too, do efforts by American businesses to eliminate trafficking from their supply chain.

Businesses are starting to recognize that protecting human rights and investing in Environmental, Social and Governance (ESG) factors are important to all stakeholders. Ensuring that supply chains are free of human trafficking helps maintain trust with employees, customers, and investors and reduces risk and liability for companies.

A challenge, however, is measuring the impact of policies and tools designed to protect supply chains from forced labor and other human rights problems. To begin to address this question, the Corporate Human Rights Benchmark, a collaboration between investors, an NGO, a think tank and an

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investor research agency, just launched an effort to quantify the impact of investing in sustainability. This data will be critical for businesses to be able to illustrate to their stakeholders, investors, and customers the link between their sustainable business practices, including removing slavery from their supply chains, and their company performance.

As traffickers change tactics to skirt new laws, it's also vital that companies have policies to encourage transparency and tackle forced labor violations when they occur. These policies should flow down through their entire supply chains because forced labor problems are most likely to occur below the first tier of suppliers.

Both government and the private sector are taking steps to encourage transparency. Enacted in 2010, California's Transparency in Supply Chains Act requires companies to disclose what efforts they are taking to protect their supply chains from forced labor. And now, recognizing that respect for human rights should be a competitive advantage for companies, a group of investors—including firms such as Calvert Investments and Christian Brothers Investment Services, together representing more than \$1 trillion in assets under



Hawaii Bans Sex Trafficking

On July 5th, 2016, Governor David Ige signed a new bill into effect to explicitly ban sex trafficking. This became a historic day as **Hawaii** was the last US state to prohibit sexual slavery.

Thankfully, victims will now receive support services and be treated as victims of violent crimes. Such victims will have greater protection under the law and will no longer be forced to testify.

Learn More: www.capitol.hawaii.gov

Modern Slavery is a Brutal Reality Worldwide. Here is the Estimated Number of People Living in Slavery in 2016



Source: *The Global Slavery Index 2016*

The Prevalence of Modern Slavery: According to the 2016 Global Slavery Index, there are more than 45 million people living in modern slavery across the globe. India, China, Pakistan, Bangladesh, and Uzbekistan are the five countries with the most prevalent number of people in modern slavery. The available low-cost labor is a factor in some of these countries. On the other end of the spectrum are the countries with the lowest estimated prevalence of modern slavery including Luxembourg, Ireland, Norway, Denmark, Switzerland, Austria, Sweden, Belgium, the US, Canada, Australia, and New Zealand.

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management—are advocating for increased transparency in supply chains to better assess a company's exposure to human rights concerns.

At the same time, the marketplace is beginning to reward companies that are diligently working to protect their supply chains. An innovative, collaborative effort by the International Finance Corporation (IFC), the International Labor Organization (ILO), and participating brands is rewarding suppliers' performance on a set of sustainability factors, with a favorable lending rate far lower than what the supplier would qualify for on the commercial market. The Global Trade Supplier Finance program pegs lending rates to the strength of anti-trafficking efforts and other sustainability measures to incentivize suppliers to institute essential reforms.

Human Rights First is partnering with the corporate community and pressing for collaborations like the Global Trade Supplier Finance program and other public sector efforts that incentivize business to increase their efforts to protect their supply chains from forced labor because we believe this will be critical in dismantling the business of human trafficking.

As part of their commitment to eliminate modern slavery, organizations need to evaluate their supply chains to determine the greatest areas of risk as it pertains to modern slavery. Part of the analysis should examine factors such as industry, geographic location, and the nature of the work being performed, as part of the organizational program to prioritize due diligence efforts.



Amy Sobel

Amy Sobel is Vice President, Anti-Trafficking Campaign and Senior Advisor to the CEO and COO, Human Rights First.

 @humanrights1st

The Campaign to Dismantle the Business of Human Trafficking

Globally there are an estimated 20.9 million victims of modern-day slavery, generating \$150 billion annually in illicit profits. With its history of slavery the United States has a moral responsibility to address this crime, and its legacy heightens this imperative.

As ambassadors of this important campaign we advocate for strategies to eradicate modern slavery that increase the risk to perpetrators and diminish their profits through a multi-sector approach involving the U.S. government, private sector, and civil society. This strategy includes pressing the U.S. government to:

1) Increase prosecutions of all criminal actors involved, to increase accountability and risks to perpetrators; **2) Strengthen partnerships with the private sector**; businesses, in partnership with government and civil society should adopt best practices to protect their supply chains from forced labor; and, **3) Increase resources** to create more sustainable efforts to combat this crime.

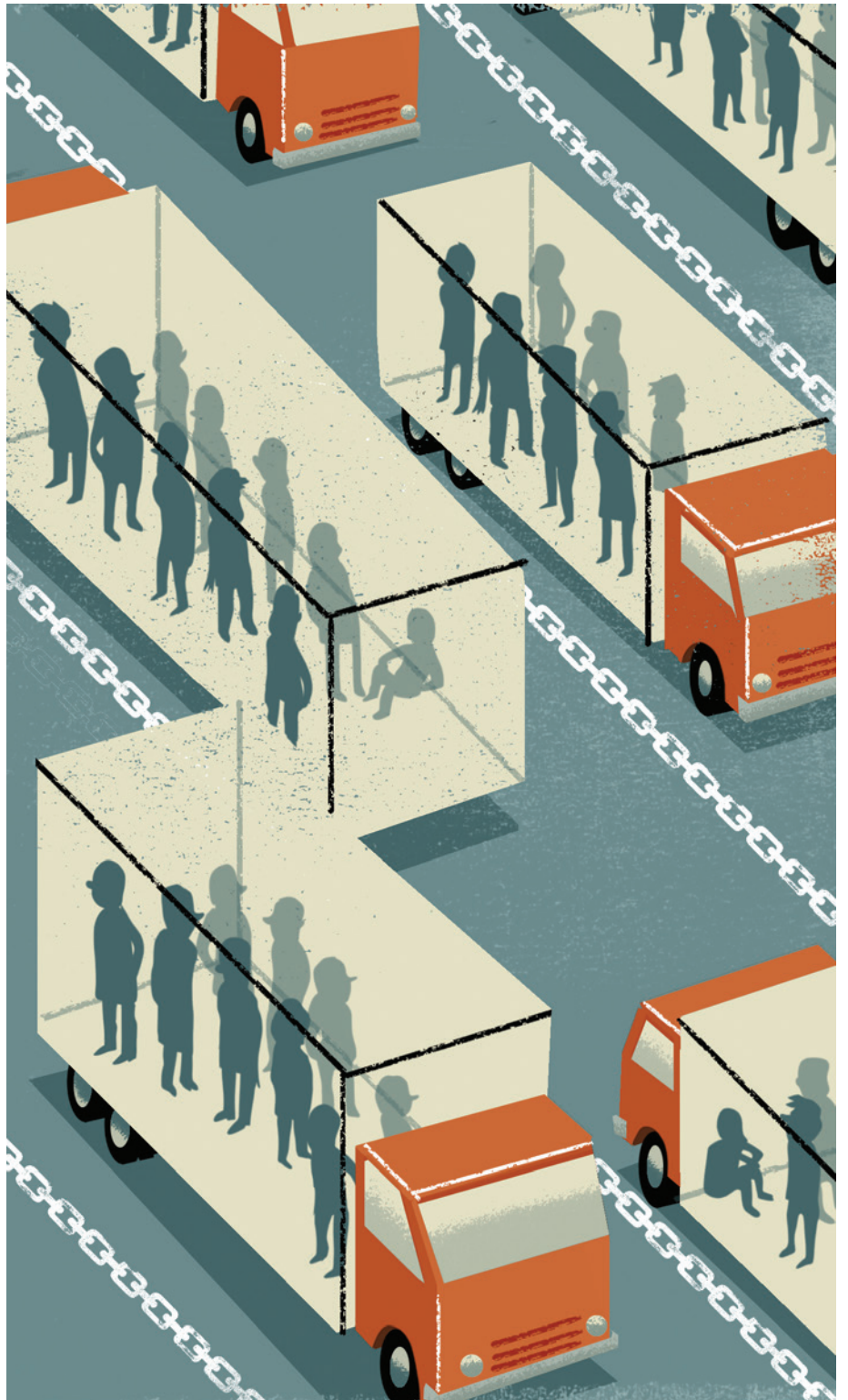
For more information please visit humanrightsfirst.org or email us at anti_trafficking_campaign@humanrightsfirst.org

Campaign Ambassadors

Elisa Massimino, Human Rights First; The Honorable **Louis J. Freeh**, Freeh Group International Solutions, Former Director, FBI; **General Charles C. Krulak**, USMC (RET.) Former Commandant, USMC; **David Abramowitz**, Humanity United; **Ernie Allen**, Allen Global Consulting LLC; **Anita Alvarez**, State's Attorney, Cook County, IL; **David Arkless**, CDI Corporation; The Honorable **William A. Bell**, Mayor, Birmingham, AL; **Laurel Bellows**, The Bellows Law Group; **Marilyn Carlson Nelson**, Carlson; **Fran Della Badia**, Retail Executive, Formerly of Coach, Inc.; **Katherine Fernandez Rundle**, State Attorney, Miami-Dade County, FL; **Michael Gerson**, *The Washington Post*; **Barry Koch**, Investigation Division, DANY; The Honorable **Mark P. Lagon**, Freedom House; The Honorable **Daniel E. Lungren**, Lungren Lopina LLC; **Amy Lyons**, Bristol-Myers Squibb; **Cindy McCain**, Arizona Human Trafficking Council; **Jacqueline D. Molnar**, Western Union; **Kenneth Morris**, Frederick Douglass Family Initiatives; **John Pepper**, National Underground Railroad Freedom Center; **Lisa Prager**, Schulte Roth & Zabel LLP; The Honorable **Kasim Reed**, Mayor, Atlanta, GA; **Bart Schwartz**, Guidepost Solutions LLC; **Dr. Donna Shalala**, Clinton Foundation; The Honorable **Olympia Snowe**, Bipartisan Policy Center; **Tracy Thompson**, NJDCJ; The Honorable **Melanne Verveer**, Georgetown Institute for Women, Peace, and Security; and **General Charles E. Wilhelm**, USMC (RET.), U.S. Southern Command.

The Logistical Approach

Written by
Caitlin Smith &
Catherine Muldoon



Despite initiatives, human trafficking continues to grow as a pervasive international problem. It is one of the largest cross-border criminal industries, second to drug trafficking. BDP International, Inc. (BDP), a global logistics company operating in 130 countries, faces this and other compliance issues given its unique position in transportation. In this role, BDP mandates that its business partners comply with the best business practices. As one of Ethisphere's 2016 World's Most Ethical Companies, BDP's culture is paramount in mitigating the risk of human trafficking and forced labor.

Supply chains are complex. Freight forwarding and transportation present BDP with the opportunity to interact with markets, agents, and partners everywhere. This comes with the great responsibility to maintain a commitment to anti-corruption and anti-human trafficking. At present, sexual exploitation is the most common and recognized motivation for human trafficking. Yet, an estimated 18% of all human trafficking supports forced labor, according to the UN Global Report on Human Trafficking. The UN additionally estimates that this percentage may be significantly higher because forced labor is less detected and reported than trafficking for sexual exploitation.

As of 2015, BDP is TRACE certified. TRACE is an anti-bribery standard setting organization that provides businesses with cost effective methods of due diligence that highlight a company's transparency. This certification pre-vets BDP for multinational companies seeking ethical business partners. By attaining this certification, BDP guarantees that its reputation around the world reflects its ethical practices to ensure compliance.

BDP has further solidified its commitment to ethics by becoming a signatory to the UN Global Compact. Alongside members from 170 countries, we adhere to The Ten Principles that guide the Global Compact underscoring the importance of remaining vigilant in the protection of human rights. By maintaining a commitment to this international effort, BDP sets an important example for business partners and affiliates.

Is your supply chain at risk? Below are key recommendations to support awareness and prevent unintentional involvement with human trafficking and forced labor:

- Assess your risk. Your program must be risk-based and targeted to where you are vulnerable. In the logistics sector, vulnerabilities

Forced labor is a concern when your business requires that you depend on workers outside of your control in high-risk markets, other countries and even in your own backyard.

are most prevalent in transportation to support human trafficking and low wage or forced labor in supply chains.

- Research your jurisdiction. Laws and customs vary and keeping up with changes and developments will ensure compliance. It is not enough to assume you are in a "safe" jurisdiction or industry. The International Labour Organization estimates that 21 million people are enslaved today, and 1.5 million of them are in Europe and North America. Human trafficking and forced labor is a global issue; it knows no region or market and happens in small towns and large cities alike. When this reality shapes your policies, you and your affiliates will be prepared for the signs of human trafficking.
- Ensure third parties in your supply chain produce correct and current documentation for all workers. Forced labor is a concern when your business requires that you depend on workers outside of your control in high-risk markets, other countries and even in your own backyard. By auditing such documentation and ensuring passports and other formal records are not maintained outside of the individual's access, you avoid significant risk.
- Investigate and monitor your business partners. Generally, this is an area fraught with risk. Conducting these relationships cross-border increases that risk exponentially. Due diligence should be conducted prior to any business. Utilizing technology is an effective solution to an efficient compliance program. BDP vets and tracks its partners through G2Link software, which creates customized solutions to compliance. We have built the data fields required for our specific compliance needs. We rate partners through



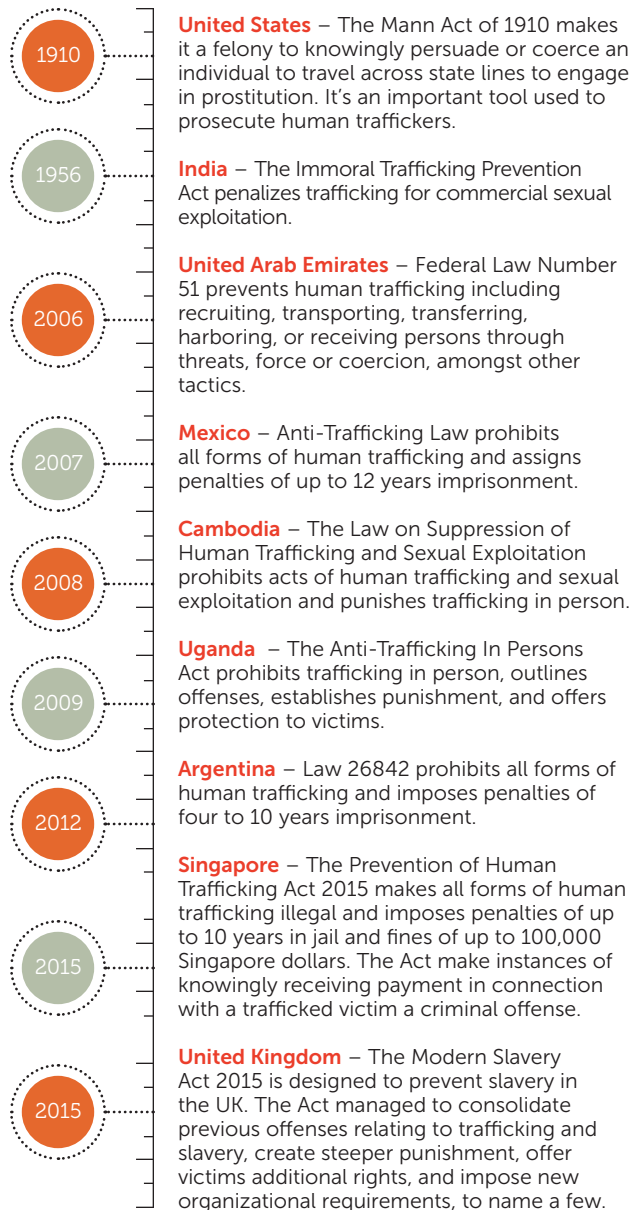
Ghana Placed on Tier 2 Watch List

For the second consecutive year, Ghana has been placed on the Tier 2 Watch List as per the 2016 Trafficking In Persons Report. As a result, the country will have to strengthen its efforts to end modern slavery. If the country fails to do so, it will slip to a Tier 3 status and risk losing millions of dollars in aid. The U.S. Department of State has three tiers, ranging from Tier 1 which is the highest ranking to Tier 3 which is the lowest ranking.

For more information: See the 2016 Trafficking In Persons Report www.bit.ly/TIP-Report

At a Glance: A Timeline of Human Trafficking Laws Across the Globe

Human trafficking is a sad reality that has no boundaries. As such, countries from all regions have passed national laws to prevent its existence.



In the logistics sector, vulnerabilities are most prevalent in transportation to support human trafficking and low wage or forced labor in supply chains.

trust certificates benchmarked against best practices in the industry. Monitoring is automated consistent with the policy requirement we created. Thus, we maintain oversight in real time and are alerted as soon as behavior deviates from policy requirements. Know your partner. If a partner in your supply chain allows forced labor, you are out of compliance.

- Compliance by contract. Compliance requirements must be written into your business contracts. Specific clauses are non-negotiable in pursuit of human rights. First, all partners must commit to no corruption including human trafficking or forced labor and escalating any concerns or potential violations in this area. Require automatic and immediate termination in the event that a partner fails to comply with these provisions. Finally, assignments are not permitted without notice and the ability to vet the new partner. Without this, you may be liable for the actions of an unknown third party who you are unable to monitor.
- Train your employees on the "red flags" of human trafficking and require investigative procedures that engage employees. Be accountable to your program. If you fail to report a red flag or potential liability, you ultimately place your employment at risk. According to the U.S. Department of State, these red flags include: living with an employer, sleeping at the office, poor living conditions, an employer who is withholding identity documents such as a passport or supply chain costs significantly lower in that market.

BDP takes control of its reputation and requires that its employees and business partners embrace and effect best practices. Proactive policies, oversight, and outreach are the best methods of driving this ethical culture from the top. BDP's CEO, Rich Bolte, knows that the creation of an ethical culture requires strong leadership and zero tolerance for ethics and compliance violations, including those pertaining to human rights.



Catherine Muldoon & Caitlin Smith

Catherine Muldoon is the Chief Legal Officer of BDP International, Inc. Caitlin Smith (not pictured) is a Juris Doctor Candidate at the Thomas R. Kline School of Law at Drexel University.

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Monique Villa on Giving a Voice to Those Who Need It

Interview by
Les Prendergast



As CEO of the Thomson Reuters Foundation, Monique Villa is passionate about creating positive change and empowering people across the globe. We met with her to discuss the human rights initiatives of the Thomson Reuters Foundation, including the Stop Slavery Award, as well as current trends and recommendations in the battle against human trafficking and forced labor.

The Thomson Reuters Foundation has impressive programs to support and advance human rights, women's empowerment, socio-economic progress, and the rule of law to name a few. Can you tell me more about your organization's human rights initiatives in particular?

At the Foundation, we advance human rights, freedom of speech and stand for the rule of law.

We report on a number of different human rights issues, from slavery and trafficking to women's rights, humanitarian news and the human impact of climate change. We have also recently launched Place, a website dedicated to land and property rights issues.

Through TrustLaw, the largest pro bono legal program in the world, we connect the most impactful NGOs and social enterprises around the world with some of the best lawyers who provide their brainpower for free.

Through our media development work, we train journalists and set up independent news platforms where they are needed the most.

Finally, our annual Trust Women Conference is the world's biggest anti-slavery forum and a leading women's rights event. The annual event brings together thought leaders with a commitment to taking action to empower women and fight slavery.

As CEO, what motivated you to place such a strong emphasis on combating human trafficking and forced labor?

We have put human trafficking and slavery issues on the agenda since the first Trust Women Conference, which I launched in 2012. It all came about because I couldn't believe how little people – even those in power and professionals – knew about the issue. Slavery is rampant; there are more slaves today than at any time in history. This is a business worth three times more than Apple's profit of \$150 billion a year. Yet people know so little about it.

Another major development is that big brands are finally starting to acknowledge the risks posed by forced labor in their supply chains.

Can you share your insights on the current trends that are emerging in human trafficking and forced labor?

I would mention two: data and supply chain monitoring.

According to the latest Global Slavery Index, there are almost 46 million people living in slavery around the world, while the International Labor Organization believes there are about 21 million people in forced labor. This lack of consistency has massive practical implications for the fight against slavery. If you don't have proper data, how can you show progress or the increasing number of slaves? How can NGOs in the front lines get funding if they cannot prove that they are addressing the issue?

Another major development is that big brands are finally starting to acknowledge the risks posed by forced labor in their supply chains. Forced labor has in some cases replaced cheap labor altogether. Companies have realized that reputation can be destroyed overnight and they are now more open to the idea of scrutinizing their own supply chains.

Governments are also stepping up in the fight against slavery. In the UK, the Anti-Slavery Act demands that companies with a turnover above £36 million declare which measures they have taken to eradicate forced labor from their supply chains.

And finally, consumers are also showing more interest, increasingly asking questions about the origins of the products they buy.

What is your organization's Stop Slavery Award?

The Stop Slavery Award was designed by artist Anish Kapoor and aims to demonstrate that businesses can indeed play a



Tackling Slavery

Slavery is illegal in all countries across the globe with **Mauritania** being the most recent country to officially ban slavery in 2007. Nonetheless, today there are more than 45 million slaves, more slaves than any other point in history. With regard to **Mauritania**, four percent of the population are reportedly in slavery, as per the Global Slavery Index (GSI). According to the GSI, **Mauritania** has the highest percentage of people in slavery of any nation in the world.

Learn More: www.globalslaveryindex.org

Forced Labor Generates Annual Profits of \$150 Billion

Asia-Pacific - 51.8 Billion

Developed Economies & EU - 46.9 Billion

Central & Southeastern Europe & CIS - 18 Billion

Africa - 13.1 Billion

Latin America & the Caribbean - 12 Billion

Middle East - 8.5 Billion

Annual profits of forced labor per region (in billion U.S. dollars)
Organizations should prioritize these high-risk regions when monitoring their supply chains.

Source: International Labour Organization

critical role in stopping modern-day slavery and forced labor worldwide.

With the award, we want to recognize the companies that are leading the fight against slavery in their supply chains. If we want to be successful in the fight against trafficking, we must enlist corporations.

The Stop Slavery Award is a business friendly initiative. It's about rewarding the courage of those businesses that have gone above and beyond to prevent modern-day slavery. Companies wishing to apply for the award will complete a questionnaire that highlights best practices in corporate commitment and reporting. The standards are intended to ensure that anti-slavery policies and procedures are embedded throughout the organization and supply chains. Winners of the Stop Slavery Award will be selected by a jury and the application process will remain strictly confidential with only the names of shortlisted corporations made public. Winning companies will receive the right to use the Stop Slavery logo for one year, helping raise cross-sector awareness on forced labor.

The Stop Slavery Award will be presented for the first time on November 30 during the Thomson Reuters Foundation's annual Trust Women Conference in London.

Third parties pose a tremendous risk. What can companies do to avoid forced labor issues within their supply chains?

The first step is to acknowledge that slavery exists, and to do something about it. I think no company today is in a position to claim to be slave free. Yes, third parties pose a risk, but there are so many other risks companies are able to successfully mitigate, I don't believe that forced labor is one that companies could not successfully address.

The new US bill, the Business Supply Chain Transparency on Trafficking and Slavery Act, is approaching. Do you believe it will have a strong impact on reducing forced labor?

It's a bi-partisan effort, so I am confident that it will go through. The bill will require companies with revenue higher than \$100 million per year to disclose the steps they've taken to address trafficking in their supply chains. It's very encouraging. I hope it will add more pressure, following the good progress made by the Transparency in Supply Chains Act in California.

Do you feel that human trafficking and forced labor are primarily limited to certain sectors?

No sector is untouched. Some are more exposed than others: I think of the garment and fishing industries, the mining and tobacco sectors. But overall, a very small proportion of the public knows about these risks. I think that if more consumers knew about forced labor and were given a valid alternative, even if more expensive, they would be willing to do something about it and vote with their money.

Do you have any recommendations for organizations that are looking to strengthen their human rights programs?

Have the courage to lead the way. Consumers and shareholders will back you up if you are willing to go all the way to eradicate forced labor from your supply chain. This is no longer just a human rights priority, this is now also a business imperative too.

What do you enjoy when you are not focused on empowering people across the globe?

What I do at the Foundation is not just a job for me, it's a big part of my life. I work very closely with my team and we feel we build together something important, so it's very motivating for all.

But I have also the big chance to be very close to my two sons and their family – one of them lives in London, which is very nice. And I have many friends in different cities with whom I enjoy a lot of evenings with some good cuisine and wine. And of course Tuscany, every summer, near Siena.



Monique Villa

Monique Villa is CEO of the Thomson Reuters Foundation and Founder of TrustLaw and Trust Women.

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Protection Under the Law

Written by
André Bywater



Last year the UK adopted the Modern Slavery Act 2015 (“the Act”) aimed at combatting slavery and human trafficking and which includes a specific compliance obligation in force since October 29, 2015. The UK government has also published guidance called, “Transparency in Supply Chains etc. A practical guide” (“the Guidance”). This article provides a brief overview of this new compliance requirement.

Scope

Under the Act, an organization whose annual turnover is UK £36 million (about USD\$ 52.7 million) or more will be required to make a so-called Slavery and Human Trafficking Statement (“Statement”). This applies to organizations across all industries, which carry on a business, or part of the business, in the UK, and, supply goods or services. Turnover is defined as the amount derived from the provision of goods and services after deducting: trade discounts, sales tax, and any other relevant taxes.

In terms of whether an organization carries on business in the UK, this has to be determined on a case-by-case basis. Here the Guidance states: “Applying a common sense approach will mean that organizations that do not have a demonstrable business presence in the UK will not be caught by the [compliance obligation] provision.”

Reporting

The actual period to be reported on relates to an organization’s financial year-end. This issue is not so straightforward and organizations have to make certain calculations in this regard. As for when to actually report, the Guidance states that organizations should publish their Statement as close as possible to their financial year-end, but they will have 6 months from their financial year-end by when to publish the Statement.

Organizations with a financial year-end of March 31, 2016 are the first required to publish a Statement, to cover all the relevant activities undertaken by the organization during the period April 1, 2015 to March 31, 2016, which would therefore have to be published by September 30, 2016 at the latest.

Organizations with a financial year-end date between October 29, 2015 and March 30, 2016 will not be required to publish a Statement for the financial year of the organization preceding the date of their financial year-end date in the October 29, 2015

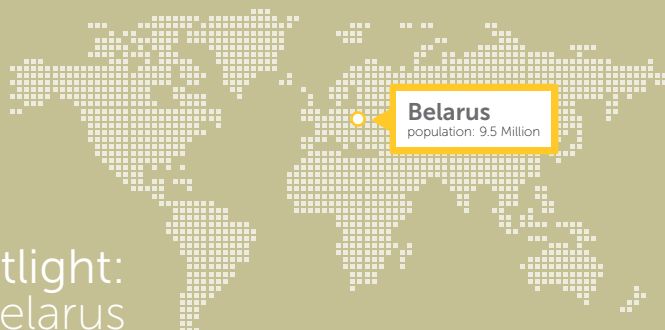
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to March 30, 2016 period. Instead, a different period will apply and the Guidance provides several examples to provide further clarification.

The Statement

The Act states that the Statement may include the following six elements: the organization’s structure, its business, and its supply chains; the organization’s policies in relation to slavery and human trafficking; the organization’s due diligence processes in relation to slavery and human trafficking in its business and supply chains; the parts of the organization’s business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps the organization has taken to assess and manage that risk; the organization’s effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such (key) performance indicators as the organization considers appropriate; and the training about slavery and human trafficking available to the organization’s staff.

In the alternative, compliance with the Act can still be achieved by publishing a Statement which simply states that the organization has not taken any steps to ensure that slavery and human trafficking are not taking place in the business or its supply chains. The obvious risk of following this course is reputational risk. There is no prescribed form for the Statement and so it is at the discretion of organizations themselves to determine both the form and content of the Statement.



The Ten Worst Countries for Working People

The International Trade Union Confederation (ITUC), has shared its list of the ten worst countries in the world for working people in 2016. **Belarus** is first on this concerning list. The country is known to have its share of human rights violations including the repression of protests, discrimination, and forced labor.

For more information: Including the full list and regional analysis, visit the 2016 ITUC Global Rights Index at www.ituc-csi.org

According to the Guidance, an organization will be considered to have failed to comply if it has neither produced a Statement, nor published the Statement on its website (if it has one), nor set out the steps it has taken in the relevant reporting period.

Strategy for Success: Ten Ways Organizations Can Remain in Compliance with the Modern Slavery Act 2015

In order to be compliant, organizations affected by the UK modern slavery compliance obligations should consider undertaking the following ten practical actions. It's also important to remember that the Act extends to organizations based outside of the UK, as long as part of the business takes place in the UK.

- 1 Determine the reporting period for the Statement and when it must be published;
- 2 Task internal responsibility, start at the top and work your way down;
- 3 Evaluate your needs and determine a slavery compliance budget;
- 4 Undertake a business and supply chain audit to determine slavery risk across locations and vendors, followed up by due diligence. Due diligence should take place pre-acquisition and as part of the ongoing monitoring process;
- 5 Create a Statement, determine ownership, and assign sign-off responsibility;
- 6 Incorporate anti-slavery compliance into other policies and procedures such as codes of conduct and procurement procedures;
- 7 Introduce anti-slavery clauses in contracts with suppliers;
- 8 Undertake training of internal personnel and supply chains;
- 9 Set up whistleblowing mechanisms for raising and reporting slavery concerns; and,
- 10 Develop a crisis management plan in case an instance of slavery (real or perceived) occurs.

If the organization has a website, it must publish the Statement on that website, and include a link to the Statement in a prominent place on the website's homepage. According to the Guidance, a prominent place may mean a modern slavery link that is directly visible on the home page or part of an obvious drop-down menu on that page, and the link should be clearly marked so that the contents are clear. If the organization doesn't have a website, it must provide a copy of the Statement to anyone who makes a written request for it within 30 days.

The Statement must be approved and signed by either a director, member or partner of the organization, depending on the type of organization (limited liability partnership etc.) which is set out in detail in the Act. The Guidance also provides assistance concerning who has to publish a Statement in situations concerning parent organizations and their subsidiaries.

Enforcement

If an organization fails to comply, the UK government can seek an injunction through the High Court requiring the organization to comply. Failure to comply with the injunction will likely constitute contempt of court and be subject to an unlimited fine. According to the Guidance, an organization will be considered to have failed to comply if it has neither produced a Statement, nor published the Statement on its website (if it has one), nor set out the steps it has taken in the relevant reporting period.

Closing Thoughts

With the staggering prevalence of modern slavery, the Act shall play a vital role in helping to promote positive change. The need is strong and the actual number of victims may be far greater than those we know about. Each and every organization should carefully assess their business to determine if they need to meet the expectations of the Act.


Aside from the steeper penalties and the severe risk associated with reputational damage, are the ethical implications. Organizations have a responsibility to help prevent and eliminate this global problem that transcends age, gender, and ethnicities.



André Bywater

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Turning the Tide

Written by
Mari L. Snyder



This summer, we at Marriott International are starting to roll out new, comprehensive training to educate associates on how to identify and respond to signs of human trafficking. Our work on this issue began nearly a decade ago. We crafted our own original training for our employees when there was little available for the industry, and now, we are expanding our efforts in collaboration with others.

We live in a time when law enforcement authorities, non-governmental organizations (NGOs) and government entities around the world are dedicating more resources to combatting human trafficking, which is estimated to be a \$150-billion-a-year criminal enterprise. Laws like Great Britain's Modern Slavery Act of 2015 require companies to publicly report their efforts to combat trafficking. And, more and more governmental entities recognize the increased risk for human trafficking to take place during large, public gatherings – such as major sporting events – and are taking steps to address it proactively.

As a global hospitality company with values that include a commitment to “put people first” and “serve our world,” we can play an important role in educating and training our associates to be alert for those who may be vulnerable.

We took a two-pronged approach with our new training. First, we educate our associates-- front desk associates, safety and security personnel, housekeepers, restaurant servers and others -- to recognize the signs of suspected trafficking, and report suspicious activity to a supervisor. Second, supervisors are instructed to look into the situation and, where appropriate, contact law enforcement. As part of our training, we also encourage hotel management to forge stronger ties with the local law enforcement authorities to ensure they have the resources they need to appropriately address any potential incidents.

To develop our new training, we worked with experts from two leading NGOs – ECPAT-USA (End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes) and Polaris. Their keen insights into how victims think and behave blended with our own safety and security team's experience to develop a robust educational platform.

The power of collaboration can't be underestimated, according to Carol Smolenski, Executive Director, ECPAT-USA.

Identifying victims remains difficult, but by collaborating with our associates and our partners, we are continually working to turn the tide on trafficking.

“Human trafficking is a complex, entrenched crime,” Smolenski says. “No one sector working alone will be able to eradicate it. That's why we are so happy to be able to partner with governmental agencies, other NGOs and companies such as Marriott International. Working together, we can mobilize resources to take the steps needed to help potential victims, particularly children and youth.”

Bradley Myles, CEO of Polaris, emphasizes the critical role the hospitality industry can play in fighting human trafficking.

“The hospitality industry plays a critical role in the fight against modern slavery since traffickers can exploit their victims in hotels and motels,” Myles says. “Traffickers know and capitalize on the fact that staff, managers, and executives often do not know the red flags, so the Marriott training effort is key for empowering staff to recognize sex and labor trafficking. Ultimately, if the hotel industry is able to eliminate hotels and motels as trafficking venues, they can help disrupt traffickers' business.”

Key components of our new training include:

- **Expanded training content:** Marriott's training extends beyond the commercial sexual exploitation of children to address the full spectrum of human trafficking and forced labor.
- **Expanded languages:** The new training is being translated into 15 languages and will be made available online to expand accessibility. Translating the courses will help to ensure that employees across the world understand the material and their obligations.



Spotlight:
The UK

Trending in the Wrong Direction

Attempts to eliminate modern slavery in the **UK** are missing the mark, as the number of potential victims being trafficked into Britain rose by a whopping 245% since 2011, based on official figures. Five years ago, there were 946 victims of modern slavery and that number ballooned to 3,266 in 2015. The most dramatic increase came between 2014 and 2015 in which just under 1,000 new cases were recorded. With the **UK** recently passing the Modern Slavery Act, it appears that more needs to be done.

Learn More: nationalcrimeagency.gov.uk

Global Law Enforcement Data

Source: Trafficking In Persons Report - June 2016

Year	Prosecutions	Convictions	Victims Identified	New or Amended Legislation
2008	5,212 (312)	2,983 (104)	30,961	26
2009	5,606 (432)	4,166 (335)	49,105	33
2010	6,017 (607)	3,619 (237)	33,113	17
2011	7,909 (456)	3,969 (278)	42,291 (15,205)	15
2012	7,705 (1,153)	4,746 (518)	46,570 (17,368)	21
2013	9,460 (1,199)	5,776 (470)	44,758 (10,603)	58
2014	10,051 (418)	4,443 (216)	44,462 (11,438)	20
2015	18,930 (857)	6,609 (456)	77,823 (14,262)	30

The above statistics are estimates only, given the lack of uniformity in national reporting structures. The numbers in parentheses are those of labor trafficking prosecutions, convictions, and victims identified. The number of victims identified includes information from foreign governments and other sources. Prosecution and victim identification data reported this year are higher than in previous years, in large part due to increased information sharing and better data quality from several governments.

- **Customized guidance for job roles:** Our training includes guidance tailored for team members who frequently engage with our guests.
- **Efforts to assist victims:** The training gives guidance on working with local law enforcement authorities so victims can receive the assistance they need.

Marriott is also making the training available to others in the industry through our partner American Hotel & Lodging Association (AHLA). AHLA's licensing fee, in addition to maintenance and administration, will benefit ECPAT-USA and Polaris. These steps will help scale industry-wide efforts to address and prevent human trafficking. Additionally, complimentary access will be given to universities to educate student populations and the broader academic community on this critical issue affecting some of the world's most vulnerable. "As an industry, we recognize that hotels can play an important role in fighting human trafficking networks which often rely on legitimate businesses, including hotels, to sustain their illegal operations and infrastructure," says Vanessa Sindors, Senior Vice President of Government Affairs for the American Hotel & Lodging Association. "AHLA will continue to encourage everyone in our industry to raise awareness about this important issue and take action by equipping and empowering their

employees to respond and do our part to stop human trafficking. We applaud leaders in our industry and our partners who work tirelessly to keep this important issue front and center."

Identifying victims remains difficult, but by collaborating with our associates and our partners, we are continually working to turn the tide on trafficking.

Human trafficking is a form of modern slavery that infringes on basic human rights. As we can see from the Global Slavery Index 2016, slavery is a very prevalent issue across the globe. Given the associated risks as well as the exploitation of youth, human trafficking needs to become a top priority with a key focus on proactive prevention.



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**SLAVERY IS A HIDDEN THREAT
IS YOUR BUSINESS AT RISK?**

REUTERS: ANDREW BIRAJ

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