



In sharp focus

Gap analysis and due diligence risk assessments on human rights and modern slavery

Global employment conditions are under increasing scrutiny. Allegations of modern slavery and trafficking, sweatshop factories and child labour have been made against a wide range of companies, particularly those reliant on long and complex supply chains. Instead of reacting to human rights problems, businesses should proactively “know” (identify and prevent) and “show” (disclose) their human rights risks.

Governments have reinforced this change in emphasis by introducing new human rights procurement conditions, governance codes, reporting duties and more. New legislation includes the EU Non-Financial Reporting Directive and the UK Modern Slavery Act as well as both planned and implemented legislation in the US and Europe. These developments present significant reputational, procurement, financial, corporate and legal risks and there is no single off-the-shelf solution. With our advice, businesses can conduct a comprehensive risk assessment, prioritise their response and report externally through a series of proportionate and manageable steps.

How we can help

We provide practical, legal and strategic advice on human rights reporting obligations, your risk factors, due diligence steps and integrating change:

– **human rights governance gap analysis:** reviewing existing policies, procurement and operational

procedures, contract terms, codes of conduct, CSR type reporting, supplier vetting, due diligence processes, staff training, ethics programmes, stakeholder engagement and existing grievance mechanisms

– **due diligence risk assessment:** conducting a risk assessment to identify potential human rights risks across the business and value chain, including supply chain mapping incorporating recognised risk resources and internal data to identify higher risk geographies, sectors, commodities, activities, labour practices and relationships

– **integration plan:** following the gap analysis and risk assessment, we formulate a costed human rights action plan with you to prioritise risks and address issues identified. We can advise on building and exercising leverage with your value chain, the use of an audit approach if applicable, the provision of appropriate remedies for rights holders and on KPIs to monitor the effectiveness of steps taken

Business, human rights and modern slavery

Gap analysis and due diligence risk assessments

- **reporting**: advising on the legal and best practice requirements when preparing disclosure reports to ensure group wide consistency recognising the evolving nature of international reporting requirements
- **training**: delivering training on modern slavery and human rights
- **monitoring/auditing**: helping to design your third party supply chain monitoring and audit programme. We can provide qualified flexible resource to undertake this on your behalf

Relevant experience

We have extensive experience of advising on business and human rights. For example, we have partnered with the International Labour Organisation (ILO), the US Chamber of International Business, Shift and the Equality and Human Rights Commission on thought leadership events. We acted as an expert advisor to Shift, the Equality and Human Rights Commission and the Financial Reporting Council on the production of guidance for board directors on business and human rights. Our comprehensive survey "Human Rights at Work – On the Right Path" assessed levels of business engagement with human rights. We have also provided expert analysis for leading sector journals, The Times newspaper and BBC World News on business and human rights issues. Recent projects include:

- a due diligence risk assessment, supply chain mapping and human rights governance gap analysis for a major energy sector client including delivering training on the UK Modern Slavery Act and human rights global reporting standards
- legal advice and guidance to a major publishing organisation on their human rights and modern slavery reporting obligations including mapping their value chain, drafting a slavery and trafficking risk report, directing future audit and due diligence actions and reviewing their first modern slavery statement

- advice and guidance on the UK Modern Slavery Act including advice on reporting obligations, governance gap analyses, policies, vendor contracts, human rights codes of conduct and due diligence risk assessments for multiple clients in the construction, retail, real estate, food manufacturing and pharmaceutical sectors
- advice to multinationals responding to requests for global trade union agreements with significant human rights considerations as well as advising on responding to correspondence from global trade union federations where human rights violations have been alleged

Key contacts



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