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| Office of the NSW Anti-slavery Commissioner | dcjnsw.info/antislaverycommissioner |

# How to Prepare a Modern Slavery Policy

May 2024

# Structuring your Modern Slavery Policy

There is no one “correct” way to structure your Modern Slavery Policy. As discussed above, a Policy may be freestanding or integrated into existing policies and procedures. It should be aligned with your entity’s existing policy frameworks, particularly those related to risk, procurement, workplace health and safety, and human resources.

The structure and Good Practice Example below are suggested as one possible way for covered entities to ensure that their Policy is effective and meets the requirements of the GRS.

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|  | Good Practice Example | Comments |
| Reasonable Step 1: Commit |
| 1.1 Engage Key Stakeholders   | [Entity] will develop and execute a strategy to engage stakeholders on its reasonable steps to ensure that goods and services procured by and for it are not products of modern slavery.*Targets*: * a stakeholder engagement strategy will be developed by [date].
* [Entity / responsible role or department] will complete a report synthesising stakeholder feedback by [date] each year.
 | The GRS sets out guidance on how to effectively engage with stakeholders, including people with lived experience of modern slavery and affected communities. Refer to Section 1.1 from Page 42 and Appendix N on Page 172 (in Version 1.0).Stakeholders should be asked for feedback on modern slavery risks and actions across your business, including your: * Modern Slavery Policy
* Risk Management Plan
* Salient Modern Slavery Risk Assessment
* due diligence measures
* grievance / reporting mechanisms

Mechanisms should allow for ongoing engagement with stakeholders. Consider undertaking stakeholder engagement collaboratively with other covered entities. |
| 1.2 Identify Salient Risks at the Organisational Level   | [Entity (or responsible department / role)] will develop a process for conducting an assessment of salient Modern Slavery Risks in its organisation.[Entity (or responsible department / role)] will conduct and review this risk assessment [periodically – e.g. annually].*Targets*: * [Entity (or responsible department / role)] will assess salient modern slavery risks in its organisation by [date] each year.
* This assessment will be presented to the [Senior Governing Body / risk committee] for their review and recommendations.
 | Consider how your entity may *cause, contribute to, or be directly linked to* modern slavery through its business practices.The GRS sets out how guidance on what constitutes a “salient” risk and how to conduct an effective risk assessment. Refer to Page 28 (Version 1.0).  |
| 1.3 Adopt a Modern Slavery Policy  | [Senior Governing Body] has approved this Modern Slavery Policy.*Target*:* This Policy will be reviewed [periodically] in line with regulatory changes, stakeholder feedback and Salient Modern Slavery Risk Assessments.
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| 1.4 Adopt a Modern Slavery Risk Management Plan  | [Senior Management] will develop and adopt a Modern Slavery Risk Management Plan.*Targets*: * A Modern Slavery Risk Management Plan will be developed by [date].
* This Plan will be reviewed [periodically] in line with regulatory changes, stakeholder feedback and Salient Modern Slavery Risk Assessments.
 | This Plan should operationalise the commitments made in the Policy. Guidance on how to create and implement a Risk Management Plan is set out in the GRS. Refer to Section 1.4 from Page 47 (version 1.0).This Plan should assign responsibility for implementing aspects of the Policy across relevant business units or functions. It should integrate with existing record-keeping systems and your risk governance framework.Your entity should review its Plan periodically to ensure its effectiveness. The review should consider developments in legal and other requirements related to matters covered in its Modern Slavery Policy, or updates to this Guidance or other aspects of the NSW Modern Slavery Shared Implementation Framework. |
| Reasonable Step 2: Plan |
| 2.1 Identify and Map your Supply-Chain Risks for this Procurement    | [Entity] will review inherent risks in its procurement portfolio [annually].[Entity] will map supply chains associated with product categories with high modern slavery risk to identify salient modern slavery risks and leverage.*Targets*: * Inherent risk review of procurement portfolio conducted annually
* Mapping of all high-risk supply chains to [Tier xx] by [date]
 | Note that Reasonable Step 2 deals with the inherent risk associated with particular product categories your entity is procuring. Reasonable Step 3 (Source) will address residual risk associated with specific suppliers.Information about the inherent modern slavery risk associated with particular product categories can be found in the [Inherent Risk Identification Tool](https://dcj.nsw.gov.au/content/dam/dcj/dcj-website/documents/legal-and-justice/anti-slavery-commissioner/due-diligence-and-reporting/inherent-risk-identification-tool.xlsx) (IRIT). Covered entities may choose to collaborate amongst themselves or with others to map supply chain risks.  |
| 2.2 Develop a Risk-Reducing Sourcing Strategy  | [Entity] will conduct due diligence into the market for high modern slavery risk products it procures, with a view to determining and fostering good market practice for mitigating these risks. | Further information on sourcing strategies and early market engagement, including good practice examples, is set out in the GRS. Refer to Section 2.2 from Page 52 (Version 1.0). |
| Reasonable Step 3: Source |
| 3.1 Select Appropriate Suppliers    | [Entity] will use the Model Tender Clauses in all tenders related to [Low,] Moderate or High-Risk product categories.[Entity] will conduct modern slavery due diligence on all tenderers in Moderate or High-Risk product categories.*Targets*:* [x%] of procurements use the Model Tender Clauses
* Modern slavery due diligence conducted on [100%] of tenderers in Moderate or High-Risk product categories
 | There are [Heightened](https://dcj.nsw.gov.au/content/dam/dcj/dcj-website/documents/legal-and-justice/anti-slavery-commissioner/due-diligence-and-reporting/grs-model-tender-clause-heightened.docx) and [Streamlined](https://dcj.nsw.gov.au/content/dam/dcj/dcj-website/documents/legal-and-justice/anti-slavery-commissioner/due-diligence-and-reporting/grs-model-tender-clause-streamlined.docx) versions of the Model Tender Clauses. For Heightened Modern Slavery Due Diligence (high risk) procurements, covered entities must use the Heightened version. For other procurements, consider incorporating the Streamlined version.Information about the inherent modern slavery risk associated with particular product categories can be found in the [Inherent Risk Identification Tool](https://dcj.nsw.gov.au/content/dam/dcj/dcj-website/documents/legal-and-justice/anti-slavery-commissioner/due-diligence-and-reporting/inherent-risk-identification-tool.xlsx) (IRIT).Guidance on procurement specifications and due diligence, including tools and good practice examples, is set out in the GRS. Refer to Section 3.1 from Page 56 (Version 1.0).Buyers should ensure that modern slavery due diligence requirements do not create barriers to small business or indigenous businesses. |
| 3.2 Adopt a Shared Responsibility Approach in Contracting  | [Entity] will use the Model Contract Clauses in all [Low,] Moderate or High-Risk procurements.*Target*:* [x%] of procurements use the Model Contract Clauses
 | There are [Heightened](https://dcj.nsw.gov.au/content/dam/dcj/dcj-website/documents/legal-and-justice/anti-slavery-commissioner/due-diligence-and-reporting/grs-model-contract-clause-heightened.docx) and [Streamlined](https://dcj.nsw.gov.au/content/dam/dcj/dcj-website/documents/legal-and-justice/anti-slavery-commissioner/due-diligence-and-reporting/grs-model-contract-clause-streamlined.docx) versions of the Model Contract Clauses. For Heightened Modern Slavery Due Diligence (high risk) procurements, covered entities must use the Heightened version. For other procurements, consider incorporating the Streamlined version.The Model Contract Clauses take a performance-based approach to contracting suppliers that allows for both parties to work together to prevent and mitigate modern slavery risks and remedy modern slavery harms. Note that there is no general expectation that contracts or agreements pre-dating the GRS will be renegotiated. |
| Reasonable Step 4: Manage |
| 4.1 Monitor and Evaluate Supplier Performance   | [Entity] will take reasonable steps to monitor and evaluate supplier performance relating to modern slavery during the contract term.[Entity] will, where appropriate, conduct audits of suppliers [in Moderate or High-Risk product categories] that address modern slavery.[Entity] will, where appropriate, survey its High-Risk suppliers’ workforce about working conditions, risks associated with temporary migrant workers, and recruitment fees.*Targets*:* [x%] of suppliers [in Moderate or High-Risk product categories] audited on modern slavery
* Workforce surveys conducted on [x%] of [High-Risk suppliers]

Note: numerous additional examples of KPIs are set out in Figure 31 of the GRS. Also, consider what targets you can use to evaluate your suppliers’ performance. These will vary depending on the capabilities of the supplier and the nature of the risk to people, but could include, e.g., development of a GRS-compliant modern slavery policy, personnel training, implementation of grievance mechanisms, etc. | Ongoing performance monitoring is essential for the duration of the contract to ensure that the supplier continues to deliver in accordance with modern slavery expectations, and to underpin your active engagement to manage emerging modern slavery risks. The types of action you take to manage risks in your supply chains will vary depending on whether you are a scheme owner / contract manager or not, and on your leverage with the other entities involved. Guidance on how to use and increase your leverage (including through collective leverage) is set out in the GRS.Please note that there is no general expectation that contracts or agreements pre-dating the GRS will be renegotiated. However, you should take reasonable steps to manage risks within existing contracts. This could involve risk assessment, contract management (using existing contractual forms of leverage, such as contractual obligations to abide by workplace health and safety standards), etc.The GRS sets out:* factors to consider when organising audits and workplace assessments (Figure 29 on Page 68, Version 1.0)
* sample questions to ask workers during audits (Figure 30 on Page 69, Version 1.0)
* examples of worker voice mechanisms (Figure 32 on Page 73, Version 1.0)
* good practice examples of active supplier monitoring (Figure 33 on Page 74, Version 1.0)
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| 4.2 Develop Supplier Capabilities  | [Entity] will conduct supplier capability development activities, as appropriate, to improve supplier modern slavery risk management performance.*Target*:* [x%] of suppliers provided with capacity development assistance.
 | Supplier capability development activities may include training, awareness-raising, direct engagement, and technology development. Additional guidance, good practice examples and resources are set out in the GRS. Refer to Section 4.2 from Page 75. Covered entities may wish to work cooperatively to provide shared suppliers access to capability development opportunities.  |
| Reasonable Step 5: Remedy |
| 5.1 Provide or enable access to effective grievance mechanisms   | [Entity] will provide or enable access to effective grievance mechanisms that can provide remedy to affected stakeholders.[Entity] will use its leverage to support the development and implementation of effective grievance mechanisms in its value chain. | Where modern slavery is identified, you should seek to provide remedy through a legitimate remediation mechanism. You may wish to develop your own, work with other NSW public buyers to develop an effective grievance mechanism, and/or engage existing mechanisms.The GRS sets out detailed guidance for developing and evaluating an effective grievance mechanism (Figures 40 and 42 from Page 83). It also provides a basic workflow – i.e. what to do when you receive a complaint (Figure 41 on Page 84, Version 1.0). |
| 5.2 Take safe immediate steps to remedy harm   | Where specific instances of modern slavery are identified in [Entity’s] activities or supply chain, [Entity] will take safe immediate steps to remedy harm.[Entity] will develop and implement a standard operating procedure for remediation / Blueprint Remediation Plan.*Target*:* A Blueprint Remediation Plan will be developed by [date].
 | A Blueprint Remediation Plan sets out the process for dealing with instances of modern slavery, as well as roles and responsibilities. It should clearly set out what action will be taken, when and by whom including deadline dates, milestones and targets, and what preventative measures the supplier will put in place to stop recurrence. It should be developed in consultation with impacted and potentially impacted stakeholders.If your entity has *caused or contributed to* the exploitation you should provide for, or cooperate in, the remediation of that harm. If you are *directly linked to* the exploitation by a business relationship, you may play a role in remediation and should use your leverage to work with the entity that caused the harm to prevent or mitigate its recurrence. Remediation will often require collaboration with reputable international and local organisations and civil society groups to provide an “on the ground” perspective and advise on appropriate responses.The GRS sets out numerous good practice examples of remediation, as well as a template Remediation Plan. Refer to Section 5.3 from Page 95 (Version 1.0). |
| 5.3 Use leverage to remediate deficient practices   | Where its existing leverage is insufficient to prevent or mitigate modern slavery risks, [entity] will take steps to build leverage to influence entities in its value chain and businesses it partners with.[Entity] will withdraw from a relationship with a supplier or business partner as a last resort, where the supplier / partner is unable or unwilling effectively to address modern slavery risks or concerns. | Withdrawal and disengagement should be a last resort: in some cases, terminating a contract risk causing further harm to those involved, for example by exposing workers to retaliation or destitution. The priority should be to work closely with the supplier to help victims and those at risk and prevent recurrence. The GRS sets out further details about understanding leverage and how it can be applied. Refer to Pages 33-34 (Version 1.0). |
| 5.4 Withdraw Responsibly  |
| Reasonable Step 6: Report |
| 6.1 Establish a Victim-Centred Reporting Protocol   | [Entity] will develop and implement a reporting protocol that provides appropriate confidentiality and other safeguards to protect the interests of victim-survivors.*Target*:* A Modern Slavery Reporting Protocol will be developed and implemented by [date].
 | Note that this protocol must be supported by:* sufficient resources to support the welfare of victim-survivors during the reporting process.
* suitably trained and supported individuals who oversee critical responses and reporting in modern slavery context.
* effective internal communications to educate personnel on the protocol.
* the GRS sets out guidance and good practice for dealing with risks to modern slavery victims that may arise from reporting their exploitation. Refer to Pages 105-7 of the GRS (Version 1.0).
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| 6.2 Report on your Modern Slavery Risk Management Efforts  | [Entity] will report annually, as required by its statutory obligations, and submit a copy of its annual reporting information using the online form provided by the Office of the Anti-slavery Commissioner.[Entity] will also comply with applicable reporting obligations relating to Heightened Modern Slavery Due Diligence procurement transactions.  | Guidance on annual reporting of modern slavery information is set out in the Appendix K to the GRS and the [GRS Resource: Instructions for Annual Reporting](https://dcj.nsw.gov.au/content/dam/dcj/dcj-website/documents/legal-and-justice/anti-slavery-commissioner/due-diligence-and-reporting/grs-resource-instructions-for-annual-reporting.pdf).Note: to ensure adequate time for covered entities to prepare for effective implementation of HMSDD Reporting, the Commissioner has postponed the introduction of detailed HMSDD Reporting until an indicative date of 01 July 2025.From 01 July 2024, contract award notices published on the Buy.NSW contract register will automatically disclose whether a contract relates to a HMSDD procurement.This revised timeline does not affect covered entities’ statutory annual reporting obligations. Ensure you report annually on your modern slavery risk management efforts within the deadlines applicable to your entity.  |
| Reasonable Step 7: Improve |
| 7.1 Learn Lessons from your Performance and Others’   | [Entity] will regularly review its performance on modern slavery risk management and integrate lessons from stakeholder engagement, grievance mechanisms and peers.[Entity] will disclose progress towards high-level targets in its annual reporting information.*Targets*:* [Entity] conducts [annual] reviews of modern slavery performance.
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| 7.2 Train your Workforce   | [Entity] will ensure that personnel are provided regular and appropriate training on modern slavery. *Target*:* [x%] of staff received modern slavery training / capability building
 | Your Modern Slavery Risk Management Plan should establish a timetable for relevant modern slavery awareness-raising and training across your business units.Training is not one-size-fits-all and should be tailored to the functionality of roles and business units.  |
| 7.3 Cooperate with the Anti-slavery Commissioner  | [Entity] will cooperate with the NSW Anti-slavery Commissioner, including by sharing information and providing reasonable assistance and support. | Note that NSW Government agencies have a statutory duty of cooperation with the Anti-slavery Commissioner, including the obligation to share information and to provide reasonable assistance and support. (*Modern Slavery Act 2018* (NSW), section 14). The Commissioner will assist covered entities to strengthen their due diligence by:* monitoring reporting
* supporting access to information and training on modern slavery
* providing bespoke advice and support on request – please contact our GRS mailbox at GRS@dcj.nsw.gov.au
* convening an NSW Anti-slavery Forum to discuss leading practice
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