

Modern Slavery Act, 2015 - An overview

Background

- The Modern Slavery Act 2015 (MSA) is an act of the parliament of the United Kingdom. It is designed to tackle slavery and human trafficking in the UK and consolidates previous offences relating to trafficking and slavery

What it Means

- Modern slavery is a broad term used to encompass the offences of slavery, servitude, forced or compulsory labour and human trafficking (includes sexual exploitation, removal organs, securing services by force, threat and deception, securing services from children and vulnerable person)

Steps Taken

- Section 54 of the MSA mandates that commercial organizations disclose what activities they have undertaken to eliminate slavery and human trafficking from their supply chain and their own businesses

Slavery Statement

- Affected businesses are required to produce a “Slavery and Human Trafficking Statement” every financial year that sets out the steps taken
-

Supplier Questionnaire for due- diligence process

Part A: Supplier Information

Question	Purpose to ask
Name of the Supplier	<ul style="list-style-type: none">• To keep a track of the responses received from various suppliers and to which group entity the supplier belongs to.
Products manufactured	<ul style="list-style-type: none">• To identify whether any product manufactured by that supplier is enlisted as the high risk product where there could be issues related to Modern Slavery.
Products supplied to group entity	<ul style="list-style-type: none">• To identify whether any product supplied by that supplier is enlisted as the high risk product where there could be issues related to Modern Slavery.
Total no. of employees	<ul style="list-style-type: none">• To know whether the supplier is required to comply with various labour law compliances such as Payment of Gratuity Act, Payment of Bonus Act, Provident Fund, Employees State Insurance etc.
Turnover	<ul style="list-style-type: none">• To know as to what proportion of supplies the group entity procures from the supplier, basis on which analysis can be made that the particular supplier is of significant importance for the group entity.
Do you have any specific certification (such as Social Audit 8000 certificate, ISO 9001, OHSAS 18001, any other) for working/ socially acceptable practices at work place?	<ul style="list-style-type: none">• If the supplier has/have such certification, the potential risks of Modern Slavery for that Supplier would be less.

Supplier Questionnaire for due- diligence process



Konkola Copper Mines plc

Part B: Questions pertaining to different areas to be asked to Vendors

1. Management Practice	Purpose to ask
Do you have a designated personnel who is responsible for labour welfare and labour law compliances?	<ul style="list-style-type: none"> • It is advised to have a designated personnel for labour law compliances to avoid risks of irregular/lesser payments of wages/overtime/other statutory benefits to workers/employees and the employees' rights are not overseen.
Do you currently have a program to assure that human trafficking and slavery do not exist in your operations and supply chain?	<ul style="list-style-type: none"> • It is required to curb the instances/risks of instances of human trafficking and slavery in day to day operations and supply chain.
Do you have a system in place to ensure compliances with Entity's Supplier's Code of Conduct requirements?	<ul style="list-style-type: none"> • It should be ensured that the Supplier from whom the procurement is done follows our Supplier's Code of Conduct which would ensure that the suppliers are aware of our policies.
Do you have written policies for your facility covering the aspects such as Child labour, forced labour, sexual exploitation, slavery and human trafficking?	<ul style="list-style-type: none"> • It is always advisable to have the specific policies in place which is uniform for all the group entities to have a strict control on these issues.
Do you impart training on labour laws, child labour, forced labour, sexual exploitation, human trafficking and slavery to your workers including contract workers?	<ul style="list-style-type: none"> • It is necessary that the employees are aware of all the laws pertaining to these aspects to avoid any unwanted instances because of lack of knowledge of the legal aspects.
Do you conduct a self-assessment / risk assessment to identify the overall risks of slavery and human trafficking in your supply chain?	<ul style="list-style-type: none"> • It should be done so that there is a continuous check on the suppliers and the breach of any laws/regulations can be brought to notice immediately so that MSA violation is not attracted.
Do you conduct independent audits in relation to compliances under labour laws of your own facility and of your suppliers?	<ul style="list-style-type: none"> • Mere documentation of age verification process may not be enough, so it is necessary to do site visits on unannounced/surprise check basis to check the legal compliances.

Supplier Questionnaire for due- diligence process



Part B: Questions pertaining to different areas to be asked to Vendors

1. Management Practice	Purpose to ask
<p>If non-compliances are detected at your end, do you have a program to rectify such violations?</p>	<ul style="list-style-type: none"> • It is advised to draft a program comprising of what possible steps that could be taken by the supplier on being notified of any issue covered under Modern Slavery Act.
<p>Do you currently work with a third party to identify the overall risks of slavery and human trafficking in your supply chain? This may include mapping your actual supply chain and looking into what countries you source from and what products or services you buy and the risks related with sourcing from those countries or sourcing a specific product.</p>	<ul style="list-style-type: none"> • Such analysis would be helpful in identifying the high risk countries, high risk suppliers and the high risk commodities procured from them which will be helpful in making more due diligent efforts before procuring from that particular vendor.
<p>Do you have internal accountability standards and procedures in place to hold your employees and contractors accountable for non-compliance with your standards on slavery and human trafficking?</p>	<ul style="list-style-type: none"> • If the uniform standards across the group entities are defined and in place then it would be easy to make the employees/third parties accountable for any non compliance.
<p>Do you require your direct suppliers to certify that all materials incorporated into your final product were sourced, processed and manufactured in compliance with the human trafficking and slavery laws of the country or countries in which they operate?</p>	<ul style="list-style-type: none"> • The purpose is to encourage the procurement from suppliers who are complying with the laws and regulations to the risk of procurement from the non compliant vendors which would affect MSA non compliance on your entity.

Supplier Questionnaire for due- diligence process



Konkola Copper Mines plc

Part B: Questions pertaining to different areas to be asked to Vendors

2. Forced Labour	Purpose to ask
<p>Do you ensure that all contracted/migrant/foreign workers are provided with understandable appointment/employment letters?</p>	<ul style="list-style-type: none"> • It is to ensure that the employees are aware of their basic rights such as their remuneration, their employment benefits such as leave with pay, sick/medical leave, Provident Fund etc. • It is important because the employees should be aware of their working hours, their maximum possible overtime in a day/week/month/quarter time period which should be in line with the laws and the remuneration for such over time worked.
<p>Whether the terms of the employment agreement provide for termination clause exercisable by the employee?</p>	<ul style="list-style-type: none"> • The employment terms of the employees should contain the termination clause which should be exercisable by the employees at their discretion, they should not be forced to be in employment if they are not willing to do so. • The termination clause should not contain unjust terms and conditions which can not be exercised by the employee.
<p>Whether the workers are allowed to leave company premises at the end of their shifts?</p>	<ul style="list-style-type: none"> • The workers/employees after their due completion of shifts should be allowed to leave the company premises, as such restrictions can be termed as forced labour/overtime without wages etc.
<p>Does your recruitment agent/ contractor keep original documents of workers (like identity documents, passport etc. in their custody?)</p>	<ul style="list-style-type: none"> • The original documents of employees such as passport, visa, government identity cards (PAN card, Voter id card, License, Aadhar card etc.) should not be retained as it is a violation under MSA.
<p>Does your recruitment agent/ contractor keep financial deposits or charge recruitment fee from workers?</p>	<ul style="list-style-type: none"> • The financial deposits should not be retained from employees/workers during on boarding process or during the term of employment of any worker/employee as this may restrict him to terminate the job until he gets the retained financial deposit back from the employer, this is a violation under MSA.
<p>Do you withhold any portion of the wages of the workers working at your or at client's premises?</p>	<ul style="list-style-type: none"> • As above.

Supplier Questionnaire for due- diligence process

Part B: Questions pertaining to different areas to be asked to Vendors

3. Child Labour	Purpose to ask
Do you employ child labour in your premises or adolescent workers (less than 18 years)?	<ul style="list-style-type: none"> The proper uniform age verification process should be in place across all the group entities along with site checks/visits to ensure that there are no issues of child labour.
Do you require all workers (including contract workers) to provide copies of birth certificates or other official forms of identification to verify their age before being hired?	<ul style="list-style-type: none"> As above.
4. Sexual exploitation	Purpose to ask
Does the company have mechanisms/ practices/policies in place for recording, investigation, processing, and settling the grievances of employees in relation to sexual exploitation?	<ul style="list-style-type: none"> There should be a proper system in existence/place to ensure that any employee/worker having any grievance can communicate with the designated personnel who is looking after to resolve the issues. If there is no such system in place then there can be high risk to MSA violation.
5. Suppliers	Purpose to ask
Do you require your direct suppliers to self-certify that all materials incorporated into your final product were sourced, processed and manufactured in compliance with the human trafficking and slavery laws of the country or countries in which they operate	<ul style="list-style-type: none"> It would be a good practice to ask the suppliers to self certify so that your entity would have a documentary proof that you procure from only those vendors who are following good practices in line with MSA.
Do you monitor the labour laws (including child labour, forced labour, sexual exploitation, human trafficking and slavery) standards of your suppliers and business partners through regular questionnaires and spot checks in the form of on-site visits/audits.	<ul style="list-style-type: none"> It would be a good practice for your entity to keep regular checks/spot checks/unannounced independent audits of your suppliers' sites, so that any vendor who is breaching the laws is brought to notice immediately and the MSA violations are not attracted to your entity since any breach by your vendor would affect your entity.

Supplier Questionnaire for due- diligence process



Konkola Copper Mines plc

Part B: Questions pertaining to different areas to be asked to Vendors

6. Wages and working hours	Purpose to ask
Are any workers working excessive overtime beyond legal limits?	<ul style="list-style-type: none"> It is a violation under MSA if employees/workers work for more than specified hours of work (8 hours/day + max. 2hrs/day overtime, with a maximum of 50 hrs/quarter)
Whether the records are kept for all permanent/temporary/contract workers (payroll, timecards, social benefits records, employee contract)?	<ul style="list-style-type: none"> It is mandatory to maintain the employment records as per the labour laws and regulations.
Do the workers working over time get paid for the over time wages as per the applicable laws?	<ul style="list-style-type: none"> It is mandatory to maintain the employment records as per the labour laws and regulations.
Do you ensure that all workers including contracted workers are paid wages on time	<ul style="list-style-type: none"> It is mandatory to maintain the employment records as per the labour laws and regulations.
Whether the mandated social benefits provided to all workers including contract workers (as applicable as per local laws)?	<ul style="list-style-type: none"> It is mandatory to maintain the employment records as per the labour laws and regulations.
Do you keep records of wages paid to workers including contract workers?	<ul style="list-style-type: none"> It is mandatory to maintain the employment records as per the labour laws and regulations.

Director's signature

Date:

24/05/2018