# Pathway to

# Respecting— Human Rights

# and AddressingModern Slavery Risks



Respecting human rights is everyone's responsibility. This pathway is designed to give property and construction businesses and their suppliers practical and actionable steps for respecting human rights and tackling modern slavery, no matter the size of business or level of experience.



### WHAT ARE HUMAN RIGHTS?

At their core, human rights are about treating everyone fairly and with dignity, giving them freedom to make choices in their lives. They are for everyone, regardless of nationality, sex, national or ethnic origin, colour, religion, or language spoken. Businesses have an important role to play in respecting and upholding human rights. This can be about making sure workers are treated fairly and have good working conditions to enable workplaces to be diverse, inclusive and safe.

### WHAT IS MODERN SLAVERY?

Modern slavery describes situations where intimidation, threats or deception are used to exploit people and limit or remove their freedom. These situations may include debt bondage, deceptive recruiting for labour or services, forced labour, forced marriage, servitude, slavery, trafficking in persons, and the worst forms of child labour.

### WHY IS THIS IMPORTANT FOR PROPERTY AND CONSTRUCTION?

The risks of human rights abuses in property and construction are high. This is due to many factors including the frequent use of sub-contractors and lower-skilled or migrant workers, long and complex supply chains, and the manual nature of work.

Some challenges in this sector that may expose your business to human rights risks include:

- Complex supply chains make it hard to know where goods come from and under what conditions they are made.
- When businesses outsource and subcontract work and labour, the companies they use may not respect the rights of their workers.
- The demanding nature of manual labour, long hours and tight deadlines could lead to unhealthy or unsafe practices.
- It's common to use migrant labour in construction and language barriers can affect a worker's understanding of their rights.
- Using raw materials from locations with a higher risk of human rights issues could lead to modern slavery occurring in your supply chain.

### WHY DOES THIS MATTER TO YOUR BUSINESS?

Abuses of human rights put people at risk of serious harm. They also open your business up to risks that could have big financial, reputational, and operational impacts. For large businesses, there are also legal and ethical responsibilities that you must meet.

Upholding human rights is everyone's responsibility.
This pathway helps you understand and manage these responsibilities in a simple and effective way.

Together, we can make our industry one that respects human rights and works to eliminate modern slavery.

### Our approach



# Whether your business is small, medium-sized or a large multi-national company, everyone has a responsibility to respect human rights.

This pathway shares practical and actionable steps you can take and outlines your obligations based on the size of your business.



## Pathway







# IDENTIFY RISKS AND ASSIGN RESPONSIBILITIES

Take time to understand what human rights are, why they matter, how they may be impacted, and how they can be respected in your business.

Q Page 5

Knowing what to look for is vital.

Giving staff the tools and education
they need to be aware of and respond
to these risks is good business practice
and makes everyone safer.

Q Page 6

Look at your operations and supply chain and identify where modern slavery risks could be a concern. Assign key roles and responsibilities for managing these risks, including for senior leaders and executives.

Q Page 7



### **COMMUNICATE YOUR ACTIONS**



MONITOR AND EVALUATE YOUR SUPPLIERS



MAKE BETTER
PURCHASING
DECISIONS



### BUILD SUPPLIER RELATIONSHIPS

Share your journey with your clients, staff, contractors and suppliers — what you're doing, lessons learned, improvement areas, challenges you've faced and your successes.

Q <u>Page 11</u>



Develop a process to make sure suppliers are operating in line with your expectations and their commitments throughout the life of the contract.

Q Page 10

Consider these risks when it comes to decision making and support businesses who prioritise responsible and ethical sourcing.

Q Page 9

Talk with suppliers and partners to build relationships based on trust and transparency so you can work together to address these risks.

Q Page 8



### HELP PEOPLE SPEAK UP

Create a culture that supports people

speaking up and provide tools and

processes that encourage them to

safely report risks and issues.



RESPOND TO EXPLOITATION

Develop processes for acting on human rights issues if they should happen, including clear steps to respect and support people at risk or affected.

Q <u>Page 13</u>



PLAN TO IMPROVE OVER TIME

Don't just 'set and forget' — plan for continuous improvement to help you measure and build on your progress.

Q <u>Page 14</u>

While all of these steps are important, some may not apply to your business, or may make more sense to do in a different order. This pathway isn't linear and is designed to support you in considering human rights in a way that reflects your business.

Q <u>Page 12</u>



# Understand and commit

### [?] Context

Take time to develop a baseline knowledge of human rights, why they matter, and how they may be impacted in your business. Human rights are complex, so committing to respecting human rights requires your organisation to continuously develop everyone's awareness and understanding. Once you have a solid grasp of what human rights means, you can make your commitment public through publishing a policy or statement.

Making a public commitment tells your clients, suppliers, or shareholders that this is important and sends a signal that you are taking your responsibility seriously, but you need to do the same thing with your team.

Starting with the leadership or management team is essential, in reaching an agreement and supporting better outcomes across your business. A great way is through open and clear discussion; talking about what human rights are, what they mean for your business and why they are important. Then look to embed them into your day-to-day operations and company values.

Taking these steps makes it clear that you're serious about your commitment towards protecting people in how you do business.

### **®** Resources to help you reach your goals

- ★ Australian Human Rights Commission:
   An introduction to human rights
   (online course)
- ★ Australian Government Attorney-General's Department: Modern slavery (guidelines)
- United Nations: Guiding Principles
   Reporting Framework
- UN Global Compact: How to develop
  a human rights policy (guidelines)
- ✓ Walk Free: <u>Tackling modern slavery</u> <u>in supply chains</u> (guidelines)

- ✓ UN Global Compact Network Australia: Playbook for Australian SMEs to identify, manage and mitigate modern slavery <u>risks</u> (report)
- ✓ UN Global Compact: How companies can operationalise the UN guiding principles (paid online course)
- ★ Australian Human Rights Commission: About Business and Human Rights (resources)

### **i** ▲ Actions

### **SMALL - MEDIUM BUSINESSES**

Learn more about human rights by looking at some of the free materials below.

### **Engage leadership:**

• Discuss with board and senior leaders to help them understand the legal and ethical importance of respecting human rights.

### **Draft and approve policy:**

- Engage your leaders to create a human rights policy.
- If needed, get support from human rights specialists to help you understand the risks in your industry or supply chain, and your obligations under local laws.
- A policy is considered a legal commitment so if needed, seek legal advice ahead of publishing.

Ensure your team is aware of your commitment, share the resources below to help them also understand and talk to them about opportunities for them to contribute.

Include human rights considerations in your company values, culture, policies and processes. Support leadership to demonstrate these values in their actions.

Talk to people about your commitment by publishing the policy on your website, communicating it in marketing materials and including it in contracts and onboarding materials for staff and suppliers.

### LARGE BUSINESSES

Large businesses can enhance their understanding and commitment to respecting human rights by taking the following additional steps.

Engage with your board, senior leaders and management across your business to make them aware of your commitment to respect human rights.

Publish a human rights statement that aligns with your ESG strategy and adheres to international standards such as the ILO Labour Standards and United Nations Global Compact (UNGP).

Make your commitment accessible and relevant to staff and suppliers through communications material such as a code of conduct.

Support engagement by discussing key messages and ideas with staff on a regular basis to help embed this in your company's culture and operations.

# Action in practice: A public commitment to upholding human rights

Property company <u>Lendlease</u> demonstrated their commitment to protecting human rights by publishing a Human Rights Position Statement. Lendlease used the <u>United Nations Guiding Principles Reporting Framework</u> and referenced the International Labour Organisation and the International Bill of Rights to ensure their statement aligns with best practice. The Position Statement brings together other relevant policies including the Lendlease Employee Code of Conduct, Supplier Code of Conduct, and Modern Slavery reporting.

By doing this, Lendlease has shown its commitment to upholding human rights is a priority, making it the responsibility of all employees, contractors, suppliers and stakeholders.

Haymes Paint have included a public commitment on their website to an inclusive workplace, fair labour practices and human rights across their business and supply chain. Haymes also describes partnerships with values aligned suppliers, such as Jiga Jiga, a first of its kind Supply Nation Indigenous registered high performance paint brand supplier.

- ☐ Have you discussed your responsibility to respect human rights with your board or senior leadership?
- ☐ Have you secured their support to make a public commitment?
- ☐ Have you communicated your commitment to relevant people, including staff, customers, investors and suppliers?
- ☐ Is there a person or team assigned to be responsible for addressing human rights within your business?





### [?] Context

You've learnt about the importance of respecting human rights and the impact that modern slavery risks could have on your organisation. Now it's time to educate your team.

By encouraging your staff to learn more, you're supporting them to identify and manage modern slavery risks. When they know what to look for, they are more likely to act.

Everyone has a role to play, but these roles may be different. An employee in procurement may have different responsibilities to an employee working in customer service or human resources. The level of responsibility may also change based on whether an employee manages a team. They may become aware of different risks across different roles, teams or locations. Make sure your training and education reflects this and empowers your team to act in a way that makes sense for their role. Ensure your leadership team also receive training so they can better support others.

### Resources to help you reach your goals

- ★ Australian Government Attorney-General's Department: Resources (online courses, toolkits and guidelines)
- ★ Anti-Slavery Australia: <u>Resources</u>

  (news, case studies and other resources)
- Supply Chain Sustainability School: Modern Slavery (online courses, toolkits and other resources)
- ✓ UN Global Compact Network Australia: Bite-Sized Learning (video resources)
- ★ Australian Red Cross: Modern Slavery

  (video resources, toolkits and guidelines)

### **Ճ** Actions

### **SMALL BUSINESSES**

Support your staff to understand what human rights are and how they are impacted by your business and their role.

Make free resources and educational materials available to key staff including people managers, contractors, those who make key purchasing decisions and/or take part in tendering processes.

### **MEDIUM BUSINESSES**

Develop training to help staff understand and take ownership of human rights and modern slavery risks – you can use free resources and/or create your own.

Customise and deliver the training to key roles e.g. people managers, staff, contractors, those who make key purchasing decisions and/or take part in tendering processes.

Support your leadership team to model behaviours and values that respect human rights.

### LARGE BUSINESSES

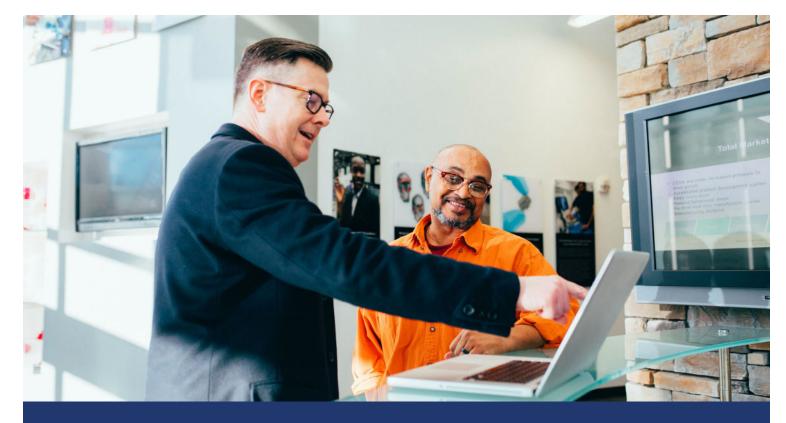
Develop and deliver mandatory training focussed on giving all staff a strong understanding of human rights and modern slavery risks - and how they apply to your business.

Identify key roles in your organisation and develop rolespecific training to support key people in managing risks.

Maintain awareness by keeping human rights and modern slavery on your organisational agenda through training refreshers and/or targeted communications.

Provide resources to contractors and suppliers to help with their awareness.

Regularly reinforce, recognise and reward good role models in your business.



# Action in practice: Building capability through multi-lingual training

When employing migrant labour, language barriers can be a major risk factor for exploitation. <u>Dexus</u>, an integrated real-estate group, recognised this and in FY22, launched a training program in multiple languages for on-site workers. The training provided information on Dexus' position on modern slavery and human rights, information about Fair Work Australia and its role, the basic rights of employees, information on how to report incidents and how to access advice through their confidential whistleblower service.

More information on the programme can be found in Dexus' 2022 Modern Slavery Statement.

- ☐ Do you understand the training needs of your teams?
- ☐ Have you provided training to key staff that suit their role, and the risks they may encounter?
- ☐ Is there a schedule for regular communications to keep human rights and modern slavery on the agenda?





# Identify key risks and assign responsibilities

### [?] Context

The risks your business may be exposed to will depend on many things including its size, the kind of products and services you offer, your team structure and where you and your suppliers operate. It's vital to undertake a risk assessment to identify what and where these risks are. This should include looking at your operations and supply chain to identify where and how your business may cause, contribute to or be directly linked to human rights abuses and modern slavery.

Once you've identified these risks, it's important to assign responsibilities to your team members that are reflective of their role and are focussed on respecting human rights, identifying abuses and reporting breaches. Doing so will help your organisation manage these risks more effectively.

Although human rights abuses or modern slavery may seem to lower costs or increase profits for a business, there are serious risks of harm to people involved, as well as significant risks to the organisation. Examples of this include forced or underpaid labour, exploitation of migrant labour and unsafe working conditions. Ignoring these risks can cause and contribute to serious harm to those involved and can open your business up to serious reputational and legal risks.

Everyone has a role to play in respecting human rights. However, some risks may require specialist expertise to properly manage, such as those related to safety, purchasing or fair compensation. There are many resources available to help you manage these risks including the <u>United Nations</u>
<u>Global Compact</u> guide that provides living wage data across multiple countries.

### **®** Resources to help you reach your goals:

- Responsible Sourcing Tool: Prevent and address forced labour in your company's supply chain (toolkits and guidelines)
- ★ LexisNexis: Modern slavery in the construction industry (report and guidelines)
- Australian Human Rights Commission and KPMG: <u>Property, construction and modern</u> <u>slavery</u> (guidelines)
- ✓ UN Global Compact Network Australia: Playbook for Australian SMEs to identify, manage and mitigate modern slavery risks (guidelines)
- ✓ UN Global Compact Network Australia: Modern slavery within maritime shipping supply chains (guidelines)
- ★ Walk Free: Modern Slavery Benchmarking Tool

### **™** Actions

### **SMALL - MEDIUM BUSINESSES**

Conduct a risk assessment across your operations and supply chain. The <u>UNGC Network Australia</u> <u>framework</u> ('Know the signs and understand your risks', page 16) provides a guide on how to do this.

Look at modern slavery statements from your partners or similar businesses to see if they have identified risks that may be relevant to you. These are available at the <u>Australian Government Modern Slavery Register</u>.

Refer to public resources such as the <u>Global Slavery</u> <u>Index</u> to get a better understanding of risks that may be related to the products, services and geographies you work with and operate in.

Identify team members to be human rights champions to support more active risk monitoring.

### LARGE BUSINESSES

Under the Modern Slavery Act, large companies are required to report on the risks they've identified and addressed across their operations and supply chain.

Segment your supply chain and identify areas for prioritisation by mapping out risks in categories according to spend, materials and services.

Identify key suppliers providing goods and/or services in 'high and very high risk' categories, geographies, materials and services.

Prioritise areas of action in your business and supply chain, moving on to other areas once you have put action plans in place and assigned roles and responsibilities.

Assign an executive sponsor of human rights. This is a person who sits in a leadership position and is responsible for driving human rights initiatives across your organisation.

Establish a working group or steering committee that reports to your executive team.

Establish role-based responsibilities that bring your commitments to life with targets and actions.



### **Action in practice:** Identifying supply chain risks

As part of their Modern Slavery Statement released in 2023, Goodman Property Group, a commercial and industrial property group, mapped out and published their first-tier supplier location and spend. They identified risks in different parts of their supply chain, including developments, operational, corporate and asset management. Geography and business model-specific risk factors were also considered.

In 2022, <u>Hazell Bros Group</u>, a Tier 3 civil construction contractor, published an identified list of their suppliers and key segments of their supply chain. This helped to highlight parts of their supply chain that are governed by Enterprise Bargaining Agreements (EBA), as well as summarise their supply chain requirements and identified which segments were medium to high risk.

- ☐ Have you identified the risks present in your operations and supply chain?
- ☐ Have you identified key roles to actively manage these risks?
- ☐ Do you understand the areas unique to your business that carry the highest risks and where these risks exist in your supply chain?
- ☐ Have you prioritised areas of your operations and supply chain where you have an opportunity to manage these risks more actively?



# Build supplier relationships

### [?] Context

Get to know your suppliers by understanding how they think and act when it comes to addressing modern slavery risks. This is extra important for suppliers operating in, or sourcing materials from countries with higher incidents of human rights abuses and modern slavery.

The complexity of supply chains in the property and construction sectors makes it particularly important to build relationships. While you may not be able to directly control what happens across all levels of your supply chain, you can talk to and work closely with your suppliers to tackle these risks as a shared responsibility.

### **®** Resources to help you reach your goals

- ✓ International Standard for Sustainable Procurement (ISO:20400): Tools and guides
- ★ Walk Free: <u>Business and Investor Toolkit</u> (tools and guides)
- ✓ UN Global Compact Network Australia: <u>Playbook for Australian</u>

  SMEs to identify, manage and mitigate modern slavery risks
- ✓ Supply Chain Sustainability School: Modern Slavery (online courses, toolkits and other resources)
- Modern slavery and ESG supplier platforms such as the <u>Informed</u>
   365 Property Platform, launched in 2019 with the Property Council of Australia, analyse supplier information to understand risks, educate suppliers and support continuous improvement.

### **Ճ** Actions

### **SMALL - MEDIUM BUSINESSES**

Focus on areas where you can have the biggest impact, particularly for smaller businesses.

### This may include:

- Talking to your customers and suppliers about their approach to understanding and engaging with their supply chains.
- Collaborate with your suppliers to host or participate in learning sessions and/or working groups.
- Ask for copies of your suppliers' commitments to respecting human rights and agreements for subcontractors, or the sections within their documents that cover those topics.
- Be a champion for human rights by encouraging suppliers to do better. Do this by actively engaging with them to celebrate the progress made, as well as finding opportunities to improve.

### LARGE BUSINESSES

Use your size and influence to build knowledge, share learnings and uphold standards for smaller businesses within your supply chain.

Create a transparent and constructive dialogue with suppliers so that you're aware and aligned on how to address these risks. Using tools like Supplier Assessment Questionnaires (SAQ's) can help make this process more strategic and beneficial for all parties, while removing operational workload.

Set clear expectations by outlining your approach to respecting human rights, sharing information and agreeing on what's expected from all parties, including what's outlined within contracts and codes of conduct.

Take time to explain what you are trying to achieve, that you are doing this with them, and that you want them to inform you if your organisations' purchasing practices (e.g. lead times, prices) are negatively impacting supply chain workers. Most importantly – if you receive these insights, act to address them.

Check in with suppliers regularly, making sure expectations and information are effectively flowing down the supply chain.

Collaborate with industry bodies, experts and other relevant people to share knowledge, learnings and commitments.

Consider working with industry peers to audit and share insights with your supply chain partners.



### **Action in practice:**Collaborating with supply partners

To further support their progress in respecting human rights, <u>Dexus Group</u> has prioritised engaging with higher risk parts of their supply chain, which includes cleaning and security contractors. They've also collaborated with industry groups such as the UNGC, participated in the Property Council of Australia's Modern Slavery working group and have engaged EcoVadis to enhance their supplier assessments.

- ☐ Have you developed relationships with your supply partners built on trust and learning from each other?
- ☐ Have you looked at opportunities to work with your partners to limit the risks and impacts along your supply chain?
- ☐ Have you clearly communicated your commitment to upholding human rights to suppliers and contractors?
- ☐ Have you reflected your expectations in your agreements, contracts and codes of conduct?
- ☐ Have you identified industry bodies and relevant people to engage with to share and learn best practices?





# Make better purchasing decisions

### **Context**

Where and how you purchase materials and services matters. While there are many factors that can influence your decision making, including costs, quality, performance and environmental impact, it's also important to consider human rights and potential modern slavery risks.

You can do this by developing a procurement policy or checklist that supports key decision-makers. It's also essential to review and discuss contract terms with your suppliers. This is because provisions, such as fast lead times or lower pricing, may increase the risk of harm for supply chain workers.

### **®** Resources to help you reach your goals

- ✓ Office of the NSW Anti-slavery Commissioner: <u>Guidance on</u>
  <a href="mailto:reasonable steps">reasonable steps to manage modern slavery risks</a> (guidance and tools)
- Responsible Contracting Project (RCP): 
   Toolkit, guidelines and other resources
- Responsible Sourcing Tool: Prevent and address forced labour in your company's supply chain (toolkits and guidelines)
- ✓ UN Global Compact Network Australia: <u>Business integration of human</u>
  rights due diligence in Australia: <u>Modern slavery and beyond</u> (guidelines)
- ✓ UN Global Compact Network Australia: <u>Playbook for Australian SMEs</u> to identify, manage and mitigate modern slavery risks (guidelines)

### **Ճ** Actions

### **SMALL BUSINESSES**

Share your learnings with your customers and suppliers, particularly about businesses you are working with that may not be respecting human rights.

Include steps in your procurement process to verify your suppliers before signing contracts.

Create a declaration document to share with your suppliers and ask them to share their commitments, certifications and credentials. An example from Aker Solutions can be found <a href="https://example.com/here.

Engage with your current and future suppliers and find out about their approach to subcontracting, labour hire and their supplier requirements.

Communicate how you expect your purchasing decisions to change over time as you move towards more responsible and sustainable procurement practices.

### **MEDIUM BUSINESSES**

Develop and embed a process for screening your current and future suppliers for modern slavery risks.

### This can include:

- A pre-contract questionnaire for potential suppliers about their approach to subcontracting, labour hire and their supplier requirements.
- Developing mandatory Codes of Conduct for your employees and suppliers.
- Introducing steps within your procurement process to verify your suppliers before and during the contract duration.
- Ensuring minimum requirements are outlined in contracts.
- Monitoring and assessing on an ongoing basis.
- Establishing a grievance mechanism.
- Developing a consequence management process.

### **LARGE BUSINESSES**

Implement a comprehensive risk screening framework and process that includes regular supplier assessments, engagement criteria and procurement guidelines.

Create a supplier onboarding program that requests and verifies information and outlines your requirements.

Develop a process for monitoring and reviewing suppliers to check they're operating in line with their contract.

If you find suppliers aren't meeting your expectations, first offer support and training to help them improve. Then develop a consequence management process for significant breaches.

Review and update recruitment processes to ensure they communicate your expectations around respecting human rights.

Implement a responsible procurement policy that ensures expectations of suppliers don't increase the risk of unethical or unsafe practices.



# Action in practice: Tailoring your procurement approach to effectively manage risks

Daracon Group, a Tier 3 civil engineering company, have taken important steps to uplift their screening process for suppliers before signing contracts. These steps include amending their supplier engagement questionnaire to include modern slavery risks and requirements and developing policies such as Policy for Ethical Sourcing and Modern Slavery. Additionally, they enhanced their screening process to reflect the UN Global Slavery Index, which includes details around labour type, location and level of supplier engagement.

- ☐ Have you identified risk factors in your business related to your suppliers and purchases?
- ☐ Have you developed a process to properly screen your suppliers for human rights and modern slavery risks?
- ☐ How will you approach reviewing your suppliers throughout the life of the contract?





# Monitor and evaluate your suppliers

### **Context**

Make sure your suppliers are upholding their commitments to respecting human rights and addressing modern slavery risks. You can do this by regularly monitoring and evaluating their progress, risk assessments and action plans to check that they are aligned with your requirements.

By embedding regular reviews in your engagement with suppliers, you can be confident that they're operating in line with your expectations. It's also a great opportunity to further collaborate and find ways to improve.

For larger businesses, we recommend developing a comprehensive framework with key performance indicators (KPIs) for monitoring and evaluating your suppliers. This will increase transparency and enable you to have an accurate understanding of the collective progress that's being made by your organisation and suppliers.

### **®** Resources to help you reach your goals

- UK National Standards Body: <u>Fighting modern slavery with</u>
  BS 25700 (guidelines and resources)
- Responsible Sourcing Tool: <u>Prevent and address forced labour in your company's supply chain</u> (toolkits and guidelines)
- ✓ International Standard for Sustainable Procurement (ISO:20400): 

  Tools and guides
- Modern slavery and ESG supplier platforms such as the <u>Informed</u>
   365 Property Platform, launched in 2019 with the Property Council of Australia, analyse supplier information to understand risks, educate suppliers and support continuous improvement.

### **Ճ** Actions

### **SMALL BUSINESSES**

Create a schedule and approach to regularly assess your suppliers throughout the life of the contract.

### This could include:

- Identifying KPIs for respecting human rights and prioritising suppliers who can commit to providing updates against these KPIs.
- Planning a yearly contract review meeting with your suppliers, which includes a targeted discussion on human rights progress and actions.
- Leverage platforms such as <u>Informed 365</u> to analyse supplier information so you can better understand risks and support continuous improvement with your suppliers.

### **MEDIUM BUSINESSES**

Establish an approach to consistently monitor and evaluate your suppliers.

### This could include:

- Identifying KPIs for respecting human rights and prioritising suppliers who can commit to providing updates against these KPIs.
- Scheduling periodic supplier meetings to assess their progress against KPIs and review their contracts.
- Creating a two-way conversation so your suppliers can share feedback.
- Profiling your suppliers using an assessment tool or self-assessment questionnaire (SAQ).
   Interpret their responses to inform your approach towards their contract terms and how you engage with them.

### **LARGE BUSINESSES**

Develop a comprehensive monitoring and evaluation framework and schedule to engage with your suppliers.

### This could include:

- Setting KPIs for respecting human rights and disclosure requirements as part of your contractual agreements for all suppliers.
- Giving feedback to your suppliers and supporting them to improve their risk assessment, management and performance.
- Incorporating a criteria for performance improvements as a contractual requirement.
- Asking for regular feedback from your suppliers and subcontractors.
- Offering guidance to suppliers who are falling short so they can address any issues.
- Profiling your suppliers using an assessment tool or self-assessment questionnaire (SAQ).
   Interpret their responses to inform your approach towards their contract terms and how you engage with them.



### **Action in practice:**Fostering transparency and accountability

<u>Sydney Civil,</u> a Tier 3 civil engineering firm, has created simple and effective KPIs to track and report their progress against. **These KPIs include:** 

- Number of modern slavery training and awareness-raising programs delivered
- Number of potential modern slavery incidents or risks identified during the year
- Number of supplier contracts issued that include modern slavery clauses
- Number of supplier engagements to help them respond to modern slavery risks

### **☑** Checklist

- ☐ Have you set KPIs for yourself and your suppliers to track their performance?
- ☐ Have you scheduled regular supplier meetings and put together action plans for continuous improvement?
- ☐ Have you asked your suppliers for feedback on your approach to human rights and modern slavery?
- ☐ Have you developed an approach on how you monitor your own progress?



# Communicate your actions

### [?] Context

Commit to providing regular and accurate updates to your staff, customers, contractors and suppliers. These should focus on the progress made to date and be backed by evidence. Transparency is key here - avoid making vague statements that overstate your efforts or make your progress unclear.

While some reporting requirements are mandatory and others are optional depending on your organisation, approaching this holistically is essential so that you can have the most impact. Demonstrate to your stakeholders that you're committed and taking responsibility with your actions.

### Resources to help you reach your goals

- United Nations: Guiding Principles Reporting Framework
- ★ Australian Government's Modern Slavery Act 2018 (Commonwealth): Guidance for reporting entities
- ★ Australian Government: <u>Modern Slavery Register</u> (register of statements)
- ★ Walk Free: Modern slavery business and investor toolkit
- ✓ UN Global Compact Network Australia: <u>Playbook for Australian SMEs</u> to identify, manage and mitigate modern slavery risks (guidelines)

### **Ճ** Actions

### **SMALL BUSINESSES**

Empower your team to understand your commitments and encourage them to reinforce these in their conversations with customers.

Include a summary of your commitment, actions and progress in marketing materials, customer documents and tender responses.

### **MEDIUM BUSINESSES**

Develop a process for providing regular progress updates to leaders in your organisation.

Use the Modern Slavery Act as a guide for developing your communications and updates.

### LARGE BUSINESSES

Ensure modern slavery is on the executive agenda and provide regular progress updates.

Implement reporting systems for customers and suppliers at multiple stages throughout your projects and contracts. This can include processes for raising risks and issues.

Report on your progress in line with your obligations under the Modern Slavery Act. If you're not required to report under the Modern Slavery Act, use it as a guideline for developing your communications and updates.



### **Action in practice:**Showcase your efforts to a wider audience

On <u>Buildcorp</u>'s website, they have a dedicated page that communicates their commitment to social responsibility and respecting human rights. It enables them to explain the key global initiatives they engage with, such as the UNGC and the alignment of their approach to the Sustainable Development Goals (SDGs). They have also highlighted various programs they have implemented to address different organisational priorities, such as workplace health and safety, diversity and inclusion, community investment and ethical governance practices. This page also centralises key policies, case studies and disclosures for their stakeholders to easily access.

### **☑** Checklist

- ☐ Have you set KPIs that measure your progress against your goals?
- ☐ Have you developed an approach to track the effectiveness of your screening systems?
- ☐ Have you created a plan on how you will communicate your progress to your different stakeholders?
- ☐ Have you reviewed your communications to ensure they are clear and simple to understand?



# Help your people speak up

### [?] Context

While speaking up can seem daunting, it's important to create a culture built on transparency and trust. Ensuring you have systems in place to allow people to report on risks and raise issues without fear of consequences helps keep everyone accountable and aligned with your commitment and goals. It also offers you an additional source of information to monitor progress and address issues when they arise.

The systems you have in place will depend on the size of your business.

For larger businesses, you may have more sophisticated tools and dedicated resources to support while for smaller businesses, your focus could be more around fostering a culture that encourages people to speak up.

### **®** Resources to help you reach your goals:

- ▼ Property Council of Australia and KPMG: Listening and responding to modern slavery in property and construction (guidelines)
- UN Global Compact Network Australia: Implementing effective modern slavery <u>grievance mechanisms</u> (guidelines)
- **→** Oxfam Business Advisory Service and Reckitt: Grievance mechanisms toolkit
- **◄ UN Global Compact Network Australia:** Playbook for Australian SMEs to identify, manage and mitigate modern slavery risks (guidelines)

- UN Global Compact Network Australia: Effective modern slavery grievance mechanisms (case studies)
- ■ Global Perspectives Project: Doing Business with Respect for Human Rights (grievance mechanism guidance)
- ★ Australian Red Cross: Work Right Hub (online courses. toolkits and other resources)
- ★ Wesfarmers: Worker helpline (case study)

### **™** Actions

### **SMALL - MEDIUM BUSINESSES**

Create an anonymous feedback portal using free tools such as Google Forms. You can also give people the option to provide an email address or phone number if they are comfortable to discuss their feedback. If you have a human resources function, they can manage the tool that collects this information.

If you have access to an Employee Assistance Program (EAP), encourage your staff and contractors to use it.

Use an independent or third-party hotline so the responsibility to manage information is not on your team, so that any bias or influence is removed.

### LARGE BUSINESSES

Make an external hotline or a range of grievance mechanisms available to all workers so they can raise concerns.

Develop a response plan for acting on the risks and issues that are raised. This should include how the information collected is processed, the relevant stakeholders that will be notified, as well as your approach towards reporting and remediation.

Consider developing resources such as grievance mechanism and whistle-blower site posters in multiple languages, to cater for construction workers who do not speak English as a first language.

Include a process for identifying and engaging appropriate ground level partners to get practical support in responding to incidents. For example you may want to engage civil society groups who work with children if a child slavery incident is identified.



### **Action in practice: Optimising grievance** mechanisms

Grievance mechanisms can be both informal and formal. The combination of these will depend on the size and nature of your organisation.

Informal mechanisms can include discussions, worker forums and feedback platforms. These are often supported by more formal mechanisms such as anonymous hotlines, codes of conduct and rules and regulations.

You can learn more about what grievance mechanisms can look like and how to set them up by referring to the <u>guidelines</u> that have been put together by the Property Council of Australia and KPMG (pp. 11-12).

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- ☐ Have you set up an anonymous feedback portal or hotline?
- ☐ Is this available to your staff and/or suppliers?
- ☐ Have you made your staff and/or suppliers aware of your grievance mechanisms?
- ☐ What have you done to ensure they feel confident using these to raise their concerns?
- ☐ How are you tracking the risks and issues being reported?

- ☐ Are you taking the time to address or remediate these?
- ☐ Have you created a list of resources to support your staff and/or suppliers?
- ☐ Are you regularly reminding your staff and/or suppliers of the systems available to them?
- ☐ Have you considered reporting issues and breaches publicly?



# Respond to exploitation

### [?] Context

It's important to understand how to safely and effectively respond to a human rights issue or modern slavery incident. Once you understand the remediation process, you can establish and communicate your approach for addressing issues or violations. This process should focus on protecting and supporting vulnerable people in an appropriate, fair and timely manner.

### There are three key principles for responding to issues:

- 1. Protect people first
- 2. Take responsibility
- 3. Listen to victims

Your process for responding to incidents should include protocols to ensure the issues doesn't happen again, steps to restore rights and dignity to the impacted people, or guidelines on providing financial and/or non-financial compensation.

### **®** Resources to help you reach your goals

- Property Council of Australia and KPMG: Remediating modern slavery in property and construction (guidelines)
- **★** Oxfam Business Advisory Service and Reckitt:

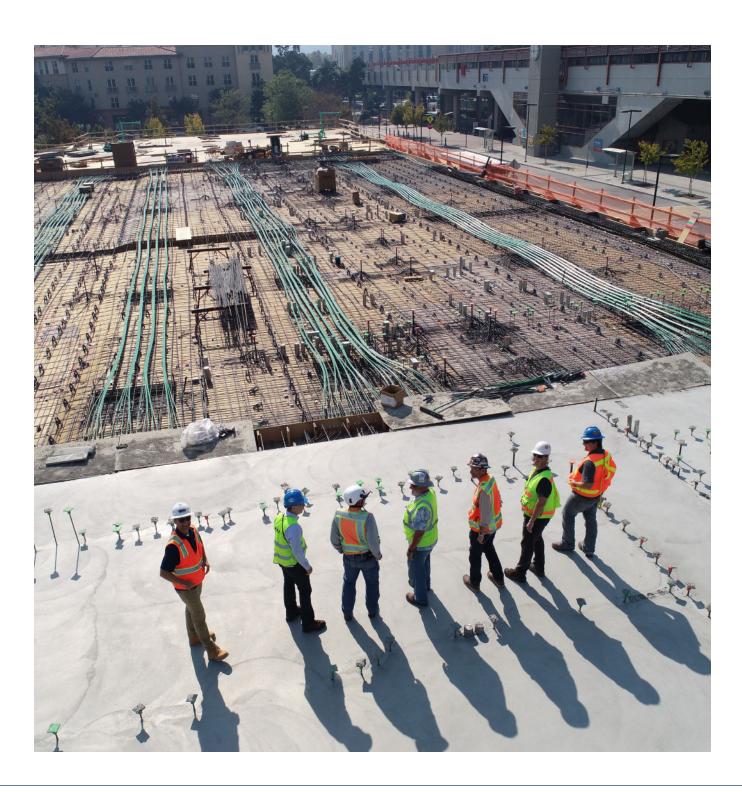
  Grievance mechanisms toolkit
- ✓ UN Global Compact Network Australia: <u>Playbook for Australian SMEs</u> to identify, manage and mitigate modern slavery risks (guidelines)
- Global Perspectives Project: <u>Doing Business with Respect for Human Rights</u> (remediation guidance).

### **Ճ** Actions

### SMALL, MEDIUM AND LARGE BUSINESSES

While the process may look different in every business, there are steps and principles that should be applied in all instances. The Property Council of Australia and KPMG have developed comprehensive guidelines on responding to and remediating incidents of modern slavery.

- <u>Listening and responding to modern slavery in property</u> and construction
- Remediating modern slavery in property and construction



# Action in practice: Proactive solutions to addressing grievances

As an example, a large building company may receive a whistleblower statement claiming that one of their subcontractors had used a labour agency that was charging migrant workers illegal recruitment fees. To respond to this incident and better protect these workers, the building company could develop a corrective action plan with this subcontractor, as well as assist them to repay the fees and revise their recruitment policy.

A large property company informed a smaller building company that some of the materials that had been purchased for one of their projects from an international supplier had links to known cases of modern slavery. As a result, the smaller company could agree to implement a process for reviewing their suppliers before purchasing new products and agree to contact an anti-slavery non-governmental organisation (NGO) in that location.

### **☑** Checklist

- ☐ Have you developed clear guidelines on what remediation looks like for your business?
- ☐ Have you communicated that these resources are available to your staff and/or suppliers?
- ☐ Have you conducted a 'responding to an incident' drill to assess the effectiveness of your remediation process?



### [?] Context

Go beyond setting goals and create a plan designed to help your teams to continuously improve and adapt to new challenges and issues as they're identified. Leverage the feedback that you receive and create a culture that is open to learning and growing your organisation's understanding and engagement in this area.

There is always more we can do to respect human rights.

### **®** Resources to help you reach your goals

- Queensland Government: <u>Continuous improvement supplier guide</u>
   (toolkit and other resources)
- Australian Government Attorney-General's Department:
   Modern Slavery Act supplementary guidance
- Monash University: Modern slavery disclosure quality (report and guidelines)
- Property Council of Australia: <u>Improving modern slavery statements</u>
   in the property sector
- ✓ UNSW Australian Human Rights Institute: <u>Strengthening modern</u> <u>slavery responses: Good practice toolkit</u> (toolkit and case studies)
- ★ The Business & Human Rights Resource Centre: <u>UN Guiding</u>
   Principles on Human Rights (guidelines)

### **Ճ** Actions

### **SMALL BUSINESSES**

Have a yearly meeting with your team to ensure goals, processes and feedback channels are fit for purpose and working as intended.

### **MEDIUM BUSINESSES**

Schedule regular reviews of your human rights and modern slavery policies and processes. Update these as needed so that they're in line with best practice.

Check in regularly with suppliers and ask for their feedback and ask for evidence of their progress.

### LARGE BUSINESSES

Schedule regular reviews of your human rights and modern slavery policies and processes. Update these as needed so that they're in line with best practice.

Implement feedback tools and establish a clear process for reviewing feedback. Use this to make informed decisions around how improvements can be made.

Run regular stress tests or drills to make sure your policies and processes are working effectively.



### **Action in practice:**Continuous improvement strategies

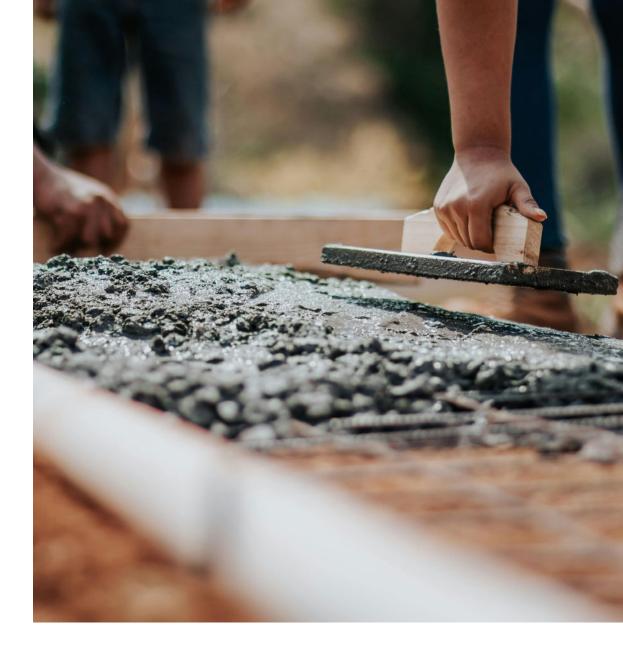
As an example, a small to medium sized building company may set out steps to regularly review their progress and have developed an approach that enables them to continuously find ways to make improve.

### These could include:

- Having an annual review of their commitment to human rights, reflecting on learnings and feedback from throughout the year.
- Ensuring all new staff and contractors receive onboarding training that includes information on the company's commitments, as well as free resources that are available to support them.
- Performing a twice-yearly review and reflection exercise that gives staff an opportunity to provide feedback and encourage them to share ideas on where this could be improved.
- Establishing a modern slavery working group to better assign roles and responsibilities as the company grows.

- ☐ Have you stress-tested your policies and processes with a practical example to ensure they work properly?
- ☐ Have you scheduled regular times to review your policies and processes, at least once annually?
- ☐ Have you discussed with your team how feedback is gathered and the approach to identify areas for improvement, at least once annually?





The Property Council of Australia's Human Rights and Modern Slavery Working Group has developed this pathway to offer practical advice and guidance to help you and your business respect human rights and address modern slavery risks.

It outlines simple steps that all types of businesses can follow to educate their people, understand the risks, collaborate with suppliers, communicate their progress and be ready to respond to emerging challenges.

This pathway is a call to action, and sets out how we can create a thriving industry where human rights are respected, and modern slavery is eradicated.

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