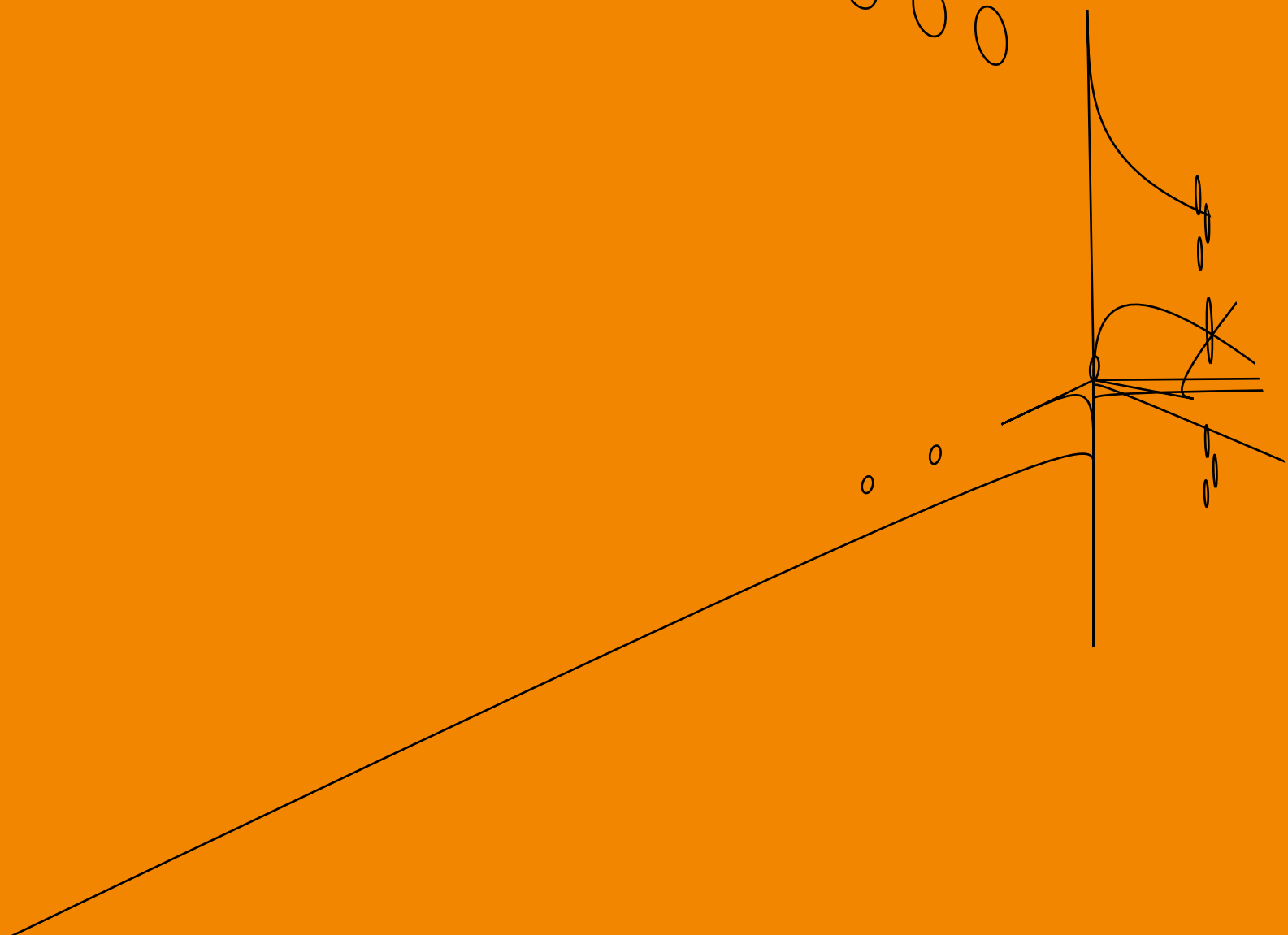
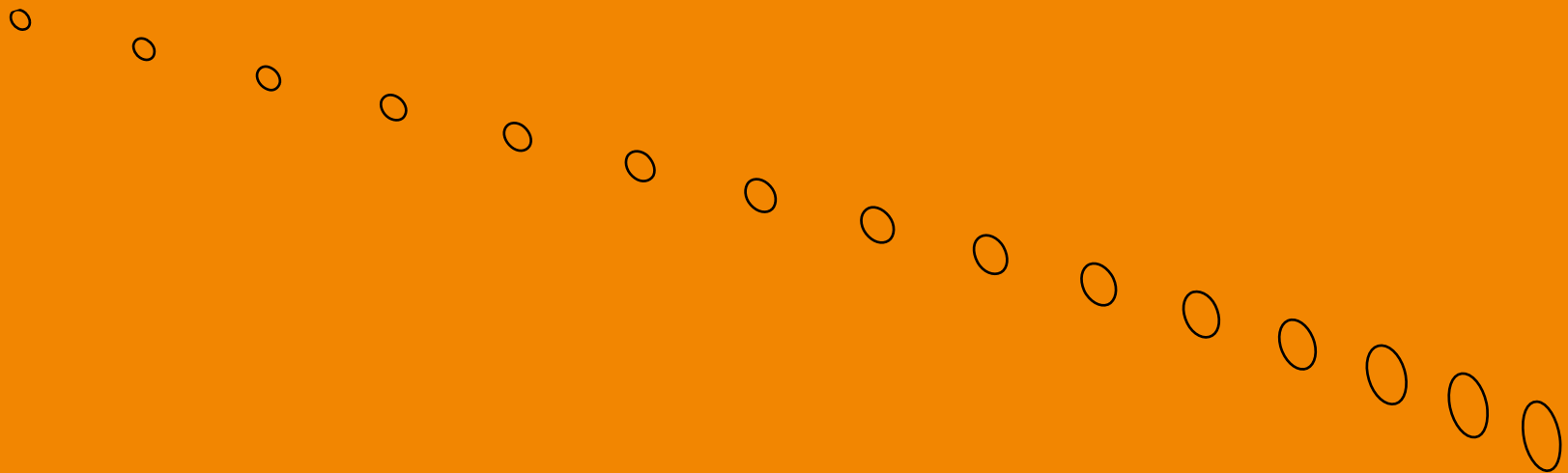
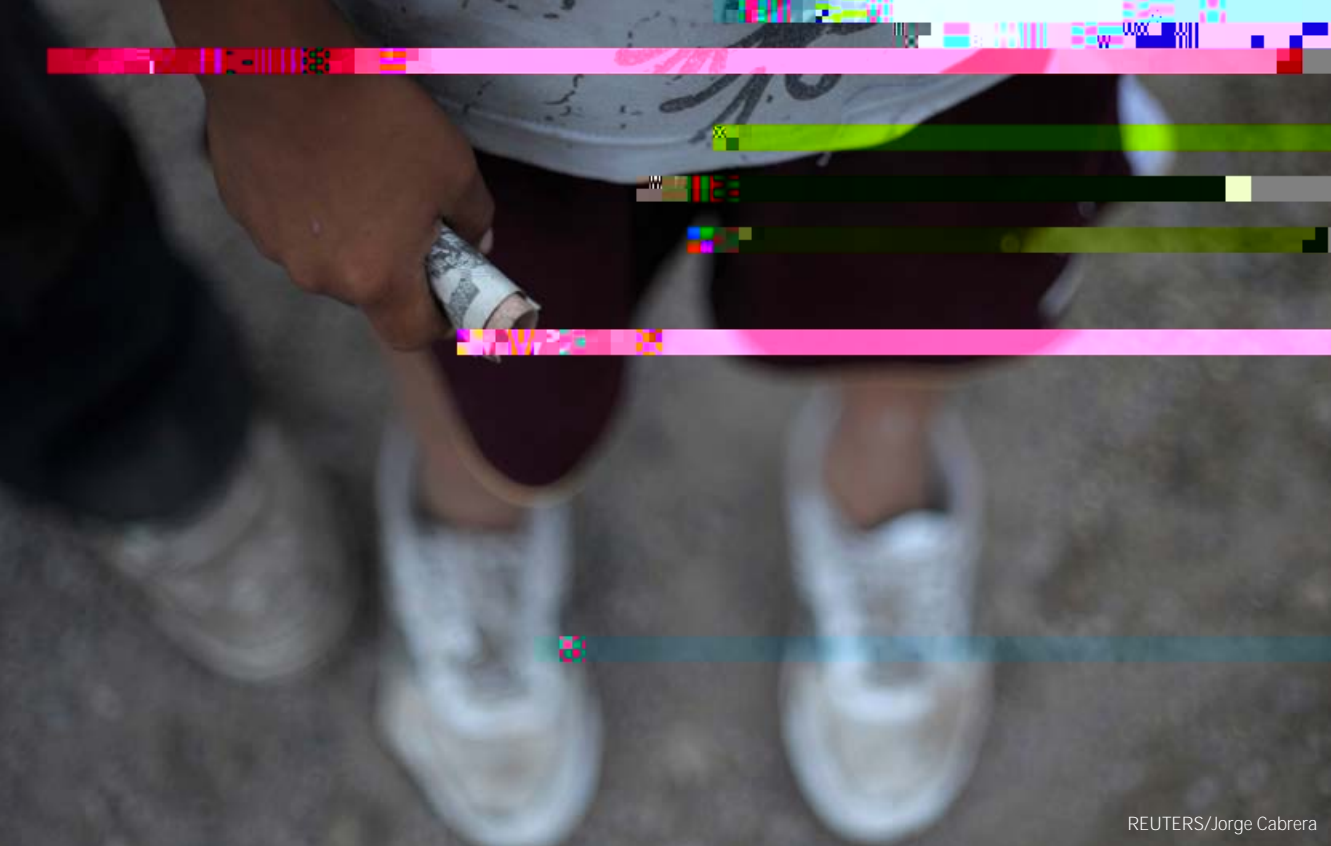




How can you  
eliminate modern  
slavery in complex  
supply chains?





“Conscious capitalism recognizes that by working collaboratively, governments, businesses, workers, and civil society can do well by doing good. They can achieve success in business, throughout global supply chains, and in sustainable development. Countries’ economies and companies’ bottom lines can grow by doing right by workers and, in particular, by finding sustainable solutions to end child and forced labor.”<sup>1</sup>

*Thomas E. Perez, US Secretary of Labor*

<sup>1</sup> [https://www.dol.gov/sites/default/files/documents/ilab/reports/child-labor/findings/TVPRA\\_Report2016.pdf](https://www.dol.gov/sites/default/files/documents/ilab/reports/child-labor/findings/TVPRA_Report2016.pdf)

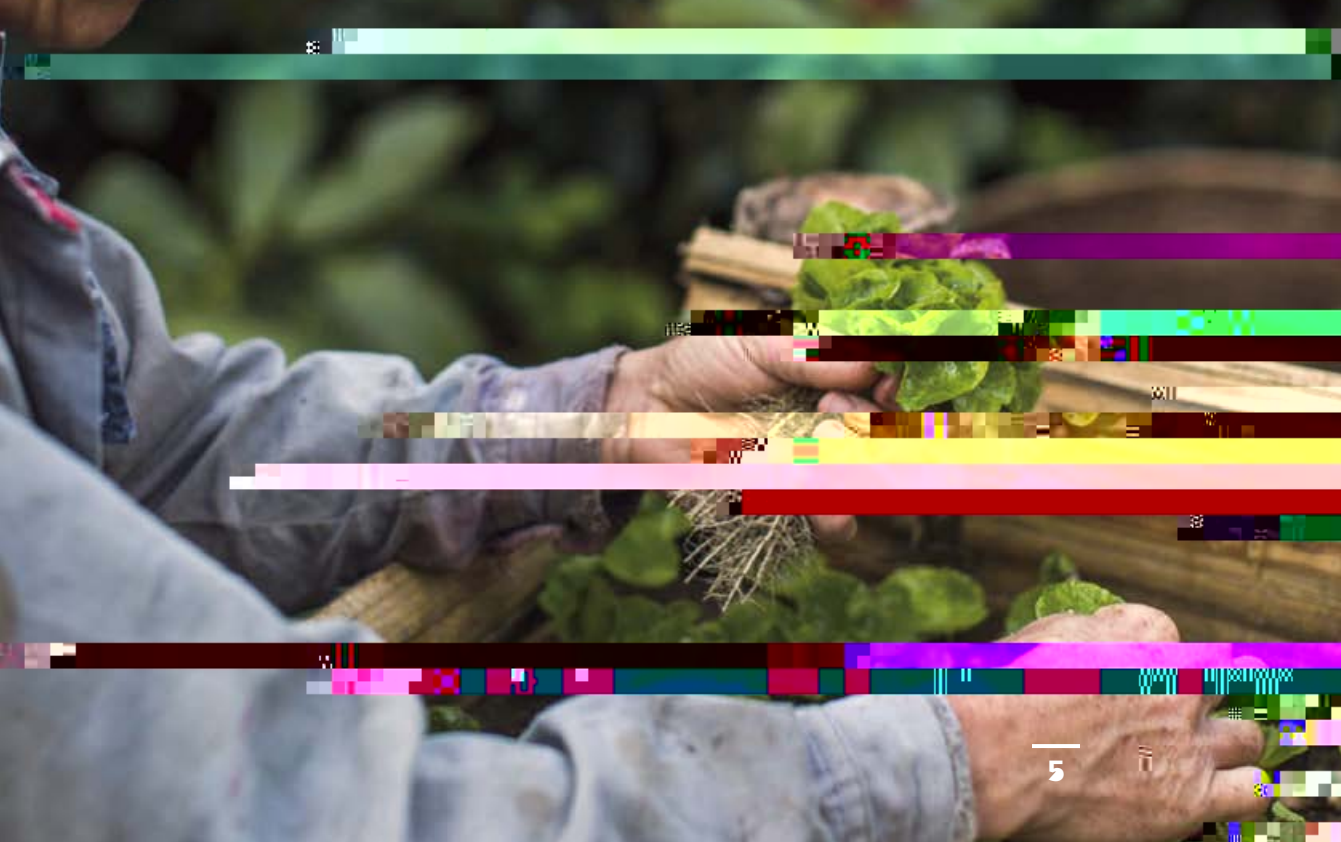




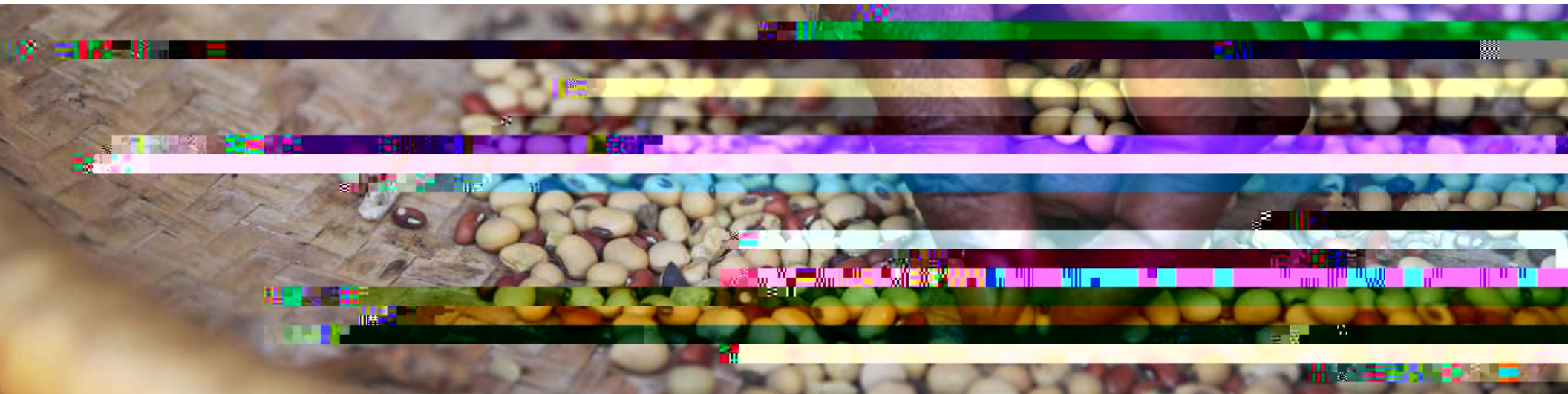
The thought of exploiting those of lesser means is repulsive, as is the notion of capitalizing on men, women or children forced into labor.

Yet business leaders today could unwittingly be involved in these activities if they're working with organizations engaged in illicit practices as part of their supply chain or business relationship networks.

62% of global leaders surveyed say they only conduct due diligence on the first tier of their third-party relationships. And only 16% say they are sufficiently knowledgeable about slavery













# Antislavery Regulations

A number of 21st century initiatives have been launched, as shown in Figure 3 (see page 10), to raise awareness for human slavery and promote actions to combat it. Most have clear supply chain requirements for organizations involved in the manufacture or production of goods and services.

Manufacturers need to demonstrate compliance with local labor laws. Additionally, in a growing number of countries such as the United States and the United Kingdom, these organizations must be compliant with international anti-trafficking protocols and national laws in order to export goods to them.<sup>9</sup>

<sup>9</sup> <http://thomsonreuters.com/en/press-releases/2015/06/thomson-reuter-partners-with-ngos-to-fight-human-trafficking.html>





# Business Road Map to Reduce Risk and Protect Your Supply Chain

A five-step approach<sup>19</sup> identified by Thomson Reuters helps organizations minimize the risks associated with modern slavery and create a framework for compliance and success. It is based on mapping an organization's supply chain and overlaying a risk assessment based on country, product and internal supply chain considerations.

<sup>19</sup> *Expanding Existing Due Diligence Programs to Cover Modern Day Slavery in the Supply Chain*, James Swenson, Thomson Reuters, June 2015, p 7.



REUTERS/Danish Siddiqui



Thomson Reuters outlines these actions to identify high risk areas requiring detailed due diligence:

1. **Verify the legal standing** of the supplier, including a review of registration documents from the company registry or tax office, which may provide corporate details, audited financial statements, disclosure of shareholders/directors and any former or trading names.

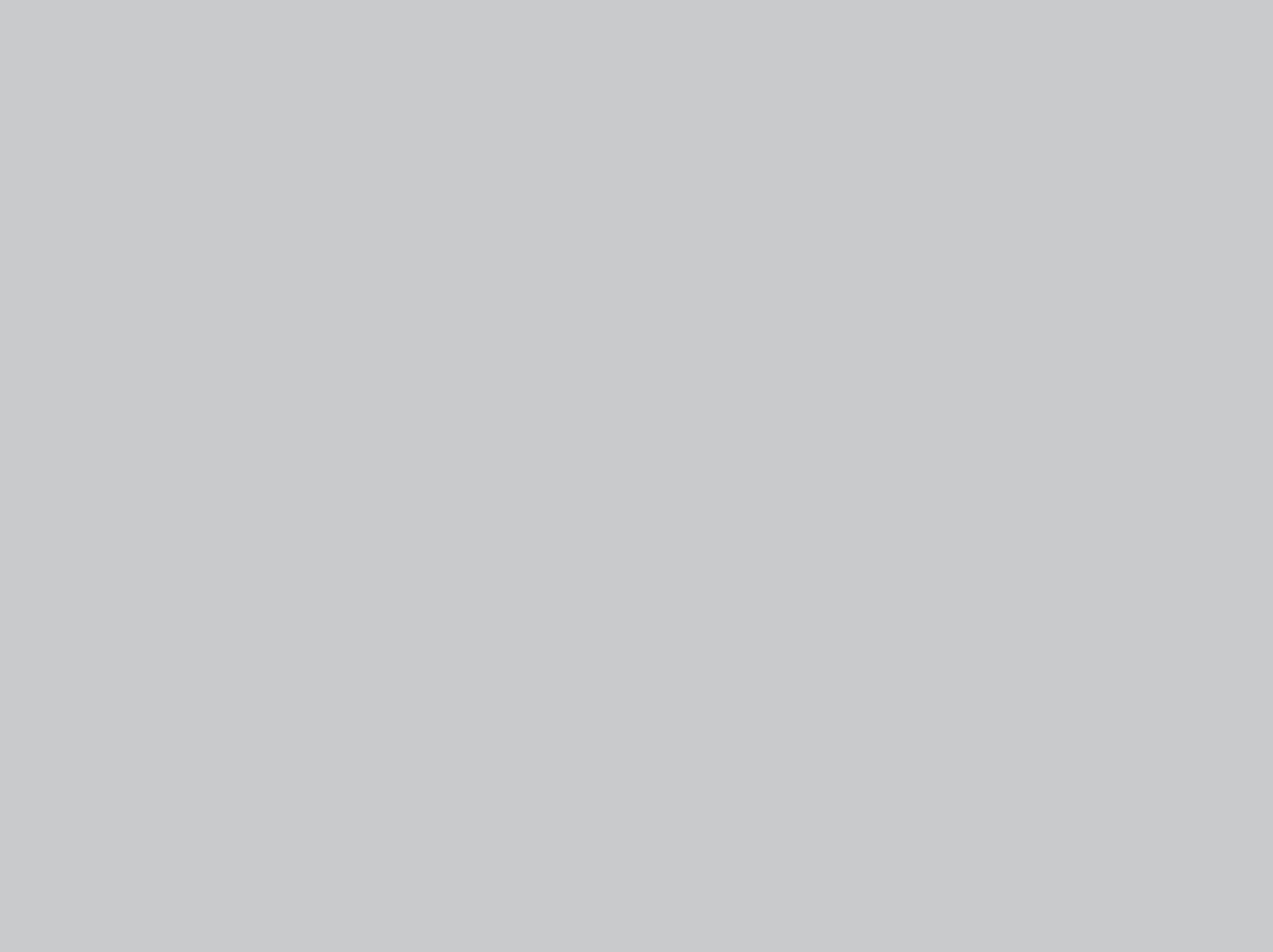
2. **Search for adverse media** in international and local press to conduct a reputational assessment of the third-party's track record.
3. **Review regulatory, litigation and bankruptcy databases** in the jurisdictions where the supplier is registered and operates.
4. **Conduct a reputational review** of the principals and shareholders of the company, which may include a review of the reputation and legal standing of the individuals.
5. **Screen counterparties** against international sanctions, watch lists and prohibited parties' databases published by governments, international organizations and development banks.

Supplier screening such as this should extend deep into the supply chain where risks of modern slavery and forced labor are likely to lie and should pay particular attention to known high-risk supplier types such as labor brokers and recruitment agents.

Thomson Reuters has a suite of solutions that aid in the fight against modern slavery, to help ensure an organization is compliant with the growing number of regulations and requirements.

19 *Expanding Existing Due Diligence Programs to Cover Modern Day Slavery in the Supply Chain*, James Swenson, Thomson Reuters, June 2015, p 7.

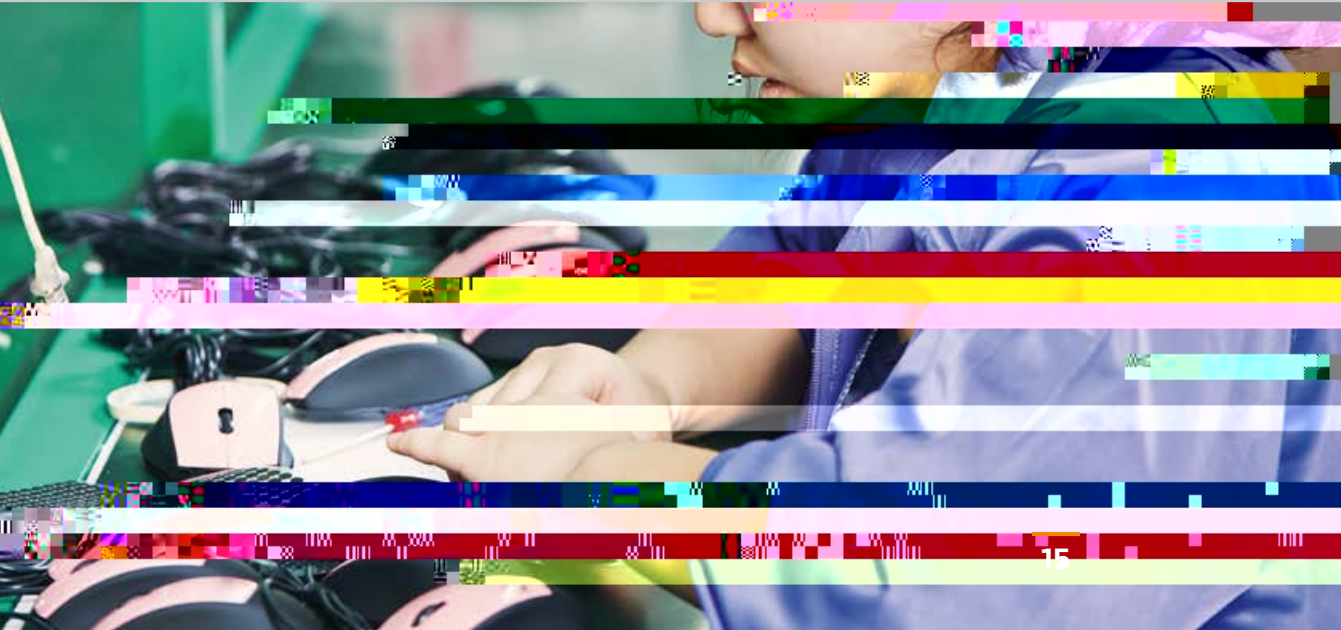




Although modern slavery leaves a data footprint, it's difficult to detect and report because there's a lack of overt data on traffickers and offenders. Nevertheless, organizations can minimize their risk by thinking outside the box and looking for proxy data sets to support their risk information.

Research shows a high correlation between money laundering, corruption and slavery risk, thereby offering the opportunity to utilize data from the financial, legal and tax areas that can act as proxies for modern slavery.

The proceeds of slavery emerge in the financial



Antislavery and Risk Management Solutions



## CLEAR

Thomson Reuters CLEAR® is an online investigative platform designed to find people, assets, businesses, affiliations and other critical data via a vast collection of public and proprietary records. It meets clients' unique, investigative needs, allowing researchers to dive deep into information and uncover hard-to-find facts. CLEAR provides a single working environment that streamlines content into a customizable dashboard with an intuitive interface, so researchers can search and review results efficiently and productively.

## Checkpoint

Thomson Reuters Checkpoint® is an industry-leading intelligent information source for tax and accounting professionals with expert research, guidance, technology, tools, learning and news. Checkpoint allows users to understand complex information, make informed decisions and efficiently use knowledge.

Checkpoint Catalyst® is an award-winning solution to quickly and efficiently perform complex tax research. It includes Ernst & Young Tax Alerts with timely updates and authoritative insights on key developments in the industry and legislative changes that could impact clients.

## Restricted Party Screening

Party Screening on the ONESOURCE® and Checkpoint platforms is backed by World-Check to deliver intelligence on heightened risk individuals and organizations.

## Thomson Reuters Enhanced Due Diligence

When an initial risk-assessment identifies a scenario where more investigation is needed on a third-party, Enhanced Due Diligence can provide deeper insight related to forced, bonded and child labor. Hundreds of in-house analysts speaking over 60 languages produce reports containing comprehensive and structured research completed on the organization, its owners, and its operating and litigation history, as well as key management, decision makers and beneficial owners. They're an added layer of information that can prove vital to organizations combating modern slavery.

## Thomson Reuters Compliance Learning

Compliance Learning provides practical, interactive, customizable and cost-effective compliance training programs that assist in changing behavior and supporting a culture of integrity. More than 800 ethics and compliance training courses are available in over 42 different languages, powered by world-leading regulatory intelligence that tracks over 500 regulators and exchanges globally.

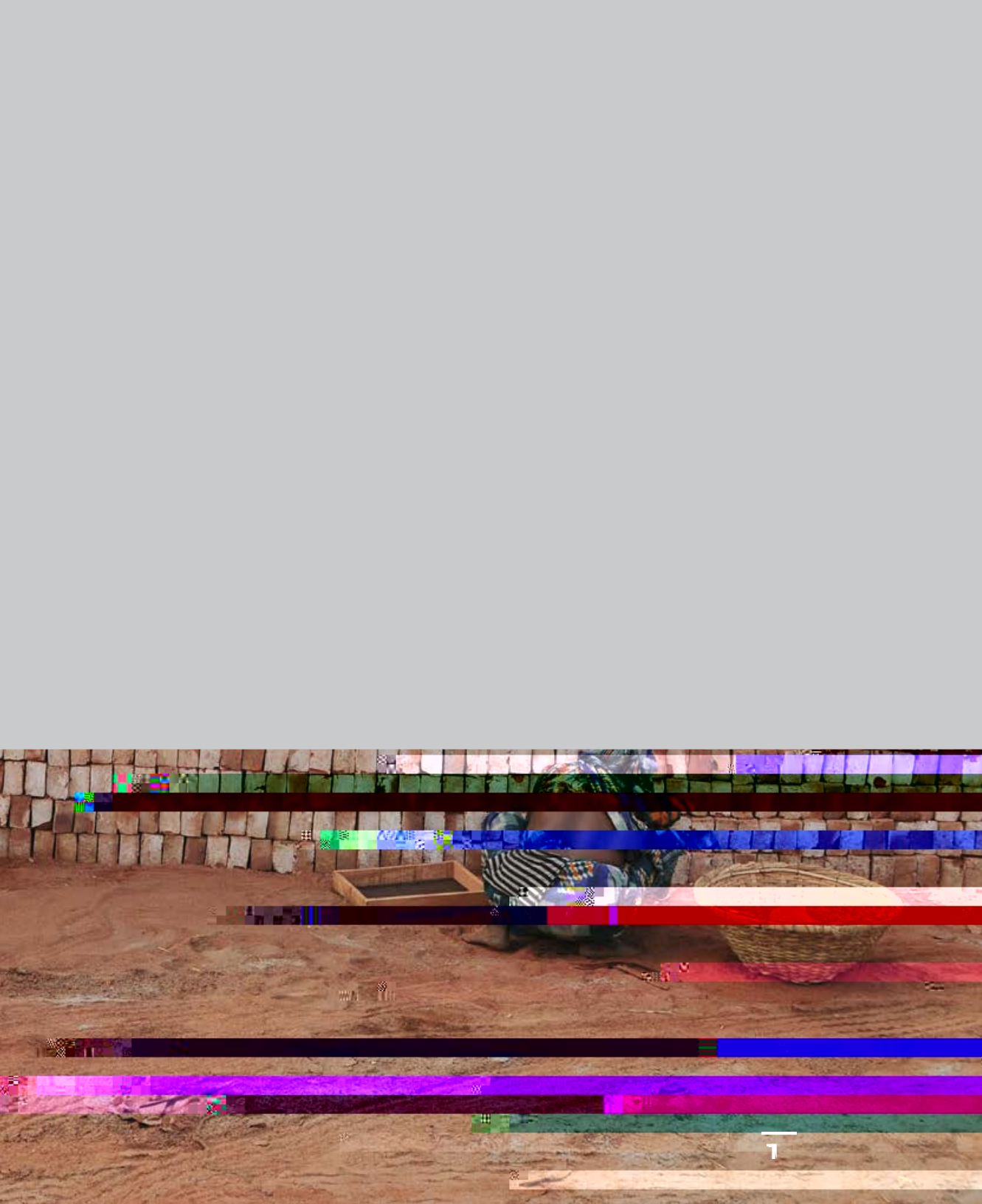
## Partnerships

Multi-stakeholder collaboration is an essential component of the fight against modern slavery. This includes working with NGOs such as Liberty Asia (with which Thomson Reuters partners) to provide guidance and data analysis to uncover the links between forced labor and labor trafficking in supply chains and other crimes such as corruption. NGO partnerships have shown that technology-driven intelligence can help fill the modern-day slavery data gap.

## Thought-Leading White Papers

Reports and expert perspectives provide added insight and counsel for organizations seeking to mitigate risks associated with human slavery and ensure their organization is not unwittingly working with corrupt partners. One such paper is *A Risk Based Approach to Mitigating Slavery in Third Party Relationships*<sup>22</sup>, among many others that are available at no charge to clients. ●

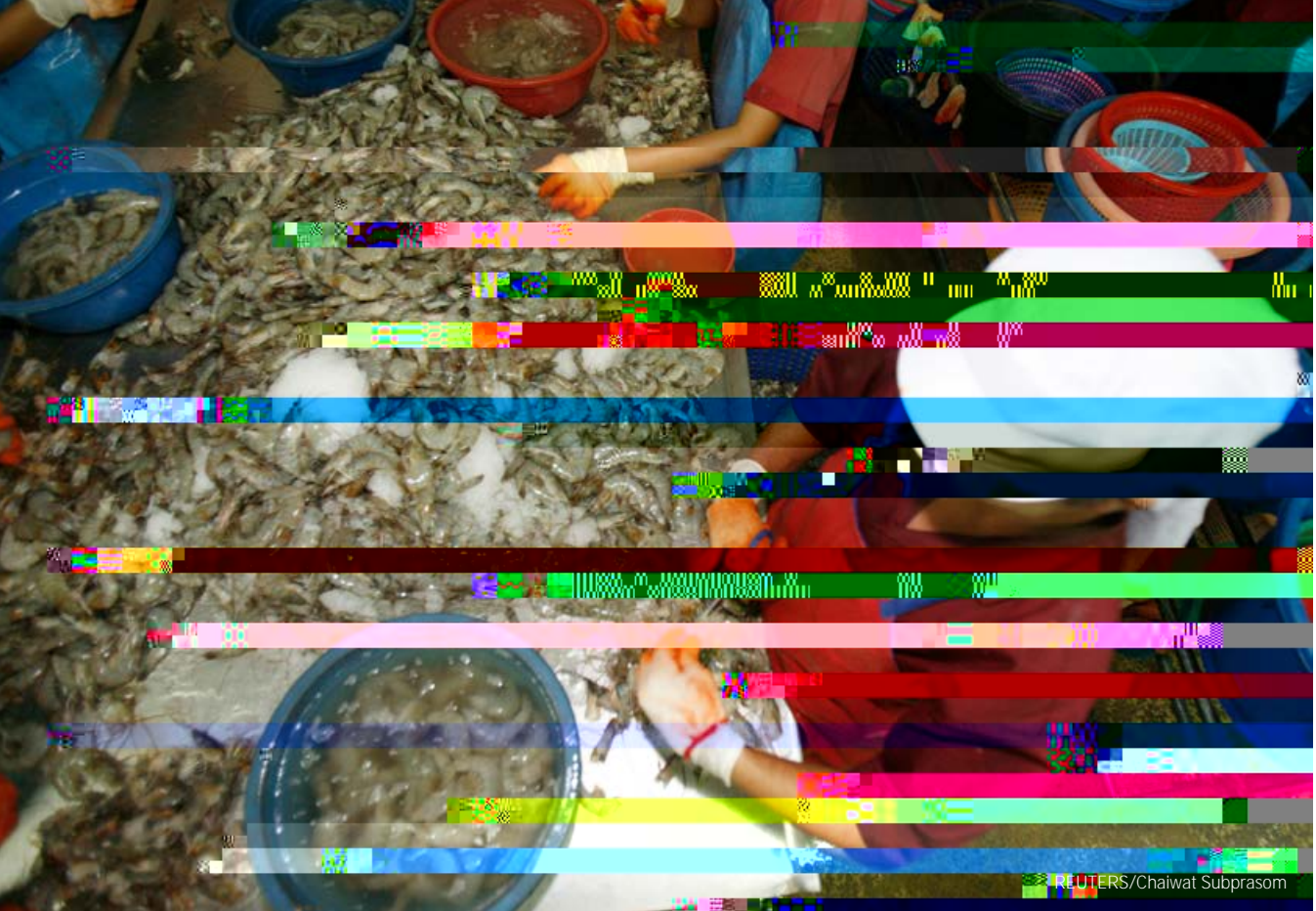
<sup>22</sup> <https://smartsales.thomsonreuters.com/exLink.asp?78355116OP25G94I348438804>



Solutions such as these provide a framework for business leaders to ensure their organizations are prepared for the fight against modern slavery and human trafficking. Being aware of the government requirements and prepared with tools to monitor and mitigate risk are essential to protecting one's brand, revenue and reputation against the silent slavery epidemic.

"We've done studies analyzing companies that have been involved in scandals, and we've seen a very close correlation between bad publicity and the company's stock prices."<sup>23</sup>

*B.C. Tan, Thomson Reuters Asia*



Such solutions are also essential for the quest to maximize commercial opportunities and ensure supply chains comply with mandates to eliminate human exploitation. With Thomson Reuters, clients can create custom views into the risk posed by suppliers or third-party partners, demonstrating to regulators they've carried out the required levels of due diligence.

“Companies can make their supply chain a competitive differentiator, if they have the transparency.”

*Shaun Sibley, Managing Director,  
Supply Chain & Commodities,  
Thomson Reuters*

For more information about solutions to protect your organization against the perils of modern-day slavery, go to [tr.com/endslavery](https://tr.com/endslavery)

