



# Modern Slavery and Third-Party Contractors



# Third-Party Contractors

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A third-party contractor is “a contractor (individual or company) appointed by a business to execute some designated work for a main contractor. This work could be the same as what the main contractor is executing (e.g., construction, distribution, manufacturing, etc) or something that is required by their business (e.g. cleaning, security, auditing, food preparation, etc). A more general term for third party is vendor.

Third-party contractors often have a written agreement to provide a product or service on behalf of their organization. This agreement could be for a fixed, time-limited activity or for a product or service that is maintained on a daily basis for months or years. Some of these contracts include policies and procedures that are mandated by the client related to their corporate social responsibility values, privacy or expectation of the work required.

While most businesses do not require these organizations/individuals to have modern slavery training, policies, or procedures in place to address this topic, this situation is changing. To address these requirements, more third-party contractors are seeking to have policies and procedures in place to respond to this issue, if raised. This is done to offer something in response to an agreement or because they feel this will provide a competitive edge among their competitors.

## Make a clear statement of your expectations

As a third-party contractor, one effective way to address this topic is to have a clear policy statement that can be offered to contractors when requested. This statement does not have to be detailed. Below is a sample for both a company or individual:

*We are (I am) committed to acting ethically and with integrity in our (my) business dealings and relationships and expect the same high standards from all of our (my) suppliers, contractors and other business partners. This includes engaging in responsible sourcing and social compliance and tackling modern slavery in anything related to our (my) business. Modern slavery takes various forms, such as slavery, servitude, forced labour and human trafficking, all of which involve exploitation and violation of human rights. We (I) will not engage with suppliers who use forced, compulsory or trafficked labour, or are otherwise involved in any form of modern slavery. This is an important consideration in our (my) process for evaluating and selecting suppliers.*

The Mekong Club recommends that third-party contractors voluntarily develop a frequently asked question (FAQ) document to respond to routine queries related to their efforts associated with modern slavery. The sample questions below cover the topics required. Those third-party vendors that offer responses in this format will allow their contractors to better understand the processes and procedures used by them.

# FAQs (Sample Questions)

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## Third-Party Contractor: Business

- Does your company raise employee awareness of modern slavery?
- Does your company have training in place for your staff on modern slavery topics?
- Does your company have a code of conduct, policy or related document that states your organisation's stance on modern slavery?
- Does your company have a policy for yourself and your sub-suppliers that includes modern slavery references?
- Does your company request its suppliers to sign contracts/sub-contracts that include anti-slavery clauses?
- If a potential victim of modern slavery is found, does your company have a policy to address this?
- Are your company's policies on modern slavery signed off by the management, within your company?
- If you have a question related to modern slavery, does your company have a point-person/team to go to?
- Does your company have a policy related to recruitment fees?
- Does your company require its direct suppliers to ensure that their own suppliers are addressing modern slavery (if applicable)?
- Does your company assess potential suppliers for modern slavery risk before entering into any contracts (if applicable)?
- Are workers within your company able to easily report concerns about their employment conditions, in their own language?
- Does your company adhere to the list of statements below?
  - Workers have written and signed employment contracts in a language they understand
  - The terms of worker contracts have not been changed without a signed agreement
  - Legal and industrial limits on working hours are observed
  - All deductions from workers' wages are included in the contract within legal or industrial regulations
  - Withholding of wages is not tolerated
  - There are no restrictions on freedom of movement

- Recruitment and brokerage fees paid by workers are within legal limits
- Workers retain copies of their identification documents, or have unrestricted access to their documents
- There is no overcharging workers for rent/food or any other method that leads to worker dependence and denial of choice
- What are you doing to ensure that your suppliers and sub-suppliers meet these standards?
- What measures do you have in place to monitor suppliers and sub-suppliers for modern slavery risk?

### Third-Party Contractor: Individual

- Are you aware of modern slavery?
- Did you receive any training on modern slavery topics? If so, from what source?
- Do you have a policy statement that states your stance on modern slavery?
- Do you have a policy for sub-suppliers that includes modern slavery references?
- Do you request your suppliers to sign contracts/sub-contracts that include anti-slavery clauses?
- Do you require your direct suppliers to ensure that their own suppliers are addressing modern slavery?
- Do you assess potential suppliers for modern slavery risk before entering into any contracts?



# Sample FAQ Questionnaire

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**Company Name:** Acme Cleaning Company, Limited

**Number of Employees:** 75

**Location:** Singapore

**Statement Date:** July 2021

- Does your company raise employee awareness of modern slavery?

Yes, we have posters in our office in several languages on worker rights. Several of them address the topic of modern slavery. There are also annual talks on this topic carried out in April and October.

- Does your company have training in place for your staff and employees on modern slavery topics?

A local NGO provides training for our management and employees. Translation is offered for those workers who do not speak English. The training covers all of the ILO indicators of forced labour and offers a comprehensive overview of worker rights.

- Does your company have a code of conduct, policy or related document that states your organisation's stance on modern slavery?

Yes, we have both a [code of conduct](#) and a [policy statement](#) in our business charter. These documents were updated in July 2020.

- Does your company have a policy for sub-suppliers that includes modern slavery references?

Yes, we have included language in our contract documents that addresses this topic since March 2021. The language can be found at this [link](#). We use this when a contractor requests it.

- Does your company request its suppliers to sign contracts/sub-contracts that include anti-slavery clauses?

Yes. Each contract is based on the supplier policy (above). The language for these contracts can be found at this [link](#).

- If a potential victim of modern slavery is found, does your company have a policy to address this?

Our company is prepared to respond to a finding that indicates a possible breach of the ILO Forced labour indicators. To date, none have been found. We have a relationship with a local NGO to address issues related to this topic.

- Are your company's policies on modern slavery signed off by the top level of management?

Yes, our management and board members are given updates on this topic twice a year during the board meetings.

- If you have a question related to modern slavery, does your company have a point-person/team to go to?

The point person for this issue is the HR specialist. He has been oriented on this topic and what to do if an issue arises. To date, no breaches have been identified.

- Does the company have a policy related to recruitment fees?

Yes, recruitment and brokerage fees paid by workers are within legal limits.

- Does your company require its direct suppliers to ensure that their own suppliers are addressing modern slavery?

The contract language we use requires that modern slavery statements cascade to each sub-contract and sub-sub-contract. The language is the same as listed above.

- Does your company assess potential suppliers for modern slavery risk before entering into any contracts?

We routinely carry out supplier assessments by phone. A set of [questions](#) are used to determine if any red flags are identified.

- Are workers within your company able to easily report concerns about their employment conditions, in their own language?

We have a worker suggestion box that is managed by our HR manager.

- Does your company adhere to the list of statements below?
  - Workers have written and signed employment contracts in a language they understand – **YES**
  - The terms of worker contracts have not been changed without a signed agreement – **YES**
  - Worker contracts are compliant with local labour laws and corporate policies – **YES**
  - Legal and industrial limits on working hours are observed – **YES, records available to support this.**
  - All deductions from worker wages are included in the contract within legal or industrial regulations – **YES**
  - Withholding of wages is not tolerated – **YES**
  - There are no restrictions on freedom of movement – **YES**
  - Recruitment and brokerage fees paid by workers are within legal limits – **YES, records are available to support this.**
  - Workers retain copies of their identification documents, or have unrestricted access to their documents – **YES. Each employee has a locker for their documents.**
  - There is no overcharging workers for rent/food or any other method that leads to worker dependence and denial of choice – **YES**
- What are you doing to ensure that your suppliers and sub-suppliers meet these standards?


We ask that all suppliers and sub-suppliers sign a contract that includes modern slavery clauses (see [LINK](#)) before commencing business with us.

- What measures do you have in place to monitor suppliers and sub-suppliers for modern slavery risk?

We conduct spot-checks on our suppliers and sub-suppliers, conducting assessments via phone. We document these visits and escalate any concerns raised to our HR specialist for follow-up.





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