



# International Financial Sector Alliance Against Modern Slavery

## Program Recap



EMPOWERING BUSINESSES TO CREATE A **SLAVE-FREE WORLD**

May 2025

# International Financial Sector Against Modern Slavery Program: A Recap

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## Executive Summary

The International Financial Sector Against Modern Slavery Program, led by The Mekong Club (TMC) and supported by the Department of Foreign Affairs and Trade (DFAT) and the Association of Certified Anti-Money Laundering Specialists (ACAMS) Australasian Chapter, successfully engaged over 480 financial compliance professionals from Australia, New Zealand, and the Indo-Pacific region. This initiative aimed to bolster the financial sector's capacity to identify and address modern slavery risks through a human-rights due diligence (HRDD) lens.

The program delivered six online training sessions and an in-person working group in Sydney, featuring leading experts who provided insights into global modern slavery trends, challenges for the financial sector, and relevant legislative frameworks like the Australian Modern Slavery Act 2018 (Cth). Participants gained practical knowledge on topics ranging from understanding the financial sector's role in combatting modern slavery and diagnostic risk mapping to addressing country and industry-specific risks, integrating HRDD and Environmental, Social and Governance (ESG) principles, and tackling emerging threats like forced commercial sex trafficking and human trafficking in scam centres.

Key takeaways emphasised the critical role of financial institutions in identifying, mitigating, and preventing modern slavery risks through robust policies, data analysis, targeted risk profiles, HRDD integration, and enhanced detection mechanisms. The program also highlighted the importance of multi-stakeholder collaboration, ongoing training and awareness programs, and the need for a "whole of ecosystem" approach incorporating financial crime risk management processes.

The in-person working group facilitated in-depth discussions and shared best practices from organisations like Westpac and remediation service providers such as Domus 8.7. It underscored the necessity of collective action, leadership commitment, comprehensive due diligence, and effective grievance mechanisms to combat modern slavery.

Ultimately, the program equipped financial compliance professionals with valuable knowledge, resources, and recommendations to strengthen their institutions' capacity to identify, disrupt, and prevent modern slavery, contributing to a more ethical and resilient financial sector.



## Introduction

The International Financial Sector Against Modern Slavery Program, led and developed by The Mekong Club, funded by the Australian Department of Foreign Affairs and Trade (DFAT), and supported by the ACAMS Australasian Chapter, involved over 480 financial compliance professionals. This exclusive international initiative aimed to strengthen the financial sector's capacity in Australia, New Zealand, and the Indo-Pacific region to address modern slavery risks through a human rights due diligence approach.

The program featured distinguished human rights and financial services experts, comprising six online training sessions and an in-person working group in Sydney, Australia. These experts guided participants on global modern slavery issues, trends, and the challenges faced by the financial sector. The program extended its impact beyond the sessions by providing participants access to The Mekong Club's confidential baseline assessment and exclusive online tools. These resources empowered participants to upskill team members, enhance policies and procedures, improve knowledge sharing, and strengthen capacity building.

### Topics Covered

**Session 1:** Modern Slavery and the Financial Sector Industry

**Session 2:** Diagnostic and Risk Mapping

**Session 3:** Country and Industry Risk Factors

**Session 4:** Human Rights Due Diligence and ESG Approach to Modern Slavery in the Financial Sector

**Session 5:** Forced Commercial Sex Trafficking

**Bonus Session:** Human Trafficking in Scam Centres

**Session 6:** Country In-Person Working Group



## Webinar Expert Speakers

**Matthew Friedman**, an international human trafficking expert with over 35 years of experience is the CEO of The Mekong Club and has previously worked for USAID and the United Nations in over 40 countries. He provides technical advice to governments, banks and corporations on eliminating modern slavery and has authored fourteen books.

**Aub Chapman**, a seasoned banker with over 42 years of experience, retired in 2003 from Westpac Banking Corporation, overseeing key functions such as Group Fraud Control and compliance with AML/CTF legislation. Since his retirement, he has become a specialist consultant in financial crime prevention, working internationally with organisations including the United Nations and the Asian Development Bank. Aub is a founding member of the ACAMS Australasian Chapter and holds CAMS-Audit certification. He was awarded the ACAMS AML Professional of the Year in 2009.

**Stephen Farrer**, a Certified Anti-Money Laundering Specialist and Certified Fraud Examiner, has leveraged his banking and law enforcement experience to focus on combatting human trafficking and modern slavery. He has held senior positions across civil society, the private sector, and government, and most recently worked as a consultant with UNODC and EU-funded programs to build capacity in financial investigations to target human trafficking activities in the Middle East, North Africa, and East Africa.

**Julia Chin**, also known as Compliance Blackbelt, is a seasoned professional in the financial industry with over 25 years of experience specializing in Correspondent Banking, Securities Services, and, most recently, Fintech. She is an APAC Global Coalition to Fight Financial Crime (GCFFC) Secretariat member. She possesses extensive expertise in client lifecycle management and control framework implementation across Asia and the Middle East.

**Brien Coram**, is a Certified Anti-Money Laundering Specialist, Global Sanctions Specialist, and Crypto-Asset Specialist and serves as the Co-Programming Director for the Sydney ACAMS Australasian Chapter. His diverse career encompasses Technology Operations, Banking, Enterprise Program Delivery, and Financial Crime. Brien has consulted for several large Australian banks across various engagements and is committed to combatting Modern Slavery in all its forms. Additionally, Brien is the co-chair of the ACAMS Australasian Chapter Environmental Crimes Task Force and a member of the ACAMS Australasian Chapter Board.

**Elena Lasa Salaverria** is a Solicitor, a Certified Anti-Money Laundering Specialist, and a Certified Fraud Examiner. With over 20 years of experience in financial crime compliance, she guides businesses in creating effective policies and frameworks to proactively identify, manage, and reduce financial crime risks. Furthermore, she educates others about modern slavery in relation to money laundering prevention. Outside her full-time role as Regional Compliance Manager, APAC for MoneyGram International, she volunteers as a Private Sector Ambassador for the Mekong Club. Elena has been dedicated to developing this program.





## Webinar Topics Covered

### **Session 1: Modern Slavery and the Financial Sector Industry**

In this session, Matthew Friedman, explored the crucial role of the financial sector in combatting modern slavery. He provided a thorough overview of human trafficking trends and highlighted key legislative developments affecting the industry, including the Australian Modern Slavery Act 2018 (Cth), which took effect on 1 January 2019. The discussion framed modern slavery and human trafficking within ESG frameworks, presenting practical corporate strategies to address these challenges.

Attendees also gained insights into The Mekong Club's resources to support the financial sector, such as the confidential baseline assessment.

#### **Key Takeaway:**

Financial institutions play a critical role in identifying, mitigating, and preventing risks of human trafficking and modern slavery.

#### **Recommendations:**

- **Establish Comprehensive Policies:** Develop and implement clear, actionable policies addressing modern slavery risks. These should align with the Modern Slavery Act 2018 and ensure compliance with international standards.
- **Create an Internal Awareness Program:** Initiate mandatory training sessions for all employees to recognise signs of modern slavery and understand the institution's stance and responsibilities in combatting it.
- **Leverage Industry Resources:** Fortify internal systems and practices using tools, resources, and baseline assessments provided by organisations like The Mekong Club to fortify internal systems and practices.

To revisit the session, you can watch the recording [HERE](#)

## **Session 2: Diagnostic and Risk Mapping**

Aub Chapman expanded on Session 1 by guiding financial institutions in identifying their exposure to modern slavery risks through the products and services they offer to various customer types. To effectively mitigate these risks and implement robust controls, institutions must develop a deep understanding of how modern slavery and human trafficking threats manifest across different customer segments, jurisdictions, products, and delivery channels. Financial institutions can uncover gaps in their current controls and strengthen their risk management strategies by analysing existing customer and transaction data.

### **Key Takeaway:**

Financial institutions must systematically assess modern slavery risks by analysing customer, product, jurisdiction, and transaction data to identify vulnerabilities and strengthen risk controls.

### **Recommendations:**

- **Adopt Robust Data Analysis Techniques:** Utilize advanced analytics to identify and assess vulnerabilities in service delivery, customer profiles, and transaction patterns relating to modern slavery risks.
- **Implement Risk Assessment Workshops:** Conduct workshops to train staff on conducting thorough risk assessments regularly, focusing on high-risk sectors and emerging trends.
- **Monitor and Adapt Controls:** Create an ongoing monitoring system to evaluate the effectiveness of existing controls and adjust strategies as new risks emerge.

To revisit the session, you can watch the recording [HERE](#).

## **Session 3: Country and Industry Risk Factors**

Stephen Farrer presented a comprehensive set of resources regarding country- and industry-specific risk factors. He examined key elements such as jurisdiction, customer profiles, financial products, delivery channels, and regulatory risks. Building on insights from the previous session, this discussion was a practical guide for financial institutions to assess their modern slavery risk, focusing on the markets, sectors, and services they operate.

### **Key Takeaway:**

Understanding country and industry-specific risk factors enables financial institutions to develop targeted strategies for mitigating modern slavery risks in high-exposure sectors and jurisdictions.

### **Recommendations:**

- **Develop Targeted Risk Profiles:** Create detailed risk profiles for specific countries and industries vulnerable to modern slavery, guiding strategic decision-making and resource allocation.
- **Engage in Multi-Stakeholder Initiatives:** Collaborate with other financial institutions and stakeholders to share best practices and enhance collective understanding of regional risk factors.
- **Regular Risk Reviews:** Schedule biannual reviews of country and industry risk factors to ensure that the institution's understanding of risks remains current and proactive.

To revisit the session, you can watch the recording [HERE](#).

## **Session 4: Human Rights Due Diligence (HRDD) and ESG Approach to Modern Slavery in the Financial Sector**

Julia Chin, provided an insightful overview of human rights due diligence (HRDD) and the environmental, social, and governance (ESG) approach to addressing modern slavery. Throughout the discussion, she emphasised the importance of integrating regulatory frameworks and risk assessment strategies with HRDD and ESG principles to enhance the efforts of financial institutions in mitigating risks related to modern slavery.

### **Key Takeaway:**

Integrating human rights due diligence and environment, social, and governance principles into financial sector policies enhances the effectiveness of modern slavery risk management and regulatory compliance.

### **Recommendations:**

- **Integrate HRDD in Business Strategy:** Ensure that HRDD is embedded within the institution's overarching business strategy, establishing clear accountability for adherence to human rights principles.
- **Stakeholder Consultations:** Regularly consult with NGOs, community organisations, and affected stakeholders to gain insights and guidance on improving HRDD practices.
- **Establish Reporting Mechanisms:** Create clear reporting channels for employees and stakeholders to report concerns related to modern slavery, ensuring a safe and anonymous way to highlight issues.

To revisit the session, you can watch the recording [HERE](#).

## **Session 5: Forced Commercial Sex Trafficking**

In this session, Stephen Farrer outlined a new and evolving business model of forced commercial sexual exploitation, highlighting how technological advancements have reshaped the landscape of modern slavery and human trafficking. The rise of online recruitment and advertising, supported by sophisticated logistics networks, has fueled an increasingly lucrative system tied to organised crime. Given this rapidly shifting environment, it is crucial for the financial sector to recognise how payments and payment systems are exploited at various stages—and to identify strategic actions that can help stay ahead of these emerging risks.

### **Key Takeaway:**

Criminal networks exploit financial systems to facilitate forced commercial sex trafficking, underscoring the need for financial institutions to monitor suspicious transactions and disrupt these operations.

### **Recommendations:**

- **Innovate with Technology:** Invest in technological solutions that track and analyse emerging trends in forced commercial sex trafficking to stay ahead of illicit activities.
- **Outreach and Education:** Launch targeted outreach programs to educate vulnerable populations and customers about the risks associated with forced commercial sexual exploitation.
- **Collaborate with Law Enforcement:** Build strong partnerships with law enforcement and regulatory agencies to facilitate information sharing and coordinated responses to trafficking operations.

To revisit the session, you can watch the recording [HERE](#).

## **Bonus Session: Human Trafficking in Scam Centres<sup>1</sup>**

Matt Friedman returned to the program to shed light on the emerging issue of scam centres, a rapidly growing problem that, although most prevalent in Southeast Asia, is spreading worldwide. He explored the increasing trends of human trafficking in these operations, the deceptive tactics employed to defraud individuals of their life savings, and actionable strategies to combat both crimes, emphasising the critical role of raising awareness. This issue is particularly urgent for the financial sector, as it affects two sets of victims and involves an estimated US\$500 billion lost to online fraud annually—funds that will inevitably flow through legitimate financial institutions.

### **Key Takeaway:**

Scam centres are an emerging form of human trafficking that generates billions in illicit funds, making it imperative for financial institutions to enhance detection mechanisms and prevent money laundering.

### **Recommendations:**

- **Enhance Detection Mechanisms:** Financial institutions should invest in advanced technology and systems to identify and flag suspicious transactions associated with scam centres. Implementing machine learning algorithms can help recognise patterns linked to human trafficking and fraud.
- **Training and Awareness Programs:** Conduct regular training sessions for employees on recognising signs of human trafficking and scams. Raising awareness about the connection between scam centres and financial exploitation is crucial in building an informed workforce.
- **Strengthen Partnerships:** Collaborate with law enforcement, NGOs, and international organisations to share information and best practices. Creating a network of stakeholders can enhance the collective response to combatting human trafficking in financial operations.
- **Implement Rigorous Due Diligence:** Financial institutions should adopt robust human rights due diligence frameworks to evaluate their operations and investments for potential ties to modern slavery and exploitation. Regular assessments can help identify and mitigate risks.



- Establish Clear Reporting Channels: Design precise and confidential reporting mechanisms for employees and customers to report suspected cases of fraud or trafficking. Ensuring these channels are safe and accessible can encourage reporting and increase vigilance.
- Engage in Advocacy Efforts: Support legislation aimed at combatting human trafficking and improving regulations related to financial transactions. Advocate for stricter laws and enforcement mechanisms targeting trafficking and scam operations.
- Focus on Vulnerable Populations: Develop programs for vulnerable individuals, including economic support and educational opportunities. By addressing the root causes of poverty and lack of opportunity, institutions can help reduce the risk of exploitation.
- Monitor and Analyse Trends: Regularly assess and analyse trends in human trafficking and scams to adapt strategies accordingly. Staying informed about new tactics used by traffickers and scammers will enhance the effectiveness of preventative measures.
- Public-Private Collaboration: Foster collaboration between private sector entities and public bodies to create comprehensive strategies for tackling human trafficking and financial crime. Sharing resources and expertise can lead to more significant impacts.
- Promote Transparency: Encourage transparency in financial transactions and operations. Transparency initiatives can help deter illicit activities and make it more challenging for criminals to hide behind complex structures. These recommendations aim to address the multifaceted nature of human trafficking and scams, emphasising the critical intersection of awareness, collaboration, and proactive prevention strategies.

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<sup>1</sup> This session was not recorded for privacy reasons related to the sensitive subject matter.

## **Session 6: Country In-Person Working Group**

### **Matthew Friedman**

Matt Friedman warmly welcomed the audience to the event, expressing gratitude to ACAMS and DFAT for their invaluable support. He emphasised the importance of collaboration in addressing key challenges within the financial sector related to modern slavery. He provided a comprehensive overview of the six presentations to set the stage for an engaging discussion. The first presentation focused on the intersection of contemporary slavery and the financial sector, exploring how financial institutions can inadvertently contribute to human trafficking and exploitation through their operations and investments. This was followed by a thorough examination of diagnostic and risk mapping, where Matt highlighted methodologies for identifying vulnerabilities within organisations and assessing their exposure to modern slavery risks. Next, the discussion shifted to country and industry risk factors, shedding light on specific environments and sectors more vulnerable to human rights abuses.

This session aimed to equip participants with the knowledge necessary to recognise and address these risks effectively. The fourth presentation tackled the critical topic of human rights due diligence and the ESG approach to modern slavery in the financial sector. The expert outlined how financial institutions can implement robust due diligence practices while adhering to environmental, social, and governance (ESG) considerations. Another vital session addressed the pressing issue of forced commercial sex trafficking, detailing the mechanisms that facilitate this crime and presenting strategies for financial institutions to help combat it.

Finally, the discussions culminated in a presentation on human trafficking in scam centres, providing insights into the evolving landscape of trafficking and exploitation in fraudulent operations. Overall, the summary sought to foster a deeper understanding of the complexities surrounding modern slavery and equip attendees with the knowledge and tools necessary to contribute to meaningful change within their organisations and the broader financial sector community.

## **Nick McTaggart**

Principal of Murinbin Consulting indicated that People Trafficking, much like scamming, flourishes in environments where individuals are vulnerable, and systems are weak. These conditions are worsened by the rise of grey or illegal supply chains established by sophisticated criminal syndicates. Strategies designed for one type of crime often transfer to the other due to similar conditions and behaviours, with the relationship between exploiters and the exploited described as a “power relationship.” Poverty pushes individuals into exploitative situations, as limited access to education, employment, and essential services compels them to accept risky opportunities that traffickers take advantage of.

Furthermore, mass displacement from geopolitical events leaves many open to exploitation. Inadequate laws and corruption permit traffickers to operate without hindrance, creating intricate grey supply chains that obscure activities with significant “noise.” This, coupled with the globalisation of payment platforms and restrictive regulations, complicates intervention efforts, rendering them costly and time-consuming. To effectively disrupt these syndicates, strategies should focus on identifying the “pooling of wealth” and “unexplained asset acquisition” rather than analysing small, complex transactions. Although investigating people trafficking is difficult, it is crucial to persist in these efforts. Every life freed from exploitation is a life saved, and progress is achieved one step at a time.

## **Alison Rahill**

“When someone identifies indicators of modern slavery in your operations or supply chains, what should happen next?” Many businesses responding to Australia’s Modern Slavery Act struggle with this question. There are over 130 possible indicators of forced labour, and workers affected by modern slavery require specialised support. Large businesses need a remediation plan and a provider with the expertise to implement it. Domus 8.7 Modern Slavery Remediation Service: Executive Officer Alison Rahill introduced the audience to Domus 8.7, an independent service dedicated to remediating modern slavery.

The Domus 8.7 team comprises social and community service professionals who oversee concerned workers' identification, assessment, welfare, and support. Domus 8.7 collaborates with over 540 businesses that report under the Act.

### **Victoria Coakley**

Director of Countering Modern Slavery at DFAT highlighted Australia's proactive approach to combatting modern slavery, emphasising the Modern Slavery Act 2018 and its impact on Australian businesses, particularly in the financial sector. She underscored the critical international advocacy led by Ambassador Lynn Bell and Australia's regional development initiatives. Key takeaways for financial institutions included the essential role of collective action in addressing modern slavery, as noted in the World Benchmark Alliance's 2025 report. Financial institutions are uniquely positioned to drive change across industries by identifying trends related to money laundering and modern slavery. Engaging in these efforts ensures compliance, enhances reputation, promotes social responsibility, and builds investor confidence.

### **Ashley Williams**

Senior Manager of Human Rights at Group Sustainability presented Westpac's current policies and practices for tackling modern slavery. To effectively address modern slavery, organisations must identify associated risks. Westpac is committed to continuously enhancing its methods of identifying and assessing modern slavery and human rights risks across its business. This ongoing effort has enabled Westpac to concentrate its actions on the most significant areas of modern slavery and human rights risks, allowing it to better understand the types of harm that could occur and the individuals who may be affected. Westpac acknowledges the strong connection between modern slavery and financial crime, which includes fraud, scams, bribery, corruption, violations of sanctions, and the financing of terrorism. Its financial crime risk management processes—such as customer and jurisdictional risk assessments, payment and customer screening, transaction monitoring, and sanctions compliance programs—help Westpac to identify, assess, and manage risks related to modern slavery and human rights. While these financial crime risk management processes

are vital for addressing modern slavery risks, Westpac adopts a comprehensive "whole ecosystem" human rights approach aligned with the UN Guiding Principles on Business and Human Rights (UNGPs). This approach integrates financial crime processes into its broader human rights due diligence programs and is reinforced by preventive initiatives. These initiatives may include fostering collaboration across industries or participating in stakeholder projects to combat modern slavery, as well as implementing grievance mechanisms, remedies, and response initiatives if harm occurs. No organisation can combat modern slavery alone; collaboration with partners to share insights and continuously enhance the approach is essential.

### **Matthew Friedman**

Matt Friedman kicked off the final session by inviting participants to complete a straightforward financial survey that provides a comprehensive overview of how financial institutions tackle the critical issue of modern slavery. He then presented an in-depth summary of the essential factors banks need to implement effective systems and procedures to combat this pressing concern. Friedman emphasised the importance of leadership briefings, which ensure that high-level executives grasp the seriousness of the situation and are committed to fostering a culture of accountability within their organisations. He highlighted the necessity of awareness-raising initiatives for all staff to educate employees about the signs of modern slavery and the role they can play in addressing it. Establishing a dedicated point person or committee is crucial for coordinating departmental efforts. He also indicated that targeted training programs equip staff with the knowledge and tools to identify and mitigate potential risks. Comprehensive due diligence training and internal policies aligned with best practices in anti-money laundering (AML) should be prioritised. Friedman emphasised the importance of grievance mechanisms that allow individuals to report concerns safely and confidentially.

While discussing the Mekong Club's initiatives in this area, he made a compelling case for viewing employees at financial institutions as heroes. By addressing modern slavery, they protect their organisations and contribute to broader societal change, ultimately fostering a safer and more equitable world. Through collective action, the financial sector can be instrumental in eradicating modern slavery.

## The Path Ahead

The International Financial Sector Against Modern Slavery program has served as a crucial catalyst in strengthening the capacity of financial compliance professionals across Australia, New Zealand, and the Indo-Pacific region to confront the insidious issue of modern slavery. Through its comprehensive training sessions and the invaluable in-person working group, participants gained critical knowledge, practical tools, and actionable recommendations to integrate human rights due diligence into their institutions' operations.

The insights shared by leading experts, coupled with the resources provided by The Mekong Club, have empowered attendees to better identify, assess, and mitigate modern slavery risks within their activities. The program underscored the imperative for a multi-faceted approach, encompassing robust policies, enhanced data analysis, targeted risk assessments, the integration of HRDD and ESG principles, and the adoption of advanced detection mechanisms to combat emerging threats like forced commercial sex trafficking and human trafficking within scam centres.

Ultimately, this initiative highlights the pivotal role the financial sector must play in the global fight against modern slavery. By fostering collaboration, promoting awareness, and driving effective strategies, the program has equipped a network of professionals to champion ethical practices and contribute to a more just and equitable world. The momentum generated by this program must be sustained through continued learning, collaboration, and a steadfast commitment to eradicating modern slavery from the financial landscape and beyond.

This exclusive international program, funded by the Australian Department of Foreign Affairs and Trade and supported by the ACAMS Australasia Chapter, aims to strengthen the financial sector's capacity in Australia and the Indo-Pacific region to address modern slavery risks through human rights due diligence.



### Disclaimer:

The Australian Government has funded this publication through the Department of Foreign Affairs and Trade. The views expressed in this publication are the author's alone and are not necessarily the views of the Australian Government.



## Appendix 1

### **Audience response to the event**

During the in-person event break, TMC volunteers surveyed the participants, asking the following questions:

- What was the most surprising insight or takeaway from the program?
- Which session or activity from this program had the most significant impact on you, and why?
- How have the sessions influenced your approach to conducting due diligence within your company?
- Would you like to explore any additional topics related to modern slavery and the financial sector?

### **Key Takeaways**

The most striking insight from the program was the realisation of how pervasive modern slavery is in everyday life. Attendees described the presentations, particularly by Matt and Nick, as a wake-up call that heightened their awareness of their professional and personal responsibilities. Matt's authenticity, passion, and practical tools for addressing human slavery left a lasting impression.

### **Impactful Sessions**

Participants overwhelmingly highlighted Matt and Nick's session as the most impactful. Their illustration of human trafficking's presence in daily life was both shocking and eye-opening, grounding attendees in reality and reinforcing their accountability in identifying and addressing potential risks. Several participants expressed deep emotional reactions, particularly regarding their increased sense of responsibility.

Other speakers also provided valuable insights relevant to the financial industry, further enriching the discussion and enhancing participants' understanding of their role in combatting modern slavery.

## **Influence on Due Diligence Practices**

The program has significantly influenced attendees' approach to due diligence. Many now feel more accountable for asking the right questions and conducting deeper investigations when transactions appear suspicious. One attendee noted, "This presentation made me realise that my job is of great importance for the life of others."

## **Need for Continued Engagement**

A recurring sentiment among attendees was the need to maintain momentum. Many emphasized the importance of having regular check-ins with TMC and other organizations to ensure continuous risk assessment and effective reporting mechanisms. There was strong support for ongoing education and discussion forums—either monthly or bi-monthly—to better equip financial professionals in improving their due diligence processes.

## **Regulatory Challenges and Suggestions**

Attendees from the Australian Tax Office (ATO) raised concerns about legal constraints. While Australian law allows the declaration of all sources of income, reporting suspicious transactions could breach privacy laws. This raises the need for financial institutions to find ways to navigate these constraints while still taking proactive steps against modern slavery. Attendees suggested that greater flexibility and proactive measures would help address these regulatory challenges more effectively.

## **Conclusion & Next Steps**

To sustain progress and ensure lasting impact, the following actions were recommended:

- Establishing a follow-up framework such as quarterly discussions or training sessions.
- Collaborating with regulatory bodies to address privacy law challenges in reporting.

- Developing industry-wide guidelines to improve financial institutions' due diligence practices.
- Ongoing collaboration with TMC to stay updated and leverage their proven tools for more effective reporting and risk assessment.

By implementing these steps, the financial sector can continue strengthening its role in combatting modern slavery while improving regulatory compliance and risk management.

## Appendix 2

### Practitioner Insights from Syndicate Breakout Sessions

The following insights emerged from financial professionals during breakout discussions, offering practical strategies to enhance due diligence and community engagement in addressing modern slavery:

#### Red Flags and Risk Indicators

- **Customer behaviour:** Nervousness, coached responses, refusal to disclose ID
- **Transactions:** Repetitive low-value payments to high-risk jurisdictions, use of anonymizing software (VPNs)
- **Business profiles:** Opaque structures and high-risk industries

#### Customer Onboarding Risks

- **High-risk jurisdictions:** Myanmar, Cambodia, Thailand, Philippines
- **Shared details:** Multiple customers using the same address, bank account, or phone number
- **Higher-risk business types:** B2B clients in vulnerable sectors

#### Community Education Approaches

- **In-branch materials:** Posters, brochures, and translated resources
- **Migrant banking:** Provide physical copies of information in different languages during account openings
- **Digital and physical:** Use websites to share helplines, NGO links, and Modern Slavery policies
- **Public outreach:** Run seminars, partner with NGOs, and launch public campaigns (e.g., fraud awareness ads)

## Technology Recommendations

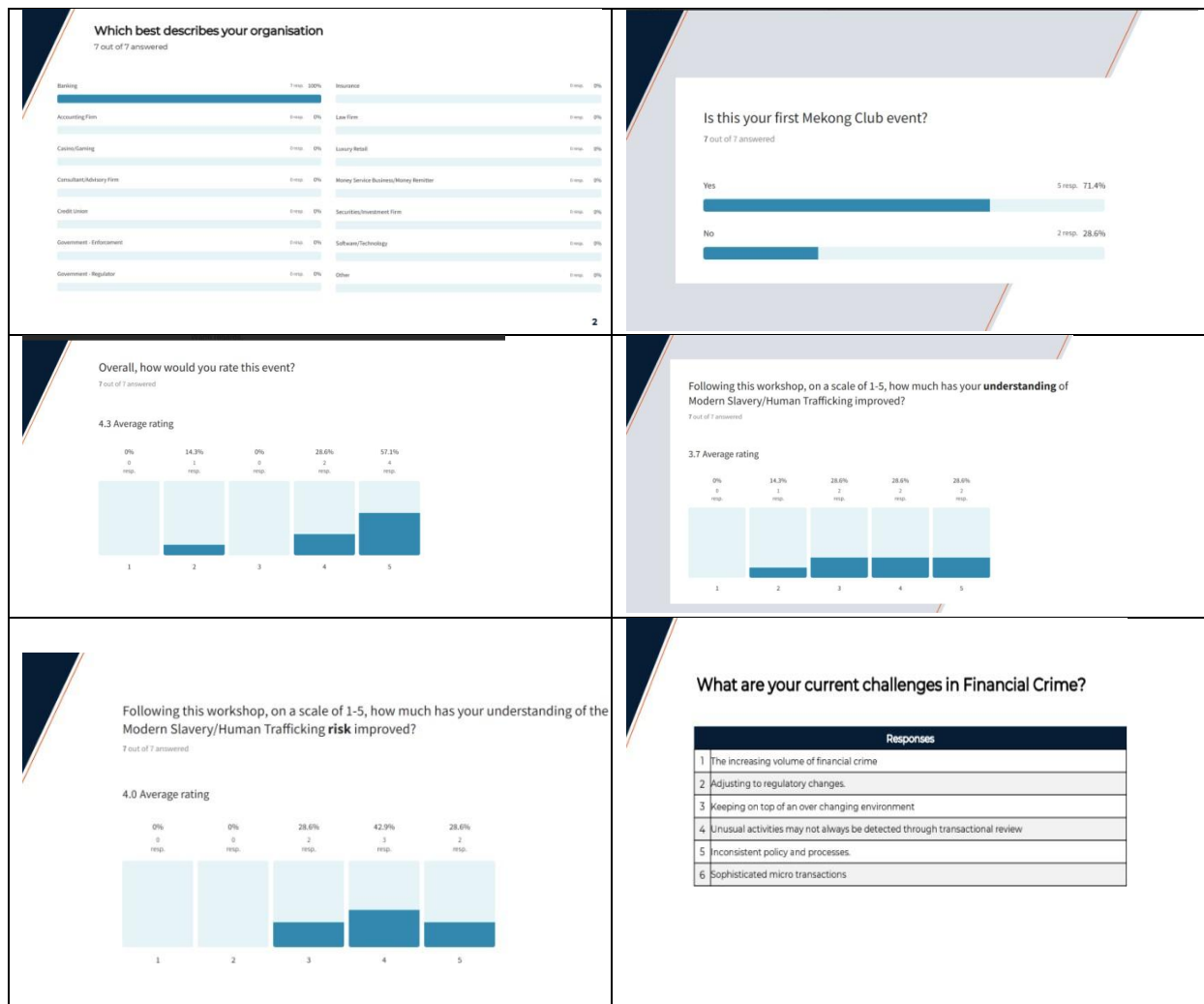
- **Enhance monitoring:** Track IP addresses, social media, and suspicious payment flows.
- **Strengthen systems:** Invest in KYC tools, case management platforms, and ongoing supplier due diligence
- **Maintain corporate knowledge:** Document methodologies to detect and adapt to emerging trends

## Victim-Centred Approach to Scams

- Recognise that some individuals caught in scams may be both victims and perpetrators, especially in scam centres
- Apply non-punitive, trauma-informed responses, especially for vulnerable groups (e.g., children in debt bondage)
- Collaborate with community and social services to offer alternative pathways.

## Appendix 3

### International Financial Sector Alliance Against Modern Slavery Survey Report







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