

[AS INTRODUCED]

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Prohibit the falsification of slavery and human trafficking statements; to establish minimum standards of transparency in supply chains in relation to modern slavery and human trafficking; to prohibit companies using supply chains which fail to demonstrate minimum standards of transparency; and for connected purposes.

BE IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Amendments to the Modern Slavery Act 2015

- (1) The Modern Slavery Act 2015 is amended as follows.
- (2) In section 41 (general functions of Commissioner)—
 - (a) in subsection (3), after paragraph (f) insert—
 - “(g) issuing a formal warning to a commercial organisation which fails to meet the requirements of disclosure and transparency.” 5
 - (b) after subsection (5) insert—
 - “(5A) In subsection (3)(g) “the requirements of disclosure and transparency” are that the commercial organisation must— 10
 - (a) publish and verify information about the country of origin of sourcing inputs in its supply chain,
 - (b) arrange for credible external inspections, external audits, and unannounced external spot-checks, and
 - (c) report on the use of employment agents acting on behalf of an overseas government.” 15
- (3) After section 54 (transparency in supply chains etc) insert—

“54ZA False information in relation to slavery and human trafficking statements

 - (1) A person who is responsible for a slavery and human trafficking statement commits an offence if information in the statement is false or incomplete in a material particular, and the person either knows it is or is reckless as to whether it is. 20

- (2) A person is responsible for a slavery and human trafficking statement of a commercial organisation if the person is –
- (a) a director (or equivalent) of the organisation if it is a body corporate other than a limited liability partnership;
 - (b) a member of the organisation if it is a limited liability partnership; 5
 - (c) a partner of the organisation if it is any other kind of partnership.
- (3) A person is not guilty of an offence under subsection (1) if the person –
- (a) takes all reasonable steps to ensure that the slavery and human trafficking statement is corrected, and 10
 - (b) informs the Independent Anti-slavery Commissioner as soon as practicable after becoming aware that it contains information that is false or incomplete in a material particular.
- (4) A person guilty of an offence under this section is liable – 15
- (a) on conviction on indictment, to imprisonment for a term not exceeding 2 years, to a fine amounting to 4% of global turnover of their commercial organisation, to a maximum of £20 million, or to both;
 - (b) on summary conviction in England and Wales, to imprisonment for a term not exceeding 12 months, to a fine, or both; 20
 - (c) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months, to a fine not exceeding the statutory maximum, or both;
 - (d) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months, to a fine not exceeding the statutory maximum, or both. 25

54ZB Minimum standards of disclosure and transparency

- (1) A commercial organisation commits an offence if it continues to source from suppliers or sub-suppliers which fail to demonstrate minimum standards of transparency after having been issued a formal warning by the Independent Anti-slavery Commissioner under section 41(3)(g). 30
- (2) A person guilty of an offence under this section is liable –
- (a) on conviction on indictment to a fine amounting to 4% of global turnover of their commercial organisation, to a maximum of £20 million; 35
 - (b) on summary conviction in England and Wales to a fine;
 - (c) on summary conviction in Scotland to a fine not exceeding the statutory maximum;
 - (d) on summary conviction in Northern Ireland to a fine not exceeding the statutory maximum.” 40

2 Extent, commencement and short title

- (1) This Act extends to England and Wales, Scotland and Northern Ireland.
- (2) This section comes into force on the day on which this Act is passed.
- (3) The remaining provisions of this Act come into force at the end of the period of two months beginning with the day on which this Act is passed.
- (4) This Act may be cited as the Modern Slavery (Amendment) Act 2021.

Modern Slavery (Amendment) Bill [HL]

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Lord Alton of Liverpool

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