



***Sustainable  
Stock Exchanges***



# Quarterly Webinar

*Forced labour, human trafficking and other forms of modern slavery*

**Date: 6 September 2022  
9AM and 4PM CET (Geneva)**

# Agenda



1. Welcome & Housekeeping instructions
2. Opening Statements & Introduction
  - Andy Shen, FAST/UNU-CPR
  - Serena Grant, Walk Free
  - Narrerat Santhayatim, SET (recorded message)
  - Jenny Nordby, RepRisk
3. Open Floor Discussion
4. Closing Remarks

***“All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood”***

Art. 1, Universal Declaration of Human Rights

***No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.***

Art. 4, Universal Declaration of Human Rights

*Please feel free to share ideas, feedback, updates and questions at any point during the call  
(via chat function or via audio connection)*

# Housekeeping

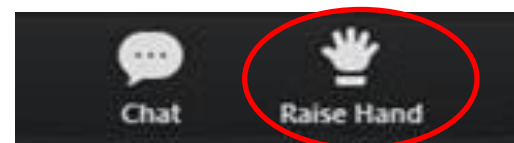
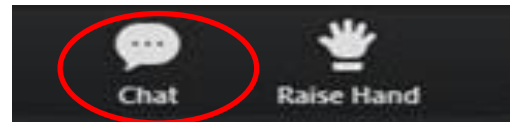


- During the presentations, you can ask questions and provide comments at any time by using the **chat function**.

We will ensure that questions get answered during the Open Floor discussion.

- Please use the **hand symbol** to indicate that you wish to speak during the Open Floor discussion.

The team will allow you to enable your video function while you speak.



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(via chat function or via audio connection)*

# New SSE Partner Exchanges



Now **129** SSE Partner Exchanges!



**17** PARTNERSHIPS  
FOR THE GOALS



The UN SSE recently welcomed **4 new exchanges**: The Mongolian Commodity Exchange, MCE, the Ghana Stock Exchange, the Pakistan Stock Exchange and the Cape Town Stock Exchange.



**MCE**  
MONGOLIAN COMMODITY  
EXCHANGE



**GHANA  
STOCK  
EXCHANGE**



**PAKISTAN  
STOCK EXCHANGE  
LIMITED**

**CAPE TOWN  
STOCK  
EXCHANGE**

# Forced labour, human trafficking & modern slavery



**United Nations University**  
Centre for Policy Research

FAST, UNU-CPR  
**Govt & Multilateral Organizations**  
**Lead**  
**Andy Shen**





**LIECHTENSTEIN  
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AGAINST  
SLAVERY &  
TRAFFICKING**

[www.fastinitiative.org](http://www.fastinitiative.org)

# Forced labor, human trafficking and other forms of modern slavery

**UN SSE Q3 Webinar, 6 September 2022**



Ministry of Foreign Affairs



THE GOVERNMENT  
OF THE GRAND DUCHY OF LUXEMBOURG



Australian Government  
Department of Foreign Affairs and Trade



Norad



HUMANITY  
UNITED



STIFTUNG  
FÜRSTLICHER KOMMERZIERAT  
Guido Feger

TAROM FOUNDATION  
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# What is forced labour, human trafficking and modern slavery?

- **Modern Slavery**: Umbrella term that includes a range of conduct all of which involve a victim being exploited or deprived of their freedom through coercion, threats, violence or deception.
- **Forced Labour**: Involuntary work under threat of penalty (ILO Forced Labour Convention)
- **Human Trafficking**: Recruitment, harbouring and/or movement of a person through threats, force, coercion or deception for the purpose of exploitation (UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children)

## SDG Target 8.7

**Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.**



## Why is it important stock exchanges consider sustainability reporting on FL/HT/MS?

- **Private sector is key to ending slavery and trafficking**
  - **G7, G20, UNGA, and UNSC have all called on governments to partner with the private sector to address modern slavery and human trafficking**
- **Investors need more and better data**
  - **Sustainable investments total USD 35.3 trillion AUM (as of 2020), or more than 1/3 of all assets in five of the world's biggest capital markets**
- **FL/HT/MS are material risks**
  - **Non-compliance with existing and emerging laws can and will affect stock price, reduce profits and harm the reputation of exchanges**

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For more information, visit:

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Twitter: [@FinComSlavery](https://twitter.com/FinComSlavery)

General inquiries: [info@fastinitiative.org](mailto:info@fastinitiative.org)

# Forced labour, human trafficking & modern slavery



**WALK FREE**

Walk Free

**Head of Business Engagement**

**Serena Grant**



# SUSTAINABLE STOCK EXCHANGES: MODERN SLAVERY REPORTING



# Forced labour, human trafficking & modern slavery



**About Walk Free.** Walk Free is an international human rights group, working to eradicate all forms of modern slavery.

Walk Free produces the Global Estimates of Modern Slavery and the Global Slavery Index and other world-leading research, which provides an evidence base for our advocacy and engagement with business, investors, governments, and faith to drive better practices.



# Forced labour, human trafficking & modern slavery



**71%**  
Female



**40.3 million**  
people in modern slavery in 2016



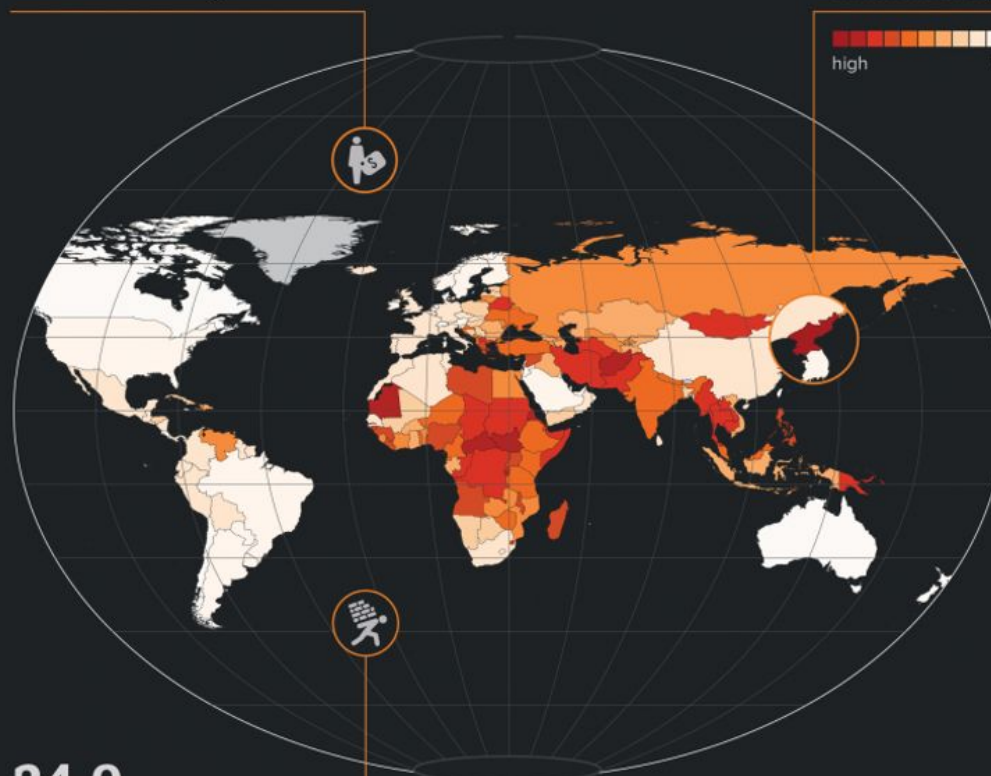
**29%**  
Male

**15.4**  
million in forced marriage

Prevalence  
of modern slavery



THE  
GLOBAL  
PICTURE IN  
2018



**24.9**  
million in forced labour



# Forced labour, human trafficking & modern slavery



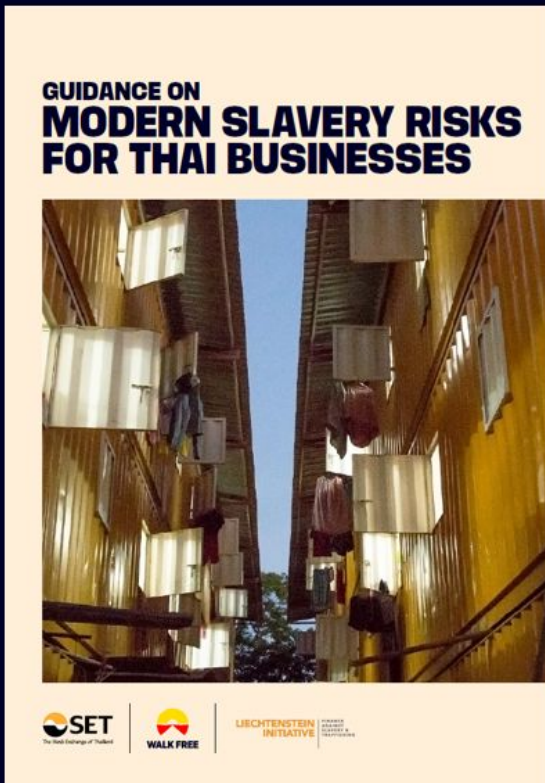
## MODERN SLAVERY IN SUPPLY CHAINS



# Forced labour, human trafficking & modern slavery



## STOCK EXCHANGE OF THAILAND PARTNERSHIP



A. OVERVIEW AND INTRODUCTION

B. INDUSTRY RISKS: COVERING 8  
INDUSTRY SECTORS ON SET

C. RISK MANAGEMENT CHECKLIST





# Forced labour, human trafficking & modern slavery



LIECHTENSTEIN  
INITIATIVE

FINANCE AGAINST  
SLAVERY & TRAFFICKING

## Webinar “Modern slavery: Tackling the greatest human rights challenge of our time”



**Serena Grant**  
Walk Free



**Dr. Pakom Peetathawatchal**  
The Stock Exchange of Thailand



**Daniel Thelesklaf**  
Finance Against Slavery and Trafficking



**Dr. Seree Nonthasoot**  
The Stock Exchange of Thailand

# Forced labour, human trafficking & modern slavery



## SECTION B: INDUSTRY RISKS

AGRO & FOOD  
CONSUMER PRODUCTS  
PROPERTY & CONSTRUCTION  
RESOURCES

FINANCIALS  
INDUSTRIALS  
SERVICES  
TECHNOLOGY



# Forced labour, human trafficking & modern slavery



## SECTION B: INDUSTRY RISKS - PROPERTY & CONSTRUCTION

- Temporary, short-term and day laborers are employed
- Widespread use of contractors and subcontractors
- Wages are commonly below minimum wage
- Accommodation in construction camps can be unsafe
- Hazardous working environments



# MODERN SLAVERY BENCHMARKING TOOL

**1** IDENTIFY  
RISKS

**2** TAKE  
ACTION TO  
PREVENT,  
MITIGATE  
AND  
REMEDY

**3** DISCLOSE  
PROGRESS



## MODERN SLAVERY BENCHMARKING TOOL

### GOVERNANCE & POLICY

- Responsibility
- Strategy
- Reporting
- Policy Commitment
- Policy Implementation

### RISK ASSESSMENT & DUE DILIGENCE

- Risk Assessment
- Employment Practices
- Supplier Engagement and Due Diligence
- Purchasing Practices

### GRIEVANCE MECHANISMS, RESPONSE & REMEDIATION

- Grievance Mechanisms
- Response and Remediation



# Forced labour, human trafficking & modern slavery



The screenshot shows the top navigation bar with the Walk Free logo on the left and menu items: ABOUT, WHAT WE DO, RESOURCES, NEWS, and a blue button labeled MAKE A DIFFERENCE. The main content area features a large heading 'MODERN SLAVERY BENCHMARKING TOOL'. Below this are three interactive sections: a dropdown menu for 'Please select the country that your company is headquartered or listed in' with 'Japan' selected; a dropdown menu for 'Please select your industry' with 'Industrials' selected; and a 'Select language to start' section with two buttons: 'English OPEN SURVEY' and 'ภาษาไทย เริ่มการประเมิน'. To the right of these sections is a text box titled 'Guidance on Modern Slavery Risks for Thai Businesses' with a 'READ NOW >' link. The bottom of the page has a yellow bar with the Walk Free logo on the right.

# Forced labour, human trafficking & modern slavery



## SURVEY QUESTIONS

### Policy Commitment

Do we have policies that set out our commitment to addressing modern slavery that have been approved by the Board and are made public?

Yes  No  Unsure

### Risk Assessment

Where have we mapped, assessed and prioritised risks of modern slavery and related exploitation in our operations and value chain?

Our own operations/employees

Yes  No  Unsure

Our direct suppliers (Tier 1)

Yes  No  Unsure

Beyond Tier 1 suppliers, including some of our raw materials and other business relationships (e.g., customers).

Yes  No  Unsure

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[Next >](#)

### Response and Remediation

Do we have a remediation framework that sets out:

Our responsibility to remediate harm that we have caused, contributed to or are directly linked through our business activities; and steps to take to investigate and remediate a critical policy breach or a modern slavery incident?

Yes  No  Unsure

Where incidents of modern slavery or related exploitation were identified, did we remediate or cooperate in remediation to the people harmed by our business activities?

Yes  No  Unsure

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[Finish >](#)



# Forced labour, human trafficking & modern slavery



## SCORECARD & RESULTS

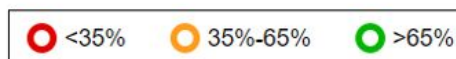


16/30	Industry average (6 Submissions)	53%
16/30	Average score overall (49 Submissions)	53%

60% **Governance & Policy: 6/10**  
Responsibility: 2/2  
Strategy: 2/2  
Policy Commitment: 2/2  
Policy Implementation: 0/2  
Reporting: 0/2

50% **Risk Assessment & Due Diligence: 5/10**  
Risk Assessment: 2/3  
Our Employment Practices: 2/3  
Supplier engagement and due diligence: 1.25/2  
Purchasing practices: 0/2

60% **Grievance Mechanisms, Response & Remediation: 6/10**  
Grievance mechanisms: 4/5  
Response and Remediation: 2/5





# Forced labour, human trafficking & modern slavery



## SCORECARD & RESULTS

### SECTION B

Risk Assessment & Due Diligence

What are we already doing well?

How can we improve?

What should we disclose?

#### Risk Assessment

Your organization has mapped its operations, employees, direct suppliers and value chain and assessed them for modern slavery risks.

Specific types of modern slavery risks were identified (such as forced labor, child labor, debt bondage, deceptive recruitment practices, etc.), including where it occurs in your operations and value chain, what its relevant indicators are (such as loss of freedom of movement, failure to check worker age, payment of recruitment fees, or complaints about contract substitution, etc.), and whether you cause, contribute or are directly linked to the risk.

Salient risks were prioritized for attention based on severity and likelihood.

- The severity of the impact on the people affected is assessed by considering how grave the impact would be, how widespread (i.e., how many people it would affect) and how hard it would be to remediate the resulting harm; and,
- The likelihood of risk occurring is considered (noting that the most severe risks should be prioritised even if there is a low likelihood of occurring).

Identify the specific type of modern slavery risks if possible (such as forced labor, child labor, debt bondage, deceptive recruitment practices, etc), where it occurs in your operations and value chain, what its relevant indicators are (such as loss of freedom of movement, failure to check worker age, payment of recruitment fees, or complaints about contract substitution, etc), and whether you cause, contribute or are directly linked to the risk.

Prioritize the salient risks in your modern slavery risks for attention based on severity and likelihood:

- Assess the severity of the impact on the people affected, considering how grave the impact would be, how widespread (i.e., how many people would it affect) and how hard it would be to remediate the resulting harm; and,
- Consider the likelihood of risk occurring (noting that the most severe risks should be prioritised even if there is a low likelihood of occurring).

Details of your risk assessment process including value chain mapping, risk indicators (such as vulnerable groups, and geographic, industry/product, and entity/practice risks) and risk assessment tools and/or service providers you use to assist.

Description of modern slavery risks across the company's operations and value chain, explaining which risks are salient and why and highlighting which are your priority to address.



## OPPORTUNITIES FOR COLLABORATION

Walk Free, together with FAST, is open to exploring new partnerships with exchanges to raise awareness of modern slavery and promote better standards, practices and disclosures. Potential collaboration could include:

- Linking our Modern Slavery Benchmarking Tool on your websites
- Partnering to develop modern slavery guidance, that is tailored to your economies and listings (similar to SET)
- Hosting an awareness-raising event on how companies can use modern slavery risk data– Global Estimates of Modern Slavery will be released this month and Global Slavery Index in 2023
- Providing content for sustainability portals to educate listed companies



# Forced labour, human trafficking & modern slavery



# THANK YOU

Email: [sgrant@walkfree.org](mailto:sgrant@walkfree.org)  
[www.walkfree.org](http://www.walkfree.org)



# Forced labour, human trafficking & modern slavery



The Stock Exchange of Thailand

The Stock Exchange of Thailand  
**Vice President, Sustainable  
Development**  
**Nareerat Santhayati**



# Forced labour, human trafficking & modern slavery



Why engage with the FAST / Walk Free initiative



[www.SSEinitiative.org](http://www.SSEinitiative.org)

| [info@SSEinitiative.org](mailto:info@SSEinitiative.org)

| [@SSEinitiative](https://twitter.com/SSEinitiative)

# Forced labour, human trafficking & modern slavery



## Challenges SET encountered



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# Forced labour, human trafficking & modern slavery



RepRisk  
**Head of Partnerships**

**Jenny Nordby**



# Forced labour, human trafficking & modern slavery



## UN SSE Q3 Webinar

## Forced labor, human trafficking, and other forms of modern slavery

**Jenny Nordby**

Head of Partnerships & Third-Party Distribution  
Sales and Marketing  
[jenny.nordby@reprisk.com](mailto:jenny.nordby@reprisk.com)





# Forced labour, human trafficking & modern slavery



## The challenge with “S” data in ESG and how to overcome it



### The challenge

Finding “S” data that can be reliably used in decision-making to address issues of forced labor, human trafficking and other forms of modern slavery.

### How to address it

- Use a risk focus
- Do not rely on company self-reporting
- Data generated via transparent, rules-based methodology

### Global, local coverage in 23 major business languages



+95% of the world's GDP (2021) is covered by the 23 languages in which RepRisk conducts its research, based on the official language indicated per country.

# Forced labour, human trafficking & modern slavery



Our research scope comprises 28 ESG Issues in line with key international standards



## Environment

### Environmental footprint

- Climate change, GHG emissions, and global pollution
- Local pollution
- Impacts on landscapes, ecosystems, and biodiversity
- Overuse and wasting of resources
- Waste issues
- Animal mistreatment

### Cross-cutting Issues

- Controversial products and services

## Social

### Community relations

- Human rights abuses and corporate complicity
- Impacts on communities
- Local participation issues
- Social discrimination

### Employee relations

- Forced labor
- Child labor
- Freedom of association and collective bargaining
- Discrimination in employment
- Occupational health and safety issues
- Poor employment conditions

- Products (health and environmental issues)
- Supply chain issues

## Governance

### Corporate governance

- Corruption, bribery, extortion, money laundering
- Executive compensation issues
- Misleading communication
- Fraud
- Tax evasion
- Tax optimization
- Anti-competitive practices

- Violation of national legislation
- Violation of international standards

Note: The 28 RepRisk ESG Issues are mapped to the UN Global Compact Principles, the SASB Materiality Map, and the Sustainable Development Goals (SDGs)

# Forced labour, human trafficking & modern slavery



Social data trends in the RepRisk dataset  
from the past 2 years



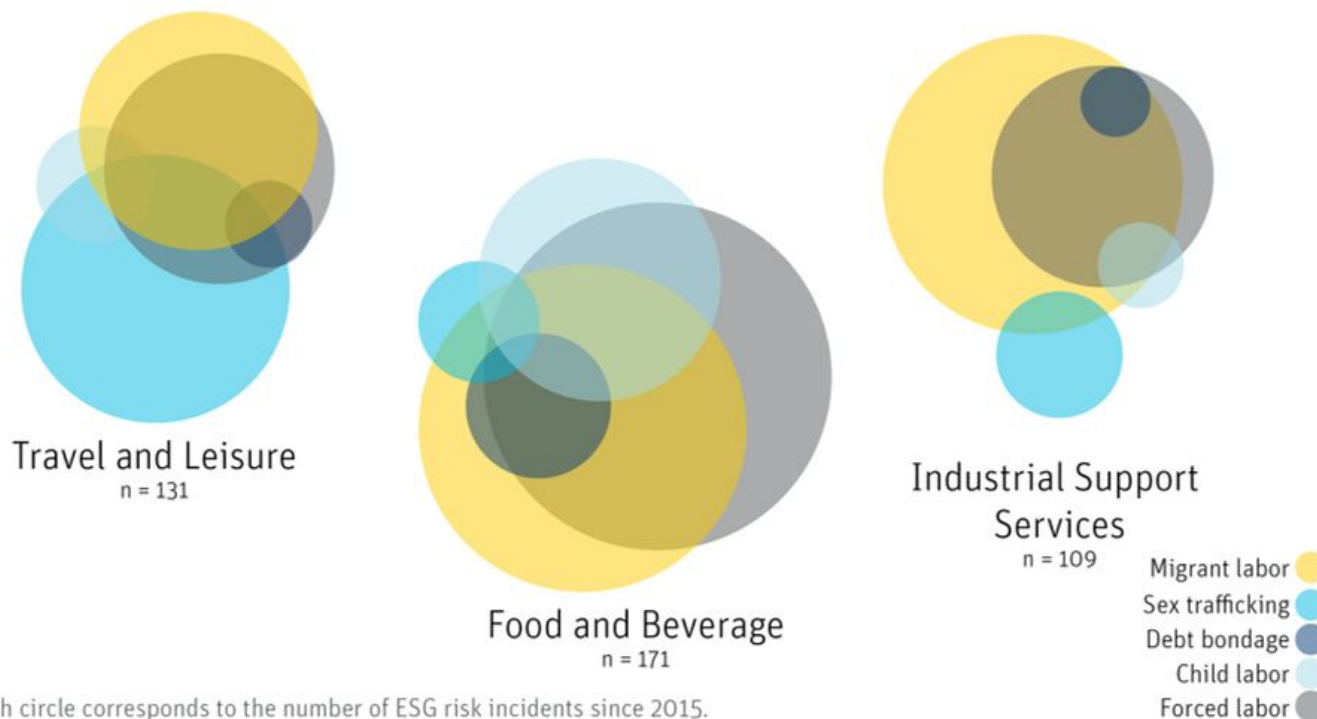
**47%** of companies in the RepRisk dataset had social incidents during the last two years (approximately 34,000)

**10%** of forced labor and **19%** of child labor incidents were linked to the governance issue of misleading communication

# Forced labour, human trafficking & modern slavery



The shape of human trafficking in three key sectors



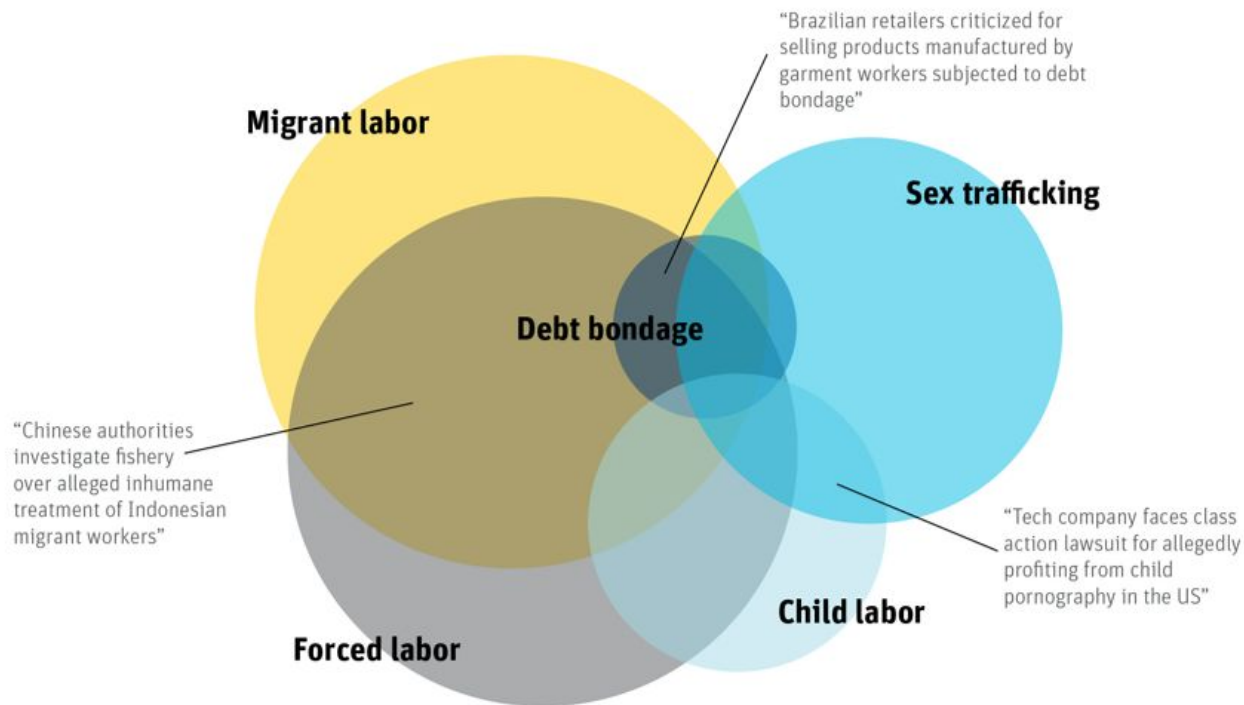
The size of each circle corresponds to the number of ESG risk incidents since 2015.

PRIVILEGED

# Forced labour, human trafficking & modern slavery



## Unravelling 5 dimensions of human trafficking



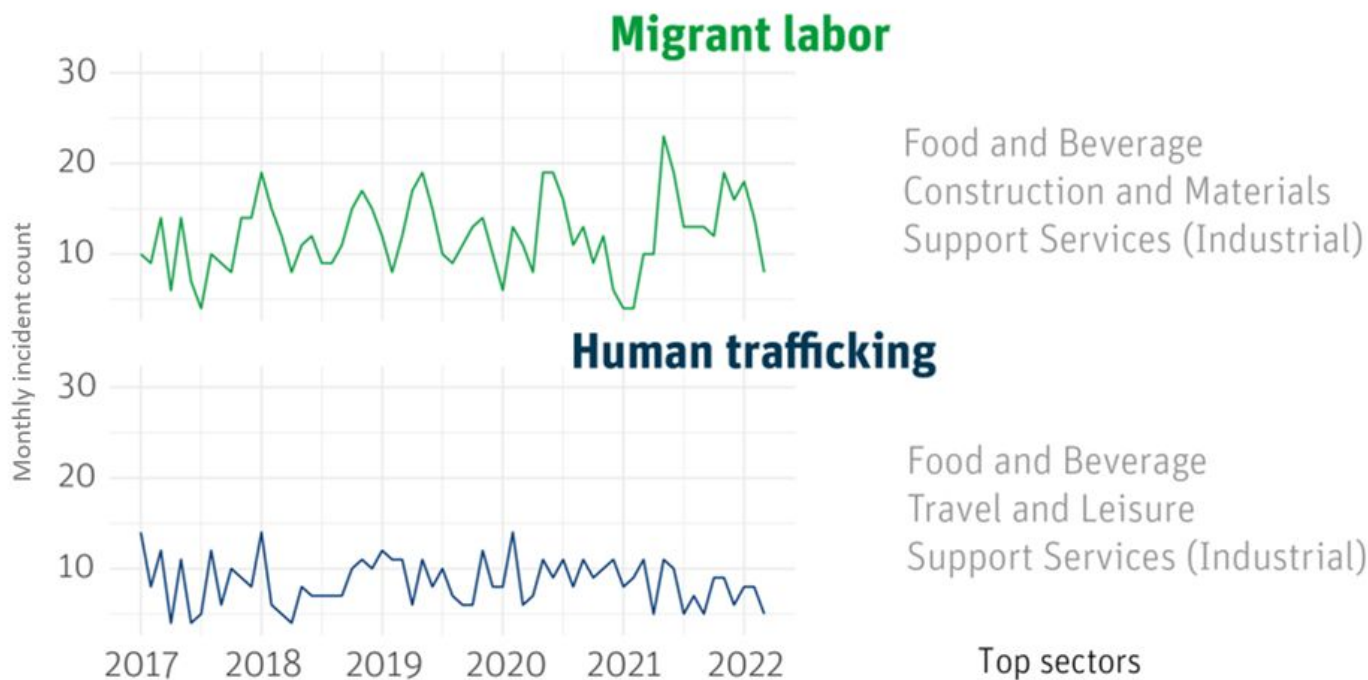
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# Forced labour, human trafficking & modern slavery



## Evolution of key human rights topics



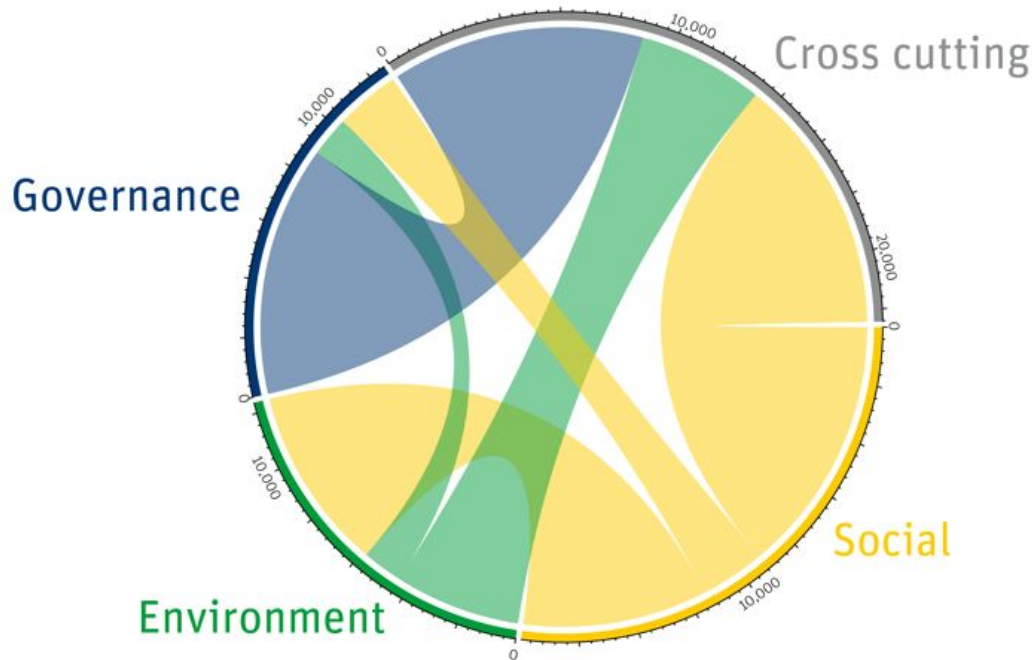
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7

# Forced labour, human trafficking & modern slavery



Social issues overlap to the other pillars of ESG



PRIVILEGED

\*The thickness of the connections indicates the number of 2021 incidents that are linked to both issue groups.

8

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Thank you!



# Forced labour, human trafficking & modern slavery



## Get in touch



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# Open Floor Discussion



Please ask your questions using the chat function



How to participate in the discussion:



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The team will allow you to enable your video function while you speak.

# SSE Secretariat Updates



New gender equality research upcoming! Find it soon under:  
[sseinitiative.org/publications/](https://sseinitiative.org/publications/)



Online ESG guidance database: [SSEinitiative.org/esg-guidance-database](https://SSEinitiative.org/esg-guidance-database).  
We are continually updating the database, so please do share with us any new ESG guidance documents.



Due to high demand: Extension of the free TCFD training to issuers, in partnership with exchanges. Contact us for more info and to book a session for your market.



Exchanges can join the Race to Zero /GFANZ Net Zero Financial Service Providers Alliance ahead of COP27! Contact the SSE team for more information!

# SSE Official Supporters



Thank you to our 2022 Official Supporters!



If your organisation wishes to support the SSE or if you would like to learn more about our Official Supporters program, please reach out to the team.



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Stock Exchanges*



**Thank you!**