

GRS Announcement: Release of Inherent Risk Identification Tool V2.0

May 2025

The Office of the NSW Anti-slavery Commissioner ('OASC'), with support from the Institute of Transport and Logistics Studies at the University of Sydney Business School, has updated the Inherent Risk Identification Tool ('IRIT') to align with the updated NSW whole-of-government procurement ('Spend Cube') taxonomy.

What's new in Version 2.0 of the IRIT?

Version 2.0 is aligned with Version 6.5 of the Spend Cube taxonomy. This taxonomy includes around 180 new procurement categories, including new categories related to construction labour, materials, infrastructure, and building types.

In addition to mapping risk assessments in Version 1.1.2 of the IRIT onto the updated taxonomy, Version 2.0 of the IRIT includes assessments of modern slavery risk in 20 additional procurement categories, including:

- a range of construction materials and components, including steel, concrete, timber, stone and asphalt, as well as electrical, plumbing and HVAC inputs
- mobile phones and telecommunications
- renewable energy
- oil and gas
- international freight, and
- artificial intelligence and data training.

Why does this matter?

Version 2.0 will make it easier for covered entities to meet their reporting and due diligence obligations. For Government Sector Finance ('GSF') agencies using the Spend Cube taxonomy, Version 2.0 supports existing risk management and data collection processes. For non-GSF agencies, it offers more detailed risk assessments at the procurement category level.

The IRIT should be read and used in conjunction with the NSW Anti-slavery Commissioner's [Guidance on Reasonable Steps to Manage Modern Slavery Risks in Operations and Supply Chains](#) ('GRS' or 'Guidance').

Who needs to use it – and when?

Covered entities should use the IRIT as a first step in their modern slavery due diligence when procuring goods and services, and for their annual reporting information.¹

All covered entities are expected to use Version 2.0 of the IRIT for their due diligence activities from the start of their FY2025-2026 or calendar year 2026 reporting year, i.e. from:

¹Appendix K to the GRS (GRS Annual Reporting Template) requires entities to list the categories of goods or services procured for each GRS Due Diligence Level during the relevant reporting period, by reference to the IRIT.

- **1 July 2025** if your entity reports on a financial year basis, or
- **1 January 2026** if your entity reports on a calendar year basis.

Supporting Resources

To support the launch of Version 2.0, the OASC and University of Sydney Business School have developed two new resources:

- **GRS Resource: Modern Slavery Risks in Construction: An Overview**

A new guide that assists covered entities to assess modern slavery risks in construction categories which involve a combination of labour and materials. This resource is integrated with version 2.0 of the IRIT and designed to be used in combination with the tool when undertaking construction procurements.

- **GRS Resource: Using the Inherent Risk Identification Tool (video) (expected June 2025)**

A step-by-step video showing how to use and navigate version 2.0 of the IRIT.

Frequently Asked Questions

1. What has changed in the updated IRIT?

Version 2.0 aligns with v6.5 of the Spend Cube taxonomy (current as at May 2025), while version 1.0 was based on the Spend Cube taxonomy current at December 2023. The updated IRIT also includes risk assessments for 20 additional product categories.

2. When should I start using the updated IRIT?

All covered entities are expected to use version 2.0 of the IRIT for their due diligence and reporting activities from, at the latest:

- 1 July 2025 if you report on a financial year cycle.
- 1 January 2026 if you report on a calendar year cycle.

3. Will this affect the current reporting cycle?

No. You should continue to use version 1.1.2 of the IRIT for your FY2024–2025 or calendar year 2025 reporting. There is no expectation that you re-evaluate procurements for which you have already completed a modern slavery risk assessment.

Future Updates

The IRIT will continue to be reviewed and updated regularly, based on the most reliable and current evidence available.