



# 14

## FORCED LABOR

### STANDARD

PILLARS 2 & 3  
SUSTAINABLE OPERATIONS & VALUE CHAINS

14  
FORCED LABOR

#### Commitment

Prevent and eliminate forced labor in the company's operations, value chain, and broader ecosystems.

Harvesting sugarcane.  
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Aligning a company's practices with the SDGs entails preventing and eliminating forced labor<sup>a</sup> in its operations, value chain, and the broader ecosystems in which it operates.

Agriculture is a high-risk sector for human trafficking<sup>b</sup> and forced labor.<sup>1</sup> Of the estimated 16 million people who were in forced labor in the private economy in 2016, 1.75 million were workers in the agriculture and fishing sectors.<sup>2</sup> Companies cannot currently rely on local laws and enforcement alone to ensure their operations and value chains are free of forced labor.

- a. Forced labor is defined by the ILO as "situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as manipulated debt, retention of identity papers or threats of denunciation to immigration authorities." More specifically, the ILO details that indicators of forced labor, several of which typically have to be met for a situation to constitute forced labor, include abuse of vulnerability, deception, restriction of movement, isolation, physical and sexual violence, intimidation and threats, retention of identity documents, withholding of wages, debt bondage, abusive working and living conditions, and excessive overtime. (Source: ILO, "What Is Forced Labour, Modern Slavery and Human Trafficking," 2021, <https://www.ilo.org/global/topics/forced-labour/definition/lang-en/index.htm>.)
- b. Human trafficking involves "the recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude or the removal of organs" (Source: Office of the High Commissioner on Human Rights-OHCHR, "Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children, Supplementing the United Nations Convention against Transnational Organized Crime," November 15, 2000, <https://www.ohchr.org/en/professionalinterest/pages/protocoltraffickinginpersons.aspx>.)



Because companies have outsized impacts on economic outcomes for those linked to their value chains, companies play a vital role in preventing and eliminating forced labor. Addressing forced labor involves both identifying and addressing specific instances of forced labor as well as its root causes. For example, in many countries, agricultural workers are vulnerable to forced labor due to poverty, migrant status, lack of formal skills training, work on an informal and temporary basis, and lack of unionization.<sup>3</sup> Addressing root causes allows companies to achieve the best outcomes for individuals and contributes to transformative impacts on broader communities.

Companies with practices aligned with the SDGs prevent and eliminate forced labor in their operations, value chains, and broader ecosystems.

**BOX 16: KEY RESOURCES ON PREVENTING AND ELIMINATING FORCED LABOR**

- ILO General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs.<sup>4</sup>
- Ending forced labour by 2030: A review of policies and programmes.<sup>5</sup>
- Promising practices for fair recruitment (cases from different countries).<sup>6</sup>
- Guidance on Due Diligence for EU Businesses to address the risk of forced labour in their operations and supply chains.<sup>7</sup>
- The Montreal Recommendations on Recruitment: A Road Map towards Better Regulation.<sup>8</sup>
- Dhaka Principles for migration with dignity.<sup>9</sup>



**SDG 8 – Decent work and economic growth**

**Target 8.5:** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

**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.

**Target 8.8:** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

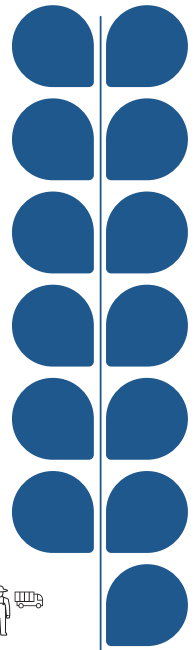


**SDG 10 – Reduced inequalities**

**Target 10.3:** Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and action in this regard.

**Target 10.7:** Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.

**SDG-ALIGNMENT:** THIS STANDARD CONTRIBUTES TO ACHIEVING THE FOLLOWING SDGS:



**PILLARS**  
**2 & 3**

SUSTAINABLE OPERATIONS  
SUSTAINABLE VALUE CHAINS



## STEPS TO MEET THE COMMITMENT

### 1. ADOPT A POLICY AND EMBED IT INTO GOVERNANCE AND MANAGEMENT SYSTEMS

#### 1.1. ADOPT A POLICY

The board or the most senior level of SDG-aligned companies adopt a policy to respect the right to be free from forced labor in their operations and value chain. The policy commitment:

- Aligns with and references the international standards listed in Box 17.
- States that, where the national law of the territory where a company and its business relationships operate conflicts with international law, the company defers to the higher standard.<sup>10</sup>

#### BOX 17: INTERNATIONAL HUMAN RIGHTS STANDARDS RELATED TO FORCED LABOR

- Universal Declaration of Human Rights.<sup>11</sup>
- ILO Declaration on Fundamental Principles and Rights at Work.<sup>12</sup>
- Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.<sup>13</sup>
- ILO Forced Labour Convention (No. 29)
- Abolition of Forced Labour Convention (No. 105).<sup>14</sup>
- Protocol of 2014 to the Forced Labour Convention, 1930.<sup>15</sup>
- Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203).<sup>16</sup>

#### 1.2. EMBED THE POLICY INTO GOVERNANCE & MANAGEMENT SYSTEMS

To embed the policy, SDG-aligned companies:

- Communicate expectations for implementing the policy commitment internally and externally to the workforce, shareholders, subsidiaries' governing bodies, and business relationships, including through contractual terms.
- Integrate the policy into the procurement policy, responsible sourcing policy, contract terms with suppliers, clients, recruitment agencies, and other business relationships in the value chain, and partnerships within and beyond the food sector.<sup>17</sup>
- Integrate the policy into by-laws and other governance documents (i.e., Code of Conduct, Code of Ethics), and management procedures.<sup>18</sup>
- Ensure their business practices and the incentives they create do not contradict the policy commitment in form or substance.

### 2. ASSESS ACTUAL & POTENTIAL IMPACTS

To systemically identify and assess actual and potential impacts of forced labor within business operations, value chains, and broader ecosystems on an ongoing basis in accordance with ILO labor standards,<sup>19</sup> SDG-aligned companies:

- Consider how their business model and common business practices might incentivize or facilitate forced labor, especially by identifying whether excessive pressure is applied on suppliers by negotiating unsustainably low prices.
- Regularly consult with workers and other potentially affected stakeholders to assess the impacts of their operations and business relationships.<sup>20</sup>
- Apply appropriate assessment methods to effectively communicate with culturally diverse communities and workers of different ages, particularly with children, adolescents, and migrant workers who are the most vulnerable to forced labor.<sup>21</sup> When interviewing workers on-site, the companies take appropriate measures to mitigate the risk that workers respond dishonestly to questions out of fear of reprisal. These include conducting assessments off-site or using other assessment methods such as focus-group discussions and participatory assessment methods.
- Take appropriate measures to mitigate conditions that might prevent workers from responding honestly to questions due to fear of reprisal. These include conducting assessments off-site, using other assessment methods such as focus-group discussions and participatory assessment methods, and partnering with local worker organizations or other civil society organizations/representatives, on whom workers may be more likely to trust, to conduct worker interviews.



- Engage qualified and credible individual experts and expert organizations in on-site impact assessments in high-risk areas for forced labor.<sup>22</sup>
- Consider the factors that could lead to forced labor within its business operations and in its value chain (e.g., contractual terms on payments to suppliers that hinder the suppliers' capacity to guarantee decent work conditions to their workforce; lack of awareness of what forced labor is; and harmful social practices at work in areas where the companies or any of their business relationships operate).
- Regularly conduct assessments of suppliers' practices, including ensuring workers have access to their own identity documentation and written contracts in languages they understand, before entering into relationships and throughout the business relationship.<sup>23</sup>
- Regularly conduct assessments of recruitment agencies' practices regarding the elimination of recruitment fees<sup>c</sup> borne by workers.<sup>24</sup> This assessment includes verifying whether the company's suppliers use responsible recruitment agencies that do not charge this type of fees, and analysis of value chain segments where it is more likely that these kinds of fees are charged.
- Monitor trends and patterns in migration and gain insight into trafficking.<sup>25</sup>
- Apply appropriate verification methods to ensure that management and other staff are not able to conceal non-compliance with living wage and income standards, or present themselves in a misleading light (e.g., if relying at all on audits, ensure that these are not announced to management ahead of time).
- Cooperate on collective monitoring initiatives at a sector-wide and, where relevant, cross-sectoral level with governments, workers, local worker groups, unions, worker representatives, international organizations, civil society organizations, and other stakeholders operating on the ground to identify activities and areas of high risk for forced labor.<sup>26</sup> In particular, SDG-aligned companies participate in and support worker-driven monitoring initiatives, such as the Fair Food Program.<sup>d</sup>
- The legal and regulatory environment, paying particular attention to (a) the country's alignment of local laws with ILO standards, including the effective protection of the rights to freedom of association, collective bargaining, and freedom of movement, as well as protection of occupational health and safety, and (b) the extent to which such laws are enforced and the strength of labor inspection capacity in the jurisdiction.<sup>27</sup>
- Socio-economic vulnerability of individuals, workers, and their families in terms of their livelihoods, security, and humanitarian conditions. This vulnerability may be caused by issues such as multidimensional poverty, conflict, exposure to economic and climate change shocks (such as drought, flood, and crop failure), debt bondage, unsafe and irregular migration, lack of access to quality schools, vocational and skills training, low bargaining power and lack of skills as a result of education deprivation, limited decent work opportunities, lack of access to social protection, and low agricultural commodity prices such that farmers cannot sustain a living income.<sup>28</sup>
- Social and cultural norms that reflect tolerance and acceptance of some forms of forced labor.

SDG-aligned companies also consider the root causes of vulnerability of individuals and groups to forced labor. In regions and commodities with a high risk of forced labor, the companies commission, on their own or together with peer companies, qualified and credible individual experts, and expert organizations to conduct on-site human rights impact assessments that evaluate root causes. Assessing the root causes of forced labor may include assessing the:

- a. Recruitment fees<sup>c</sup> refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection. (...) Recruitment fees or related costs should not be collected from workers by an employer, their subsidiaries, labour recruiters or other third parties providing related services. Fees or related costs should not be collected directly or indirectly, such as through deductions from wages and benefits. (...) The recruitment fees and related costs considered under this definition should not lead to direct or indirect discrimination between workers who have the right to freedom of movement for the purpose of employment, within the framework of regional economic integration areas." (Source: ILO, "General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs.")
- b. Recruitment fees<sup>c</sup> refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection. (...) Recruitment fees or related costs should not be collected from workers by an employer, their subsidiaries, labour recruiters or other third parties providing related services. Fees or related costs should not be collected directly or indirectly, such as through deductions from wages and benefits. (...) The recruitment fees and related costs considered under this definition should not lead to direct or indirect discrimination between workers who have the right to freedom of movement for the purpose of employment, within the framework of regional economic integration areas." (Source: ILO, "General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs.")
- c. Recruitment fees<sup>c</sup> refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection. (...) Recruitment fees or related costs should not be collected from workers by an employer, their subsidiaries, labour recruiters or other third parties providing related services. Fees or related costs should not be collected directly or indirectly, such as through deductions from wages and benefits. (...) The recruitment fees and related costs considered under this definition should not lead to direct or indirect discrimination between workers who have the right to freedom of movement for the purpose of employment, within the framework of regional economic integration areas." (Source: ILO, "General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs.")
- d. The Fair Food Program is a worker-driven social responsibility program based on a "partnership among farmers, farmworkers, and retail food companies that ensures humane wages and working conditions for the workers who pick fruits and vegetables on participating farms." (Source: "Fair Food Program - Consumer Powered, Worker Certified," accessed June 8, 2021, <https://www.fairfoodprogram.org/>.) It has been recognized as by the UN Working Group on Business and Human Rights "a groundbreaking model for promoting labour rights" and by the UN Special Rapporteur on Human Trafficking as an "international benchmark" in fighting modern-day slavery. (Sources: UN Working Group on Business and Human Rights, "Report of the Working Group on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises: Visit to the United States of America," May 6, 2014, <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G14/024/76/PDF/G1402476.pdf?OpenElement>.; Maria Grazia Giammarinaro, UN Special Rapporteur in Trafficking in Persons, especially Women and Children, "End of Visit Statement, United States of America (6-16 December 2016)," December 19, 2016, <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=21049&LangID=E>.)



### 3. INTEGRATE BY SETTING TARGETS & TAKING ACTION

SDG-aligned companies integrate the findings of their assessments of forced labor risks and impacts into relevant internal functions and processes by **setting targets** and then **taking action** to align with the standard within set target dates.

#### 3.1. SET TARGETS

SDG-aligned companies set specific time-bound intermediate and long-term targets to eliminate and prevent forced labor that are ambitious enough to contribute significantly to the SDGs' achievement, particularly SDG 8 and SDG 10. The intermediate targets are relevant to monitor their and their business relationships' continuous improvement towards meeting the standard. Where possible, indicators measure outcomes rather than outputs or activities. These targets are tailored to a company's business activities and relationships based on its assessment of actual and potential instances of forced labor that the company may be linked to, contribute to or cause.

#### 3.2. TAKE ACTION

SDG-aligned companies integrate the findings of their assessments of forced labor risks and impacts into relevant internal functions and processes. They take appropriate action to cease, prevent, and mitigate impacts in their business operations and use leverage to prevent and mitigate harms in their value chains and broader ecosystems.

Where a company identifies a risk of forced labor in local contexts where it has operations and business relationships, it uses and increases its leverage to prevent, mitigate, and remediate these risks and impacts, including, where relevant, their root causes. This is undertaken in line with respect for human rights and the development priorities of the local context.

Depending on the specific risks and impacts identified, measures to address actual and potential forced labor impacts include:

- **Adjusting business models**, including revenue models, where they are in tension with the ability to respect the human right to be free of forced labor in its operations and value chain.
  - **Revenue model:** Ensuring that the revenue model facilitates the payment of living wages and earning of living incomes. It does not place pressure on procurement and legal functions, which would require them to prioritize low prices and short-term relationships at the expense of respecting the right to be free of forced labor.

**Establishing business practices that align with the standard**, including:

- **Using formal employment schemes** and ensuring that employment contracts are written in a language its workers understand. The contracts specify workers' rights concerning the retention of documents, working hours and overtime, wages, and other labor rights and obligations.<sup>29</sup> SDG-aligned companies use leverage with their business relationships, including recruitment agencies, to influence the implementation of these formal employment schemes along the value chain.<sup>30</sup> When a company identifies that it has business relationships with informal, unregulated employment schemes, it uses its leverage to influence these business partners to adopt formal employment procedures.<sup>31</sup>
- **Reducing excessive overtime** schedules, by aligning human resources capacity with business production targets, including by implementing adequate planning procedures, and using leverage to influence business relationships to do the same.<sup>32</sup>
- **Paying and using leverage to influence the payment of adequate compensation to apprentices** and verifying that their working schedule does not interfere with their education.
- **Using leverage with business relationships, including recruitment agencies, to avoid outsourcing migrant worker employment** to third-party labor brokers whose practices do not align with the standard.
- **Providing, and using leverage to influence business relationships to provide all workers with access to all relevant documentation related to their employment** including their ID documents, passports, contracts (written in a language the worker understands), payroll slips, workplace internal regulation manual (if applicable), and other relevant documentation related to their employment, to respect their freedom of movement.<sup>33</sup>
- **Adopting, and using leverage with business relationships, so that workers are paid an hourly rate** instead of piece rates.
- **Establishing responsible price setting and purchasing practices that facilitate living incomes and wages** including by planning, forecasting, paying suppliers promptly, and accounting for the cost of employee's recruitment fees, wages, benefits, and investments in decent work in its pricing.<sup>34</sup> SDG-aligned companies set procurement incentives for suppliers (e.g., price premiums) that meet the highest labor standards.<sup>35</sup>



- **Addressing instances of individuals being identified as being under forced labor conditions** in company operations or value chain, by immediately removing or using leverage to remove the person from conditions of forced labor. Formal processes are established to create corrective action plans with business relationships found to violate company policies and contractual obligations related to preventing and eliminating forced labor in their operations and business relationships.<sup>36</sup> Corrective action plans include (1) potential actions that should be taken in case of noncompliance, in line with the sourcing, production, or sale context, (2) a means to verify remediation, and (3) potential consequences if corrective actions are not taken (e.g., suspension of orders if forced labor is identified until corrective action is taken to prevent, mitigate and eliminate it).<sup>37</sup>
- **Promoting and not impeding the right of workers to freedom of association and collective bargaining**, and the self-organizing efforts of workers in the informal economy. This includes supporting union formation on farms and establishing global framework agreements with global trade union federations to improve respect for fundamental labor rights. In addition, SDG-aligned companies source from, and encourage membership in, producers' associations and cooperatives.<sup>38</sup>
- **Paying living wages and incomes**<sup>39</sup> and, where applicable, mandatory social protection benefits to workers. SDG-aligned companies pay wages and benefits on time and have mechanisms to monitor this. The companies use leverage to ensure all value chain workers receive living wages and mandatory social benefits on time.
- **Building capacity internally and externally (in the workforce and with business relationships, including employment agencies) on how to identify, eliminate, and prevent forced labor.** SDG-aligned companies provide ongoing support for these skill development efforts. Additionally, they raise awareness amongst workers and communities about their rights and any harmful social norms or common business practices that may incentivize forced labor.<sup>40</sup>
- **Using leverage to support and not impede State action to address forced labor** through collective action with peer and cross-industry companies, and in coordination with communities and civil society organizations. This may include advocating for: (1) stronger legal prohibitions on all forms of forced labor, as well as mechanisms to enforce labor laws in the jurisdiction;<sup>41</sup> and (2) more robust public policies to offset the socio-economic vulnerabilities that can push people into forced labor.

- **Supporting communities and community-led civil society efforts.** In addition to enabling achievement of the SDGs through responsible tax practices, companies may, in coordination with communities and civil society organizations, undertake efforts such as (1) providing grants to vulnerable individuals and families that might be at risk of forced labor; (2) making in-kind donations of food, clothing, school supplies, medicines, and housing, and other infrastructure facilities for vulnerable families; (3) providing monetary and in-kind support for civil society initiatives to prevent and eliminate forced labor, including through addressing its root causes.<sup>42</sup>

## 4. ESTABLISH AND PARTICIPATE IN EFFECTIVE GRIEVANCE MECHANISMS & PROVIDE OR ENABLE REMEDY

### 4.1. ESTABLISH GRIEVANCE MECHANISMS

To ensure victims of forced labor have access to remedy, SDG-aligned companies have, and use their leverage to ensure their business relationships have, effective grievance mechanisms<sup>e</sup> in place.<sup>43</sup> These mechanisms are accessible to company workers, value chain workers, and any person from the community to report instances of forced labor (e.g., operational-level grievance mechanisms, hotlines with effective grievance handling procedures). SDG-aligned companies provide training or develop actions to communicate the existence and operation of such grievance mechanisms to all potentially affected stakeholders and communities.<sup>44</sup>

### 4.2. COOPERATE IN STATE-BASED GRIEVANCE MECHANISMS

SDG-aligned companies refrain from using legal waivers that preclude access to judicial recourse for victims of forced labor and other human rights impacts. The companies cooperate with and support legitimate judicial and non-judicial State-based mechanisms to report and adjudicate forced labor crimes.<sup>45</sup> They facilitate and do not interfere with civil, criminal, and human rights examinations. Where State-based mechanisms order sanctions or remedy in relation to forced labor or other human rights impacts, the companies comply and uses leverage to ensure their business relationships comply.

e. As defined by the UNGPs' Effectiveness Criteria for Non-Judicial Grievance Mechanisms ("In order to ensure their effectiveness, non-judicial grievance mechanisms, both State-based and non-State-based, should be: (a) Legitimate... (b) Accessible... (c) Predictable... (d) Equitable... (e) Transparent... (f) Rights-compatible... (g) A source of continuous learning... Operational-level mechanisms should also be: (h) Based on engagement and dialogue..." (see UNGP 31 for further information). (Source: United Nations, "Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework.")



### 4.3. PROVIDE OR ENABLE REMEDY

When a company identifies that it has caused or contributed to an instance of forced labor in its operations or value chain, it acknowledges its part in the harm done and provides remedy that is satisfactory to the affected workers – or, where the company did not cause or contribute to the harm, it enables remedy – through legitimate processes. SDG-aligned companies involve workers in the design and/or performance of the company’s grievance mechanisms, to ensure that workers are satisfied and trust the mechanisms (i.e., through peer-to-peer learning sessions to design grievance mechanisms, not just surveys). Depending on the impact which occurred and tailored to the needs of those impacted, some remedy actions include:<sup>46</sup>

- Provide compensation for harm caused, including any physical and psychological harm caused under the conditions of forced labor.<sup>47</sup>
- Provide rehabilitation and skills training to workers who have been victims of forced labor to prepare and support them to re-enter the workforce under decent working conditions. The company monitors that these workers are hired through a formal employment scheme, have a job for which they have voluntarily accepted employment, and perform work under decent working conditions.<sup>48</sup>
- Fully reimburse workers any improperly imposed charges (e.g., recruitment-related fees and benefits that are the employer’s responsibility).<sup>49</sup>

## 5. TRACK PERFORMANCE

SDG-aligned companies track, on an ongoing basis and through qualitative and/or quantitative outcome-based performance indicators, the implementation of actions they take to align with the standard. In particular, the companies monitor whether actions are implemented within their target dates. The following are some examples of performance indicators to track progress over time:

- Percentage of the company’s and its value chain’s workforce hired directly by the company.
- Percentage of the company’s and its value chain’s workforce hired through recruitment agencies and outsourcing companies, disaggregated by gender, ethnicity, race and other identity criteria, employee category (level and function), location, and the food and agriculture subsector in which the worker works.

- Percentage of the company’s and its value chain’s workers who are members of unions, disaggregated by gender, ethnicity, race and other identity criteria, employee category (level and function), location, and the food and agriculture subsector in which the worker works.
- Percentage of the company’s and its value chain’s workers who are covered by collective bargaining agreements.
- Percentage of the company’s and its value chain’s employment contracts that specify working hours, wages, premiums, and other fundamental labor rights, disaggregated by gender, ethnicity, race and other identity criteria, employee category (level and function), location, and the food and agriculture subsector in which the worker works.
- The number of workers in the company’s value chain operating in areas of significant forced labor risk, disaggregated by gender, ethnicity, race and other identity criteria, employee category (level and function), location, and the food and agriculture subsector in which the worker works.
- The number of grievances raised and addressed related to forced labor in the company’s operations and value chain.

SDG-aligned companies partner with trade unions, suppliers, government institutions, civil society organizations, and other stakeholders to design and implement effective tracking and monitoring mechanisms. Methods to track progress include:

- Third-party human rights impact assessments and labor rights inspections and audits (on-site & off-site)
- Worker-driven monitoring mechanisms.
- Surveys, interviews (preferably off-site), other feedback mechanisms to collect perspectives from potentially affected stakeholders, including trade unions and civil society organizations, with a focus on those most vulnerable to impacts.
- Complaints and grievances raised through grievance mechanisms.





## 6. DISCLOSE PERFORMANCE

To enable transparency and accountability, SDG-aligned companies communicate publicly on their performance against their forced labor prevention and elimination commitment and targets, particularly when concerns are raised by or on behalf of affected stakeholders. Where relevant, SDG-aligned companies also share aggregate data and high-level findings directly with affected stakeholders and organizations, including human rights organizations and researchers.

Regular public disclosure is accurate, clear, accessible, and third-party verified information about the actual and potential impacts on forced labor in their operations and value chain, their efforts to address these to implement their policy commitment, and performance against targets. Disclosure includes sufficient information to evaluate the adequacy of the company's approach and activities. Formal disclosure includes information on the following:<sup>50</sup>

- Internal business and value chain activities and locations with a high risk for incidents of forced labor.
- Methods used to assess operations and business relationships to identify and measure these risks.<sup>51</sup>
- Measures were taken during the reporting period to prevent and eliminate forced labor in their operations, value chains, and ecosystems. This includes information regarding the payroll scheme, monitoring procedures on working conditions and payment, monitoring procedures over employment agencies' practices, how the rights to collective bargaining and freedom of movement of workers, and value chain workers are respected.<sup>52</sup>
- Any measures taken with peer companies, recruitment agencies, companies across industries, civil society, and/or governments to address forced labor and its root causes in company ecosystems.
- Any incident of forced labor identified in company operations and value chains, specifying the number of workers affected, the type of work performed by them, the business relationship involved (e.g., first-tier supplier, below-first tier supplier, client), and the geographic location. The company discloses how the impact was identified and addressed, including remediation plans, actions, and results, including the specific outcomes for workers.<sup>53</sup>
- Methods used to identify and address incidents of forced labor, including remediation plans, actions, and results.<sup>54</sup>
- Analysis of trends demonstrating progress and, where appropriate, explaining lessons learned from stagnation or decline towards meeting the standard and achieving intermediate and long-term targets on preventing and eliminating forced labor in company operations, value chains, and ecosystems.<sup>55</sup>



## ENDNOTES

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The rights to freedom of association and collective bargaining are essential prerequisites for the exercise of other labor rights. They balance power and ensure workers' voices are heard and integrated into business decision-making. By taking action to ensure the rights to freedom of association and collective bargaining are respected in their operations and value chains, companies contribute to enabling respect for all labor rights.

Harvesting sugarcane.  
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