

FINAL REPORT

FORCED LABOUR AND CHILD LABOUR

An investor engagement initiative



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FINAL ENGAGEMENT REPORT WITH TEN COMPANIES

INTRODUCTION

Despite the commitment established in 2015 by the international community under the auspices of the Sustainable Development Goals (SDGs), particularly target 8.7[1], which seeks to eradicate **forced labour** by 2030 and **child labour** by 2025, these issues persist at an alarming scale. According to the most recent global estimates from the International Labour Organization (ILO), **27.6 million people were subjected to forced labour in 2021[2]. Concurrently, in 2024, 138 million children worldwide, representing 8% of the global child population (aged 5-17), were impacted by child labour, with 54 million facing hazardous conditions that threaten their health, safety, and development[3].**

The International Labour Organization (ILO) defines **forced labour** in its Convention No. 29 of 1930 as "**all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.**" Two inseparable aspects define a situation of **forced labour**: on the one hand, the absence of the worker's free and informed consent, as they have not chosen their job voluntarily or are unable to leave it; on the other hand, the presence of forms of coercion such as threats, violence, withholding of wages,

confiscation of identity documents, isolation or dependence linked to debt or immigration status. To enhance risk identification, the NGO Human Resources Without Borders (RHSF)[4] groups the ILO's 11 **forced labour** indicators into four main categories: **coerced consent, coercion, isolation, and restriction of freedom of movement.** This methodology allows for a comprehensive understanding of the phenomenon, considering local contexts and the various manifestations of exploitation.

This phenomenon knows no geographical boundaries. Contrary to popular belief, it is not limited to the least developed countries. Middle-income countries, which are deeply integrated into global supply chains, represent a substantial portion of **forced labour** instances. **Europe is particularly impacted: both through its imports and the rising prevalence of these situations within its own borders. Between 2016 and 2022, it was one of the regions globally where the risk of forced labour escalated significantly[5].**

Child labour, conversely, is defined by the ILO as **work that poses mental, physical, social, or moral dangers and harms to children; and/or which interferes with their education by**

[1]SDG 8.7: Implement immediate and effective actions to eradicate forced labour, abolish modern slavery and human trafficking, prohibit and eliminate the most egregious forms of child labour, including the recruitment and utilization of child soldiers, and, by 2025, eradicate child labour in all its manifestations.

[2] [Global estimates of contemporary slavery - Forced labour and forced marriage, ILO, 2022](#)

[3] [Child labour, UNICEF & ILO, 2024](#)

[4] [The NGO RHSF](#) was established in 2006 with the objective of preventing child labour, forced labour, and, more broadly, exploitative work within supply chains.

[5] A comparison of the 2016 figures: [Global estimates of modern slavery : forced labour and forced marriage, 8.7 Alliance, 2017](#) (page 19) with those of 2022: [Global estimates of modern slavery, forced labour and forced marriage, 8.7 Alliance, 2022](#) (page 18)

denying them the opportunity to attend school; compels them to leave school prematurely or requires them to attempt to balance school attendance with excessively long and arduous labour. Article 32 of the International Convention on the Rights of the Child explicitly acknowledges the child's right to protection from economic exploitation and from any work that may jeopardize their education or hinder their development.

Between 2000 and 2024, despite a general increase in the global population of children aged 5 to 17, the total number of children involved in **child labour** has decreased by over 100 million. **More recently, from 2020 to 2024, this decline accounted for more than 20 million children, with 25 million children exposed to hazardous work. Although encouraging, this progress is far from sufficient to eradicate the problem by 2030; the rate of reduction would need to increase elevenfold to achieve zero child labour.** The UNICEF and ILO report indicates that without such acceleration, this goal may not be realized until 2045, necessitating a rate seven times higher than the current one, and an additional fourfold increase if the deadline is extended to 2060.

In response to these two closely linked phenomena, legal and regulatory frameworks have been progressively strengthened at national, regional and international levels. Key reference points include the ILO's core conventions, the United Nations Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. In France, the Act of 27 March 2017 on the duty of care marked a significant step forward in terms of corporate responsibility for human rights abuses within their supply chains.

At European level, the directive on corporate due diligence regarding sustainability and the regulation prohibiting the placing on the market of products derived from forced labour serve to reinforce this framework.

Nevertheless, the persistence of human rights violations in many supply chains, particularly in the private sector^[9], highlights the structural difficulties in translating these commitments into effective action.

It is against this backdrop that the organisation Ressources Humaines Sans Frontières (RHSF) is developing an approach based on prevention and experimentation, aimed at upholding the fundamental rights of vulnerable populations. Since 2020, **RHSF has been running the Lab 8.7 programme in collaboration with the French Ministry for Europe and Foreign Affairs (MEAE). This programme aims to test, through collaborative efforts with participating companies and local stakeholders, measures to prevent child labour and forced labour within supply chains.** Through this initiative, RHSF is drawing on its expertise to make a tangible contribution to the implementation of international commitments regarding respect for human rights in the world of work.

WHAT MOTIVATES INVESTORS TO ENGAGE IN THIS INITIATIVE?

From the investors' perspective, the issue of respect for human rights within the supply chains of the companies in which they invest is becoming increasingly significant, driven on the one hand by tighter regulation and, on the other, by growing concern over its dual impact—both financial and non-financial.

[6] [What constitutes child labour?, ILO](#). The forms of child labour referred to as "to be eliminated" fall under ILO Convention 138, while the worst forms of child labour are covered by ILO Convention 182.

[7] [Convention on the Rights of the Child, Office of the High Commissioner for Human Rights, 2025](#)

[8] [Child labour, Global Estimates 2024, Trends and Future Directions, UNICEF & ILO, 2025](#)

[9] The ILO indicates that 63% of forced labour originates from sectors of the private economy outside of commercial sexual exploitation.

Currently, ESG analyses performed by investors evaluate adherence to fundamental rights by scrutinizing the commitments and actions already undertaken by the company, along with any related controversies. However, ESG analysis does not inherently commence with the risks to individuals within the supply chain, as it often overlooks an assessment of the company's policies' actual effectiveness in mitigating these risks.

While the issue of respect for human rights is garnering heightened attention from investors, addressing its full complexity continues to pose a challenge. Companies and investors frequently prioritize corporate risk in their risk management strategies, often finding themselves in a reactive position rather than proactively preventing human rights violations.

In this context, the FIR engaged RHSF to collaboratively develop and evaluate a methodology specifically designed for investors, intended to assess companies' ability to mitigate the risks of **forced labour** and **child labour** that vulnerable populations face. This methodology was also crafted to function as a dialogue tool with companies.

At the conclusion of 2021, the FIR established a coalition comprising ten investor members: Amiral Gestion, Amundi, AXA IM, Candriam, LBPAM, LFDE, Mandarin Gestion, Oddo BHF AM, OFI Invest AM, and Sycomore AM. Collectively, these members represent over €3.5 trillion in assets under management and are collaborating with RHSF to advance this methodology. The coalition's objective is to ensure that the due diligence process effectively mitigates risks for individuals.

The aim of this initiative is twofold: to assess the extent to which companies have these issues

under control and to encourage the implementation of robust measures to prevent, detect and address such practices. The dialogues are therefore designed to enhance transparency, improve internal policies and procedures, and promote a supply chain that respects fundamental human rights.

METHOD DEVELOPMENT

During an initial nine-month period (from November 2021 to July 2022), the coalition and RHSF collaborated to develop an assessment methodology that, while adhering to international due diligence standards, also integrates the particularities of **forced labour** and **child labour**[10].

This method aims to evaluate a company's maturity in preventing **forced** and **child labour**. Maturity is assessed through four criteria: understanding of the issue, demonstrated commitment based on this understanding, a targeted approach stemming from that commitment, and, ultimately, the relevance of the implemented measures in relation to the risk targeting. For each criterion, three maturity levels (0, 1, and 2) have been established.

Employing a risk-based approach to individuals, the objective is to encompass the entire value chain of products or services, extending back to the countries of origin. However, the complexity of the subject necessitates an initial focus on mapping and identifying risks across various activities to evaluate and address the segments most susceptible to risk[11].

Furthermore, the evaluation method was assessed to confirm its applicability:

[10] [To prevent child labour and forced labour, RHSF, with the support of the MEAE](#), experimented within the framework of Programme Lab 8.7.

[11] The evaluation framework adheres to a continuous iterative process and may evolve over time in response to feedback. Please refer to the appendix for further details.

- Generates an analysis aligned with expert opinion, using the same information.
- It is straightforward and efficient for the analyst.
- It serves as a valuable learning experience for both the analyst utilizing it and the company undergoing evaluation.
- It fosters communication between the investor and the company.

DIALOGUE AND ENGAGEMENT WITH COMPANIES

Based on the assessment methodology finalized in the summer of 2022, a dialogue and engagement phase with companies commenced in early 2023.

Ten French companies from high-risk sectors[12] regarding this issue were selected by investors to initiate a constructive dialogue. This dialogue aims to enhance understanding of the risks associated with **forced labour** and **child labour** within these companies' value chains and explore how investors can aid in mitigating these risks in their relationships with them.

This report constitutes a **second evaluation of the companies' performance subsequent to discussions conducted between 2024 and 2025 with the selected firms**. This methodology seeks to assess the advancements achieved since the initiation of the commitment in 2023, while also identifying areas that require additional efforts.

The maturity levels were established based on publicly accessible company documentation and modified as necessary after discussions with the companies. Engagement with the companies frequently proved beneficial in enhancing or elucidating the analysis, without altering the initial maturity level assessment in most instances. It was observed that companies do not consistently convey information on these topics with a high degree of granularity.

For example, these discussions have provided a better understanding of who is involved and how

risk mapping is carried out in practice, which products, materials and geographical areas pose the greatest risk to people, and the dialogue taking place with local stakeholders... Throughout the two-year engagement period, each company was approached by investors between two and four times. These interactions involved active dialogues, wherein both the company and the investor exchanged information, primarily through videoconferences, with a few exceptions, and did not include email exchanges.

Since the initiation of the engagement, the quality of dialogue has varied considerably among companies. Some were immediately receptive, while others, viewing the request as merely another reporting obligation, required additional time to grasp the value of the approach and its methodology.

In a spirit of transparency and collaboration, alongside conducting their own analysis based on the analysis grid co-developed with RHSF, the investors shared this blank assessment framework with interested companies to enhance their understanding of the approach and facilitate its adoption.

This second year of engagement has reaffirmed the lessons gleaned from the first: tackling this issue remains intricate, requires time, and progress—whether in transparency or practices—is inherently long-term. As will be illustrated throughout the report, the scope of this issue frequently transcends the exclusive domain of investors, highlighting **the significance of a collaborative approach that includes businesses, public authorities, NGOs, and other stakeholders**.

[12]Agri-food, Automotive, Consumer Discretionary, Construction, Hospitality, Industrial Sectors, and Utilities

This report is structured into three sections. The first section delineates the evaluation methodology, collaboratively developed by FIR member investors and RHSF, for assessing companies' control over forced and child labour. The second section provides an overview of companies' maturity levels and the progress observed, supported by concrete examples. Finally, the third section highlights

the areas where there is still room for improvement.

In the context of forced labour and child labour, as a reminder, the maturity of companies is assessed across four primary dimensions: their understanding of the issue, their dedication to addressing it, the specificity of their approach, and the measures they have enacted. Companies are evaluated on a scale from 0 to 2 across eleven criteria that are categorized within these four key areas.

INVESTOR TESTIMONIALS

Candice Boclé, Director of Responsible Investment at Mandarine Gestion, asserts:

As a founding member of the initiative spearheaded by the Forum for Responsible Investment (FIR) and Human Resources Without Borders (RHSF), Meeschaert Asset Management (now Mandarine Gestion following the merger of the two firms in early 2024) has had the opportunity to solidify its status as a leader in shareholder engagement concerning human rights.

By engaging in direct dialogue with the targeted companies through the lens of an analytical framework established within this initiative, we can enhance our approach to addressing sensitive issues such as forced labour and child labour.

We value the collaborative development with other management firms of a methodology for evaluating at-risk companies, designed to prevent forced labour and child labour within increasingly global and complex supply chains.

Addressing forced labour and child labour within supply chains poses a significant challenge for dedicated investors. These practices, frequently concealed within intricate layers of subcontracting, evade standard audits and traditional compliance measures.

The companies addressed by the

initiative have occasionally shown hesitance to recognize their vulnerability to these risks, concerned about potential harm to their reputation or lacking insight into their indirect suppliers. Consequently, shareholder engagement on these matters necessitates a patient, systematic, and collaborative approach. We aspire to foster a rigorous yet constructive dialogue, grounded in a comprehensive analytical framework and offering tangible pathways for enhancement. This proactive approach not only heightens awareness among companies but also aids them in attaining superior social governance within a context of ongoing improvement.

Ultimately, the incorporation of collaborative engagement and RHSF's on-the-ground expertise enhances shareholder dialogue, especially for minority shareholders. Engaging with companies individually on this matter often risks diluting these concerns within a wider context, potentially undermining the challenge to companies regarding their practices and transparency levels. This strategy also enables Mandarine Gestion to adopt an innovative approach, showcasing our commitment to surpassing market standards and effecting a meaningful impact on companies' social practices.

Léa Bozzi, Head of Engagement at Ofi Invest AM, asserts:

Ofi Invest AM has joined the initiative spearheaded by the FIR in partnership with RHSF, reaffirming its dedication to human rights concerns. This commitment is evidenced by the implementation of our Global Compact policy and our active involvement in the PRI Advance working group. The FIR-RHSF initiative enables us to concentrate on the challenges of **forced labour** and **child labour**, which are prevalent across various sectors and regions worldwide, albeit to differing extents. Their complexity and persistence necessitate a systematic approach and ongoing skills enhancement. In this regard, collaboration with RHSF, whose expertise in the field is invaluable, enhances our understanding and capacity to address these issues effectively. The analytical framework established through this initiative serves as a valuable instrument that enhances our engagement methodologies and deepens the dialogues we undertake with companies. It enables us to ask more targeted questions, to assess

companies' practices in greater detail, and to set our expectations beyond mere regulatory requirements, whilst helping to harmonise engagement practices on social issues in France.

We primarily engage with companies governed by French law, enabling us to utilize instruments such as the corporate vigilance plan. However, maturity levels vary significantly and are frequently inadequate to mitigate the identified risks. The responses to our inquiries illustrate this diversity, affirming that the evolution of practices necessitates time and continuous dialogue. This also highlights the significance of collaborative efforts, which enhance the likelihood of achieving tangible advancements in human rights.

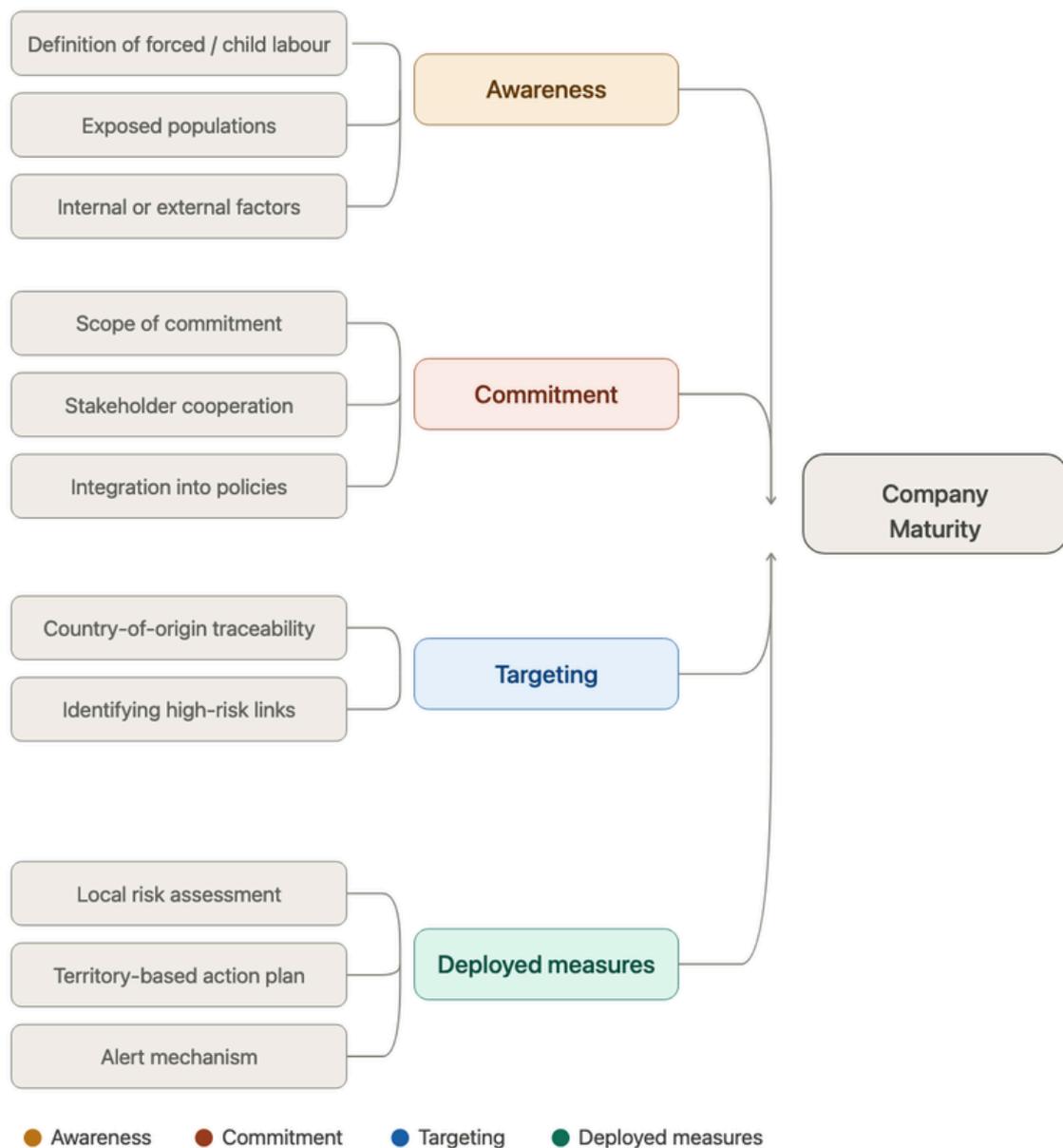
We recognize that this evolution can only occur within a mobilized ecosystem, where investors, NGOs, and public authorities each fulfill a complementary role. Ofi Invest AM seeks to enhance this dynamic by promoting a deeper understanding of the issues and advocating for more responsible practices within corporations.

PART I

Methodology for assessing companies' maturity level regarding forced labour and child labour

The targeted companies were engaged on the following aspects:

Company Maturity Assessment Grid
on Forced Labour and/or Child Labour



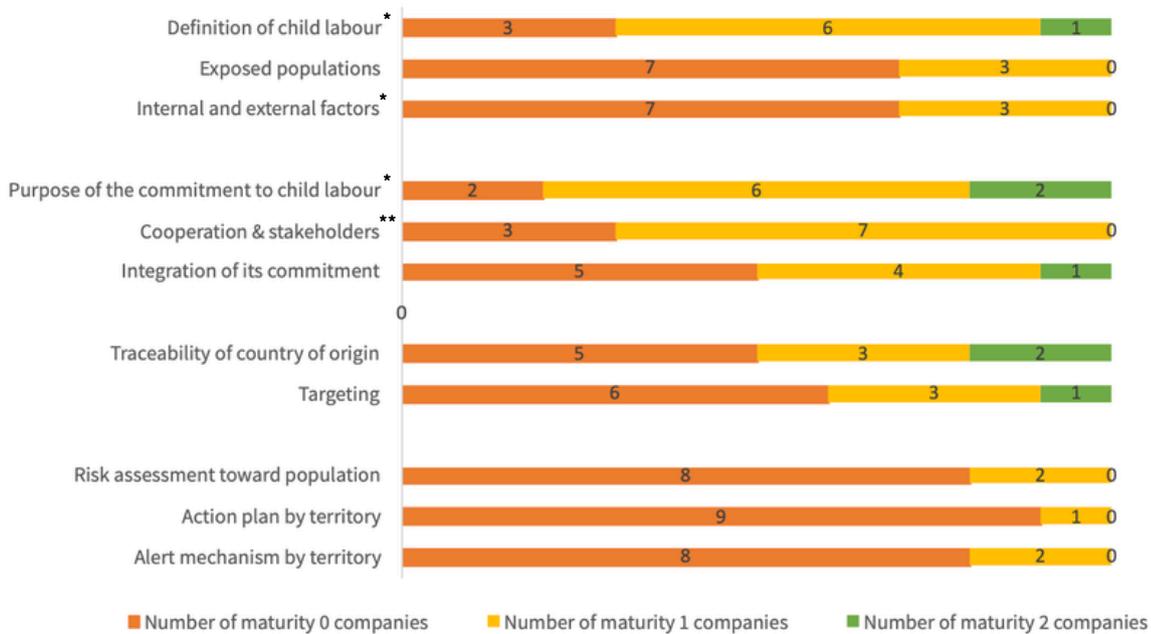
For further information regarding the methodology and approaches employed to meet the various criteria, please consult the [2024 report](#) detailing the outcomes of the inaugural year of commitment.

Grade assessment[13]:

Forced labour - Investors' analysis



Child labour - Investors' analysis



* Progress for one company: from maturity level 0 to 1 between 2024 and 2025

** Progress for two companies: from maturity level 0 to 1 between 2024 and 2025

[13]Although grounded in a structured analytical framework, the valuation of companies ultimately rests on the analyst's discretion, thereby incorporating a level of interpretation and subjectivity.

PART II

Analysis of the progress made by companies since the start of the initiative

1. COMPANIES' PROGRESS SINCE THE START OF THE INITIATIVE

Since the commencement of the engagement, the majority of the ten companies have made progress across the four pillars of the assessment methodology: awareness, corporate commitment, risk targeting, and implemented measures to combat **forced** or **child labour**. **However, it is important to note that this progress rarely translates into a change in the maturity level on the assessment scale.** In fact, advancing to a higher maturity level (particularly maturity level 2) is a gradual process that requires time, structure, and often significant transformations. A change in level, whether from 0 to 1 or from 1 to 2, typically cannot be accomplished within a single year. **The assessment framework, intentionally centered on three maturity levels (0, 1, 2), reflects this necessity: it emphasises structural steps taken rather than mere intentions or isolated measures.** Therefore, even in the absence of a change in level, it is essential to acknowledge and appreciate the tangible efforts made by companies engaged in this ongoing improvement process.

Some notable advancements, while not explicitly reflected in the evaluation framework, merit emphasis. This is especially applicable to companies that have opted to more systematically incorporate human rights considerations into their governance. Several

of them (**four companies** since the initiative was launched) have therefore appointed **a point of contact for these issues**^[14], demonstrating a stronger commitment and a desire to elevate the matter to a strategic level.

Furthermore, the quality of dialogue between companies and investors regarding **forced labour** and **child labour** has generally improved. In the case of two companies, this dialogue has notably enhanced, promoting better mutual understanding, increased transparency, and a more nuanced consideration of investors' expectations. This environment of active listening facilitates tangible progress, both present and future, in terms of commitment and the execution of effective measures.

These general advancements, not captured in the analytical framework, illustrate an increasing awareness of issues pertaining to the respect for human rights. However, the objective of this commitment is also to evaluate, in a structured and comparable manner, the progress of the ten companies concerning the key elements of the collectively established evaluation methodology. Consequently, it is less about assessing overarching trends and more about measuring tangible progress on specific criteria deemed essential for the prevention of **forced labour** and **child labour**.

[14] Specialized roles including Human Rights Project Manager, Corporate Vigilance Officer, or Human Rights and Due Diligence Officer

The subsequent section examines both themes central to this commitment: **forced labour** and **child labour**. The examples of progress provided will pertain to one or the other of these issues, with systematic precision to distinctly highlight the advancements achieved in each instance.

1) Understanding of forced labour and child labour

Sub-theme 2: Vulnerability of populations within the supply chain & sub-theme 3: Internal and external influences contributing to this vulnerability:

After delineating the parameters of **forced labour** and/or **child labour**, companies must identify the populations vulnerable to these risks within their value chain. **The objective is to identify specific categories of individuals and workers who may be impacted (such as migrant workers and low-skilled workers), especially in certain activities and specific regions.**

As a reminder, within the formal supply chains of European contracting authorities, the populations most susceptible to **forced labour** include:

- populations from rural areas who relocate to another region or country for employment
- populations involved in low-skilled manual labour
- populations subjected to discrimination (ethnic minorities, religious minorities, social castes, etc.)

Among the ten companies evaluated, one in the agri-food sector distinguished itself by emphasising particular situations and regions vulnerable to **forced labour**. **This company clearly recognizes the risk of forced labour within its supply chain (upstream level) in its risk**

mapping. It offers a definition and outlines the various forms it may take, including: forced or compulsory recruitment, retention of identity documents, threats against individuals in an irregular administrative status, withholding or non-payment of wages, and debt bondage.

The company identifies specific groups within its supply chain that are especially vulnerable to these risks, in relation to:

- cotton cultivation
- textile manufacturing
- the availability of seafood

It also identifies geographical areas with a high risk, such as:

- the Xinjiang Uyghur Autonomous Region (China)
- the Tamil Nadu region (India)

This enables the company to progress from a maturity level of 0 to 1 regarding the understanding of **forced labour**, particularly concerning sub-themes 2 (exposure of populations within the supply chain) and 3 (the internal and external factors that contribute to it).

However, while this identification represents an initial level of analysis, it remains insufficient: **the identified vulnerabilities are neither comprehensive nor adequately mapped to warrant progression to level 2 maturity concerning knowledge related to forced labour.** Although the efforts to enhance the situation merit recognition, a more thorough mapping of at-risk scenarios, grounded in precise contextual, demographic, and sectoral data, is essential to bolster the understanding and management of the risk of **forced labour**.

2) The organisation's commitment to reducing individuals' vulnerability

Sub-theme 5: The significance of collaboration with stakeholders:

To comprehensively tackle the challenges of **forced labour** and **child labour**, collaboration with all stakeholders within the organisation is crucial. This approach facilitates the identification of risks across the value chain, enhances due diligence mechanisms, and fosters the joint development of sustainable solutions grounded in local contexts. Additionally, it promotes the exchange of information from the field and aids in the execution of suitable corrective measures.

In relation to **forced labour**, two of the ten companies examined—one from the agri-food sector and the other from the hospitality industry—participated in working groups organized by the EDH association (Entreprises pour les Droits de l’Homme – Businesses for Human Rights) to exchange best practices, both within and beyond their respective sectors. This initiative enables them to share insights with other companies encountering similar challenges, consolidate their experiences, and leverage collective expertise in preventing human rights violations. Consequently, the association fosters a platform for constructive dialogue, facilitating the development of tangible solutions and the ongoing enhancement of due diligence mechanisms.

This represents an initial step toward the collaborative development of operational responses.

However, it is imperative to recognize that the engagement of all stakeholders, especially specialized and local NGOs active in the regions where the company's operations occur, is vital. Participation in a business coalition on this matter is beneficial but does not inherently signify authentic collaboration with stakeholders.

When a company mentions its involvement in a coalition, it must be able to explain in concrete terms what the coalition actually achieves and how this fits into its own approach to corporate responsibility. Merely exchanging best practices among companies does not ensure sustained progress, particularly when faced with the limitations imposed by their structural roles as parent companies and contracting entities. To navigate these challenges, companies must confront the realities on the ground, which often diverge significantly from their perceptions. In this context, **the initiative taken by the agri-food company that engaged with the NGO Amnesty International following a controversy regarding allegations of forced labour in Saudi Arabia exemplifies a relevant approach to enhancing its understanding of the issues and bolstering the effectiveness of its corrective measures.** Prompted by the NGO, the company has reported the implementation of several initiatives, including the prohibition of recruitment fees charged by agencies, the relocation of some workers to adequate housing, and the facilitation of employee access to a telephone support service.

This significant issue of collaboration with stakeholders will be the focal point of section II, which will examine the involvement of two companies in the consumer discretionary sector alongside the Fair Labor Association.

3) Risk targeting

Sub-issue 8: Risk targeting

To attain maturity level 2 regarding this criterion, the company must identify, throughout its entire supply chain, the links situated in countries vulnerable to **forced labour**. Additionally, it must explicitly delineate its targeted strategy for the links that present the highest risk to individuals. In practice, prevention is often left to tier-one

suppliers, on the understanding that they will then pass these requirements on to their own suppliers. **However, the duty of care requires the company to identify for itself the risky situations that people may face, even when these occur far down the supply chain.** Concerning [child labour](#), companies are therefore anticipated to leverage their influence to effect changes in practices within the regions where their supplies are sourced.

In this context, a company within the automotive sector has implemented a notably progressive strategy concerning the risk targeting of [forced labour](#) and [child labour](#).

The company operates within the natural rubber sector, which is fraught with significant risks, as over 80% of global production originates from small farms, typically ranging from 2 to 3 hectares, that are integrated into supply chains featuring numerous intermediaries. To address these challenges, the company employs a digital tool, RubberWay, which maps the human and environmental risks associated with rubber production across the value chain and identifies them geographically. Specifically, the company aims for 80% of the natural rubber utilized to be evaluated against human rights criteria by 2025, and it seeks to improve the working conditions and/or livelihoods of 30,000 village rubber farmers by 2030. These analysis inform remediation plans proposed by RubberWay to mitigate risks. **The company has therefore focused on regions, particularly in Asia and West Africa, where it provides training and has set up projects aimed at developing the skills of village farmers in order to improve their living and working conditions.**

An intriguing aspect would be to include more comprehensive examples of these action plans and remediation projects, accompanied by longitudinal monitoring and feedback from rubber producers.

4) Deployed measures

Sub-issue 11: The alert system by region:

Regarding territorial grievance mechanisms, the companies targeted by the coalition still have significant progress to achieve. They typically implement a singular system that is not tailored to specific geographical areas or varying levels of risk, failing to satisfy all the criteria of an effective grievance mechanism, including legitimacy, accessibility, predictability, fairness, transparency, compatibility with rights, a foundation of continuous learning, and a basis in participation and dialogue.

Among the ten companies evaluated, **one from the agri-food sector distinguishes itself through its longstanding implementation of a programme that integrates a digital monitoring tool. This tool facilitates the systematic analysis of social media and the web to detect and report any notifications, alerts, or complaints concerning potential human rights violations, particularly in relation to [child labour](#) and [forced labour](#) within its supply chain.** Additionally, this system enhances risk mapping by production site and geographic area. For instance, **over 9,000 entities were analysed in 2024, resulting in the identification of 51 alerts.**

[15] [RubberWay.Tech](#)

[16] See the [Principe 31 des Principes Directeurs relatifs aux entreprises et aux Droits de l'Homme des Nations Unies](#), p :38

In parallel, the group has established a hotline for workers at select suppliers situated in high-risk areas. This hotline enables workers to report concerning situations. Group teams, occasionally supported by a third-party organisation, visit the sites to inform employees about the existence of this service and its anonymous nature. The actual availability of this hotline is regularly monitored. Currently, it is operational in two Asian countries identified as priorities.

The alerts received are subsequently evaluated by the group. When a situation is classified as critical, it prompts the suppliers to implement a remediation plan. In instances of non-compliance, this process may, in certain cases, culminate in the termination of the business relationship.

Whilst these measures are certainly worthwhile, they would be even more effective if they were illustrated using specific examples (including anonymised ones) drawn from the company's public documents. Such examples would provide a clearer understanding of the nature of the situations identified as critical for workers, as well as how these are translated into remedial action plans.

Moreover, the reliance on suppliers for the implementation of these plans raises concerns, particularly as the company's monitoring responsibilities remain unspecified. In this context, additional information regarding the protocol for determining when a situation shifts from "at risk" to compliant would be beneficial.

2. EMPHASISE COLLABORATION AMONG MULTIPLE STAKEHOLDERS

1) Case Study 1: Collaboration with the Fair Labor Association (FLA)

During engagements conducted by the **Forced Labour/Child Labour** Coalition, led by the FIR, two specific cosmetics companies encountered controversy concerning the identification of **child labour** and **forced labour** in jasmine fields in Egypt. **This prompted investors to initiate discussions with companies across various segments of the sector's value chain. Consequently, a seminar was organized on May 14, 2025, uniting companies involved in the Harvesting the Future - Jasmine in Egypt initiative[17], along with its principal organisation, the [Fair Labor Association \(FLA\)](#) [18].**

[17] [Fair Labour: Cultivating the Future - Jasmine in Egypt, 2025](#)

[18] FLA is a global organisation that unites businesses, academic institutions, and civil society entities to advocate for and safeguard workers' rights worldwide, particularly within supply chains. It offers standards, tools, training, and assessments that empower companies to evaluate, enhance, and disclose their labour practices in alignment with international labour standards. The organisation reviews corporate practices, provides accreditation for those adhering to these standards, conducts research on pressing issues such as child labour and forced labour, and maintains a third-party complaints mechanism to facilitate the reporting and resolution of violations.

This initiative unites various stakeholders[19]:

Stakeholders — Harvesting the Future: Jasmine in Egypt

Fair Labor Association × ILO Egypt — Project launched in 2024



During the seminar, FLA introduced the collaborative initiative launched in partnership with the International Labour organisation (ILO) in Egypt in 2024, supported by the Egyptian government, civil society organisations, local producers, and various international companies engaged in the jasmine and its derivatives sector. The initiative aims to enhance child protection and improve working conditions within jasmine supply chains, specifically by tackling systemic issues such as **child labour** and the inadequate incomes of rural families. The project is implemented in seven villages in the Gharbia Governate, where activities are conducted along multiple lines:

Measures to ensure equitable compensation and enhance the economic resilience of families, including initiatives in financial literacy and entrepreneurship training, the establishment of bank accounts, and access to micro-loans.

Child protection and educational access are facilitated through awareness sessions, educational programs for at-risk youth, and the enhancement of local protection systems.

Enhancing corporate vigilance and due diligence frameworks, including the utilization of field auditors to detect and rectify instances of **child labour**, alongside initiatives focused on occupational health and safety.

Advocacy and institutional engagement, supported by Egyptian ministries to coordinate efforts and develop legislative frameworks, such as the review of a draft labour Code designed to enhance the protection of children.

Concerning the outcomes of the inaugural year, the project presents impact statistics that include support for over 7,500 workers and 2,500 children and families, the training of numerous pickers and farmers, and the identification and monitoring of several instances of **child labour**.

[19] Diagram created by the FIR utilizing elements published by FLA on the webpage dedicated to its initiative, Harvesting the Future - Jasmine in Egypt, 2025.

These discussions enabled the exchange of expectations between the FLA (Fair Labor Association) and investors. The latter articulated their anticipations, highlighting that among UN PRI signatories, 82% maintain a public responsible investment policy that incorporates social factors, while 64% have published specific human rights guidelines. The overall presentation affirmed that human rights are increasingly recognized as a critical criterion in investment decisions. This integration is manifested through three primary mechanisms: selectivity via ESG ratings, exclusion policies based on controversies or violations of the UNGPs/OECD Guidelines, and, most importantly, shareholder engagement aimed at sustainably enhancing corporate practices. Beyond mere regulatory compliance, the quality of human rights due diligence significantly impacts company value, influencing consumer confidence, brand reputation, and ultimately, their appeal to investors. In this context, a study conducted by the Geneva Center for Business and Human Rights, involving financial institutions managing over 14 trillion euros in assets, reveals that **87% of respondents believe that incorporating human rights risks aids in better managing reputational risk, 69% legal risk, and 57% financial risk**[20].

In the beauty sector, these expectations are particularly pronounced, as the industry is deemed "high-risk" concerning **child labour** and **forced labour**. This is attributed to its dependence on agricultural, mineral, and chemical raw materials, frequently sourced from sensitive geographical regions with limited traceability and necessitating a seasonal workforce. **Investors therefore expect companies to explicitly acknowledge these risks as significant, and to make a clear commitment**

based on ILO conventions, setting out the definitions adopted, the governance arrangements put in place, the resources allocated and the priorities identified. They particularly focus on the quality of risk analysis conducted by companies, including granularity by raw material and geographical region, engagement with external stakeholders, and the identification of the most vulnerable populations. Concurrently, they differentiate between approaches genuinely aligned with human rights and those that are merely "compliance" driven, relying solely on audits, certifications, or supplier ratings, which may be ineffective in addressing **forced labour** and **child labour**. **Consequently, expectations center on the implementation of tailored action plans for the highest-risk areas and materials, consideration of workers' perspectives, the abandonment of "cut-and-run" strategies in favor of leveraging influence, and the establishment of collaborative sectoral initiatives that facilitate joint impact assessments and collective stakeholder engagement.** Ultimately, transparency in reporting methodologies, outcomes, resources mobilized, and corrective actions is deemed essential for enabling investors to evaluate the true maturity of companies regarding human rights due diligence.

Subsequent to these discussions, **letters co-signed by the coalition were dispatched to the senior management.** These letters, which underscored both commendable aspects and areas necessitating enhancement for each company, formed the foundation for developing tailored recommendations on human rights, with a specific focus on the issues of **forced labour** and **child labour**.

[20] [In what ways are financial institutions in Europe integrating human rights considerations into their core business activities? GCBHR, 2025](#)

This form of multi-stakeholder collaboration, which includes states, NGOs, contracting firms, affected workers, and investors, is especially esteemed by the latter. It signifies a tangible advancement in governance and risk management practices within supply chains, fostering more coordinated, transparent, and shared-responsibility approaches. This model significantly aids in aligning stakeholder expectations, enhancing the prevention of human rights violations, and optimizing the efficacy of remediation measures. In this context, investors underscore in correspondence with company management that these collaborative initiatives pursue a threefold objective:

- Identify and evaluate human rights risks within luxury and beauty supply chains (e.g., through collaborative risk mapping).
- Conducting human rights impact assessments (HRIAs[21]) directly in the field is typically more effective and focused than the social audits frequently performed by companies. These assessments are more thorough, incorporating direct consultations with workers, their representatives, and other stakeholders, thereby addressing the complete spectrum of human rights risks, including forced labour and child labour[22].
- Implement and oversee collaborative action and remediation plans.

2) Case Study 2: Seminar on the Costs of Forced labour for Companies and Investors

A seminar held under the Chatham House Rule in September 2025 brought together companies that are members of the Lab 8.7 programme and investors from the FIR/RHSF coalition to engage in an open and confidential discussion on forced labour as an economic issue.

A seminar held under the Chatham House Rule in September 2025 brought together companies that are members of the Lab 8.7 programme and investors from the FIR/RHSF coalition to engage in an open and confidential discussion on forced labour as an economic issue.

This meeting provided an opportunity to collectively reflect on **the costs of preventing forced labour, how these costs are shared along the value chain, and the investment mechanisms that can transform a compliance constraint into a driver of performance and resilience.**

The conclusions of this exchange highlight that, although **preventing forced labour entails costs (audits, compliance measures, wage increases, improved traceability), it should primarily be viewed as a strategic investment.**

At the macroeconomic level, the International Labour Organization estimates that eradicating forced labour would require around **\$212 billion in investment, but could generate nearly \$611 billion in gains for the global economy, through increased GDP, tax revenues, and productivity** [23].

At the company level, feedback shows that improving working conditions can boost productivity, reduce turnover, and secure supply chains. Conversely, the cost of inaction (sanctions, market exclusion, product destruction, increased cost of capital) is becoming increasingly high as regulations tighten.

Addressing forced labour is therefore not only a moral or legal obligation, but also a key issue for long-term performance, competitiveness, and economic resilience.

[21] Human Rights Impact Assessments (HRIAs) represent a systematic approach to identifying and evaluating the actual and potential human rights implications associated with a company's operations. This assessment is crucial for ensuring that companies recognize their responsibility to uphold human rights and implement necessary measures to mitigate risks. An HRIA investigates how a company's activities may cause, contribute to, or be connected with negative human rights impacts through its operations, products, services, and business relationships. For further details on HRIAs and their practical application, refer to the document [HUMAN RIGHTS IMPACT ASSESSMENT RESOURCES \(guides, tools, and methodologies to assist in conducting an HRIA\), 2018, 2011.](#)

[22] Various collective initiatives, such as Drive Sustainability, which unites multiple automotive manufacturers, seek to perform joint HRIAs and formulate collective action plans to address risks within supply chains.

[23] [Acting against forced labour: An assessment of investment requirements and economic benefits, OIT, 2025](#)

PART III

Areas for enhancement for organizations concerning forced labour and child labour

Through bilateral dialogues between investors and companies identified by the coalition, along with discussions with FLA and RHSF, several opportunities for enhancement have surfaced concerning the effective management of issues related to **forced labour** and **child labour**. These represent potential best practices for companies that are still advancing their expertise in these domains.

Areas	Observations	Key recommendations	Objective pursued
Human Rights Strategy and Policy Framework	Some companies have yet to establish a formal and ambitious group strategy regarding human rights.	<ul style="list-style-type: none"> - Embrace a transparent and aspirational collective strategy - Establish measurable objectives - Establish a comprehensive policy that encompasses the group, subsidiaries, and value chain. 	Structure the approach and clarify commitments to make them assessable by investors.
2. Committed Governance	Persistent absence of specialized leadership at the group level	<ul style="list-style-type: none"> - Designate a minimum of one human rights representative at the group level. - To offer specialized knowledge (akin to climate expertise) 	Enhance internal accountability and ensure management consistency.
3. Risk assessment and prioritization	Maps frequently lack specificity and fail to adequately prioritize by region or activity.	<ul style="list-style-type: none"> - To enhance the mapping by geographic region and activity type - Prioritize the most significant risks. - Tailor the measures to local contexts 	Concentrate resources on the most significant risks.
4. Equitable recruitment and intermediaries	Significant risks linked to recruitment agencies (exorbitant fees, indebtedness, inequitable terms).	<ul style="list-style-type: none"> - Establish equitable recruitment practices To offset recruitment expenses - Guarantee transparency regarding working and living conditions - Require these standards from suppliers 	Mitigating the risks of forced labour at the source

<p>5. Training and oversight of activities</p>	<p>Numerous awareness campaigns have been initiated; however, there are limited quantified objectives and a lack of structured monitoring.</p>	<ul style="list-style-type: none"> - Establish key performance indicators (KPIs) - Establish quantifiable objectives - Establish stringent progress monitoring - Formulate initiatives in collaboration with local stakeholders 	<p>Moving from a declarative approach to measurable performance outcomes.</p>
<p>6. Franchise and Supplier Oversight</p>	<p>Contractual clauses are frequently included, yet monitoring remains limited, especially within franchise models such as the hotel industry.</p>	<ul style="list-style-type: none"> - Incorporate social criteria into the selection process. - Implement control mechanisms - Establish enduring support mechanisms 	<p>Ensure the efficient execution of commitments across the value chain.</p>
<p>7. Collaborative efforts among sectors and multiple stakeholders</p>	<p>Cooperation remains constrained or predominantly bilateral.</p>	<p>Engage in multi-stakeholder sector initiatives.</p> <ul style="list-style-type: none"> - Develop collaborative maps - Performing collaborative HRIAs <p>Collaborating with human rights specialists</p>	<p>Consolidating efforts and enhancing systemic influence</p>
<p>8. Public Advocacy</p>	<p>Limited observable commitment from public authorities in vulnerable areas.</p>	<ul style="list-style-type: none"> - Engage in advocacy efforts either independently or in collaboration with coalitions. - Promote regional reforms 	<p>Mitigating structural risks in the affected territories.</p>
<p>9. Accountability and transparency</p>	<p>Reporting frequently lacks specificity, offering minimal emphasis on forced labour and child labour.</p>	<ul style="list-style-type: none"> - Disseminate specialized information regarding these matters. - Incorporate specific case studies - Depict risk management within operations and the supply chain. 	<p>To enable investors to evaluate the maturity and resilience of the systems.</p>

CONCLUSION

Ultimately, investors advocate for companies to embrace a proactive stance regarding the risks associated with forced labour and child labour. A human rights policy should not be viewed merely as a crisis management tool intended to tackle a specific controversy; instead, it should serve as a foundational framework designed to mitigate risks to individuals across the value chain, rather than merely responding to violations. In this context, identifying all participants and connections within the value chain represents the initial step toward implementing targeted actions.

As the coalition concludes its initial cycle of engagement, the FIR urges businesses and investors step up their efforts, including maintaining constructive dialogue, to prevent and mitigate human rights abuses associated with forced and child labour, particularly in light of the ongoing or even renewed prevalence of these violations in certain global regions.

APPENDIX

APPENDIX 1 : Preparatory data for the assessment grid on forced labor and child labor

Preparatory data on forced labour:

Activities	Company's activities (operations)		Red flag activities on forced labour ?	
	Activities all along its supply chain		Red flag activities on forced labour ?	
Country	Geographical implantation of the company (including its subsidiaries)		Red flag countries on forced labour ?	
	Geographical implantation of its supply chains		Red flag countries on forced labour ?	

Preparatory data on child labour:

Activities	Company's activities (operations)		Red flag activities on child labour ?	
	Activities all along its supply chain		Red flag activities on child labour ?	
Country	Geographical implantation of the company (including its subsidiaries)		Red flag countries on child labour ?	
	Geographical implantation of its supply chains		Red flag countries on child labour ?	

APPENDIX

APPENDIX 2: Assessment grid co-constructed with RHSF on forced labour

			Maturity 0	Maturity 1	Maturity 2
<p>KNOWLEDGE OF THE SUBJECT</p> <p>The company is aware of the systemic issue of forced labour and the vulnerability of people who may be exposed to it in its supply chain.</p>	1	The definition of forced labour	No information or insufficient information to complete level "Maturity 1".	<p>The company refers to the exact terms used in the ILO's international conventions to define forced labour.</p> <p>However, it does not spell out this definition, in particular the 4 main indicators of forced labour:</p> <p>1 - defect of consent, 2 - coercion, 3 - isolation, 4 - restricted freedom of movement.</p>	<p>In addition to international texts, the company clarifies the definition of forced labour, in particular by mentioning the 4 main indicators of forced labour:</p> <p>1 - defect of consent, 2 - constraint/coercion, 3 - isolation, 4 - restricted freedom of movement.</p>
	2	The populations exposed in its supply chain	No information or insufficient information to complete level "Maturity1".	<p>The company mentions the risk of forced labour. However, it does not describe any particular profile of vulnerable populations in its supply chain.</p>	<p>The company reports on its knowledge of populations vulnerable to forced labour in its supply chain. It specifies their profiles, in relation to its activities and those of its subcontractors/suppliers.</p>
	3	Factors internal and external to the company that contribute to it	No information or insufficient information to complete level "Maturity 1".	<p>The company mentions factors that contribute to child labour.</p> <p>However, these factors are very generic (i.e. "migration") and do not show that the company has developed detailed knowledge of the mechanisms at play that lead to forced labour, and of the influence it can have on these factors.</p>	<p>The company mentions factors internal and external to the production unit that contribute to forced labour.</p> <p>These factors are precise and show that the company has a detailed knowledge of the mechanisms at play that lead to forced labour, and of the influence it can have on these factors, at its level as principal, as well as the role of the production unit.</p>

APPENDIX

			Maturity level 0	Maturity level 1	Maturity level 2
<p>INTEGRATE YOUR COMMITMENTS</p> <p>The company is making a commitment that helps reduce people's vulnerability to forced labour in its supply chain</p>	4	The purpose of its commitment to forced labour	No information or insufficient information to complete level "Maturity 1".	<p>The company confines itself to declaring that it respects international laws: "no forced labour".</p> <p>It equates its duty of vigilance with the sole requirement of compliance with the law.</p> <p>It states that it also requires its partners to do so, without questioning their real capacity to apply and commit to these laws.</p> <p>The company only considers the risk to itself.</p>	<p>The company is explicitly committed to reducing the vulnerability of populations to forced labour in its supply chain.</p> <p>It combines its duty of vigilance with continuous improvement of its practices, which should help to better protect vulnerable populations in the areas where its supply chain operates.</p> <p>It involves its partners in this process, without subcontracting its responsibility to them. It develops dialogue and helps them to develop their skills in this area.</p> <p>The company considers the risk to vulnerable populations in addition to its own interests.</p>
	5	The role of cooperation with stakeholders in this phenomenon	No information or insufficient information to complete level "Maturity 1".	<p>The company mentions examples of cooperation with representatives of workers, families, local governments, suppliers and intermediaries.</p> <p>However, no strategy for cooperation with these stakeholders is mentioned.</p>	<p>The company describes a strategy for cooperation with the stakeholders in the phenomenon.</p> <p>It is explicit about the different types of stakeholders and its approach to building these partnerships.</p> <p>It illustrates this strategy with examples of cooperation in which it is involved at local level.</p>
	6	The integration of its commitment into its policies, and even into its business model	No information or insufficient information to complete level "Maturity 1".	<p>The company mentions tightening controls in its supply chain.</p> <p>However, none of its policies (purchasing, industrial, sales, HR, etc.) include measures to reduce the risk factors of forced labour.</p>	<p>The company has reviewed/adapted its policies, and even its business model, in line with its engagement to reduce the vulnerability of populations to forced labour, throughout its supply chain.</p>

APPENDIX

			Maturity level 0	Maturity level 1	Maturity level 2
<p>IDENTIFY & TARGET</p> <p>The company targets its approach on areas most at risk for the population, by involving the stakeholders in the phenomenon.</p>	7	Traceability of the country of origin: a necessary condition for targeting	No information or insufficient information to complete level " Maturity 1".	<p>The company only shares information on the country of origin of its Tier 1 suppliers.</p> <p>There is no evidence that the company controls the traceability of the country of origin of its products, components and raw materials throughout its supply chain.</p>	<p>The country of origin of each product, component and raw material is traceable for at least one product chain.</p> <p>This supply chain has been selected because it involves products/components/raw materials at risk of forced labour.</p>
	8	Targeting	No information or insufficient information to complete level " Maturity 1".	<p>The company has identified countries in its supply chain at risk of forced labour.</p> <p>However, the company has not provided any information to show that it is adopting a targeted approach in countries most at risk for the populations, in particular in the links located in countries where forced labour is endemic.</p>	<p>The company has identified the links in its total supply chain that are located in countries at risk of forced labour.</p> <p>It clearly states its targeted approach for the links most at risk for people.</p>

APPENDIX

Analysis only for companies with a minimum maturity level

			Relevance level 0	Relevance level 1	Relevance level 2	
MEASURES IMPLEMENTED	The measures taken by the company are adapted to the risk of forced labour to which people are exposed in its supply chain	1	Risk assessment towards populations	No information or insufficient information to meet level "Relevance 1".	<p>Evaluation is mentioned but there is little evidence that it is adapted to the risk of forced labour:</p> <ul style="list-style-type: none"> - there is no evidence that this evaluation is carried out as a priority in countries most at risk - there is no evidence that this evaluation assesses risk factors and not compliance with laws/rules - there is no evidence that this assessment is carried out with the involvement of local stakeholders. 	<p>The assessment is adapted to the risk of forced labour.</p> <p>The company shares its local risk assessment approach for the populations concerned:</p> <ul style="list-style-type: none"> - it targets its assessment at the links identified as most at risk of forced labour, even at a very early stage in its chain, - it assesses the risk factors, both internal and external to the company (and not compliance with laws/rules) - it involves local stakeholders, in particular the legitimate representatives of the workers.
		2	Action plan by territory	No information or insufficient information to meet level "Relevance 1".	<p>Measures have been mentioned.</p> <p>However, there is no evidence that they reduce the vulnerability of populations to forced labour.</p>	The aim of these measures is to reduce the vulnerability of populations to forced labour, in consultation with the workers and representatives of the governments involved (host countries and countries of origin).
		3	The alert mechanism by territory	No information or insufficient information to meet level "Relevance 1".	<p>An alert mechanism is mentioned.</p> <p>However, it does not meet the criteria of a mechanism appropriate to the phenomenon of forced labour. In particular, there is nothing to show that it was built in consultation with the workers exposed to the risk.</p>	The alert mechanism mentioned above meets the criteria for a mechanism appropriate to the phenomenon of forced labour. In particular, it was built in consultation with the workers exposed to the risk.

APPENDIX

APPENDIX 3: Assessment grid co-constructed with RHSF on child labour

			Maturity 0	Maturity 1	Maturity 2
<p>KNOWLEDGE OF THE SUBJECT</p> <p>The company is aware of the systemic topic of child labour and the vulnerability of people who may be exposed to it in its supply chain</p>	1	The definition of child labour	No information or insufficient information to complete level "Maturity 1".	<p>The company recalls the exact terms of the ILO's international conventions to define child labour.</p> <p>However:</p> <ul style="list-style-type: none"> - it does not remind that a child is an individual under 18 years of age, - It does not refer to the best interests of the child, which must be considered in all decisions affecting the child. 	<p>In addition to international texts, the company recalls:</p> <ul style="list-style-type: none"> - what is called a "child" - the principle of "best interests of the child".
	2	The populations exposed to child labour in its supply chain	No information or insufficient information to complete level "Maturity 1".	<p>The company cites the risk of child labour.</p> <p>However, it does not describe any particular profile of vulnerable populations in its supply chain.</p>	<p>The company reports its knowledge of vulnerable populations to child labour in its supply chain.</p> <p>It specifies its profiles, in relation to its activities and those of its subcontractors/suppliers.</p>
	3	Factors internal and external to the company that contribute to child labour	No information or insufficient information to complete level "Maturity 1".	<p>The company cites factors that contribute to child labour.</p> <p>However, these factors are very generic (i.e. "poverty") and do not show that the company has developed a detailed knowledge of the mechanisms at play that lead to child labour, and the influence the company can have on these factors.</p>	<p>The company cites factors internal and external to the production unit that contribute to child labour.</p> <p>These factors are precise and show that the company has a detailed knowledge of the mechanisms at play that lead to child labour, and of the influence the company can have on these factors, at its level as a client, as well as the role of the production unit.</p>

APPENDIX

			Maturity 0	Maturity 1	Maturity 2
<p>INTEGRATE YOUR COMMITMENTS</p> <p>The company is making a commitment that helps reduce people's vulnerability to child labour in its supply chain. It incorporates this commitment into its policies.</p>	4	The purpose of its commitment to child labour	No information or insufficient information to complete level " Maturity 1".	<p>The company only declares that it respects international laws: "no child labour".</p> <p>It equates its duty of care with the sole requirement of compliance with the law.</p> <p>It also declares that it demands it of its partners, without questioning their real capacity to apply and commit to them.</p> <p>The company considers the risk only for itself.</p>	<p>The company is explicitly committed to reducing people's vulnerability to child labour in its supply chain.</p> <p>It combines its duty of care with the continuous improvement of its practices, which should contribute to better protecting vulnerable populations in the territories through which its supply chain passes.</p> <p>It engages its partners in this process, without subcontracting its responsibility to them. It develops dialogue and facilitates their skills on the subject.</p> <p>The company considers the risk to vulnerable populations in addition to its own interests.</p>
	5	The role of cooperation with stakeholders in this phenomenon	No information or insufficient information to complete level " Maturity 1".	<p>The company mentions examples of cooperation with workers' representatives, families, local governments, suppliers, intermediaries.</p> <p>However, no strategy for cooperation with these stakeholders in the phenomenon is mentioned.</p>	<p>The company describes a strategy of cooperation with the stakeholders of the phenomenon.</p> <p>It is explicit about the different types of stakeholders and its approach to building these cooperations.</p> <p>It illustrates this strategy with examples of cooperation in which it participates at the local level.</p>
	6	The integration of its commitment into its policies, and even into its business model	No information or insufficient information to complete level " Maturity 1".	<p>The company mentions a strengthening of its controls in its supply chain.</p> <p>However, none of its policies (purchasing, industrial, sales, HR, etc.) include measures to reduce the risk factors for child labour.</p>	<p>The company has reviewed/adapted its policies, and even its business model, in line with its commitment to reduce the vulnerability of populations to child labour, throughout its chain.</p>

APPENDIX

			Maturity 0	Maturity 1	Maturity 2
<p>IDENTIFY & TARGET</p> <p>The company identifies the risks of child labour for people and targets its approach on the territories and activities most at risk for the population, by involving the stakeholders of the phenomenon</p>	7	Traceability of the country of origin: a necessary condition for targeting	No information or insufficient information to complete level "Maturity 1".	<p>The company is able to provide information on the countries of operation of its Tier 1 suppliers only.</p> <p>There is no evidence that the company has control over the country-of-origin traceability of its products, components and raw materials throughout its supply chain.</p>	<p>The traceability of the country of origin of each product, component and raw material is controlled at least in one product chain.</p> <p>This pathway was selected because it involves products/components/raw materials at risk of child labour.</p>
	8	Targeting	No information or insufficient information to complete level "Maturity 1".	<p>The company has identified countries in its supply chain that are at risk of child labour.</p> <p>However, the company does not provide any evidence that it is adopting a targeted approach in countries most at risk for populations, in particular at the most upstream links in its supply chain (raw materials = agriculture, extraction, etc.).</p>	<p>The company has identified links in its total supply chain located in countries at risk of child labour.</p> <p>It clearly mentions its targeted approach for the links most at risk for people, in particular those furthest upstream in its supply chain (raw materials = agriculture, extraction, etc.).</p>

APPENDIX

Flash analysis of the impact of measures (only for companies with a minimum maturity level)

			Relevance 0	Relevance 1	Relevance 2
MEASURES IMPLEMENTED	1	Risk assessment towards populations	No information or insufficient information to meet level "Relevance 1".	<p>The assessment is mentioned but there is little evidence that it is adapted to the risk of child labour:</p> <ul style="list-style-type: none"> - there is no evidence that this assessment is being carried out as a priority in countries most at risk - there is no evidence that this assessment assesses risk factors and not compliance with laws/rules - there is no evidence that this assessment is being carried out with the involvement of local stakeholders, in particular representatives of families and communities at risk. 	<p>The assessment is tailored to the risk of child labour.</p> <p>The company shares its approach to local risk assessment for populations:</p> <ul style="list-style-type: none"> - it targets its assessment in the identified links most at risk of child labour, even very early in its chain - it assesses risk factors, both internal and external to the company (not compliance with laws/rules) - it involves local stakeholders, in particular representatives of families and communities at risk.
	2	Action plan by territory	No information or insufficient information to meet level "Relevance 1".	<p>Measures are mentioned.</p> <p>However, there is no evidence to ensure that they reduce people's vulnerability to child labour.</p>	<p>The measures mentioned are aimed at reducing the vulnerability of populations to child labour and, in consultation with families, in the best interests of the child.</p>
	3	The alert mechanism by territory	No information or insufficient information to meet level "Relevance 1".	<p>An alert mechanism is mentioned.</p> <p>However, it does not meet the criteria of an appropriate mechanism for the phenomenon of child labour. In particular, there is no evidence that it was developed in consultation with the communities whose children are at risk.</p>	<p>The alert mechanism referred to meets the criteria of an appropriate mechanism for the phenomenon of child labour. In particular, it was built in consultation with communities whose children are at risk.</p>
<p>The measures taken by the company are adapted to the risk of child labour to which populations are exposed in its supply chain</p>					

LIST OF INVESTOR MEMBERS OF THE COALITION

- AMIRAL GESTION
- AMUNDI
- AXA IM
- CANDRIAM
- LBPAM
- LFDE
- MANDARINE GESTION
- ODDO BHF AM
- OFI INVEST AM
- SYCOMORE AM