



ecovadis

## Acting On Human Rights Due Diligence

Are you doing enough to combat modern slavery  
in your supply chain?



## 1 in 150 People Is a Slave

On any given day, 50 million people, including children, are victims of modern slavery, forced to work against their will or in a forced marriage, according to the [International Labour Organization](#) (ILO). This equates to one in every 150 people.

**50 million**  
people endure modern slavery

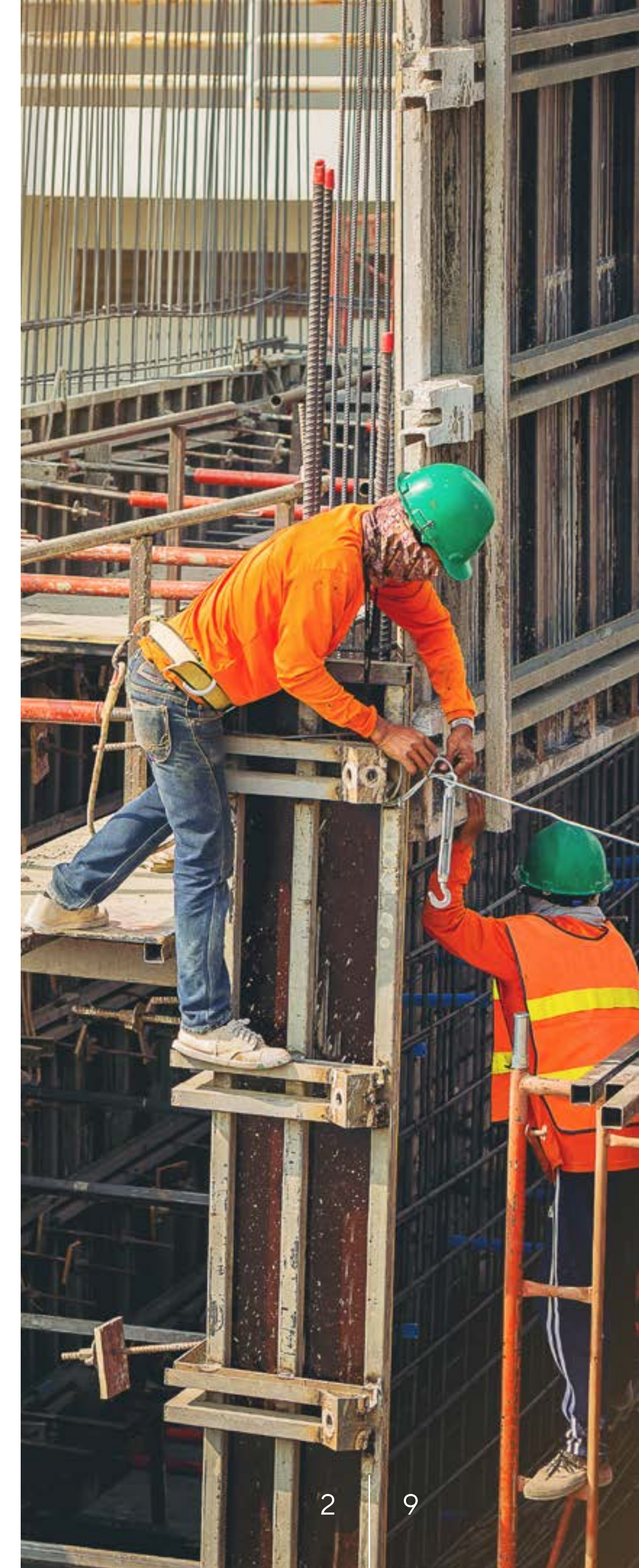
**27.6 million**  
are in forced labor

**1 in 10**  
children are subjected to child labor

## All Countries and Industries Are at Risk

Compounding crises in recent years – the COVID-19 pandemic and armed conflicts – negatively impacted employment and education, forcing many to migrate in search of work or safety and the number of individuals facing forced exploitation continues to increase. As the ILO indicates, migrant workers, unable to exercise their rights or unprotected by law, are three times more likely to fall victim to forced labor. Poorly governed migration or unethical recruitment processes make migrants particularly vulnerable.

As the number of people in forced labor continues to grow, the ILO points out that the increase is led entirely by the private sector, which is responsible for an estimated 86% of identified cases. Among the most at-risk sectors are services, manufacturing, construction, agriculture and domestic work. On a smaller scale but no less significant, forced labor touches virtually all parts of the economy, and no region is free of reported instances. It's a concern for all countries, regardless of income level.





# Modern Slavery in Numbers

Out of the nearly 50 million people who endure the horrors of modern slavery over 12 million are children and around half are in forced labor in the private sector. Many of those in the private sector are workers at every stage of the supply chain, from harvesting and extracting raw materials to manufacturing and shipping.

 **12.29 million**

 **37.28 million**

All numbers are sourced from the [Global Estimates of Modern Slavery report](#), jointly developed by the International Labour Organization (ILO), Walk Free, and the International Organization for Migration (IMO).

**23.66 million**

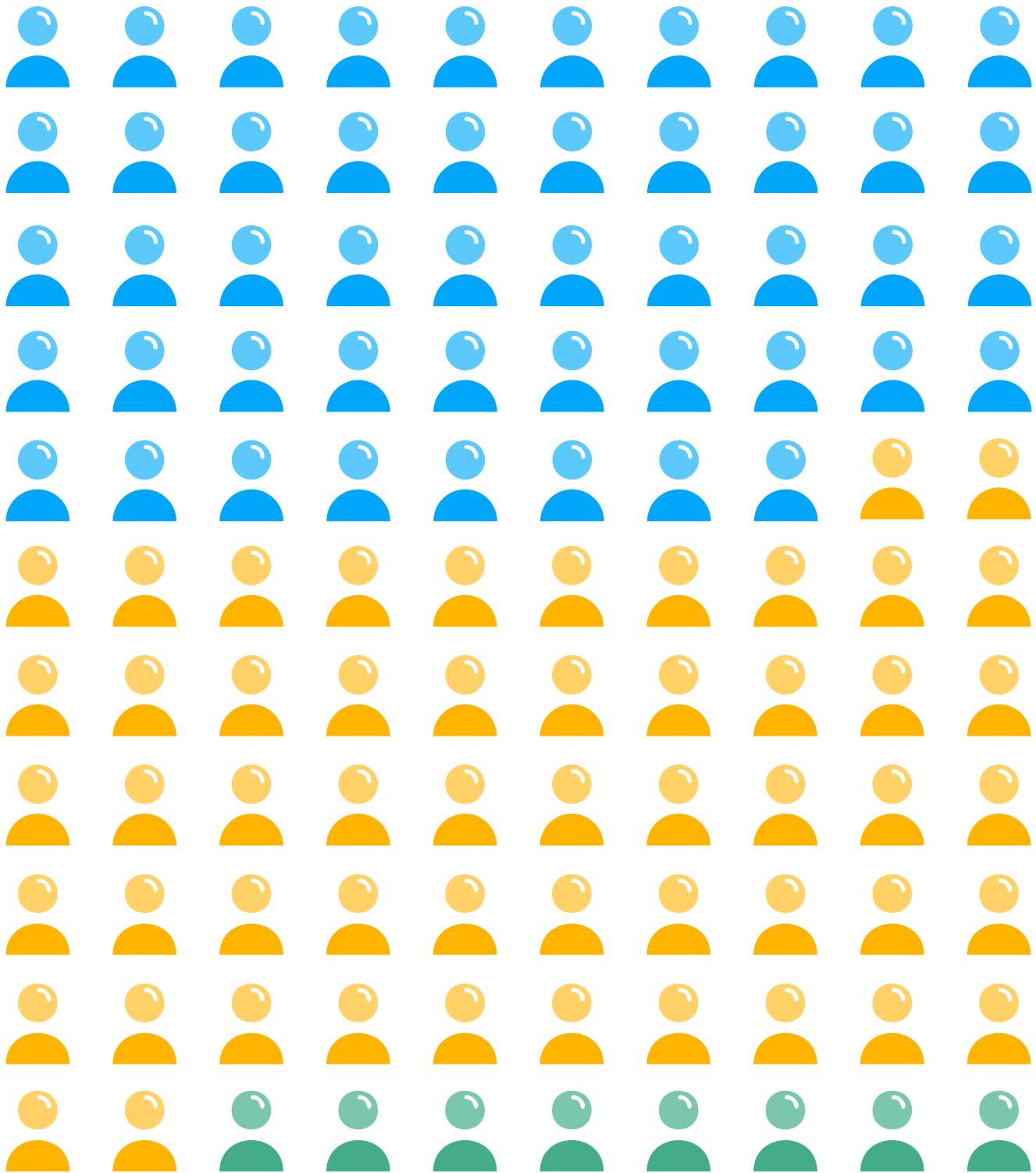
total privately imposed  
forced labor

**21.99 million**

forced marriage

**3.92 million**

state-imposed forced  
labor





# Modern Slavery in Supply Chains

No supply chain is free of risks associated with modern slavery. The forces of globalization that have created new economic opportunities are also fuelling the deplorable practices of debt bondage, exploitation and child labor. Ongoing crises such as armed conflicts and water and food shortages are driving refugee and other displacement crises, leaving the vulnerable even more susceptible to a wide range of abuse and human rights violations, including trafficking, forced labor, or sexual exploitation – all forms of modern slavery. So, the questions for businesses are:

- Is my company ready to meet its corporate responsibilities to respect human rights?
- Do I know what modern slavery legislation my company is subject to?
- Am I really doing enough to eradicate slavery from our supply chain?

## Human Rights and the UN Sustainable Development Goals

Through the adoption of UN Sustainable Development Goals (SDGs), the global community has committed to taking “effective and immediate measures” to root out modern slavery. The UN set out objectives to end all forms of child labor in all its forms by 2025 and abolish all slavery by 2030.

Thus, by current estimations, 10,000 people a day must be freed to meet the SDGs. These ambitious targets remain far off.

By endorsing the UN agenda, governments and corporations commit to eradicating forced labor and exploitative employment practices. Ultimately, with or without legislative backing, companies need to lead the change. Where companies take responsibility for human rights due diligence and consequently make their value chains transparent, the remedy of violations and abuse is possible.

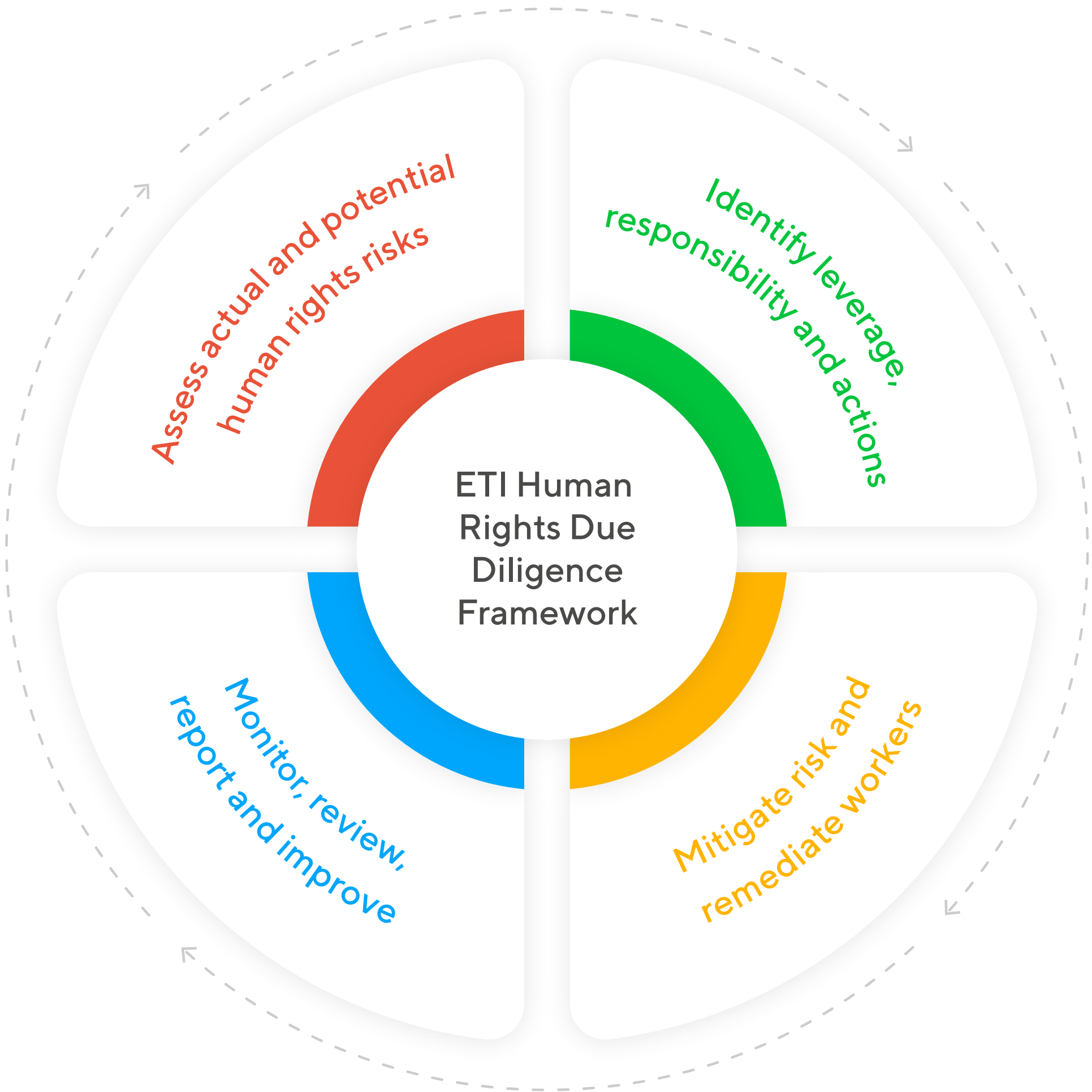


# Human Rights Due Diligence Frameworks

Many companies continue to rely on compliance-based approaches to manage and mitigate modern slavery risks in supply chains. But addressing the problem effectively requires much more than that. International organizations, like the OECD, have defined human rights due diligence guidelines and frameworks to guide companies in the prevention and management of labor and modern slavery risks. These frameworks are typically based on multi-stakeholder engagement with a process that includes:

- Assessing human rights risks;
- Identifying corporate leverage, responsibility and actions;
- Taking mitigation and remediating actions;
- Monitoring, reviewing, reporting and continuous improvement.

Still, with persistent and growing demand for labor in most supply chains, guidelines and frameworks on their own are not enough. Risks of modern slavery are far from declining – on the contrary, the number of individuals facing forced exploitation continues to increase.



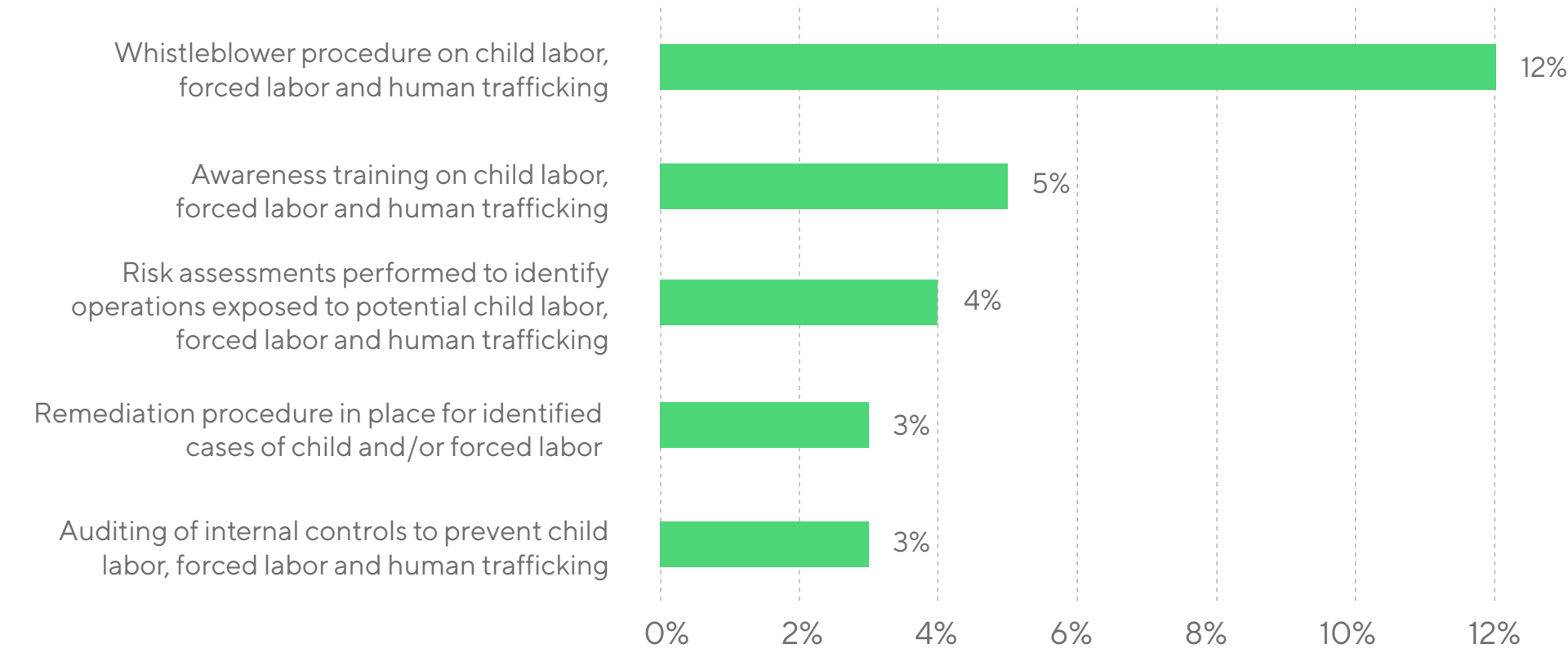
Human rights due diligence frameworks like the one above developed by the Ethical Trade Initiative are the basis for most human rights due diligence laws.



# Insights From Sustainability Ratings

Insights from EcoVadis Ratings show that commitment may be one thing but taking effective action is another. Even with a range of procedures and frameworks defined by international organizations to help companies fulfill their human rights responsibilities, the proportion of companies taking specific actions to address forced labor, child labor and human trafficking issues remains low, as indicated by an analysis of our 2022 ratings data. For instance, only 12% of companies rated in 2022 had a whistleblower procedure in place to address those issues and only 5% of companies implemented training to raise awareness of them.

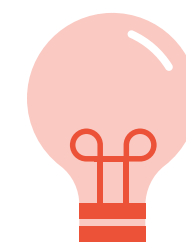
Below is a more detailed breakdown of the most common actions taken by companies in the EcoVadis network to address forced labor, child labor and human trafficking in 2022.





# With Laws Gaining Teeth, Disclosure Is No Longer Enough

It's becoming clear that addressing the problem of human rights in supply chains requires more than public pledges. With the bulk of modern slavery occurring in the private sector, companies need to lead the change – and this change is increasingly backed by strict legislative requirements. While earlier efforts to require transparency on modern slavery in supply chains may have failed to influence a systemic change, they have led governments to mandate corporate actions to address human rights issues and to impose legal consequences if they don't. National governments and European Union institutions are setting up supply chain due diligence laws that go beyond disclosure, such as the Corporate Sustainability Due Diligence Directive, the French Devoir de Vigilance and the German Supply Chain Act. These require companies to take action to stop human rights abuses in their operations and supply chains and impose penalties if they fail to do so.



Companies face the daunting task of integrating due diligence to generate widespread improvement in human rights protection, otherwise, they face a range of risks, including legal, reputational, or financial. Understanding regulatory requirements in one country or region is complex enough.

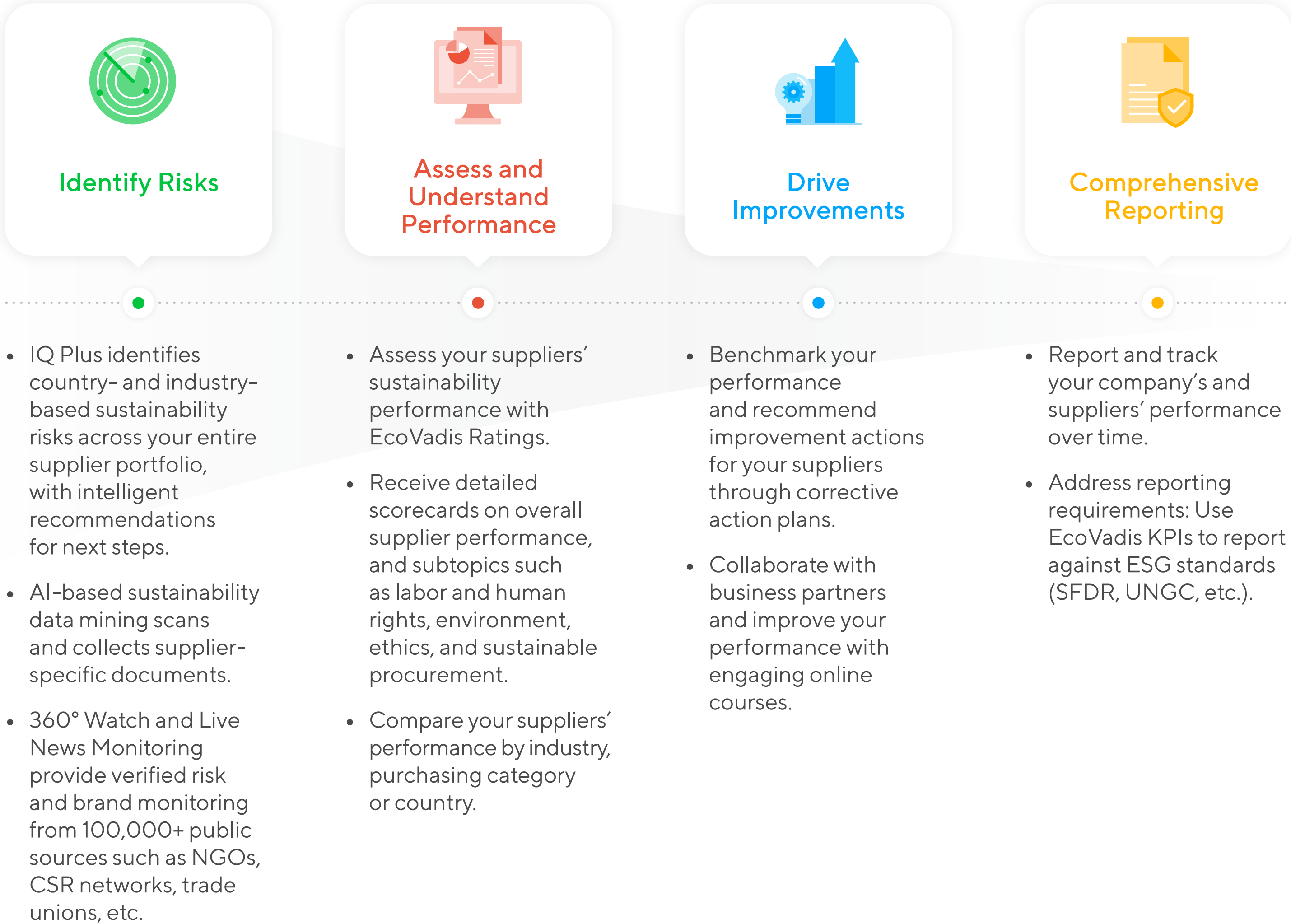
Check out the [regulations page](#) to see what laws apply to your company.





# How EcoVadis Can Help

EcoVadis’ Sustainability Intelligence Suite, backed by experience with a broad range of regulatory due diligence requirements provides a holistic approach to addressing human rights due diligence requirements in the supply chain. Incorporating process elements aligned with human rights due diligence frameworks promoted by international standards, it allows you to assess and improve sustainability performance through dynamic risk mapping of your entire supply base with IQ Plus and proactive supplier assessments with EcoVadis Ratings.





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