

Media release

(Under embargo: Wednesday 4th October 00:01 hrs)

Modern slavery: top companies fail to name supply chain risks

London 4th October – Top companies lack transparency about known risks of modern slavery in their supply chains, a new report from corporate watchdog the [CORE Coalition](#) has found.

Under the UK Modern Slavery Act, all firms with annual turnover above £36 million were required to publish a Slavery & Human Trafficking Statement by 30 September 2017.

The new report, [‘Risk Averse: Company Reporting on raw material and sector-specific risks under the Transparency in Supply Chains clause in the UK Modern Slavery Act 2015’](#), looks at 50 companies’ statements - 25 sourcing raw materials known to be linked to labour exploitation: cocoa from West Africa; mined gold; mica from India; palm oil from Indonesia; and tea from Assam - and 25 operating in sectors known to be at-risk of modern slavery: clothing and footwear, hotels, construction, Premier League football and service outsourcing.

The Home Office recommends that companies include information in their statements on the risks of slavery and human trafficking in their operations and supply chains, but the new CORE Coalition report reveals that many companies are not reporting on known risks of abuses associated with specific commodities and sectors.

Statements are collated by the Business and Human Rights Resource Centre on its [Modern Slavery Registry](#). 45 of the 50 firms covered in the CORE report have published stand-alone statements, but almost two-thirds of these do not make reference to specific risks of slavery and trafficking in the companies’ supply chains or sector.

Key findings include:

- Top cosmetics companies L’Oréal, Revlon, Boots and Estée Lauder make no mention in their statements of child labour in mica supply chains. Mica is a mineral used to create a shimmer in make-up. A quarter of the world’s mica comes from Northeast India where around 20,000 children are estimated to work in hundreds of mica mines.
- Chocolate companies Hershey, Ferrero and Lindt & Sprüngli do not provide information in their statements on their cocoa supply chains, in spite of all three companies acknowledging in other publicly available documents that they source from West Africa, where child labour and forced labour are endemic in cocoa production.
- Jewellery firms Cartier, Goldsmiths, Pandora, Tiffany and Signet (owner of H. Samuel and Ernest Jones) do not include any detail on the risks of slavery and trafficking associated with gold mining. The International Labour Organisation estimates that close to one million children work in small-scale mines worldwide.

- Tea from Assam, north-east India is a vital ingredient in the English breakfast blend. Extremely low wages are a contributing factor to human trafficking on tea estates in the region, but only one company (Betty and Taylors) makes specific reference to Assam in its statement.
- At the time of writing, researchers had not found statements from Airbnb, Foot Locker, Fortnum & Mason and Dior. Mondelez, owner of Cadbury has not published a stand-alone statement.

The report also found examples of good practice reporting:

- Mars specifically acknowledges that severe human rights risks including forced labour may be present in the cocoa supply chain.
- Lidl has published a list of tier-one factories for all its own-brand textiles and footwear.
- Nestlé reports on 11 key human rights risks in its business, seven relating to labour rights.
- Unilever's 2015 Human Rights Report notes that low minimum wages are an issue in many tea producing countries.
- Three construction companies - Barratt, Bovis and Unite Students - acknowledge specific risks of modern slavery in the construction sector and in their own businesses.

Commenting on the findings, CORE's Director Marilyn Croser said: *"With an estimated 24.9 million people in forced labour globally, the level of complacency from major companies, particularly those that trumpet their corporate social responsibility, is startling. Genuine transparency about the problems is needed, not just more PR. More positively, other firms are acknowledging the drivers of modern slavery and situating their response within a broader strategy to respect human rights. We expect other businesses to step up to the mark in the second year of reporting under the Act."*

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Notes to Editors

The Home Office estimates that between 12,000 and 17,000 companies are covered by the Modern Slavery Act reporting requirement, but to date campaigners have found just over 3,000 statements.

The raw materials and sectors were selected for inclusion in the report based on published materials describing modern slavery risks. Companies were selected at random. To identify Slavery and Human Trafficking Statements we looked for a link to the statement from the homepage of the companies' websites, as per the legal requirement. If no link was found, we checked the Modern Slavery Registry website and lastly conducted a web search using the company name and the term 'modern slavery'.

The report does not allege directly that any of the named companies have slavery or human trafficking in their operations or supply chains.

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