

## 85 firms still “silent” on California Transparency in Supply Chains Act

LONDON, Feb. 12 /CSRwire/ - In outreach to 129 companies inquiring whether they have public statements in line with the 2010 California Transparency in Supply Chains Act SB-657, only 44 responded (of which 11 have now adopted a statement). While it is welcome that almost 400 companies to date have issued statements in line with the Act, this level of silence on the pressing issue of forced labor and human trafficking in supply chains is unacceptable, Business & Human Rights Resource Centre said today.

SB-657 requires certain businesses to disclose the efforts they are making, if any, to eradicate human trafficking and slavery from their supply chains. It applies to companies that: 1. are a retailer seller or manufacturer; 2. have annual worldwide gross receipts that exceed \$100 million, and 3. do business in California.

A coalition of anti-trafficking organizations launched KnowTheChain to promote greater transparency and dialogue around this issue. The KnowTheChain website provides a record of which companies do and do not yet have statements under the SB-657 Act. Adopting a strong public statement is only the first step in addressing the risk of forced labor in supply chains, but it is an important one.

In January, Business & Human Rights Resource Centre and KnowTheChain separately approached the 129 companies on the KnowTheChain website that had not yet been identified as having a SB-657 statement, encouraging them to adopt one. Of those 129 companies, only 44 responded. Eleven of these, such as Baker Hughes and Lululemon, have now published a statement. Some said that they are in the process of preparing one, and others indicated that they are not subject to the Act. However a total of 85 companies, including noteworthy brands such as Guess and Microsemi Corporation, have remained silent.

The names of companies with and without statements are available [here](#).

Phil Bloomer, Executive Director of Business & Human Rights Resource Centre, said: “It is good to see that more and more companies are disclosing the efforts they are taking to tackle forced labor and human trafficking in their supply chains. But progress is too slow – it is shocking that so many companies are still failing to take action on this. The Act was passed to help eliminate the appalling human suffering created by trafficking, slavery, and forced labor through the supply chains of products we use and consume. The silent companies must demonstrate that they are taking this seriously. We look forward to working further with KnowTheChain to urge them to do so.”

Lori Bishop, Director of Investments at Humanity United, one of the partners in KnowTheChain said: “We understand that eradicating slavery from corporate supply chains means a transition in business norms, and that takes time. However, we also believe that all companies have the capacity – and the responsibility – to answer the question, ‘what is your company doing to address slavery in its supply chain?’ For companies subject to SB-657, this responsibility is mandated by law.”

Victims of forced labor are often hidden, but they are all around us. The ILO estimates that there are at least 20.9 million victims of forced labor, and that about 90 percent of today’s forced labor is exacted in the private economy. A recent blog post called “The Human Impact of Corporate Behavior” by Heather Lang & Ilse Griek of Sustainalytics, another KnowTheChain partner organization, highlights differences between industries in the extent to which they are responding to the SB-657 law.

The UN Guiding Principles on Business and Human Rights have established that all companies have a responsibility to respect human rights. This responsibility extends to conducting due diligence on a company's "business relationships" – which include its suppliers – and also to the issue of human trafficking, a situation in which so many rights are abused.

Further information about the SB-657 Act, as well as the process of identifying companies that it may apply to and compliant statements is on the KnowTheChain website.

#### NOTES FOR EDS

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Partners in KnowTheChain are ATEST, CAST, Free The Slaves, Humanity United, Interfaith Center on Corporate Responsibility, Made in a Free World, Not for Sale, Responsible Sourcing Network, Sustainalytics, Tronie Foundation, Verité, Vital Voices and World Vision.

About the Resource Centre: Business & Human Rights Resource Centre, an independent non-profit organization, provides the leading information hub on business & human rights: [www.business-humanrights.org](http://www.business-humanrights.org).

The website tracks reports about the human rights impacts (positive & negative) of over 5600 companies in over 180 countries, and provides guidance tools and resources for all those working in this field. Its researchers are based in Brazil, Colombia, Hong Kong, India, Kenya, Lebanon, Myanmar, Senegal, South Africa, UK, Ukraine and USA.

Mary Robinson, former UN High Commissioner for Human Rights and President of Ireland, is Chair of the Centre's International Advisory Network. The Centre does not accept funding from companies or company foundations, in order to maintain its independence and to prevent any possible perception of a conflict of interest.

The Centre's mission is to encourage companies to respect and promote human rights, and avoid harm to people. The Resource Centre does this by advancing:

- Transparency – pursuing, collecting and disseminating to a global audience information about company conduct, positive and negative;

- Public accountability – helping civil society get companies to address concerns; seeking responses and drawing attention to each company's response or failure to respond; and

- Informed decision-making – providing the leading business & human rights resource and guidance hub, to assist civil society, companies and others.

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