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**INVESTORS WELCOME BENCHMARK STUDY OF FORCED LABOR RISKS
IN FOOD AND BEVERAGE SECTOR**

KnowTheChain, releases ranking of the top 20 global food and beverage companies on the steps they are taking to address forced labor risks indicating that there is much room for improvement.

NEW YORK, NY, MONDAY, OCTOBER 17, 2016 – Members of the Interfaith Center on Corporate Responsibility and investors who are actively engaging food and beverage companies on human rights concerns, welcomed today’s release of [a benchmark report](#) on corporate efforts to eradicate forced labor risks by Know The Chain.

The study ranks the top 20 global food and beverage companies on their efforts to address potential forced labor risks in their supply chains. Given that the agricultural sector is known to be one of the most at-risk for human rights and forced labor abuses, primarily due to its reliance on migrant labor, a ranking of performance on these measures for the most influential corporations in the sector is a critical first step to ensure progress is made on the issue.

The Food and Beverage Benchmark Findings Report provides a snapshot of current protocols around forced labor that will serve as a valuable resource for both management and investors to identify gaps and areas where improvement is needed. Company rankings are provided for seven key themes including traceability and impact assessment, recruitment and worker voice with best practice examples as well as recommended practices are provided for each of these areas.

“ICCR welcomes the KTC benchmark findings report addressing forced labor in the Food & Beverage sector,” said David Schilling, senior program director at ICCR. ***“The rating of 20 of the largest companies is a wake-up call to the sector rife with huge risks to agricultural workers of forced labor and slavery. While three companies are clear leaders—Unilever, The Coca-Cola Company, Nestle—the rest rated poorly on processes to eliminate recruiters who exploit workers by charging fees, confiscating passports and not providing written contracts to job-seekers. This information will help investors engage companies on the issues where there is the biggest need for change. We hope the report prompts a ‘race to the top’ to eradicate forced labor in this all-too-important sector.”***

Food commodities are produced by agricultural workers who often come from vulnerable groups such as women, international migrants, and internal migrants with little education. One of the themes

explored in the report is the area of recruitment, known to be a gateway to forced labor and trafficking and an area where the majority of companies scored extremely low. For over two years, **ICCR's No Fees Initiative** has sought to engage a wide range of companies, beginning with the food and beverage industry, urging them to adopt policies to 1) enforce written contracts and worker's understanding of the terms of employment; 2) prohibit confiscation of personal documents that may limit a worker's mobility, and; 3) ensure that no worker pays for securing a job.

In recent years, the issue of recruitment has emerged as a key driver of human rights violations with extensive media reporting of slavery in several sectors notably the Thai seafood sector and the palm oil industry in Malaysia and Indonesia. Workers subjected to debt bondage as a result of excessive fees paid to obtain a job or exploited or trafficked because of their vulnerable migrant status are just some of the risks the food and beverage industry are especially exposed to as a result of sourcing agricultural commodities either directly, or through suppliers both domestically and overseas.

Said Valentina Gurney, ICCR Associate Program Director, ***"ICCR members are currently engaging over 50 companies on forced labor risks via unethical recruitment including 12 of the 20 benchmarked in this report. With the U.S. being the largest corridor of migration in the world, American companies are definitely not immune to these risks, yet very few companies have forward-facing policies and internal protocols to address them. With the goal of creating a set of robust tools and management systems that would help companies make progress on these issues, the KnowTheChain report amplifies our engagement efforts by reinforcing best practices as well as highlighting laggard companies for more targeted investor action."***

About the Interfaith Center on Corporate Responsibility (ICCR)

Celebrating its 45th year, ICCR is the pioneer coalition of shareholder advocates who view the management of their investments as a catalyst for social change. Its 300 member organizations comprise faith communities, socially responsible asset managers, unions, pensions, NGOs and other socially responsible investors with combined assets of over \$200 billion. ICCR members engage hundreds of corporations annually in an effort to foster greater corporate accountability on questions such as climate change, corporate water stewardship, sustainable food production, human trafficking and slavery in global supply chains and increased access to financial and health care services for communities in need. www.iccr.org

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