



OPERATIONAL GUIDELINE ON FORCED LABOUR REMEDIATION FOR PRIVATE SECTORS



MY Voice

THE CENTRE
FOR CHILD RIGHTS AND BUSINESS

"Operational Guideline on Forced Labour Remediation for Private Sectors" is created by The Centre for Child Rights and Business for the Child Rights Action Hub in Malaysia. MY Voice partners, including Social Accountability International and Proforest, as well as The Remedy Project, have provided essential contributions and insights that have significantly enhanced this guideline.

Funding for the MY Voice project is provided by the United States Department of Labor under cooperative agreement number IL-373221-21-75-K. 100% of the total costs of the project is financed with USG federal funds, for a total of \$5,000,000 dollars. This material does not necessarily reflect the views or policies of the United States Department of Labor, nor does it mention of trade names, commercial products, or organisations imply endorsement by the United States Government.

TABLE OF CONTENTS

FOREWORD.....	3
1 INTRODUCTION	5
1.1 BACKGROUND AND PURPOSE OF THE GUIDELINE	5
1.2 WHO IS THIS GUIDELINE FOR?	5
1.3 WHAT IS FORCED LABOUR, FORCED LABOUR OF CHILDREN, FORCED LABOUR REMEDICATION?	6
1.4 FORCED LABOUR IN MALAYSIA	7
1.5 MAJOR NATIONAL LEGAL FRAMEWORKS ON FORCED LABOUR	8
1.6 FORCED LABOUR ENFORCEMENT UNDER THE UNITED STATES LEGAL FRAMEWORKS ..	9
1.7 WHY FORCED LABOUR REMEDIATION?.....	9
1.8 WHEN IS A FORCED LABOUR CASE THE COMPANY'S RESPONSIBILITY TO REMEDIATE? 10	
2 BUILDING THE MANAGEMENT SYSTEM AND FRAMEWORK FOR FORCED LABOUR REMEDIATION.....	12
2.1 CODE, POLICY COMMITMENT AND PROTOCOL ON HANDLING FORCED LABOUR CASES 13	
2.2 PEOPLE AND INTERNAL TEAM FOR HANDLING FORCED LABOUR REMEDIATION	16
2.3 SUFFICIENT BUDGET ALLOCATION	17
2.4 ENGAGEMENT WITH EXTERNAL STAKEHOLDERS AND LOCAL AUTHORITIES	17
2.5 MONITORING AND REPORTING.....	19
2.6 ENHANCING THE REMEDIATION PROTOCOL AND FEEDBACK INTO systems.....	19
3 OVERVIEW OF THE FORCED LABOUR REMEDIATION.....	21
4 A STEP-BY-STEP GUIDE ON FORCED LABOUR REMEDIATION.....	23
4.1 STEP 1: VERIFY THE INCIDENT AND TAKE IMMEDIATE PROTECTION ACTIONS.....	23
4.2 STEP 2: INVESTIGATE THE INCIDENT AND DETERMINE WHETHER IT IS A FORCED LABOUR CASE	24
4.3 STEP 3: DETERMINE responsibility for remediation and THE appropriate RESPONSE	30
4.4 STEP 4: DESIGN REMEDIATION PROGRAMME DRAFT	33
4.5 STEP 5: REACH AN AGREEMENT ON THE REMEDIATION PROGRAMME AMONGST KEY STAKEHOLDERS	39
4.6 STEP 6: THE FLR TEAM IMPLEMENTS AND MONITORS THE REMEDIATION PROGRAMME 42	
4.7 STEP 7: CLOSURE OF FORCED LABOUR CASE AND POST-REMEDY MONITORING	44

FOREWORD

Forced labour remains one of the most egregious human rights violations in global supply chains. While growing awareness and regulation have led some companies and organisations to adopt mitigative and preventive measures, addressing the harm experienced by workers once forced labour is identified remains a complex and resource-intensive challenge.

What sets this guideline apart is its grounding in practical realities. While the principles and framework it presents are broadly applicable across industries and geographies, it has been developed with particular sensitivity to contexts like Malaysia, where the economy depends heavily on migrant labour from many different origins and where companies operate in a high-risk environment. The combination of complex regulatory frameworks, multi-layered supply chains and recruitment systems, and a wide range of actors involved throughout the migration and employment journey presents urgent challenges for remediation. This guideline is built with these complexities in mind and offers a realistic and adaptable framework to support companies throughout the remediation process.

Rooted in human rights principles and shaped by the voices of workers and on-the-ground experience, this is a practical handbook for businesses seeking to act decisively and meaningfully in their scope of responsibility when cases of forced labour come to light. It offers structured, worker-centred approaches that place the dignity, agency and safety of affected workers at the heart of remediation efforts. In doing so, it bridges the gap between ethical intent and operational action.

Developed through rigorous consultation with experts, civil society actors, and companies, the guideline reflects good practices and lessons learned from real-world applications. It is timely, arriving as global expectations continue to rise through evolving legislation, investor scrutiny and consumer demand for transparent and fair supply chains. It encourages companies not only to comply with due diligence requirements but to lead with integrity and build lasting trust.

We hope that this guideline serves as a starting point—one that opens up honest conversations, invites critical reflection, and inspires collective action. Remediation is not a one-size-fits-all solution, but a journey that must be shaped thoughtfully, responsibly and together.

Jane Hwang

CEO, Social Accountability International

The MY Voice project is led by Social Accountability International (SAI) with The Centre for Child Rights and Business, Proforest and Our Journey as implementing partners.

COMMENTS FROM STAKEHOLDERS



As a social compliance practitioner in the plantation sector, the mitigation framework is particularly useful and relevant to my work. This is because forced labour incidents may occur due to oversight, even if not intentionally. Having a remediation framework allows for action-driven protection of workers or any aggrieved party. “

- ***Suryna Ali, Human Rights & Social Specialist (SDGuthrie)***



The work of the MY Voice's Operational Guideline in developing the remediation for forced labour is very welcome for the agricultural sector. This document provides the first instance of the actions that need to be taken when faced with a forced labour situation. While it is still a work in progress requiring further refinement and ensuring practicality, it can be a useful tool for many companies as a good start in redressing situations of forced labour.”

- ***Leena Ghosh, Head of Human Rights and Social Standards & Sustainability (RSPO)***



At Li & Fung, sustainable and responsible sourcing is at the core of our operations. We prioritise human rights challenges, including forced labour and responsible recruitment, particularly in protecting foreign migrant workers who are vulnerable to exploitation. This is why we fully support the “Operation Guidelines on Forced Labour Remediation for the Private Sector,” developed by The Centre. These guidelines provide a clear structure and a worker-centric framework that strengthens our remediation efforts to address forced labour and responsible recruitment.”

- ***Satte Tsao, Senior Vice President, Vendor Compliance and Sustainability (Li & Fung)***

1 INTRODUCTION

1.1 BACKGROUND AND PURPOSE OF THE GUIDELINE

In December 2021, Social Accountability International (SAI) launched the **MY Voice** project to address forced labour and child labour in the production of garments and palm oil in Malaysia. The project seeks to increase worker voice in social compliance systems, increase access to remedies for forced labour and child labour, and help improve communication and coordination between local actors to identify, prevent and remediate cases of forced and child labour.

This guideline, developed by The Centre for Child Rights and Business, standardises the operation of forced labour remediation protocol. It outlines the remediation process and actions to take after stakeholders have identified forced labour cases, aiming to inform companies and private sector partners in Malaysia's garment and palm oil sectors about the best practices and principles for developing and implementing effective remedial actions.

The guideline is accompanied by seven annexes, providing additional case studies and tools to guide readers when implementing forced labour remediation.

1.2 WHO IS THIS GUIDELINE FOR?

This guideline is aimed at companies in Malaysia's garment and palm oil sectors that may encounter forced labour complaints, particularly for staff in human resources, social welfare, compliance, risk management, grievance handling, human rights due diligence and related departments.

It addresses remediation for forced labour cases identified within the company's operations and those found in its supply chain partners, i.e., suppliers, subcontractors, and service providers. This includes:

1. Traders, processing facilities, or raw material suppliers supplying components to the company.
2. Third parties outsourced for specific manufacturing processes.
3. Service providers for logistics, cleaning, security, or labour agents recruiting workers for the company.

1.3 WHAT IS FORCED LABOUR, FORCED LABOUR OF CHILDREN, FORCED LABOUR REMEDIATION?

1.3.1 FORCED LABOUR

Forced labour is a severe violation of human rights. It is defined in the International Labour Organisation (ILO) Forced Labour Convention, 1930 (No.29) 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.”**

The ILO outlines 11 indicators of forced labour¹ (see Annex 1 for detailed explanations). These indicators highlight common signs of involuntariness and/or menace of penalties that may suggest the presence of forced labour. While in some cases, a single indicator can sometimes indicate a forced labour case, it often requires assessing multiple indicators together. A situation of forced labour should exhibit both signs of (i) involuntariness, which reflects the lack of free and informed consent of a worker to take a job and the inability to leave a job at any time, and (ii) menace/threats or penalties used to compel someone to provide a service or undertake work. Particular attention should be paid to identify the presence or absence of these indicators, which should be considered holistically to inform the likelihood, and the scope and extent, of any forced labour practices and consequential harm².

TABLE 1: CATEGORISATION OF INDICATORS OF FORCED LABOUR

Common indicators of involuntariness
• Abuse of vulnerability
• Deception
• Abusive working and living conditions
• Excessive working hours
Common indicators of menace/threats of penalty
• Isolation
• Debt bondage
• Retention of identity documents or other valuable personal possessions
Common indicators of both involuntariness and menace/threats of penalty ³
• Restriction of movement
• Physical and sexual violence
• Intimidation and threats
• Withholding of wages

Note that the presence of any one of these indicators in isolation may not be indicative of a situation of forced labour. Please see Section 4.2.2 for further guidance on the determination of forced labour.

“Forced labour” and “human trafficking” (also called “trafficking in persons”) are terms that are often used interchangeably. While human trafficking can be a form of forced labour, each has a distinct definition in international and national law. Annex 2 provides detailed explanations of the terms used in this guideline.

¹ ILO, *Indicators of Forced Labour*

² ILO *Forced Labour and Trafficking In Persons: Training Manual For Malaysian Law Enforcers (2021)*

³ If find such indicators, it is likely categorised as a forced labour case.

1.3.2 FORCED LABOUR OF CHILDREN

Forced labour can also occur in children. ILO defines the four dimensions of **forced labour of children**⁴ as:

1. Unfree recruitment of children covering both forced and deceptive recruitment.
2. Work and life of children under duress covering adverse working or living situations imposed on a child using force, penalty or threat of penalty.
3. The impossibility of children leaving their employer, including situations where leaving would entail a penalty or punishment against the child or family members.
4. Coercion of children.

1.3.3 FORCED LABOUR REMEDIATION

“Remediation” and “remedy” refer to both the processes of providing remedy for an adverse impact and to the substantive outcomes (i.e. remedy) that can counteract, or “make good”, the adverse impact⁵. UN Guiding Principles on Business and Human Rights⁶ (UNGPs) specifies that “remedy” may include apologies, restitution, rehabilitation, financial or non-financial compensation and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition.

For this guideline, forced labour remediation refers to both:

- The remedial actions to restore the affected worker(s) to a situation equivalent or as close as possible to the situation they would be in had forced labour not occurred and;
- The corrective actions that companies take to prevent the incidents from recurring in the future.

1.4 FORCED LABOUR IN MALAYSIA

According to an ILO and Malaysian Employer Federation Guide for businesses on prevention and addressing forced labour⁷ in Malaysia, forced labour incidents are generally linked to the recruitment and employment of migrant workers or workers from rural areas. Despite national laws prohibiting forced labour, the issue remains misunderstood, underestimated or ignored, especially among the informal, small and medium-sized enterprises (SMEs) and when third-party labour agents conduct the recruitment and employment⁸. A study by the Bar Council Malaysia⁹ found that migrant workers have limited access to justice due to Malaysia’s insufficiently regulated labour migration system, the lack of sufficient information provided to workers upon their arrival, workers’ inability to change employers if the employer violates their employment contract and the lack of licensing and oversight of labour agents. In 2024, The

⁴ ILO’s *Hard to See, Harder to Count. Survey Guideline to Estimate Forced Labour of Adults and Children*. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_182096.pdf

⁵ OECD *Due Diligence Guidance For Responsible Business Conduct* (2018)

⁶ United Nations Human Rights Office of The High Commissioner, *Guiding Principles on Business and Human Rights* (2011)

⁷ ILO and Malaysian Employer Federation, *Business Responsibility on Preventing and Addressing Forced Labour in Malaysia: A Must-Read Guide for Malaysia Employers* (2019)

⁸ ILO and Malaysian Employer Federation, *Business Responsibility on Preventing and Addressing Forced Labour in Malaysia: A Must-Read Guide for Malaysia Employers* (2019)

⁹ Bar Council Malaysia, *Migrant Workers’ Access to Justice: Malaysia* (2019)

U.S. Department of Labor¹⁰ listed garments, palm fruits, electronics and rubber gloves as goods produced by forced labour in Malaysia.

1.5 MAJOR NATIONAL LEGAL FRAMEWORKS ON FORCED LABOUR

Forced labour is a serious criminal offence in Malaysia. Article 6 of the Malaysian Federal Constitution¹¹ states that no person shall be held in slavery, and all forms of forced labour are prohibited, including migrant workers, documented or undocumented. Forced labour is often prosecuted under the Anti-Trafficking in Persons and Smuggling of Migrants Act (ATIPSOM)¹², which prohibits all forms of human trafficking and smuggling and prescribes a punishment of up to 20 years of imprisonment. Section 90B of the Employment (Amendment) Act 2022¹³ and Sections 370, 371¹⁴, and 374¹⁵ of the Penal Code also state the legal punishment (including penalty and imprisonment) for perpetrators of forced labour.

¹⁰ US Department of Labour, *List of Goods Produced by Child Labour or Forced Labour* (2024)

¹¹ Federal Constitution, Amendment 2009

¹² Anti-Trafficking in Persons and Smuggling of Migrants (Amendment) Act (2022)

¹³ Employment (Amendment) Act 2022

¹⁴ Ibid

¹⁵ Penal Code (Act 574)

1.6 FORCED LABOUR ENFORCEMENT UNDER THE UNITED STATES LEGAL FRAMEWORKS

The United States Customs and Border Protection (USCBP) implements Section 307 of the Tariff Act of 1930 (19 U.S.C. §1307) through the issuance of Withhold Release Orders (WRO) and Findings and Countering America's Adversaries Through Sanctions Act (CAATSA), to prevent merchandise produced in whole or in part in a foreign country using forced labour from being imported into the United States¹⁶. The USCBP can detain any shipment when it has reason to believe that the goods (or their inputs) were made with forced labour, forced child labour, or prison labour under Section 307 of the Tariff Act of 1930 (19 U.S.C. § 1307). After detention, the goods are held at the port of entry, where the importer can either prove to USCBP that the goods were not made with forced labour, forced child labour, or prison labour, or they can have the goods re-exported. After a period with no resolution to the issue, the goods may be destroyed¹⁷. By the end of 2024, Companies in Malaysia had received 10 WROs and Findings from the USCBP over four years since 2019, which includes WRO(s) to palm oil or palm oil products¹⁸.

1.7 WHY FORCED LABOUR REMEDIATION?

Providing remediation to address the adverse human rights impacts a company has caused or contributed to is part of the company's human rights due diligence obligations specified in the UN Guiding Principles on Business and Human Rights and OECD Due Diligence Guidance for Responsible Business Conduct. There are also emerging regulations, such as the European Union (EU) Corporate Sustainability Due Diligence Directive, that impose mandatory human rights due diligence obligations on companies to identify, address, prevent and mitigate adverse human rights impacts and provide remediation where a company has caused or jointly caused an actual adverse impact. In some countries, forced labour regulatory frameworks could have far-reaching effects on global supply chains. For example, under the U.S. government's Tariff Act of 1930, companies must carry out remedial actions to remove the indicators of forced labour so that the USCBP can modify or revoke a WRO and lift the import ban on goods made by forced labour. Under the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, in-scope companies are required to report measures taken to remediate any forced labour case. The EU Forced Labour Regulation, which is set to take effect in 2027, prohibits products made with forced labour from being imported to, placed or otherwise made available on the EU market or exported from the EU. While these regulatory frameworks may not directly impact companies in Malaysia, pressures from their international buyers or certification schemes would urge companies to enhance forced labour due diligence efforts and, where forced labour is identified, to provide remediation to affected individuals.

A robust forced labour remediation protocol enables companies to fulfil their corporate human rights responsibility concerning forced labour by adopting measures to manage, address, mitigate and remediate forced labour cases. Companies are also expected to integrate the remediation protocol into their operational processes, review and strengthen their management systems, policies, and compliance regarding forced labour, and allow necessary adjustments based on the realities on the ground to prevent the recurrence of harm. It also

¹⁶ U.S. Customs and Boarder Protection, *Forced Labour* (2024)

¹⁷ <https://www.dol.gov/agencies/ilab/comply-chain/steps-to-a-social-compliance-system/step-6-remediate-violations/key-topic-information-and-resources-on-withhold-release-orders-wros>

¹⁸ *Ibid*

serves as a valuable data point on Environmental, Social and Governance (ESG) that Malaysian companies can disclose to their stakeholders¹⁹ for better risk identification and management.

Ultimately, forced labour remediation is essential for protecting workers' basic human rights and preventing future incidents. When developing and implementing a forced labour remediation programme, a company should:

- Remove affected individuals from forced labour situations to ensure their safety and well-being, and to restore the individuals to a situation equivalent to if they had not experienced forced labour.
- Prevent future occurrences of forced labour by enforcing corrective actions that enhance policies, procedures and management systems while raising awareness among upstream actors.

1.8 WHEN IS A FORCED LABOUR CASE THE COMPANY'S RESPONSIBILITY TO REMEDIATE?

A company has the responsibility to remediate a forced labour case when it is involved with one. In line with the United Nations Guiding Principle on Business and Human Rights and the OECD Due Diligence Guidance²⁰, there are three levels of involvement a company can have in a forced labour case, and the level of involvement can determine how a company should respond to the case or whether it is responsible for providing or cooperating in remediation. As part of the investigation and remediation process, a causation analysis following the below involvement framework should be conducted to determine the company's responsibility).

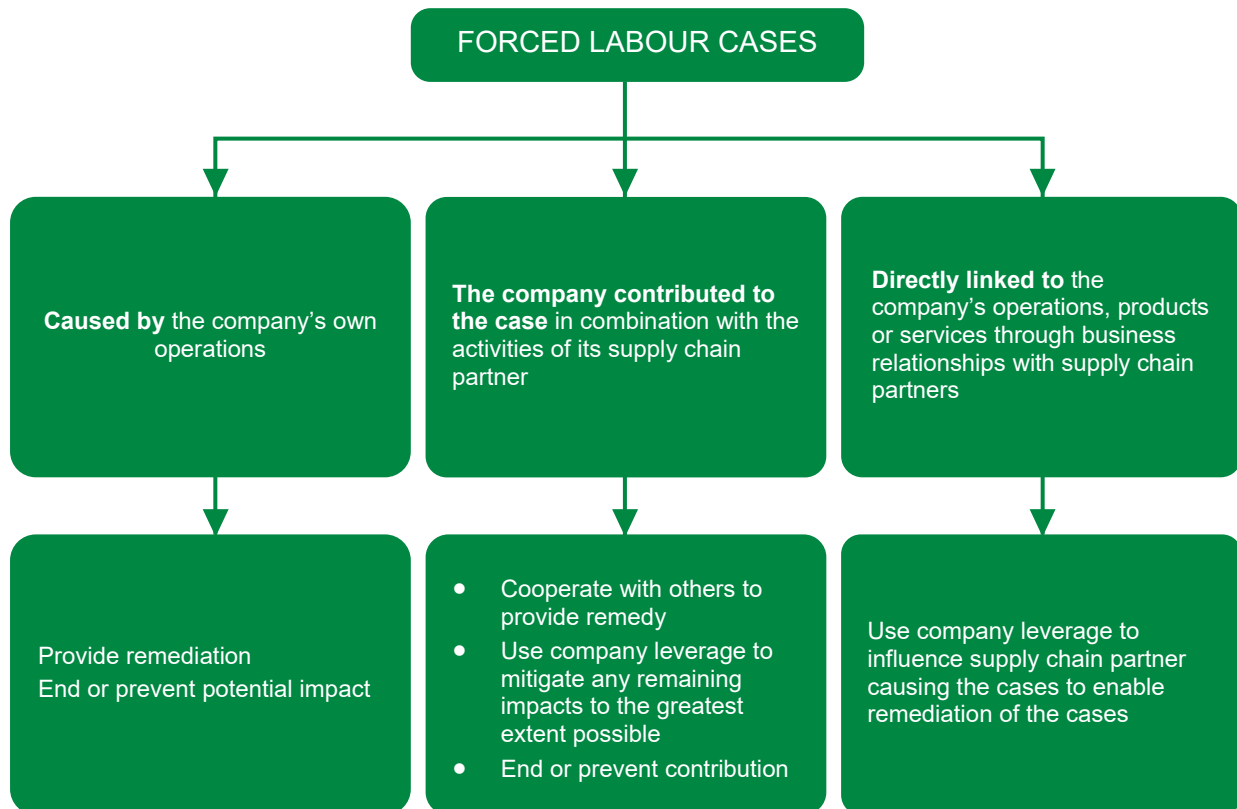
- **Caused:** When the company's activity or omission to act has caused forced labour, the company bears full responsibility to end the use of forced labour and provide remediation to impacted rightsholders. For example:
 - a) The company withheld workers' wages and restricted workers' movement
- **Contributed to:** When the company is found to have contributed to the forced labour case, for example, where it causes, facilitates or incentivises its supply chain partners to use forced labour, or when the company knew about the forced labour but failed to act appropriately to prevent the risk. In such cases, the company is responsible for ending or preventing its contribution, cooperating with others to provide remedy and using its leverage to mitigate any remaining impacts to the greatest extent possible. For example:
 - a) *The company's ad hoc and short-term purchasing practices required its supplier to hire many workers quickly. The supplier hired a labour agent who used deceptive recruitment practices to cope with this. Despite this being a known risk in the country, the company has not implemented any systems (e.g., spot checks, grievance procedures, worker interviews, etc.) that would have allowed it to identify and mitigate those issues.*
 - b) *The company is aware of the abusive and inhumane working conditions, as well as the physical violence occurring in its supplier's operations. Yet, it has not taken any action to prevent such incidents.*

¹⁹ Capital Markets Malaysia and Suruhanjaya Sekuriti Securities Commission Malaysia, *Simplified ESG Disclosure Guide for SMEs in Supply Chain* (2023)

²⁰ United Nations, *United Nations Guiding Principle on Business and Human Rights* (2011) and OECD *Due Diligence Guidance for Responsible Business Conduct* (2018).

- **Directly linked to:** When the company has not caused or contributed to the forced labour cases, which are found to be directly linked to the company's products, services or operations via its relationships with another supply chain partner causing forced labour, it holds the responsibility to enable remediation. For example:
 - a) *A supplier sources raw materials from an operation that uses forced labour. The company was unaware of this sub-supplier, but some of its products are likely to have come from this sub-supplier.*

CHART 1: COMPANY'S ROLE IN ADDRESSING FORCED LABOUR CASES²¹



When the company is responsible for providing remediation or cooperating with others to offer remedy, it is also expected to bear the cost of such remediation (Section 2.3 explains how to ensure sufficient budget allocation for forced labour remediation).

In addition to remediating forced labour cases, the company is also responsible for identifying, preventing, and monitoring forced labour risks. For general guidance on these areas, please refer to Annex 3.

²¹ The graphic is adapted from Figure 2 of OECD Due Diligence Guidance for Responsible Business Conduct (2018), page 72

2 BUILDING THE MANAGEMENT SYSTEM AND FRAMEWORK FOR FORCED LABOUR REMEDIATION

Workers, especially migrant workers, women and workers of other vulnerable groups, often face barriers that prevent them from accessing effective remedy²². Such barriers may include:

- Fear of retaliation.
- Fear of termination of employment and the associated consequences on legal status that can lead to arrest, detention and deportation, especially for undocumented migrant workers.
- Lack of recognition within the legal system, such as discrimination against undocumented migrant workers when filing claims or police reports without passports or proper permits.
- Limitation on legal standing and practical ability (e.g., funds) to remain in Malaysia until a long remediation process ends.
- Lack of information, especially from migrant workers, about their rights and grievance channels in languages they understand.

While this guideline cannot entirely resolve these challenges, many can be mitigated by implementing the recommended management system and remediation process. This guideline promotes establishing a worker-centric forced labour remediation approach, considering the perspectives of various stakeholders, particularly those of the affected worker(s).

A WORKER-CENTRIC REMEDIATION

The guideline promotes a worker-centric remediation process and management system, which aims to provide remedies for victims of forced labour incidents while keeping the best interests of the affected workers in mind (i.e. the wellbeing of the workers should be protected at all costs). It also drives systemic changes at the business level to improve the business' due diligence performance on forced labour. This requires companies to consider the needs and perspectives of the affected worker(s) first and make the utmost efforts to protect workers' rights.

Therefore, engaging with the affected worker(s) (and their representatives) throughout the remediation process is essential. In particular, the affected worker(s) (and their representatives) should be involved in the investigation and consulted during the remediation design phase. Workers' informed consent should be obtained before implementation, and workers' feedback on the remediation programme should be collected before the company decides to close the forced labour case.

²² Bar Council Malaysia, *Migrant Workers' Access to Justice: Malaysia (2019)*, International Organization for Migration (IOM), *Operational Guidelines for Business on Remediation of Migrant-Worker Grievances (2021)*

An effective management system and framework to support the implementation of forced labour remediation should consist of the following pillars:



This management system and framework should not be stand-alone from the company's existing management system but incorporated and aligned with to maximise the use of existing resources and align with the company's human rights strategy and approach.

2.1 CODE, POLICY COMMITMENT AND PROTOCOL ON HANDLING FORCED LABOUR CASES

To ensure a unified procedure and standard for remediating forced labour cases across the company's organisation and supply chain, we highly recommended that each company develop their protocol for forced labour remediation. This protocol should entail, at a minimum:

- Explicit commitment from senior management to remediate forced labour cases.
- Principles and standards on remediating forced labour cases (see Table 2).
- A list of all responsible internal personnel/departments involved in remediation and a clear task division between the personnel/departments.
- Detailed procedure and timeline on immediate actions upon receiving complaints, verifying and investigating the case, designing remediation programme, escalating and referring the cases to relevant internal and external stakeholders, monitoring and closing forced labour cases (See Section 4).
- Define when instances of forced labour should be reported to local authorities
- When the forced labour case is identified in the company's supply chain partners, the company's protocol should outline:
 - 1) *Clear requirements to remediate forced labour cases.*
 - 2) *How the company's leverage can be used to facilitate the remediation (e.g., which department should be involved in discussions or negotiations with supply chain partners and how to escalate the case within the organisation if the lower tiers do not cooperate).*
 - 3) *Consequences if the supply chain partners fail or refuse to remediate the forced labour case.*

This protocol should receive the approval of the top management. It should be communicated verbally and in writing to all relevant management, personnel, departments, and the company's supply chain partners.

TABLE 2: GENERAL GUIDING PRINCIPLES FOR HANDLING FORCED LABOUR CASES

In line with ILO²³ and IOM²⁴ guidance, the following principles must be observed when handling forced labour cases.

PRINCIPLE	DESCRIPTION
Respect for and protection of human rights and rights-compatibility	All assistance and protection efforts should aim to restore the rights of affected worker(s)' and prevent further violations without discrimination and re-victimisation, ensuring that outcomes and remedies align with internationally recognised human rights.
Do not harm and prevent further abuses	Assess the potential harm of any proposed action. If there is any reason to believe that the action will leave the individual worse off than before, it should not be undertaken at that time, especially if it compromises the personal security of the affected worker(s).
Unconditional support to victims of forced labour	The provision of care and protection included in ATIPSOM and other laws should not depend on the victim's willingness to cooperate with the investigation/prosecution of the alleged offender.
Informed consent	All measures are implemented with the full and informed consent of the affected worker(s), after they have been advised of their rights, the possible courses of action, and the potential consequences for them and their families. The information must be provided in a simple and accessible language for the affected worker(s).
Prioritise cases per their severity, urgency and complexity	If multiple cases are occurring simultaneously, those with higher severity should be prioritised, followed by cases that have strong urgency and complexity. For more details, please refer to Section 4.3.
Remediate with professional support from local authority and external stakeholders	When functioning government structures/authorities and local expert organisations are available for providing remediation, companies should leverage the strengths and capacities of these external stakeholders.
Individualised remediation that responds to the needs of the victims	Recognise and respect the individuality of affected worker(s) and, where possible, provide personalised care and assistance. Strive to deliver the most appropriate and adequate protection, assistance and support tailored to the needs, circumstances, age and gender of the affected worker(s).
Non-discrimination	The affected worker(s) must be treated fairly, without prejudice regarding their race or ethnicity, sex, sexual orientation, age, disability, religious beliefs and practices, legal status, political affiliations, social and cultural background, or the fact that they were exploited or forced to engage in illegal activities.

²³ ILO and Malaysia Ministry of Human Resources, Reporting and Referral Step-By-Step Guide for Forced Labour and Human Trafficking (2021)

²⁴ International Organization for Migration (IOM), The IOM Handbook on Direct Assistance for Victims of Trafficking (Geneva, 2007)

PRINCIPLE	DESCRIPTION
Non-retaliation	The company must take measures to ensure non-retaliation against informants and affected worker(s) (where they are identifiable), and other persons who cooperate or participate in the forced labour remediation. Retaliation may include, but is not limited to the following actions that are taken without justification or legitimate reasons: suspension, termination of employment or other similar measures; demotion or withholding of promotion; reduction in wages, incentives, bonuses; changes in job description; transfer of duties; relocation, transfer, or reassignment; alteration of working hours; negative assessment of performance; and other hostile working conditions.
Child protection	In cases involving children, the best interests of the child are regarded as the primary consideration in all actions concerning the child ²⁵ .
Confidentiality and data protection	<p>The data of all individuals wherever identifiable should be recorded, processed, retained and destroyed in accordance with applicable laws. Companies must provide all relevant data upon the request of law enforcement personnel or regulators. In such cases, the company will obtain consent of the relevant individuals before sharing the data, in accordance with applicable laws.</p> <p>In the process of forced labour remediation, all actors involved are prohibited from disclosing or discussing the specific facts, allegations, personal information or any other information contained in the case with anyone not involved in this process. Information sharing should occur only on a “need-to-know” basis, with the informed consent of the affected worker(s). The information must not include data that could expose the affected worker(s) to further danger or discrimination, or that do not pertain to the specific work of the case.</p>
Prevent recurrence	Remediation measures should include measures to prevent recurrence of the incidents, e.g. by improving the company’s management system, or addressing the root causes driving forced labour.
Whistleblower protection	In the process of forced labour remediation, all actors involved must ensure that the identity of the whistleblower or informant (wherever identifiable) is protected and not disclosed and/or published in any communications to the concerned supply chain partner, their management or representatives, or any other parties.

²⁵ To understand more on the rights of the children and child protection, please see Roundtable on Sustainable Palm Oil, Guidance on Child Rights for Palm Oil Producers (2020)

2.2 PEOPLE AND INTERNAL TEAM FOR HANDLING FORCED LABOUR REMEDIATION

To address submitted complaints regarding forced labour or suspected cases, each company should establish a team or grievance committee called the Forced Labour Remediation team (FLR team). It is recommended that this team comprise of:

- Both male and female members to ensure gender sensitivity is considered.
- Individuals who can speak the language workers use (e.g., particularly migrant workers).
- Human resources managers or staff.
- Worker welfare officers or staff in similar positions.
- Compliance managers or staff.
- Representatives from workers or trade unions to ensure that employees' interests are represented.
- An external independent consultant specialised in human rights, as this is considered a best practice.

If a worker committee, grievance committee or social performance team already meets these criteria, the company can leverage that existing team instead of forming a new one.

The FLR team should select a leader and establish reporting lines and a clear protocol for escalating cases with specified timeframes. The leader will facilitate collaboration, oversee the implementation, manage forced labour grievances, and organise regular meetings. All FLR team members must receive ongoing training on the company's forced labour remediation protocol, potential risks during remediation, available support from authorities and stakeholders, and be updated on remediation progress.

To address the potential power imbalance between FLR team members, it is recommended that they be selected with the qualities described in the box “Characteristics of Forced Labour Case Handling Team” and that an external independent consultant specialised in human rights be part of the FLR team.

All remediation should follow the steps outlined in Section 4 to guarantee adequate and appropriate remediation for affected workers.

When the company is informed of potential or confirmed cases of forced labour involving any supply chain partner—whether upstream or downstream—the compliance manager, in coordination with the procurement team and relevant external stakeholders, should take the lead in addressing the issue. This includes guiding appropriate remediation efforts in collaboration with the implicated partner, requiring the implicated partner to establish a Forced Labour Remediation (FLR) team, following the recommended composition outlined above. This approach recognizes that forced labour risks can arise at any point in the supply chain—both upstream (e.g., farms, plantations, raw material sourcing) and downstream (e.g., processing units, subcontracted facilities, logistics providers)—and may involve formal or informal actors.

CHARACTERISTICS OF FORCED LABOUR CASE HANDLING TEAM

Considering that forced labour may involve sensitive issues with vulnerable groups and there may be a potential power imbalance among FLR team members, it is expected that the FLR team members possess the following qualities when handling such incidents:

- Be objective, impartial and fair.
- Be sensitive to the situation, particularly for female workers and children under 18.
- Conduct activities with the highest level of integrity, prioritising workers' rights and well-being.
- Be respectful and non-discriminatory regarding the nationality, origin, religion, age and language of the workers.
- Have a clear understanding of local labour laws and the company's policies.

2.3 SUFFICIENT BUDGET ALLOCATION

Budget is an important element for companies to carry out forced labour-related activities, specifically in implementing preventive measures (e.g. training and awareness campaigns for management and workers) and remedial actions for the affected worker(s) and the concerned company.

Therefore, during yearly budget planning, companies should allocate a dedicated budget or establish a fund for forced labour-related activities. The amount should align with the company's size, the findings of its forced labour risks assessment (e.g., a higher budget for higher forced labour risks), its action plan on forced labour, and any external support available (e.g., joint initiatives, industrial associations, buyers).

Malaysian SMEs facing budget constraints should also seek support from international buyers when forced labour cases arise during production. These international buyers could potentially provide financial aid, consultation, and capacity-building for their suppliers to meet their human rights due diligence obligations. To secure this assistance, companies must transparently communicate their challenges and risks, aiming to continuously improve their forced labour due diligence and foster long-term partnerships.

2.4 ENGAGEMENT WITH EXTERNAL STAKEHOLDERS AND LOCAL AUTHORITIES

To ensure a fair, workers' rights-centred and independent remediation process for forced labour cases, the FLR team should collaborate with relevant external stakeholders throughout the remediation process. These include the informant or complainant, affected worker(s), company top management, concerned supply chain partners where the forced labour case was identified, local authorities and external stakeholders, such as independent experts and civil society organisations (in particular those who have expertise in remediation of forced labour cases), lawyers, and hospitals or others who provide reference or advice regarding appropriate remedy, services on shelter, cash assistance, healthcare or counselling.

External stakeholders (see Annex 5 for a list of such stakeholders) bring essential expertise in human rights and local contexts, helping to guide remediation efforts and analysing root causes. Their involvement also strengthens the company's credibility with international buyers and government bodies (e.g. USCBP), demonstrating a genuine commitment to workers' rights and effective remediation.

All stakeholders' potential roles in forced labour remediation are explained below.

TABLE 3: STAKEHOLDERS INVOLVED IN FORCED LABOUR REMEDIATION AND THEIR ROLES

ACTOR	ROLES IN FORCED LABOUR REMEDIATION
FLR team of the company	<ul style="list-style-type: none"> • First focal point for handling raised forced labour complaints or cases and carries out immediate actions upon receiving complaints. • Refers forced labour cases to relevant external parties when needed. • Coordinates corrective actions at the business level within the company. • Implements remedial actions for the affected individuals where possible. • Monitors the status of each forced labour remediation programme and drafts final report. • Reviews data on the implementation and effectiveness of the remediation protocol and develops enhancement plan.
Top management of the company	<ul style="list-style-type: none"> • Endorses the set-up of a remediation management system and framework, including the approval of the annual budget • Reviews forced labour cases of increased complexity, severity or urgency escalated to them and provides direction on further action. • Oversees the implementation of remediation. • Sets up and oversees the grievance mechanism for its own operations and that of its supply chain. • Approves the suggested remediation programme and budget (if applicable).
The concerned supply chain partner where the forced labour case is identified (if applicable)²⁶	<ul style="list-style-type: none"> • Participates in discussions when designing remediation programme. • Approves the suggested remediation programme • Shares the remediation cost. • Coordinates corrective actions at the business level. • Implements remedial actions for the affected workers.
Informant(s) of the incident	<ul style="list-style-type: none"> • Participates in interviews and provides additional information during the verification and investigation of the cases.
Affected worker(s) who are the victim(s) of forced labour case(s) And/or affected worker(s) representative(s)	<ul style="list-style-type: none"> • Participates in discussions when designing remediation programmes. • Gives consent to participate in forced labour remediation programme. • Gives feedback to the FLR team regarding the effectiveness of the remediation programme and on their satisfaction with the remedy received.

²⁶ Applicable if the forced labour case is not identified in the company, but in the company's supply chain partners, e.g. with contractors for logistic, cleaning or security, with the labour agents that recruit workers for the company, in plantations, smallholders, traders, processing facilities that supply raw materials to the company.

ACTOR	ROLES IN FORCED LABOUR REMEDIATION
Local authorities (e.g. labour department, police) and government agencies	<ul style="list-style-type: none"> • Investigates the incident. • Provides the affected worker(s) access to justice, shelter, medical treatment, protection, legal counselling and remedy.
External stakeholders (e.g., embassies, civil society organisations, independent experts, lawyers, hospitals, trade unions, worker organisations, others)	<ul style="list-style-type: none"> • Supports the investigation of the incident. • Provides advice regarding appropriate remedy • Provides services such as shelter, cash assistance, medical treatment, education, safeguarding and protection, legal counselling for the affected worker(s). • Designs, implements and monitors the remediation programme.
The auditing firm or certification scheme (if applicable)²⁷	<ul style="list-style-type: none"> • Identifies forced labour cases or indicators of forced labour. • Sets requirements for the auditee to carry out corrective actions to remove certain indicators of forced labour.

2.5 MONITORING AND REPORTING

A monitoring and reporting system is essential to ensure affected workers receive adequate remedy and businesses implement corrective actions to prevent future forced labour. The FLR team should lead this process, ideally with support from external stakeholders. Sections 4.6 – 4.7 outline detailed approaches for monitoring and reporting during remediation.

Additionally, the code, policies, and protocol for the company's forced labour remediation should be subject to periodic (at least annually) management reviews. The review results should inform the company's enhancement plan and be integrated into the company's management system related to forced labour.

2.6 ENHANCING THE REMEDIATION PROTOCOL AND FEEDBACK INTO SYSTEMS

The results from monitoring and reporting forced labour remediation cases, and periodic review of the company's code, policies and protocol on forced labour remediation should be communicated internally and guide the direction of further implementation of remediation and system improvement. This is to ensure:

- The affected worker(s) have access to adequate and appropriate remedy.
- Corrective actions as part of the company's remedial actions are executed as planned.
- Feedback and lessons learned from the remediation are reflected in an enhancement plan and integrated into the management system for continuous improvement.

See Annex 4 for data collection and analysis during and post remediation, the objectives of the enhancement plan and how to integrate it into the company's management systems.

²⁷ Applicable if the forced labour case is identified by auditor(s) from auditing firm or certification scheme

HARD QUESTION 1: How can an SME establish a forced labour remediation management system and framework as listed above?

The structure mentioned above may seem overly complex and demanding for SMEs, especially if you have a small team. However, this should not stop you from taking action. If you lack the capacity to engage with multiple stakeholders, consider identifying one expert organisation that you can consult regularly. If this organisation has extensive contacts, it can be a valuable resource for understanding how to address forced labour risks and incidents.

If you do not have the staff to form an FLR team but have a worker and grievance committee that already meets these criteria, you can leverage that existing team instead of creating a new one. If no such function exists in your company, you could also assign two people to take this on and make sure they understand the context, have the knowledge of forced labour and can work according to the principles and process stated in this guideline.

If your budget is limited, earmark a small percentage of your budget contribution for forced labour prevention and remediation activities that align with your forced labour risk level.

3 OVERVIEW OF THE FORCED LABOUR REMEDIATION

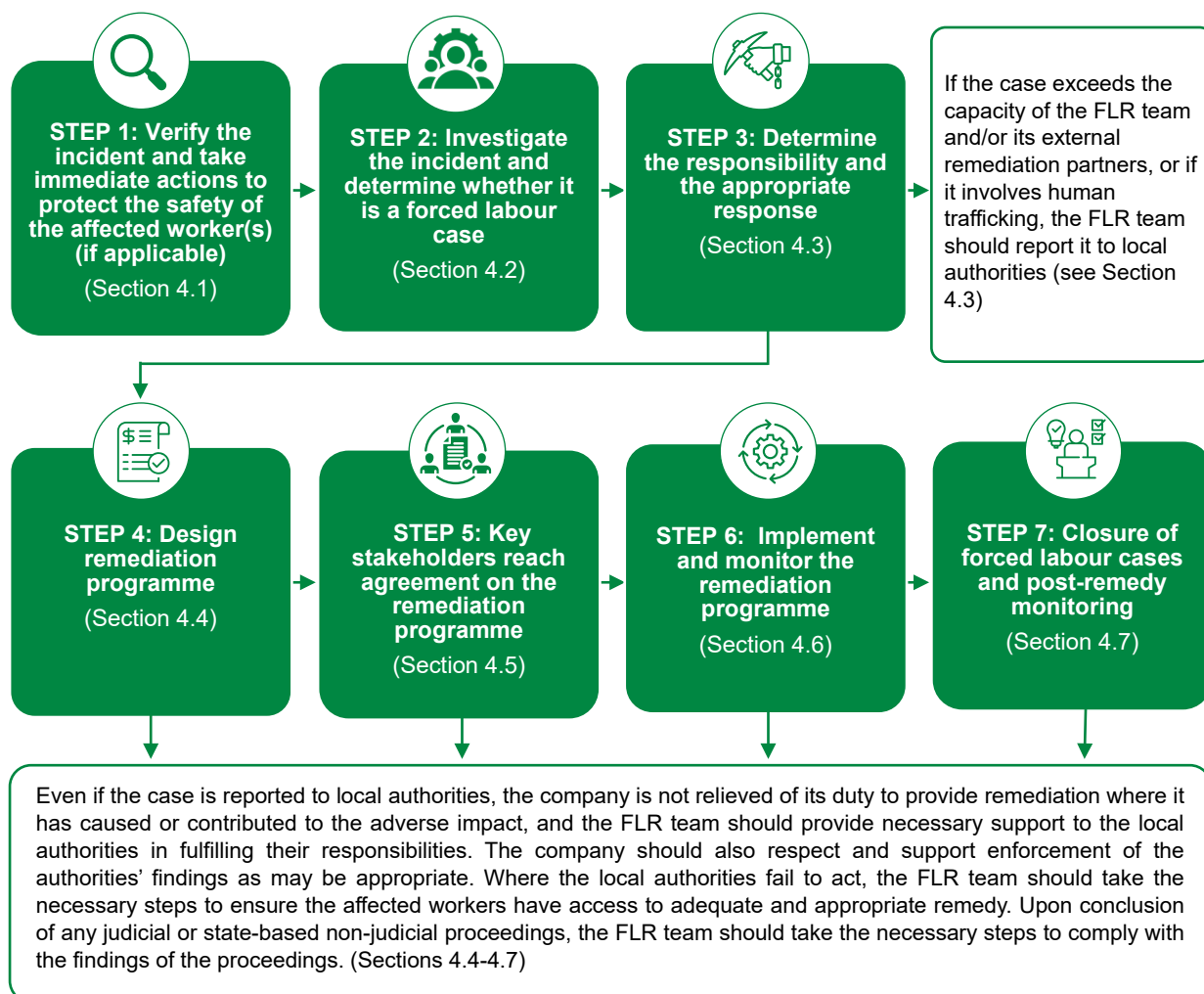
The company may receive alerts or reports indicating potential forced labour risks or identify forced labour indications from various channels:

- Third-party auditors or certification schemes
- The company's internal teams
- The company's buyers or supply chain partners
- The company's own or third-party-run grievance mechanisms reported by workers
- External stakeholders (e.g. trade unions, CSOs, public media or local authorities)

Forced labour is a serious human rights violation that can cause severe, irremediable harm to the affected individual(s). Any alerts or reports of forced labour pose significant human rights risks to affected rightsholders and should be handled by the company as a high-priority issue.

Upon receipt of alerts or reports of forced labour or identifying any one or more of the forced labour indicators (see the 11 indicators from ILO in Section 1.3.1), it is recommended that the FLR team take the lead and convene promptly to discuss and initiate the following process:

CHART 2: THE FORCED LABOUR REMEDIATION PROCESS



The company is strongly encouraged to carry out Steps 2–7 with support from external stakeholders who can serve as remediation partners. However, the FLR team is responsible for coordinating with internal and external parties to the process and overseeing the implementation of the remediation programme.

While these steps provide a structured approach once forced labour indicators are reported, there is no one-size-fits-all solution. Companies should adapt the process to each case's unique circumstances. Where the company established a grievance protocol, this remediation process should be incorporated into and aligned with the company's general grievance protocol, leveraging existing procedures and working methods.

The FLR team should devise a work plan appropriately tailored to the case to set out the methodology, proposed actions, and target timeframes for each step of the process. While the precise timeframes would be subject to the circumstances surrounding the case, recommended timeframes are suggested in Section 4 with the overarching aim of ensuring prompt and timely remedies.

4 A STEP-BY-STEP GUIDE ON FORCED LABOUR REMEDIATION

4.1 STEP 1: VERIFY THE INCIDENT AND TAKE IMMEDIATE PROTECTION ACTIONS

Once the FLR team is notified of a potential forced labour case within its operations, it should take the following actions, preferably **within three (3) working days**:

- 1) **Verify the source:** Assess whether the report comes from a reliable source (e.g., grievance mechanisms, audits, whistleblowers, NGO, or media reports rather than rumours). Reports received via grievance channels should always be treated as red flags and investigated.
- 2) **Assess credibility:** Determine if there is sufficient information and reasonable grounds to suspect a violation. This may include corroboration from another individual, a prior incident, specific details, or physical evidence.
- 3) **Check for immediate danger or urgent medical needs:**
 - *If the worker(s) is in immediate danger (e.g. facing physical or sexual violence):*
 - *They should immediately stop working and be escorted to a safe place by the FLR team (e.g. the company's office or a community centre) where they are secure and have freedom of movement.*
 - *All personal documents (e.g., passports and work permits) must be returned to workers if they are held.*
 - *Where necessary to ensure timely protection of the worker(s) and where it might involve human trafficking, the FLR team should engage external stakeholders (e.g. CSOs), the national authority or functional government agencies. Please note that this does not relieve the company of its responsibility to provide remediation, and the FLR team should work with the external stakeholders and provide necessary support in the process.*
 - *If the worker(s) requires urgent medical support, the FLR team should arrange for staff (ideally someone within the FLR team without a conflict of interest) to accompany the worker(s) to the nearest hospital or clinic.*
 - *If the worker(s) is in a safe place, the FLR team can proceed with Step 2 for further investigation while taking reasonable steps to safeguard the confidentiality of the informant and/or affected worker(s).*

All incidents – whether credible or not – should be documented and recorded. The informant and affected worker(s) must be promptly notified of the FLR team's receipt of the report and that it is being handled following the company's forced labour remediation protocol while ensuring confidentiality and security. If a case is reported anonymously via grievance channels and the affected worker(s) is unknown, the company is advised to proceed to Step 2 (investigation) while simultaneously checking for immediate risks or medical needs.

If the incident occurs in the company's supply chain partners:

The company is strongly encouraged to carry out Actions (a) and (b) above while engaging a local external stakeholder – preferably one specialised in forced labour remediation – to support Action (c).

For a list of relevant stakeholders, refer to Annex 5.

4.2 STEP 2: INVESTIGATE THE INCIDENT AND DETERMINE WHETHER IT IS A FORCED LABOUR CASE

4.2.1 GATHER INFORMATION TO INVESTIGATE THE INCIDENT

If the incident is verified under Step 1, preferably **within three (3) working days**, the FLR team should begin gathering initial information for the investigation. This may include all or a combination of the following:

- Communication with any known informant and/or affected worker(s) to obtain additional details and support documents/information.
- Reviewing employee and company records (e.g. pay slips, attendance sheets, contracts) and requesting documents and information from relevant parties to collect evidence.
- Desktop research into the risk profile of the relevant sector, and if the incident occurs within the company's supply chain partner, the company's internal risk rating, audit or assessment records of the same and evaluating pay structure, policies and practices at the concerned business(es).
- Interviewing the informant, affected worker(s), and other relevant stakeholders (e.g. managers, community members, worker unions or worker representatives), whether through one-on-one interviews or focus group discussions (FGD)s.
- Site visits to the concerned business(es) and/or premises where the forced labour case is identified.

If the incident occurs in the company's supply chain partners:

Management interviews and site visits should be arranged towards the end of the investigation process, after information has been collected from other sources. This provides an opportunity to present findings to the management of the relevant business(es) for their response. When presenting findings, safeguard the source of the information and how it was obtained to protect confidentiality and minimise risks of retaliation. Unannounced visits should be considered when there is a threat of critical information being concealed or unwanted coaching of the workers prior to the visit.

The FLR team is advised to use multiple methods to triangulate the findings and ensure a diverse, unbiased investigation team. In all cases, interviewing the affected worker(s) is crucial to understand the incident thoroughly. Team members must have no conflict of interest with the affected worker(s). For example:

- Women should be involved in investigations when the affected worker is a woman.
- Investigators should be able to communicate effectively with migrant workers when relevant.

It is important to note that the information-gathering process should carefully observe and protect the confidentiality of all participants (e.g., witnesses, custodians of documents, workers, and whistleblowers) to maintain their safety. Individuals may face threats and risks to their safety and well-being for disclosing information or merely participating in the process. An assessment should also be made of whether the information-gathering steps could cause retaliatory action against the worker(s) and informant(s) participating in interviews and FGDs.

To ensure a fair, accurate and comprehensive investigation that considers the affected worker(s) perspective, it is highly recommended to engage an external stakeholder to lead or assist in the investigation, particularly when:

- The FLR team lacks the necessary resources or expertise.
- The case involves children under 18.
- The company has a potential conflict of interest in handling the investigation or where the incident demands heightened independence and objectivity.

If the incident occurs in the company's supply chain partners:

In such cases, the best practice is for the company's FLR team to engage an external stakeholder and facilitate an **unannounced** workplace visit to the supply chain partner. Additionally, the company should review contractual terms to assess the partner's obligations regarding forced labour, potential breaches, and available mechanisms to support the investigation.

For example, the agreement may allow inspections of the partner's facilities to determine whether the incident is isolated or indicative of systemic exploitation.

Annex 6 provides a template for gathering key information at this stage. The FLR team should maintain a confidential written record of all the findings.

NOTE: Even if an auditor has identified a case and collected evidence confirming forced labour, the FLR team must verify whether the information is sufficient. This can be done by comparing the auditor's findings with the questions in **Annex 6**.

PROCEDURE FOR INTERVIEWING AFFECTED WORKER(S) OR INFORMANT(S)

1. Introduce yourself and explain the purpose of the interview and the grievance process.
2. Ask for their consent to join the interview and obtain the consent form (Annex 7). If the interviewee is illiterate or struggles to understand the form and does not wish to sign, the interviewer should explain the terms in detail, record a verbal explanation and obtain the interviewee's verbal consent.
3. Assure the interviewee that all information will be kept confidential.
4. Collect all relevant details using the Information Gathering Sheet (Annex 6).
5. Check if they have experienced any retaliation since the reporting.
6. Exchange contact information.
7. Allow the interviewee to ask any questions.
8. Explain potential next steps without making promises about remediation.

HARD QUESTION 2: Are there any guiding principles when conducting interviews with affected worker(s) or informant(s)?

In line with the ILO's guideline²⁸ and best practices to ensure confidentiality and non-retaliation, it is recommended that the FLR team or the external stakeholders conducting or assisting in the investigation follow these principles when interviewing affected worker(s) or informant(s):

- Contact the invited participants directly, and without revealing the identities of participants to the managers or representatives of the concerned business(es) where forced labour is identified.
- Arrange the interview in a comfortable venue, which should be a neutral and safe location.
- Conduct the interview without the presence or participation of the managers or representatives of the concerned business(es).
- Check in with the interviewee to ensure that they always feel safe.
- Inform the interviewee about the purpose of the interview and how the collected information will be used.
- Obtain the interviewee's consent before proceeding.
- Ensure the interviewee controls the situation (e.g., breaks, water, seating arrangement).
- Avoid interrogating the interviewee. If hard evidence is unavailable, note the details and cross-check with other documents or individuals. Seek external stakeholder support if needed.
- Refrain from physical contact with the interviewee.
- Adopt a friendly, conversational approach, using open-ended questions (e.g. how, what, when, who, why) to elicit more detailed responses.
- Do not expect the interviewee to share all relevant details in the first interview. It may take multiple sessions to build trust and comfort for the worker to share more.

Note: While the FLR team should always seek hard evidence where possible, (e.g. contracts, pay slips, attendance records), in some cases, such as rural palm oil plantations or incidents involving migrant workers, hard evidence may be difficult to obtain. In these situations, a reasonable assumption based on cross-checked verbal information is sufficient. The FLR team should consult with external stakeholders to verify details later where necessary.

²⁸ ILO Reporting and Referral Step by Step Guide for Forced Labour and Human Trafficking (2021)

4.2.2 DETERMINE WHETHER IT IS A FORCED LABOUR CASE

Not all labour violations are forced labour. Forced labour should present both the indicator(s) of involuntariness and menace/threat of penalty²⁹ (See Section 1.3.1). To determine forced labour during fact gathering and investigation at Step 2, the FLR team should identify the presence of any one or more of the 11 forced labour indicators (see Annex 1 for detail) in the working and/or living conditions of the affected individual(s).

The presence or absence of these factors will holistically inform the likelihood, scope and extent of any forced labour practices and consequential harm. Note that some indicators are commonly linked. For instance, where workers have paid recruitment fees, the FLR team should pay particular attention to any related retention of identity documents and restriction of freedom of movement. These factors are not exhaustive, and there is no set number of signs that will definitively indicate that a person is subject to forced labour. The FLR team should holistically explore the broad range of indicators to inform the determination of this issue.

After the investigation and based on the presence or absence of the forced labour indicators, if the FLR team is satisfied that the circumstances pertaining to the case taken as a whole indicate the presence of forced labour, which exhibits both involuntariness and menace/threat of penalty, FLR team should proceed to the next step. If a case of forced labour is not substantiated, the FLR team should refer the incident to the company's general grievance committee or team to address and account for any potential or actual adverse human rights impacts, if applicable.

As shown below, the ILO and the Malaysian Employer Federation³⁰ provide real-life examples of the determination of forced labour cases.

²⁹ ILO Forced Labour and Trafficking in Persons: Training Manual for Malaysian Law Enforcers (2021)

³⁰ ILO and Malaysian Employer Federation, Business Responsibility on Preventing and Addressing Forced Labour in Malaysia: A Must-Read Guide for Malaysia Employers (2019)

HARD QUESTION 3: Can a forced labour situation still arise if a worker has verbally or in writing provided her or his consent to work?

Yes. A worker's formal consent does not always guarantee that the worker works out of free will. Suppose the consent has been given under the threat of a penalty or violence or induced by deceit, false promises, or retention of their identity document. In that case, such practices may be considered forced labour as defined by the ILO Forced Labour Convention.

Case study: Is this a forced labour case?

Worker A works 12 hours daily in a factory and is often forced to work on his rest day without overtime pay. His pay will be deducted if he refuses to work overtime. He is housed in the workers' quarter, and his employer monitors his movement. His employer holds his passport, but he still needs the employer's permission to access it.

Worker B works in a plantation and earns less than the minimum wage. He wants to leave the job but feels obliged to keep working because he does not have other work opportunities and could not sustain himself without one.

Answer:

Worker A is a victim of forced labour due to several coercive elements, including the retention of his passport, restrictions on his movement, and forced overtime. Additionally, his employer has violated labour laws by imposing excessive working hours and failing to pay for overtime work.

Worker B is not a victim of forced labour, despite violations of labour law, particularly regarding below minimum wage pay and issues related to occupational safety and health. There is no coercion or deception; he voluntarily chooses to remain at the workplace and is free to leave at any time without threat or penalty. The FLR team should seek further information on what other indicators of forced labour may be present in Worker B's working and living conditions.

When a worker is in a vulnerable position—not caused by their employer—and personal circumstances compel them to accept a job, this does not inherently signal forced labour. A forced labour situation may only arise when an employer exploits a worker's vulnerability to impose unfair conditions.

4.3 STEP 3: DETERMINE RESPONSIBILITY FOR REMEDIATION AND THE APPROPRIATE RESPONSE

NOTE: If an auditor identifies the case and the auditing firm or certification scheme has a specific process for handling forced labour cases, the company is still advised to follow the steps outlined below to ensure timely protection for the affected worker(s).

4.3.1 CONDUCTING CAUSATION ANALYSIS AND DETERMINING RESPONSIBILITY FOR REMEDIATION

Once the investigation stage is complete, a causation analysis based on the three levels of involvement, as set out in Section 1.8, will be carried out. The information gathered from the investigation (Step 2) will be used to determine the company's level of involvement, analyse the causal relationship and determine the responsibility for remediation.

4.3.2 DETERMINING RESPONSE

Once the incident is determined to be a forced labour case under Step 2, preferably within **three (3) working days**, the FLR team and/or the external stakeholders should jointly decide on the response.

When determining the response, please consider the following:

- **Complexity of the incident:**
 - *Does it involve multiple stakeholders from our supply chain instead of one perpetrator? (e.g. labour agents, palm oil plantation owners)*
 - *Does the team have a conflict of interest with the perpetrator?*
 - *Can the team resolve the incident solely using internal resources (e.g., personnel, knowledge, and time)?*
 - *Is the affected worker(s) in danger of retaliation?*
- **Severity of the issue**, based on its “**scope**”, “**scale**”, and “**remediability**” according to UNGPs:
 - *Scope, i.e., the number of individuals affected: Is the issue widespread, affecting a group of people?*
 - *Scale, i.e., the gravity of the impact on affected individuals:*
 - a) *Is there a person under the age of 18 involved?*
 - b) *Is this a human trafficking case?*
 - c) *Is the affected worker(s) in danger of physical or mental harm (e.g. will or is experiencing violence)?*
 - ***Remediability**, i.e. the extent to which remedy can restore the affected individuals to the situation they would have been in had the impact not occurred.*
- **Urgency of a response:**
 - *Is the affected worker(s) in immediate danger of further harm?*
 - *If the affected worker(s) stopped working for the employer, would they face the risk of immediate deportation, detention, loss of legal status, or having to leave Malaysia?*
 - *Is there a risk of losing track or contact with (potential) affected worker(s)?*
 - *Are the impacts getting worse each day?*
 - *Would a delayed response make the impact irremediable?*

Based on the answers, the FLR team and/or the external stakeholders must determine the case's complexity, severity and urgency. For all forced labour cases, when determining the response, the company and/or the external stakeholders should consider:

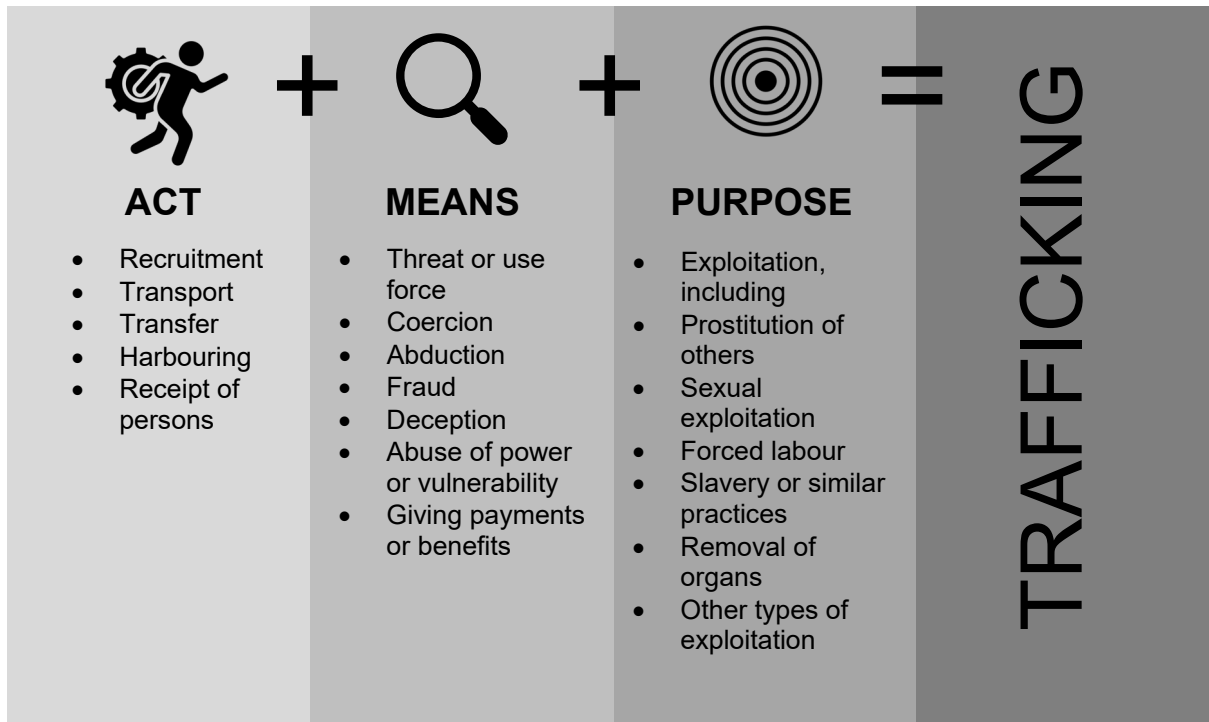
- How can immediate protection for the affected worker(s) be provided?
- Who needs to be informed? In all cases, the informant(s) and affected worker(s) should be updated on the next steps.
- What external support is needed?
- What systematic changes are needed to tackle the issue at its roots?

With increased complexity, severity or urgency comes the need to:

- Carry out immediate protective actions.
- Escalate the case to top management and owners of the company.
- Refer to external stakeholders to support the remediation process.
- Make changes to recruitment processes and business models to tackle root causes.
- **(If the FLR team and/or the external stakeholders believe the case exceeds the FLR team and/or its external remediation partners' capacity or it involves human trafficking)** Report it to the local authorities (e.g. police, the Department of Labour or the Council for Anti-Trafficking in Persons and Anti-Smuggling of Migrants (MAPO)), provided the involvement with local authorities ensures the affected worker(s)' timely access to protection. As the external stakeholders, in general, have better knowledge and understanding of the situation of affected worker(s) and can assess what impact it would have when including local authorities in the remediation process, it is recommended that the decision to report to the local authorities is always made with the external stakeholders together.

HARD QUESTION 4: How to determine if it is a human trafficking case?

In situations where the FLR team suspects human trafficking, it is highly recommended to refer to external stakeholders with expertise in human rights to determine whether the case involves human trafficking. Human trafficking can be broken down into three separate elements, as shown in the figure:



For adults, it will only be considered human trafficking if one condition from each element (Act, Means and Purpose) is met. When the case concerns children (anyone under the age of 18), it will be considered human trafficking if elements under the Act and Purpose are met, regardless of whether the component under Means is met.

Human trafficking cases should be reported to the local police, the Department of Labour, or MAPO. They will then be prosecuted under the Anti-Trafficking in Persons and Smuggling of Migrants Act (ATIPSOM).

HARD QUESTION 5: When and how to prioritise forced labour cases?

Prioritisation of cases becomes necessary if the number of cases, their complexity, severity and urgency make it impossible for the company to respond to all instances simultaneously. The company should prioritise cases to allow for more effective allocation of time and resources. Cases with higher severity should be prioritised, followed by those with strong urgency and complexity. However, even if some cases might be less severe and low priority, it is still important to aim for timely remediation.

4.4 STEP 4: DESIGN REMEDIATION PROGRAMME DRAFT

If the company is confirmed to be involved with a forced labour case (whether it caused, contributed to or is directly linked to the case), it is strongly recommended that the company develop a straightforward remediation programme that aims to achieve a dual purpose:

- Providing backwards-looking remediation to address the harm caused to the affected worker(s) (Section 4.4.1); and
- Providing forward-looking measures that prevent future harm by altering company practices and implementing a corrective action plan (CAP) (Section 4.4.2).

Such an approach enables both reactive redressing of harm and proactive identification and mitigation of adverse impacts.

This remediation programme development is recommended in collaboration with external stakeholders and through engagement with the affected worker(s) and concerned business(es). Engagement with stakeholders is important to ensure that remediation measures are effective, appropriate, adequate, implementable and sustainable.

4.4.1 REMEDIATION FOR THE AFFECTED WORKER(S)

Remediation for the affected worker(s) seeks to restore the worker(s) to a situation as close as possible to the situation they would be in had forced labour not occurred. This requires identifying the individual needs of the victim(s) and the services needed and then implementing and monitoring the assistance provided. It is recommended that the FLR team, in collaboration with the concerned supply chain partner (if applicable), engage with external stakeholders to provide individualised service to the affected worker(s), ensuring consultation and consent from the workers. Appropriate remedial actions should vary case by case depending on facts and circumstances of each case.

To arrive at the appropriate remedies for the affected worker(s), the FLR team should consider:

- The harm identified and information collected during the investigation from Step 2.
- The determined responsibility and appropriate response from Step 3.
- Additional insights gained from the stakeholder engagement activities, especially those with the affected worker(s).
- Remedial guideline measures for forced labour listed below.

Depending on the type of forced labour cases and in line with UNGPs³¹ and IOM's³² guidance, remedies for the affected worker(s) may include but are not limited to:

- **Satisfaction:** This is a non-financial measure that encompasses verifying and acknowledging the violation of the affected workers' rights and ensuring the violation stops, apologising to the affected workers, instituting disciplinary action against responsible personnel, and taking a clear public stand against forced labour.

³¹ *United Nations Guiding Principles on Business and Human Rights (2011)*

³² *International Organization for Migration (IOM), Operational Guidelines for Business on Remediation of Migrant-Worker Grievances (2021)*

- **Restitution:** This includes immediate cessation of the working and living conditions, which amount to the indicators of forced labour, and measures to restore dignity, respect, and equal opportunities in the workplace. Such as restoring the affected workers to their original situation or the conditions (before their rights were violated), restoring freedom of movement, returning workers' withheld identity documents, and removing exploitative conditions of employment or remuneration.
- **Compensation for the damage caused:** This consists of financial or non-financial compensation that fairly remedies any damage suffered by the affected worker(s). This includes repayment of unpaid wages, reimbursement for illegal wage deductions, reimbursing recruitment fees and related costs to all affected worker(s), remuneration for emotional distress or career setbacks, payment of all outstanding wages and financial compensation for exploitation and abuse, unconditional cash transfer to support the loss of income and basic living until the affected worker(s) receive adequate remediation.
- **Rehabilitation, recovery and return:** This often refers to medical, psychological, legal, and/or social services, including:
 - **Shelter and accommodation:** *Providing short-term emergency shelter and longer-term accommodation, improving workers' working and living conditions.*
 - **Medical and health-care services and counselling** (including mental and psychosocial support) *should be provided to the affected workers, who should have full access to comprehensive health care. Such health care should be based on informed consent and be culturally appropriate.*
 - **Vocational training** *to assist the affected individual(s) in rebuilding their lives after experiencing conditions of forced labour.*
 - **Legal assistance:** *Informing the affected workers of legal options, including participation in civil and criminal legal proceedings, if appropriate, and action to address the affected workers' immediate needs.*
 - **Reintegration services:** *Assisting reintegration and supporting the voluntary and safe return of the affected workers to their communities of origin. Upon return, the affected workers should be able to access various forms of reintegration assistance (for example, reinsertion into the educational system, vocational training, microenterprise development, health care and counselling, and assisting them in obtaining employment or changing employer).*

The remediation programme should not be limited to only one of the above elements but a set of remedial actions that address the needs of the affected workers and are compatible with the degree of harm done to the workers. Additionally, the remediation programme should not only be carried out for the current workers but also for former workers who have suffered in forced labour conditions by the employer or workers who must leave Malaysia due to legal issues before the completion of remediation. Such a remediation programme for former workers can be realised by cooperating with the legal firms and authorities from the workers' country of origin and advertising the company's remediation scheme. Please refer to Annex 1 for examples and best practices of remediation programmes that could be carried out for the affected worker(s) involved in different types of forced labour.

If the case is reported to local authorities, the affected worker(s) should be informed, and ideally, the FLR team should obtain their consent for the referral. However, in extreme situations where the affected worker(s) are in imminent danger, the FLR team should refer the case immediately to local authorities, provided that their involvement can offer timely protection to the worker(s). Even when the case is reported to local authorities, the company is not relieved of its duty to provide remediation where it has caused or contributed to the adverse impact.

However, if the FLR team does not receive a response from the local authorities or if no action has been taken by the authorities within three days after reporting, the FLR team should seek out other external stakeholders, such as trade unions, worker organisations, or CSOs, for timely protection of the affected workers.

HARD QUESTION 6: Is there a standardised cost calculation method for remediation of the affected worker(s)?

There is no standardised method for calculating costs for forced labour remediation, as the expenses vary based on several factors. For example, when calculating the repayment of recruitment fees and related costs for the worker(s), the cost of remediation may include elements such as the following:

- Number of workers affected who have paid the recruitment fees.
- Workers' nationality and fees they paid, and other associated harm suffered.
- Cost required to restore the affected workers to the position before the harm was caused.
- Compensation the company can reasonably provide to remedy the damage caused to the affected worker(s).

In other cases, the remediation might include:

- Repayment of unpaid wages or illegal wage deductions
- Medical care
- Legal services
- Continued training opportunities
- Repatriation

In addition, in cases where the remediation leads to the loss of income (e.g. because the affected workers do not have the necessary documents to continue working), the remediation process might also include cash transfers to compensate for the cost of accommodation and living. The amount to be calculated for remediation may vary based on the variables mentioned above. Therefore, companies should prepare for the risk of forced labour by budgeting for remediation costs in their annual budget or establishing a dedicated remediation fund.

4.4.2 CORRECTIVE ACTIONS FOR THE CONCERNED BUSINESS(ES)

Corrective actions for the concerned business(es) aim to prevent the incidents from recurring in the future. To identify and develop targeted corrective actions to prevent the adverse impact from recurring, the FLR team should consider:

- The root causes of the forced labour incidents, including any systemic or policy-level causes or factors that led to or enabled the harm and the concerned business(es);
- Any indicators of risk at the concerned business(es) regarding past forced labour issues and the likelihood of underreported cases and recurrence;
- Information collected during the investigation from Step 2;
- The determined responsibility and appropriate response from Step 3;
- Additional insights gained from the stakeholder engagement activities; and
- The guideline of corrective measures for forced labour as listed below.

The following items are not necessarily appropriate for each specific case. They need to be tailored on a case-by-case basis to be appropriate and effective.

Depending on the type of forced labour cases, the corrective actions for the concerned business where the case is identified (e.g. garment manufacturing facility or palm oil plantation) may include but are not limited to:

- Identifying and analysing the trends, risks, and root causes of forced labour, conducting risk assessments, and creating action plans based on assessment results.
- Ceasing company practices that have caused and contributed to forced labour, such as:
 - *Any conduct involving or threatening physical abuse or harm;*
 - *Unconsented work in hazardous working conditions;*
 - *Restriction on freedom of movement;*
 - *Unconsented retention of personal identification documents;*
 - *Unreasonably withheld remuneration for work already performed or reimbursement of expenses already incurred; and*
 - *Continuing recruitment via agencies that charge workers recruitment fees.*
- Developing policies and practices that prevent the occurrence of forced labour, such as:
 - *Reviewing and refining the company's responsible recruitment and employment policy and practices.*
 - *Improving the company's management systems, especially that of the migrant workers.*
 - *Improving the company's practice of screening, selecting and monitoring of labour agents.*
 - *Providing awareness on responsible recruitment to all employers, especially the company's recruitment personnel and labour agents.*
 - *Providing training and awareness-raising campaigns to all workers (mainly migrant workers) on their labour rights at work or forced labour.*
 - *Improving workers' working and living conditions.*
 - *Improving the grievance system and increasing workers' understanding and trust of the system*
 - *Enhancing access to freedom of association.*
 - *Improving the communication and social dialogue with workers.*

If the case occurs in the company's supply chain partners:

Beyond the corrective actions at the concerned business where the case is identified, the company should also carry out corrective actions within its organisation as its buyer or supply chain partner. These may include but are not limited to:

- Developing and reviewing a management and monitoring system.
- Identifying and analysing the root causes of forced labour in its supply chain (e.g., how the company contributed to or was linked to the case), conducting a risk assessment, and creating action plans based on the assessment results.
- Reviewing and refining the company's policy and practices on human rights, forced labour, purchasing practices, and supply chain management.
- Improving the company's practice of screening, selecting and monitoring supply chain partners.
- Providing awareness raising on responsible recruitment to supply chain partners in different supply chain tiers.
- Support or facilitate training and awareness-raising campaigns to workers (especially for migrant workers) in its supply chain regarding their labour rights at work or forced labour.
- Improving its grievance system for all workers in its supply chain.
- Improving the communication and social dialogue with workers in its supply chain.
- Where feasible, enhancing workers' working and living conditions within its supply chain.

Regardless of whether the case is reported to the local authorities, the FLR team should lead the design of corrective actions to prevent future incidents, following the approach outlined in Section 4.4.2. Where the case involves human trafficking, which is a severe human rights violation and a criminal act, it is highly recommended that the company engage with external stakeholders and/or local authorities to support the design process and identify the root causes.

NOTE: *If the case is identified by an auditor(s), the auditing firm or certification scheme may have specific requirements for remediating certain indicators of forced labour cases (for example, remedial actions for excessive working hours). In this situation, while the company should comply with the requirements of the auditing firm or certification scheme, which may be less stringent than the best practices outlined here, it is still advisable to adhere to standards that provide greater protection for workers, such as implementing remedies for both the affected workers and the relevant business(es), particularly to ensure that the affected worker(s) have access to adequate and appropriate remedies.*

INDICATORS OF AN ADEQUATE AND APPROPRIATE REMEDIATION

1. The remediation programme is carried out for the affected worker(s) and the concerned business(es).
2. The affected worker(s) are engaged during the remediation plan design phase.
3. The affected worker(s) should provide informed consent to the remediation plan.
4. The remediation responds to the worker(s)' needs and interests.
5. The remediation is fair and non-discriminative. Remediation is carried out on similar standards for all workers, migrant workers or locals.
6. The affected worker(s) is provided access to adequate remedy and is not subject to retaliation, deportation, detention, or further harm. The adequate remedy may include shelter, medical services, legal assistance, psychosocial support, and services to reintegrate workers into society.
7. Workers are not required to waive their access to state-based remedies to receive remedy from a company.
8. The remediation responds to the scale and severity of each case. For large-scale cases affecting multiple workers, remediation must include corrective actions to tackle the root causes of such cases. More intensive support should be provided for cases in which the workers are severely harmed.
9. The remediation requires the company to carry out corrective actions that address the root causes of the case at the business level and prevent the reoccurrence of future forced labour cases.

4.5 STEP 5: REACH AN AGREEMENT ON THE REMEDIATION PROGRAMME AMONGST KEY STAKEHOLDERS

If the case is not reported to local authorities, the FLR team is responsible for designing and leading the remediation. The FLR team should coordinate with different stakeholders to reach an agreement on the designed remediation programme, paying special attention to:

- Set a deadline for stakeholders to respond (e.g., confirmation of receipt, acceptance of remediation programme, and/or any comments and counterproposal of the action items).
- Do not include confidential or sensitive information, particularly any information that might suggest or imply the source of the alert or informant(s) and/or lead to reprisal or retaliation against the affected workers.

Remediation for the affected worker(s): The remediation may involve multiple stakeholders, including the affected worker(s), the company, the relevant supply chain partner (if applicable), and/or external stakeholders. Therefore, additional time may be required for the FLR team to coordinate and reach an agreement with all parties. However, regardless of the remediation plan, it is highly recommended that all parties (including the affected worker(s)) reach an agreement and commence the remediation process within 15 working days after the closure of the investigation and determination of responsibility/response in Step 3.

If the case has been reported to the local authorities and the local authority has taken over the case, the FLR team should focus on reaching an agreement for the corrective actions for the concerned business(es).

If the FLR team does not hear back from the local authorities, or the authorities take no action within three days after the reporting, the FLR team should explore other local remediation resources with external stakeholders and agree with key stakeholders on a remediation plan where possible. As the affected worker(s) is in greater danger in human trafficking cases, it is suggested that the FLR team make utmost efforts to expedite the process of reaching agreements among stakeholders. This will ensure that the affected worker(s) receives appropriate and adequate remedy as soon as possible.

Corrective actions for the concerned business(es): The remediation should be defined and agreed upon between the company, the concerned supply chain partner (if applicable), and/or the external stakeholders, and the auditing firm/certification scheme (if applicable). Regardless of the corrective actions, it is the best practice that the company itself and the concerned supply chain partner (if applicable) develop and reach an agreement on the Corrective Action Plan **within 15 working days** after the closure of the investigation and determination of responsibility/response in Step 3 and start implementing the plan within **five (5) working days** thereafter.

If the case is in the company's supply chain partners:

It is highly recommended that the FLR team seek assistance from its sourcing, legal, senior management, or other relevant internal departments that regularly engage with the supply chain partner to help negotiate and discuss the case. The company (i.e., the FLR team and the relevant department) should establish clear requirements for the supply chain partner regarding the remediation of forced labour cases, leverage its position to facilitate remediation, and outline the consequences if they fail or refuse to comply.

Suppose the case is identified in the company's suppliers. In that case, it may take more effort to negotiate and facilitate the remediation than cases identified by the company's subcontractors or service providers who have workers on the company's premises. In such cases, the company could seek leverage from other buyers, industrial associations, or certification schemes.

HARD QUESTION 7: What if the concerned supply chain partner refuses to remediate the case to which the company has contributed?

Where the supply chain partner does not cooperate or refuses to remediate but the company has contributed to the case (e.g. deceptive recruitment practices done by the company's labour agent that the company failed to monitor), the company can:

1. Arrange a meeting with the supply chain partner to understand the concerns or barriers and find a compromise on remediation actions.
2. If no agreement is reached, issue a written warning, reiterating contractual obligations, code of conduct or policy. Where possible, pool leverage with other stakeholders (e.g. buyers, industrial association), especially if the case happens in the company's supplier.
3. If there is no agreement after Step 2, work towards a responsible exit strategy that considers human rights harms and ends the business relationship with the supply chain partner.
4. Consider sharing appropriate information with peers or expert organisations to make them aware of the situation.
5. The company is responsible for providing remedy to the affected worker(s), carrying out the steps below and using its leverage to mitigate any remaining impacts to the greatest extent possible.

HARD QUESTION 8: What if the concerned supply chain partner refuses to remediate the case to which the company is directly linked?

As previously mentioned, where the company neither causes nor contributes to a forced labour case, but the case is directly linked to the company's operations, products, or services by a business relationship, the company has the responsibility to **use its leverage** to facilitate the remediation with the concerned supply chain partner.

Leverage could show in the following ways:

- a. Oral warrant of non-compliance and request for remediation.
- b. Written warrant of non-compliance and issuing of warning letter.
- c. Engagement with the company's sourcing team to jointly emphasise the impact of refusal on future business cooperation.
- d. Where necessary, the company may also consider offering support to the relevant business(es) to aid implementation, such as capacity building, training, or financial assistance.
- e. If still no remedial actions are taken after using the leverage in a-c, the company could consider suspension of the business relationship with its next-tier business partner until remedial actions are done per the company's request.
- f. If the supply chain partner refuses to remediate the situation after all the above steps, the company could consider terminating the business relationship with this partner in a responsible manner and reporting the case to the relevant authorities as a last resort.
- g. If the supply chain partner refuses to remediate the case, the company could do so voluntarily, focusing on providing individualised remediation for the affected worker(s).

4.6 STEP 6: THE FLR TEAM IMPLEMENTS AND MONITORS THE REMEDIATION PROGRAMME

4.6.1 THE FLR TEAM IMPLEMENTS AND MONITORS THE REMEDIATION PROGRAMME FOR THE AFFECTED WORKER(S)

Once all parties agree on the remediation programme, the FLR team should immediately start implementing the programme, if applicable, with the support of external stakeholders and/or local authorities.

Should the remedial actions be performed by an external stakeholder (e.g. providing medical assistance or shelter to the affected workers), it is insufficient for the FLR team merely to refer the case to them; they must also monitor the progress and the remedy provided to the affected worker(s). Regardless of who undertakes the remedial actions, the FLR team should consult with all stakeholders to reach an agreement on the desired outcomes of the remediation programme before implementation.

Depending on the length of the remediation programme, it is best practice for the FLR team to engage the affected worker(s) and the responsible external stakeholder in monitoring activities through phone calls, family visits, social media contact, and workplace visits. Ideally, this should occur daily or weekly before the affected worker(s) begin receiving adequate remedy and monthly when the case progresses smoothly. These monitoring activities aim to understand the following:

- Whether the affected worker(s) have access to adequate and appropriate remedy (See box on indicators of adequate and appropriate remediation).
- The affected worker(s)'s feedback to the remediation programme.
- Whether additional actions or changes are needed for the remediation programme.

Details of the remediation actions should be documented promptly, accurately and securely. The FLR team should employ a digital system for the documentation whenever possible. The FLR team should also develop a monitoring report template consisting of the following elements:

- Contact details of all stakeholders involved (subject to confidentiality).
- Agreement on a remediation plan for the affected worker(s).
- Progress and implementation status (including any plan change during the remediation and achieved outcomes).
- Method of confirmation and evidence of the remediation actions taken, The most appropriate method will depend on the specific remediation action, such as:
 - Supporting documentation, e.g., Bank transfer statement or receipt signed by the workers for reimbursement of recruitment fees or relevant costs.
 - Statement from workers, e.g., confirmation of on receiving their confiscated identity documents.
 - Site visit verification.
- Timeline for the actions taken.

Even if the case has been reported to the local authorities and they have responded, the company is not relieved of its duty to provide remediation where it has caused or contributed to the adverse impact. The FLR team should periodically follow up with the local authorities on the case's progress and provide necessary support to them in fulfilling their responsibilities. The company should also respect and support enforcing the authorities' findings as appropriate. If the local authorities fail to act, the FLR team should take the necessary steps to ensure the affected workers can access effective remedies. Upon concluding any judicial or state-based non-judicial proceedings, the FLR team should ensure compliance with the findings of those proceedings.

4.6.2 THE FLR TEAM IMPLEMENTS AND MONITORS THE CORRECTIVE ACTIONS FOR THE CONCERNED BUSINESS(ES)

Once all parties agree on the corrective action plan for the concerned business(es), the FLR team should immediately start implementing the programme, if applicable, with the support of external stakeholders and/or local authorities.

Details of the corrective action plan should be documented promptly, accurately and securely. The FLR team should employ a digital system for the documentation whenever possible. The FLR team should also develop a monitoring report template consisting of the following elements:

- A corrective action programme that has been agreed upon.
- Progress and status of implementation (incl. any change during the implementation and achieved outcomes).
- Method of confirmation and evidence of the corrective actions taken. The most appropriate method will depend on the specific corrective action, such as:
 - *Revised policy and procedure on responsible recruitment and management of migrant workers.*
 - *Records of training with workers, recruitment staff, and labour agents on responsible recruitment.*
 - *Photos of improved working and living conditions.*
 - *Records of social dialogue with workers/worker representatives.*
 - *Copies of attendance sheets and payment slips.*
 - *Third-party audit results (if required by local authorities, certification scheme or buyers). However, third-party audit records alone cannot be considered adequate evidence of successful forced labour remediation.*
- Timeline for the actions taken.

After the implementation of the corrective action plan, it is best practice to conduct onsite assessments six months after the completion of corrective actions to understand whether:

- The root causes have been identified and addressed.
- Forced labour cases have not reoccurred, and there are no new risks.
- No retaliatory action has been taken against the affected worker(s).

This can be done through:

- Workplace visits to identify forced labour indicators.
- Worker surveys.
- Interviews with management, the affected workers, worker representatives, and the responsible external stakeholders.

- Group discussions with worker representatives, trade unions and worker organisations.

If the case occurs in the company's supply chain partners:

It is highly recommended that the FLR team conduct internal audits or assessments of the concerned supply chain partner to verify whether the case has been remediated.

4.7 STEP 7: CLOSURE OF FORCED LABOUR CASE AND POST-REMEDY MONITORING

To conclude the forced labour case, it is the best practice that the FLR team carry out:

- Case closure: Record closure of the case in the company's data systems.
- Record keeping: Archive and store all information pertaining to alerts, the risk histories and capabilities of the concerned business(es).

To record the closure of a forced labour case, it is the best practice that the FLR team collect evidence from the key stakeholders (i.e. affected worker(s), the employer or concerned supply chain partner, and the external stakeholders (if applicable) involved for remediation), to verify whether the case is adequately and appropriately remediated (see above box on indicators of adequate and appropriate remediation) and whether agreed outcomes have been achieved (e.g. the corrective actions has brought long-term changes for the business). The affected workers's satisfaction rate with the remedy received is also crucial.

Where the company finds that the concerned business(es) has not implemented corrective action following the agreed-upon milestones in the remediation programme, the company should notify the concerned business(es) immediately and cite the observed points of failure. The company can engage in dialogue with the concerned business(es) to determine the cause of failure and revise the corrective action plan and timeline. The company can also consider supporting the concerned business(es) to facilitate implementation through capacity building, training, or financial support. In cases where the concerned business(es) does not have sufficient reason or fails to support its reasoning for failure, the alert will be escalated to senior management to decide appropriate action.

Only when the monitoring indicates satisfactory implementation of the remediation programme, confirming that the case has been timely, adequately, and appropriately remediated and that the agreed-upon outcome has been achieved, can the FLR team initiate concluding the case.

It is recommended that the FLR team draft a final report to summarise all actions taken and lessons learned. To ensure privacy and data protection, the report and relevant documents should be kept in the company's files, with limited access granted to those involved. The final report could include the following elements:

- A summary of the investigation findings, determination of responsibility/response, and analysis of root cause.
- A summary of the remediation actions implemented for the affected worker(s) and the concerned business(es), adhering to privacy and confidentiality principles.
- Outcomes of remediation (e.g. whether the affected worker(s) was satisfied with the remediation provided).

- Feedback from the affected worker(s) on the remediation programme.
- Any challenges, lessons learnt and recommendations for future remediation.
- A financial report that respects privacy principles.
- Records of escalation (if any).

Based on the results of the remediation programme, internal communication should be made to relevant teams within the company, all supply chain partners and the general workforce on:

- Any changes made in policies or management systems because of the remediation at the employer level, e.g. updated policies and procedures.
- Lessons learnt during the remediation, e.g. how to prevent and mitigate future forced labour cases.