



Forced Labour in UK Supply Chain Call for evidence

February 2025

About us

Since 1978, Solar Energy UK has worked to promote the benefits of solar energy and to make its adoption easy and profitable for domestic and commercial users. A not-for-profit association, we are funded entirely by our membership, which includes installers, manufacturers, distributors, large-scale developers, investors, and law firms.

Our mission is to empower the UK solar transformation. We are catalysing our members to pave the way for 60GW of solar energy capacity by 2030. We represent solar heat, solar power and energy storage, with a proven track record of securing breakthroughs for all three.

Respondent details

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Introduction

We welcome the opportunity to provide feedback on the Joint Committee on Human Rights Call for Evidence on Forced Labour in UK Supply Chains.

The UK solar industry does not condone forced labour anywhere in the global solar supply chain, and has made an explicit commitment to further strengthening its responsible sourcing practices, specifically including the risk of forced labour. UK businesses have taken market-leading positions on minimising the risk of exposure to forced labour – for example, by supporting the development of supply chain traceability procedures that means they can avoid procurement from regions at risk of human rights abuses – and Solar Energy UK is a co-founder with SolarPower Europe of the Solar Stewardship Initiative (SSI), the solar-specific initiative that is backed by international lenders, includes a multi-stakeholder board, and has developed specific Standards to support responsible sourcing and minimise the risk of exposure to forced labour.

We are pleased to provide a range of evidence to the Joint Committee on Human Rights to consider on these topics. This includes:

1. The evolution of the public commitments the UK solar industry has made to identifying and addressing potential exposure to forced labour.
2. An explanation of key industry developments, such as the development of raw material tracing techniques, and the publication of specific guidance on how to manage procurement risk.
3. A description of the procurement practices UK solar companies follow to help prevent products linked to forced labour from entering the UK.
4. An overview of the SSI, the industry and investor engagement it has generated, and how it will enable businesses of all size to support more sustainable supply chains.
5. Discussion of how the UK can draw on internationally recognised best practice principles, including the [Organisation for Economic Co-operation and Development \(OECD\)](#) and [United Nations Guiding Principles on Business and Human Rights \(UNGPR\)](#), to ensure all relevant business carry out an appropriate level of due diligence.

As a trade association that represents businesses of all sizes within the solar value chain, we would be happy to provide the committee with any specific evidence which may be necessary to complete its inquiry.

Questions

Legislative framework

1. Are the obligations created by the Modern Slavery Act 2015 effective in preventing goods with international supply chains linked to forced labour being sold on the UK market? If not, what changes are needed to prevent goods linked to forced labour from being sold in the UK market?

The Modern Slavery Act 2015 (The Act) provides a constructive and supportive framework for UK companies to disclose the action they are taking to address the risk of forced labour in their supply chains. When introduced a decade ago, the Act was widely welcomed, and many companies, including UK solar businesses, have since integrated its framework into their approach to responsible sourcing. However, beyond the requirement to disclose information, the Act does not mandate any further obligations.

In order to build on this, the solar industry has proactively developed an additional public commitment to address social and human rights risks, including forced labour and modern slavery. This work was led by Solar Energy UK, which in 2024 issued a [industry supply chain statement](#) for members to sign on to. This explicitly endorses work to promote the highest possible levels of transparency, including in areas of environmental sustainability, social responsibility and good governance. The statement was published to renew the commitment made in Solar Energy UK's previous supply chain statement ([published in 2021](#)), and to draw attention to the progress the industry has made since taking action. This particularly relates to developing an industry-wide initiative to coordinate action on supply chains. In 2021, the UK industry and its members, together with counterparts in Europe, initiated the development of a specific mechanism to drive transparent, responsible sourcing across the industry. This ultimately became the SSI, and by endorsing the 2024 statement companies have signalled their intent to support its work. We explain this work further in our response to question 8.

We would add that addressing climate change while respecting human rights and protecting nature are linked challenges, and the best way to address them is through coordinated industry action. The British Government has set a welcome target to triple solar deployment to c.60 GW of capacity by 2030 as part of its contribution to reducing global climate change, and this is commensurate with the broader need for the solar industry to continue to grow rapidly. But as the world transitions to a clean energy economy, it must be a just transition, that respects and promotes human rights, and ensures fair opportunities for all. The UK solar industry supports these objectives and looks forward to working with the Joint Committee on Human Rights and the Government to help meet them.

4. What international legal obligations does the UK have in relation to forced labour in supply chains? Is the UK's current domestic approach compliant with those obligations?

Our understanding is that the UK has several international legal obligations related to forced labour in supply chains, primarily through its commitments to conventions/treaties. These

include but are not limited to:

- The International Labour Organisation (ILO) – The UK is a signatory of the ILO which is dedicated to promoting social justice and internationally recognised human and labour rights (Number 29 – to suppress all forms of forced labour).
- Trade agreements – The UK will have commitments in various trade agreements which includes forced labour and human rights obligations, ensuring that companies are compliant with ethical standards and practices.

6. Where should the responsibility lie for preventing products linked to forced labour from entering the British market? E.g. government, regulation, business, consumers, others?

Ultimately, all stakeholders listed have a responsibility for preventing products linked to forced labour from entering the British market. A collective effort is necessary to drive meaningful change, and although the UK solar industry is multiple tiers downstream of where its potential risk exposure to forced labour lies, Solar Energy UK and its members recognise their responsibility to take action. The UK industry has seen a very strong market response to concerns over forced labour, with companies carrying out extensive supplier evaluations, assessing, documenting and publicising risk management procedures, developing new contractual protection and enforcement mechanisms, developing responsible sourcing standards and advanced raw material tracing techniques, and working with policymakers and regulators to provide a means to address the sector-specific risks.

Solar Energy UK plays a key role in promoting this work, and broader supply chain transparency and accountability initiatives, across its membership and to wider stakeholders, and we can speak most effectively to how businesses who are our members can help address the risk of forced labour.

A key means to do this is by promoting the role of robust, risk-based due diligence that is appropriate to the size and position of a company within the value chain. We actively encourage our members to perform this and have supported the development of specific guidance on the topic, developed by independent supply chain experts Action Sustainability.

We ensure businesses stay informed about emerging best practices, new guidance, and regulatory changes on forced labour, and serve as a conduit between our members and legislative and industry developments, ensuring that members are aware of our shared responsibility, and the actions they can take, to prevent products linked to forced labour from entering the UK market. This includes raising awareness of the topic, and Solar Energy UK is developing a public briefing that describes and explains sustainability challenges and the action taken to address them, due to be published in Q2 2025.

Solar Energy UK and its members actively engage with Parliamentarians, policymakers,

regulators and civil society on these issues, providing detailed updates on industry developments in meetings, at conferences and events, and through dedicated forums – for example at civil service teach-in workshops (most recently held on 23rd October 2024). Solar Energy UK has invited manufacturers, developers, investors and other members to participate in this work, to share the steps they have taken to address forced labour risks and improve transparency in their supply chains.

Although our membership does not include consumers, we advocate for consumer awareness by highlighting the industry's efforts to enhance supply chain transparency and mitigate risk to promote informed purchasing decisions. Solar Energy UK uses its website, social media, and other communication channels to keep the industry and members of the public informed of the work the industry is taking in this area.

Ultimately, the government must establish clear requirements to provide legal certainty for companies. This creates a reliable benchmark for businesses to follow. The Solar Stewardship Initiative serves as a useful tool to support compliance with legal requirements, though it does not replace or substitute any laws.

Enforcement and corporate activity

7. In the UK, there are three public bodies which may potentially have a role in addressing goods linked to forced labour: the Independent Anti-Slavery Commissioner, National Crime Agency, and Border Force.

- a. What role, if any, does each body play in detecting and preventing goods produced using forced labour being available on the UK market?**
- b. Do these bodies have sufficient powers? If not, what other powers should they have?**
- c. How could these bodies work together most effectively?**

The three public bodies must work in close collaboration to ensure a joined-up approach to all issues, including forced labour concerns. Implementing a cross-Government approach would facilitate greater alignment between these bodies, alongside the Department for Business and Trade (and wider Government departments).

8. Are any sectors serving the UK market at particular risk of forced labour in their international supply chains?

All industries with international supply chains serving the UK market are potentially at risk of forced labour. This includes the solar industry, which is aware of widely reported concerns relating to the extraction and processing of raw materials required to produce polysilicon. This is a key material in solar PV modules. The majority of the global supply of polysilicon is produced in China, with some of it produced in the Xinjiang Uyghur Autonomous Region

(XUAR).

Reports including research conducted by Sheffield Hallam University have highlighted the risk of forced labour in Xinjiang, although the proportion of global polysilicon which the Xinjiang region produces had declined from c.45% to c.35% from 2020 to 2022 (and is expected to decline further to a [32-28% share](#) in coming years) and China itself is responsible for c. 50% of all global solar demand.

Historical reports such as the Sheffield Hallam report has played a role in raising awareness of supply chain risks which has contributed to improvements in ESG and traceability performance. Given the solar sectors rapidly evolving ESG and traceability performance. Governments, institutions, investors and NGOs require and rely on up-to-date data (i.e no older than 12 months and recognise companies' publicly available due diligence and sustainability procedures).

In relative terms, the likelihood of sourcing from Xinjiang is therefore declining, while the collective effort and buying power of the industry, including the UK industry, is delivering change. This is observable in the development, for example, of advanced raw material tracing techniques, which enable buyers including UK solar companies to avoid procuring from regions at risk of forced labour. Anecdotally the UK has some of the strongest demand for traceable solar modules, reflecting the very high level of concern relating to this topic, and Solar Energy UK and its members have taken robust action to strengthen their procurement safeguards. More broadly the UK solar industry has:

- Made an explicit individual and collective commitment to address forced labour in supply chains, including by endorsing the Solar Energy UK Supply Chain Statement discussed in our response to Question 1.
- Taken ongoing action to strengthen and implement comprehensive risk management protocols to identify and mitigate the risk of exposure to forced labour, described in our response to question 17.
- Supported the development of and publicising specific guidance on [Addressing Modern Slavery and Labour Exploitation in Solar PV Supply Chains](#), produced by sustainability experts [Action Sustainability](#). The guidance, which was funded by partners including the British Government's Department for Environment, Food & Rural Affairs, Department for Energy Security and Net Zero, and Environment Agency, includes practical steps solar buyers and installers can take to carry out due diligence and manage procurement risk, including:
 - Example questions that can be used in supplier prequalification.
 - Template contract clauses.

- How to make and deliver the business case for communicating and acting on modern slavery issues.
- Set and publicised industry expectations of a zero-tolerance approach to forced labour, and coordinated action to publicise supply chain risks and how to manage them. This includes extensive engagement across the industry and with government, regulators, and civil society, at conferences, panels and events, in the media, and at policy, investment and other forums. Drawing on this engagement, Solar Energy UK has also established a dedicated Responsible Sourcing Steering Group, whose members support Solar Energy UK in its domestic and international efforts to achieve a more sustainable supply chain, including managing the risk of forced labour.
- Supported the establishment of a solar-specific supply chain assurance mechanism, the Solar Stewardship Initiative (SSI), which has developed an auditable standard to assess a wide range of ESG issues, including forced labour and human rights, and a standard on raw material tracing. The work of the SSI means that companies large and small can benefit from the shared expertise of others, and is discussed in more detail below.

The Solar Stewardship Initiative

A major achievement in recent years has been the launch of the Solar Stewardship Initiative (SSI). This is the first-ever supply chain sustainability assurance scheme dedicated to the solar PV sector, launched in response to concerns raised about forced labour. It was co-founded by Solar Energy UK and the European solar industry association, [SolarPower Europe](#), in 2021, and formally launched in 2023, following an extensive development and engagement phase that included expert input and public consultation.

The SSI is a multi-stakeholder supply chain sustainability assurance initiative concentrating on the solar sector, comprising over 45 members, including manufacturers representing more than 60% of globally shipped solar PV modules. Its mission is to enhance responsible sourcing, production, and material stewardship throughout the solar value chain, in alignment with Environmental, Social, and Governance (ESG) principles, thereby supporting a just and inclusive energy transition.

The SSI has received endorsements from significant industry and institutional stakeholders, including international financial institutions such as the World Bank's International Finance Corporation, the European Investment Bank (EIB), and the European Bank for Reconstruction and Development (EBRD).

In January 2025, the SSI released its first ESG site certificates, with additional certifications anticipated before the end of Q1 2025. As of January 2025, the SSI's ESG site assessment pipeline included a combined annual module production capacity of 100 GW, surpassing the projected demand of the European Union and the United Kingdom combined.

In November 2024, the SSI approved its comprehensive multi-stakeholder governance structure and issued a call for expressions of interest from relevant non-industry stakeholders, including civil society, institutional stakeholders, and independent experts, to apply for positions on its Board of Directors.

The SSI framework is founded on the SSI Principles, supported by two key standards: the ESG Standard and the Supply Chain Traceability Standard. Additionally, there are core documents that detail the scheme's functionality.

The SSI Principles set forth the obligations that each company must uphold upon joining the SSI. Members are required to respect human rights within their operations, conduct enhanced due diligence when sourcing raw materials from high-risk and conflict regions, and implement the SSI Standards throughout their operations while promoting their adoption along their supply chains.

In October 2023 the SSI published a solar-specific Environmental, Social and Governance (ESG) Standard, against which solar manufacturing sites can be third-party audited on topics across three key areas:

- Governance and Business Ethics
- Environment
- Human and Labour Rights.

The SSI has also published a solar Supply Chain Traceability Standard, launched in December 2024, providing a benchmark for how manufacturers can demonstrate the raw material origins, based on chain of custody, of their products. Formalising the assessment of traceability systems – which are already in common use across the industry – is a major step, and will further increase the capacity of small and large buyers to avoid procuring from regions at risk of human rights abuses, including forced labour.

These two Standards represent a significant milestone for the solar industry. Certification against the ESG Standard and the Supply Chain Traceability Standard are mandatory for SSI manufacturing members. The two SSI Standards are applied simultaneously to create fully certified Chains of Custody (CoC) for responsibly produced products. The SSI is also developing procurement guidance designed to help all those who buy PV minimise their risk of exposure to forced labour. In June 2024, the SSI Board, in consultation with SSI members

and stakeholders, started investigating measures to further strengthen these efforts via additional actions to enhance supply chain penetration and transparency regarding the initiative's impact.

SSI Supply Chain Traceability Standard

The development of the SSI's Supply Chain Traceability Standard has been a crucial step in providing full visibility into the origin of materials at every stage of the supply chain. When combined with the SSI ESG Standard (which can certify a 'link' – i.e. a production site – in the solar supply chain), it offers stakeholders across the solar value chain confidence that the silicon used in solar modules has been sourced and produced responsibly. This enables companies to avoid procuring from regions that present specific sustainability risks which cannot be mitigated and enable more effective human rights due diligence in line with the UNGPs.

The SSI Supply Chain Traceability Standard is the first step to show precisely where the materials used at each link come from and how they are traced. The SSI Supply Chain Traceability Standard and the SSI ESG Standard apply to the full silicon value chain from quartzite mining through metallurgical grade silicon and polysilicon to ingots and wafers to cells and modules. Supply Chain Traceability certification is mandatory for the SSI manufacturing members and complements certification against the SSI ESG Standard.

Traceability works by tracking the core materials in a product across the different sites involved in making it, at each stage of the process. For a solar panel, this typically means tracking polysilicon, which is the material that turns light into power, to the quartz used to make it. A third-party auditor can trace the origin of the polysilicon in a solar panel by retrieving relevant information relating to the panel from a manufacturer's central procurement department, or visiting relevant factories in the supply chain. An auditor will review and assess the digital and physical documentation that shows where the polysilicon was made (including raw material extraction), how it was transported, and where it was turned into a solar panel. The inspector will review contracts, purchase orders, invoices, inbound and outbound delivery notes, and other shipping and warehouse records as needed, checking them against what is recorded in the systems used to manage resource and production processes, such as a company's Manufacturing Execution System (MES) or Enterprise Resource Planning (ERP) system. The SSI provides a list of examples of documents which are reviewed during the SSI certification assessments against the Supply Chain Traceability Standard in [Annex II](#).

Supply chain context

We would note that to date the solar industry has prioritised work to address concerns linked to the polysilicon supply chain. This is because polysilicon is the material where solar has potential technology-specific exposure and so is most able to directly control and influence its supply chains. However, there are other industries, such as steel and aluminium, that supply the solar sector and its adjacent technologies, but also a huge range of other industrial and domestic products. These may present risks to which the solar and energy storage industry is exposed, but where it represents only a very small proportion of global demand and is far less able to exert direct influence. This is the case, for example, with batteries, where static energy storage represents a very small proportion of demand compared with electric vehicles.

Our view is that at present the most effective way to address concerns in these industries is to aggregate solar demand for responsible supply chain management with demand from the electrification of transport and other industries, and support engagement via these sectors with the upstream suppliers who provide the overall raw material feedstock for the clean energy economy. This is why Solar Energy UK and the SSI have begun engaging with responsible mining codes, and organisations such as the Global Battery Alliance, to initiate action on relevant topics, including the risk of forced labour in supply chains. Solar Energy UK intends to expand this work in future.

9. Should companies of all sizes be required to manage the risk of forced labour in their supply chains? How could such an obligation be delivered in a manner which is proportionate to a company's exposure to forced labour risks, number of employees, and annual turnover?

We recognise the critical importance of addressing forced labour risks in supply chains, and support the principle that all companies, regardless of size, should take steps to mitigate these risks. Any obligations must be proportionate, considering both a company's level of exposure to forced labour in its supply chains, and its capacity to implement due diligence measures effectively. A risk-based approach is key to achieving this balance. Companies operating in high-risk sectors or sourcing from regions with potential forced labour concerns should undertake more rigorous due diligence, while those with lower exposure should have their responsibilities adjusted accordingly. This will ensure that efforts are targeted where they are most needed, without placing unnecessary burdens on businesses with lower potential risk exposure. This includes sourcing by geographic origin: through sourcing from particular countries, or particular regions within countries, solar buyers can help reduce their risk exposure. Part of the purpose of due diligence is to identify suppliers that are able to provide and demonstrate country or region-specific sourcing, in order to facilitate this.

International frameworks such as the UNGP and the OECD Guidelines for Multinational

Enterprises provide a well-established, proportionate model that reflects the capacity of different-sized companies. The Corporate Sustainability Due Diligence Directive (CSDDD) which considers a phased approach based on company's size and turnover is also a well-recognised framework. We would encourage the UK Government to align with these international best practice principles where possible, supporting continuity between frameworks and promoting a balanced and effective approach to tackling forced labour in global supply chains.

Small and medium-sized enterprises (SMEs) play a crucial role in the solar sector but often lack the financial and administrative capacity of larger corporations. While large businesses can implement more extensive procedures—such as detailed reporting and third-party auditing—SMEs should focus on improving supplier transparency and having access to compliance tools. This approach would enable SMEs to contribute meaningfully to supply chain accountability while remaining viable and competitive. This is also important as the volume of procurement larger businesses engage in means that they are more able to influence overall supply chain management practices, and so to incentivise systemic change.

10 . What could be done to improve corporations' ability to identify forced labour risks in supply chains, and select suppliers that meet government's expectations?

The OECD framework provides a well-established approach for companies to identify and mitigate risks through robust due diligence in supply chains. Its six-step process includes: identifying and assessing risks, integrating findings and implementing mitigation measures, evaluating effectiveness, communicating how risks are managed, establishing grievance mechanisms, and continuously monitoring and remediating issues. Both Government and industry should actively promote the adoption of this framework and alignment with any potential UK specific frameworks to improve a company's ability to identify forced labour risks in supply chains.

Companies should embed sustainability and ethical sourcing as core expectations in supplier engagements, ensuring these principles are reflected in Codes of Conduct, pre-qualification processes, and contractual agreements. Maintaining ongoing engagement with suppliers through regular discussions, transparency, and collaboration is essential to fostering accountability and driving continuous improvement across supply chains.

Companies should work together through multistakeholder initiatives, such as the SSI. The core values of the SSI have been derived from and align with internationally recognised frameworks (such as OECD, UNGP, CSDDD). These initiatives provide a structured framework for companies to assess and manage ESG risks. Regular audits, combined with independent verification where appropriate, ensure that suppliers meet required ESG standards.

The SSI also supports sharing of best practices which can drive collective improvements, enhance due diligence efforts, and support the development of responsible and ethical supply chains.

Increasing engagement from regulators on schemes like the SSI as a due diligence mechanism is essential. Regulatory buy-in allows broader market acceptance and leads to further standardisation. It also allows fair benchmarking across suppliers rather than different standards being applied to different suppliers and enables SMEs as well as large businesses to support industry-wide supply chain management practices.

Active engagement with NGOs, unions, and civil society organisations allows businesses to access independent expertise and strengthen their risk assessments and due diligence efforts. As the trade association representing the UK solar sector, Solar Energy UK continues to act as a conduit between industry and NGOs, helping companies access relevant information and take informed action.

We would welcome further clarity from Government as to what would be considered as meeting Government expectations as it is currently unclear. The Government should endorse or signpost existing programmes, certifications, and industry bodies that align with its expectations on supply chain due diligence. This would allow businesses in the UK to adopt best practices with confidence. For example, highlighting initiatives such as the SSI or Aluminium Stewardship Initiative as benchmarks for responsible sourcing would provide clarity to the industry.

11. Where forced labour is a risk, what level of investigation/due diligence is it reasonable to expect from companies and public sector buyers before deciding whether to contract with suppliers?

The level of investigation/due diligence will be dependent on a company's size and its ability to conduct and implement due diligence measures (as discussed in our response to question 9. High risks areas should require enhanced due diligence.

Determining whether something is reasonable is inherently subjective—what one company sees as sufficient may be excessive or inadequate for another. We would welcome further clarification on what Government would deem a reasonable level of due diligence to expect from a company/companies are.

Internationally recognised best practice principles such as the OECD and UNGP are well understood and widely implemented across the solar industry. Such guidance supports companies to understand areas of risk. The frameworks challenge companies to consider the degree of risk/impact. For example:

- How remediable is the impact?
-

- The relationship to the impact (e.g. cause, contribute or directly linked)
- How salient is the impact? (i.e. based on severity and likelihood)

These frameworks in combination with Action Sustainability's Practical Procurement Guidance for the solar industry, could help to form an approach that recognises international best practice whilst also enabling a UK specific approach.

Finally, public sector buyers should be expected to have a higher duty of care, particularly when using taxpayer funds. Their due diligence should include:

- Mandatory supply chain transparency reporting (as required under UK procurement laws).
- Exclusion from contracts if suppliers fail to meet minimum ethical standards. This should be evidence based however.
- Pre-contract due diligence including public records checks and supplier ethics declarations.
- Ongoing contract monitoring.

By implementing risk-based investigations, companies and public sector buyers can make informed, responsible decisions, minimising exposure to forced labour while maintaining ethical supply chains.

12. How can a level playing field be achieved, where companies who operate supply chains free from forced labour are not at financial disadvantage?

A level playing field can be achieved by ensuring that due diligence requirements for addressing forced labour are proportionate to a company's size, resources, and risk exposure. Given that SMEs play a crucial role in the solar supply chain, due diligence requirements must be proportionate, ensuring that smaller businesses are able to help drive change, while preventing them from facing disproportionate financial or administrative obligations. It is also imperative that any obligations be technology-neutral, and apply across the economy as a whole. The risk-based approach inherent to frameworks such as those we discuss in our response to Question 9 means that each sector should take action to identify and mitigate any specific risks it may face, as the solar industry has done. This is consistent with the principle of double materiality, whereby businesses disclose risks that affect their financial performance as well as their impact on society.

13. How effective are the UN Guiding Principles at encouraging corporations' consideration of the human rights impacts of business decisions? Please provide examples or evidence **Proportion to the risk and proportion to the size**

The UNGP and OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, are well understood, pragmatic framework for encouraging corporations to consider the human rights impacts of their business decisions. One of the key strengths is

the recognition that due diligence efforts should be proportionate to a company's size, resources, and risk exposure. This is particularly important for the solar industry, where SMEs play a significant role but often lack the purchasing power to implement, for example, full traceability from suppliers. Unlike large corporations that can enforce strict sourcing requirements, SMEs face practical limitations in accessing detailed supply chain data, making a one-size-fits-all approach unworkable. The UNGP take into consideration a company's reality

The UNGPs have been effective in shaping responsible business practices by providing a structured but adaptable approach. The SSI, a solar specific supply chain assurance mechanism, has created an ESG Standard aligned with the principles, enabling solar companies of all sizes to integrate human rights considerations into their operations in a way that reflects their capabilities. By emphasising continuous improvement rather than rigid compliance, the UNGPs encourage businesses to take meaningful steps toward ethical supply chains while acknowledging the varying capacities of different companies. The SSI has adopted the same approach within the ESG standard.

Incorporating the UNGPs into any future principles the UK might bring forward would be a positive step.

14. If it becomes known that a company is using or at high risk of exposure to forced labour, what impact does this have on consumer attitudes or profits? Are consumers incentivised to avoid buying products that are likely to be linked to forced labour?

Firstly, it is important to recognise the difference between using (1) and high risk of exposure (2). Whilst the UK solar industry does not condone forced labour anywhere in the global solar supply chain and must be addressed through remediation, a high risk of exposure often reflects a lack of transparency within supply chains, which can be addressed. It's important that industry and Government work together to increase transparency in supply chains. The SSI provides a credible tool for that.

Some consumers place a high value on ethical sourcing and actively avoid companies with supply chain risks, while others prioritise price and convenience over human rights concerns. It should be acknowledged that whilst reports of forced labour can lead to reputational damage or potential loss of investor confidence, encouraging greater transparency can also serve as a positive force—demonstrating a company's proactive approach to identifying and addressing risks in line with international ESG guidelines. By openly acknowledging challenges and taking corrective action, businesses can build trust with stakeholders, strengthen long-term resilience, and differentiate themselves as leaders in responsible sourcing.

Our understanding of the UK industry from the buyers' perspective is that the UK has some of the strongest demand for fully traceable raw materials and other safeguards. As such the UK solar industry has continually stepped up to meet those expectations through the

development of standards, supplier codes of conducts and industry wide initiatives such as the SSI.

Procurement

17. How can the risk of exposure to forced labour be effectively managed in procurement?

Managing the risk of exposure to forced labour in procurement requires a comprehensive, risk-based approach that integrates due diligence, transparency, and accountability throughout the supply chain. Procurement practices adopted by Solar Energy UK members include:

- Performing comprehensive pre-qualification due diligence and supplier evaluations, based on detailed questionnaires, public and private reporting, commercial and market intelligence data, and supplier audits. This is used to assess supplier performance and the potential exposure of particular products and value chains to forced labour.
- Establishing robust contractual requirements to respect human rights and ESG considerations, disclose where any violations have been identified, and take action to remedy them. This often includes developing a binding supplier Code of Conduct, including the requirement to pass on its obligations to sub-suppliers, and making agreement to these terms a prerequisite to qualify as an approved supplier.
- Carrying out pre-contract and / or pre-production social and ESG audits of manufacturing sites by third parties.
- Carrying out post-production traceability audits, based on the solar industry's development of comprehensive raw material tracing protocols, which enable the purchase of products whose mineral origins can be verified by third-party auditors. This in turn enables buyers to avoid procuring from specific countries or regions which present a risk of exposure to forced labour.
- Publishing sustainability and human rights reports, Modern Slavery Statements and other disclosures setting out steps to assess, mitigate, prevent and remedy human rights abuses and modern slavery in supply chains.
- Ensuring all the practices above, and broader work to address supply chain risks, are implemented in accordance with specific supply chain policies, are updated regularly, are supported with staff training and awareness, are integrated with broader risk management, are included on company risk registers and matrices, and are subject to appropriate oversight by senior management and board-level governance structures.

International Approaches

18. Are there particular elements of the Uyghur Forced Labor Prevention Act of 2021 in the USA that would be appropriate for consideration within a British Act? Please explain why you think such measures would be beneficial.

a. Are there any weaknesses or flaws in the US approach?

The Uyghur Forced Labour Prevention Act (UFLPA) operates on a presumption of non-compliance until proven otherwise, which differs from the legal frameworks in the UK and EU and merits careful evaluation. Given the rapid evolution of China's solar supply chain—driven by innovation, competition, and market demand for products that include traceable raw materials—there is a concern that decisions made by a regulatory body in the U.S. may rely on information that becomes outdated quickly, potentially impacting businesses working to meet high due diligence expectations.

In addition, our wider concerns include:

- A lack of transparency regarding how entities are added to and removed from the UFLPA Entity List.
- Unclear criteria for designation, which raises concerns about the potential for political influence rather than objective enforcement.
- Uncertainty around the standard and timeliness of evidence used to assess compliance, which can create inconsistencies in enforcement.

19. EU Member States have agreed two instruments to prevent the sale of goods linked to forced labour in the EU. Firstly the 'Prohibiting products made with forced labour on the Union market' and secondly the Corporate Sustainability Due Diligence Directive (CSDDD). Are there elements of either the regulation or the directive that would be appropriate for consideration in the UK? Please explain why you think such measures would be beneficial.

a. Are there any weaknesses or flaws in the EU approach?

We would note that as of February 2025, the development and implementation of EU measures remains subject to political processes. However, where UK companies own or operate assets in the EU, or otherwise have exposure to EU rules and regulations, they will be required to comply with them, and we would therefore also note that irrespective of the approach the EU ultimately takes, UK companies would benefit if any changes to UK regulations aligned with the EU's approach.

This would provide greater legal certainty for businesses operating in multiple jurisdictions, while reinforcing the commitment to tackling forced labour in global supply chains. It would also enable UK companies to align their commercial leverage to that of European

companies influencing change in supply chain management in as simple and effective a manner as possible.

20. Are there any other nations with effective legislative frameworks to address goods linked to forced labour which may be useful for the Committee to consider?

At present the key frameworks in operation or due to be brought into operation are the US and EU approaches mentioned above. Other jurisdictions, such as Canada are undertaking work to combat forced labour, and it is notable that work to inform the development of these has referenced the SSI. We consider that the US and EU regimes remain the most relevant for the Committee's considerations.
