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APPLYING HUMAN RIGHTS DUE DILIGENCE IN THE WORKPLACE TO ACHIEVE A JUST TRANSITION

A TRADE UNION GUIDE

This guide was prepared for the International Trade Union Confederation (ITUC) by the International Lawyers Assisting Workers (ILAW) Network (www.ilawnetwork.com). The ILAW Network is a membership organisation composed of more than 1,400 trade union and workers' rights lawyers in more than 100 countries. The mission of the ILAW Network is to unite legal practitioners and scholars in an exchange of information, ideas and strategies in order to best promote and defend the rights and interests of workers and their organisations, wherever they may be.

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INTRODUCTION

WHY IS THIS ISSUE IMPORTANT TO WORKERS AND UNIONS?

There is no longer any doubt that we are living in a climate crisis. Greenhouse gas (GHG) emissions continue to rise, heating the planet at an alarming rate. The latest summary report from the Intergovernmental Panel on Climate Change (IPCC) makes it clear that even in the best-case scenario, where emissions are immediately and drastically reduced, global temperatures are still likely to increase and hit the 1.5°C limit established under the Paris Agreement.¹ Under more realistic or higher-emission paths, it is more likely that we will overshoot that threshold. The consequences of warming include escalating risks to both people and the natural world: more deadly heatwaves, the spread of diseases, devastating storms and floods, extreme weather events, droughts, and the loss of biodiversity that sustains life on earth. The harshest impacts of climate change are also hitting the countries that have contributed the least to the crisis, and which often lack the financial resources to mount effective mitigation and adaptation strategies.

For workers, the crisis is already a stark reality, and it's getting worse. The International Labour Organization (ILO) warns that by 2030, high temperatures alone could slash 2.2% of global working hours; the equivalent of losing 80 million full-time jobs. In a worst-case

scenario, that figure could soar to 3.8%, or 136 million jobs.² Agricultural and construction workers are expected to bear the brunt of this, with agricultural workers accounting for 60% of total working-time losses. These aren't just statistics — they represent real people, families and communities. Workers in carbon-intensive industries such as coal, steel and cement face a different kind of threat, but one which is just as alarming. As economies shift away from fossil fuels, the jobs linked to them are disappearing, often abruptly and without a forward plan. These workers, many of whom are older, male, and protected by collective bargaining agreements, are struggling to find new employment that matches their previous income, benefits and skills.³ This breeds an understandable fear of unemployment, poverty, and a steep drop in quality of life. Many of these workers will naturally resist bad policy decisions that threaten their future and that of their families.

Even in the emerging 'green economy', decent work is far from guaranteed. The minerals being used to build today's 'clean' energy technology, such as the lithium batteries powering new electric vehicles, come from mines where workers are brutally exploited. Workers in the renewables sector often face exploitative labour conditions and precarious contracts. Without deliberate efforts to ensure equity and decent work, the green economy risks perpetuating the same injustices it claims to fix, and further deepening inequalities between the high income and low- or middle-income countries as well as within individual countries. Continuing to shift the high costs of global production onto the backs of workers must end.

¹ IPCC, Summary for policymakers. In *Climate change 2023: Synthesis report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (2023)*

² ILO, *Working on a warmer planet: The impact of heat stress on labour productivity and decent work* (Geneva 2019), p. 14

³ See, e.g., OECD, *The cost of job loss in carbon-intensive sectors: Evidence from Germany (2023)*

The ILO has made it clear that broad-based social engagement isn't an option for a Just Transition. *It is essential.* To develop and implement the urgent climate mitigation and adaptation strategies the world needs now, environmental sustainability must go hand in hand with social and economic sustainability. In 2015, the ILO's tripartite members (governments, employers and workers) unanimously adopted the Guidelines for a Just Transition towards Environmentally Sustainable Economies and Societies (ILO Guidelines).⁴ These guidelines have subsequently become the cornerstone of international policy on a Just Transition. They are built on several key principles: meaningful social dialogue; respect for fundamental labour rights (in particular the right to freedom of association and to collectively bargaining); gender equality to ensure fair outcomes; and coherence across policy areas and institutions.

Increasingly, enterprises are facing not only growing expectations but also legal obligations when it comes to climate action and a Just Transition. For instance, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (2023)⁵ directly address corporate responsibilities around a Just Transition in their chapters on employment and industrial relations and on environment. The UN Guiding Principles on Business and Human Rights (2011) (UNGPs),⁶ though they don't specifically mention climate change, also reference core human rights treaties that have been interpreted in line with international environmental and climate law. The ILO Declaration on Fundamental Principles and Rights at Work, which is referenced in the UNGPs, explicitly includes the right to a safe and healthy working environment as of 2023 — a right that is directly relevant in the context

of climate-related hazards. Additionally, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy,⁷ which references the Declaration, outlines responsibilities for MNEs in the climate context when it comes to occupational safety and health.

Beyond these non-binding frameworks are laws imposing direct legal obligations on Multinational Enterprises (MNEs). Most recently, the EU adopted the Corporate Sustainability Due Diligence Directive (CSDDD).⁸ Governments still have until 2028 to ensure alignment of their national laws with the CSDDD, and the EU is already seeking to weaken some of its provisions through a so-called Omnibus law. However, as it is currently drafted, it would impose relevant legal obligations on enterprises, both through Human Rights Due Diligence and a specific requirement that they develop and implement climate transition plans. Together, this means that, if adequately implemented, MNEs will have to adopt a business model that is compatible with a transition to a sustainable environment. The plans need to set time-bound targets for 2030 and in five-year steps up to 2050, and need to include absolute emission reduction targets for greenhouse gas emissions.

UNDERSTANDING KEY CONCEPTS

Before going any further, it is important that we understand what we mean by the title of this guide, in particular 'Just Transition' and 'Human Rights Due Diligence'.

While the concept of a **Just Transition** came out of the labour movement over 40 years ago, some corporations and governments are trying to redefine it in order to dilute its

⁴ ILO, *Guidelines for a just transition towards environmentally sustainable economies and societies for all* (Geneva 2016)

⁵ OECD, *Guidelines for Multinational Enterprises on Responsible Business Conduct* (Paris 2023)

⁶ UN, *Guiding Principles on Business and Human Rights* (Geneva 2011)

⁷ ILO, *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy* (Geneva 2022)

⁸ Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence

meaning (and with it reduce their obligations). It is critical that the concept of a Just Transition remains firmly grounded in workers' rights. As defined by the ILO Guidelines, a Just Transition is about attaining environmental sustainability and getting there in a way that is fair, inclusive and equitable. This is true for the workers and communities who are disrupted by the impacts of climate change, as well as those affected by the shift from fossil fuels and industries reliant

on them. A Just Transition means ensuring decent work and protecting livelihoods, thereby minimising the social and economic disruptions that climate policies can bring. A Just Transition also requires inequalities to be addressed. To achieve this, one thing is key: social dialogue and full respect for fundamental labour rights. **Without trade unions at the table, there can be no Just Transition.**

IN A RECENT SUBMISSION TO THE UNFCCC, THE ITUC DESCRIBED A JUST TRANSITION (IN PART) THUS:

A Just Transition secures the future and livelihoods of all workers and their communities during the transition to a low-carbon economy, effectively limiting global temperature rises to well below 2°C, while pursuing efforts to limit the increase to 1.5°C, protecting the environment and restoring biodiversity in line with scientific consensus. The objective of a Just Transition is to stop the exploitation of people and the planet, contribute to the achievement of the Sustainable Development Goals, and reduce inequalities. A Just Transition is rooted in international solidarity and cooperation and delivers decent livelihoods and welfare for all.

The concept of **human rights due diligence (HRDD)** is a more settled concept, but is of course not a common term for those not focused on international human rights law. HRDD is a process through which businesses identify, assess, prevent, mitigate, and account for how they address their actual and potential impacts on human rights. HRDD is one of the core concepts of the UNGPs, which outline a company's responsibility to respect, protect and remedy human rights (and human rights violations), regardless of whether governments fulfil their own obligations to protect those same rights. Importantly, HRDD is not a one-time exercise but an ongoing process that must

adapt to changing circumstances, including evolving environmental conditions. HRDD also includes providing or cooperating on a remedy when a business has caused, contributed to or is linked to a human rights harm. In the labour context, HRDD requires businesses to assess risks to workers and unions, and to integrate those findings into their decision-making processes and operations throughout the life of the enterprise. Enterprises must consult with workers and trade unions at all steps and take action to prevent or mitigate violations of fundamental labour rights. (See Annex I for a chart explaining the steps of the due diligence process.)

The obligation for enterprises to undertake HRDD in the furtherance of a Just Transition is not (yet) well elaborated, which is one of the motivations behind preparing this guide. In light of the scientific consensus, the political commitments (such as the Paris Agreement), and recent legal developments at the International Court of Justice, regional human rights courts, and national tribunals, it is undeniable that states and enterprises have responsibilities and obligations at the intersection of climate change and human rights – including fundamental labour rights. The UN Working Group on Business and Human Rights has also affirmed that the UNGPs offer crucial guidance for addressing these challenges. This is the only way to ensure a Just Transition.

HOW TO USE THIS GUIDE

This guide is designed to inform trade union representatives on how to engage effectively with company management on climate change and the Just Transition, whether the issues are at the workplace or in the company's supply chain. It unpacks how climate change is already affecting workers and unions, with an emphasis on the ILO's fundamental labour rights, and includes real-world examples from a range of sectors. The guide also offers practical, action-oriented guidance on how to use the Human Rights Due Diligence (HRDD) framework to build collective demands of management. The Annex also provides links to additional resources and a brief description of the forums available for filing complaints to help unions push even the most reluctant companies toward meaningful dialogue and change.

FUNDAMENTAL LABOUR RIGHTS

The International Labour Organization (ILO) [Declaration on Fundamental Principles and Rights at Work](#) (1998, amended 2022) identifies five core labour rights: freedom of association and collective bargaining, elimination of forced labour, abolition of child labour, elimination of discrimination, and a safe and healthy work environment. These principles are considered so fundamental that member countries are obligated to uphold them, even if they haven't ratified the specific ILO conventions related to these rights.

FREEDOM OF ASSOCIATION (INCLUDING THE RIGHT TO STRIKE AND PROTEST)

Freedom of Association

The right to freedom of association refers to the right of workers to form or join organisations of their choosing, to draw up their constitution and rules, elect their leaders without interference, and to organise and carry out their activities in defence of their members' interests without retaliation – including to take collective action (discussed in the following subsection). Around the world, however, the right to freedom of

association is under attack, as evidenced by the ITUC's Global Rights Index 2025.⁹ This is particularly true among those who are most often bearing the brunt of the impacts of climate change, including workers in precarious forms of work and in the informal economy. These workers, such as agricultural workers, gig-workers (such as delivery riders), street vendors, subcontracted workers and others, are often excluded from formal organising rights, or face structural barriers to unionisation. This issue is even more likely among the enterprises' business relationships in global supply chains, creating severe HRDD risks for those that fail to exercise leverage to secure freedom of association guarantees.

What are the climate-related associational risks for workers?

The violation of the right to freedom of association is among the more common labour violations, including for employees and workers employed by suppliers in the enterprise's supply chains. Everywhere, employers seek to avoid the democratisation of workplace decision-making, and the potential costs associated with collective agreements that deliver on decent work. Anti-union hostility can be even greater where the margins for suppliers are thinnest, as is often the case in, for example, the garment industry. Employers will often take advantage of workers that are in particularly vulnerable situations, such as migrant workers, who have little ability to stand up for their rights without fear of retaliation – including deportation or imprisonment. This is the case even where migrant workers have the right to associate in law.¹⁰

As discussed above, workers in sectors such as agriculture are vulnerable in many ways – they are among the most exposed to climate change risks, such as severe storms (or other

extreme weather events), heat and diseases, and are usually the least protected, whether as a matter of law or because labour inspection is minimal to non-existent. Often, agricultural work is informal, as workers are hired on seasonal contracts (if given a written contract at all) making the assertion of the rights they might have under law – if any – difficult, if not impossible, to enforce. That is why the formalisation of employment, by extending the scope of labour law to recognise, protect and enforce their work, is so important. It is simply not possible to effectively advocate for oneself in the climate context if there is no protected right to associate.

In yet other cases, employers may attempt to set up their own union or similar organisation in order to prevent the formation of a legitimate union that would insist on meaningful improvements to wages and working conditions at the bargaining table, undermining the democratisation of workplace decision-making.

Where unions already exist, employers may invoke climate imperatives as a rationale for union busting by dismissing union leaders under the pretext of restructuring for the purposes of climate adaptation. As we have already seen, some employers use environmental and climate-related law and policy requirements, particularly in carbon intensive industries, to retaliate against unions or claw back rights and benefits in collective agreements. Such conduct also violates freedom of association.

What are corporate responsibilities?

The responsibility to respect the right to freedom of association is the most fundamental, and is protected by the UNGPs, the OECD Guidelines and, of course, ILO instruments. The responsibility is quite simple. With regard to an

⁹ ITUC, [Global Rights Index 2025](#)

¹⁰ ITUC, [Decent Work at the Nexus Between Climate Change and Migration](#) (Brussels 2024)

enterprise's own employees, it must respect the right of workers to form and join a union of their own choosing and to not interfere in its administration or its activities. Some enterprises, especially in the US, will argue that they have a corresponding free speech right to inform workers about the benefits of not forming or joining a union. However, the ILO is quite clear that while employers need not be mute, the decision is for the worker to make, and governments and employers must not interfere in that decision. Employer efforts to persuade workers to reject a union will likely violate the right to freedom of association.

Enterprises also have a responsibility to ensure that business relationships in their supply chains also respect the right of their employees and contractors to form or join a union. Enterprises will need to identify and assess risks to the violation of freedom of association, in light of the country, the sector and the legal environment. This includes the extent to which the enterprises' own policies and practices may incentivise a supplier to fight unionisations. Enterprises will need to continuously assess the risks, and take measures to prevent or mitigate the risk that the right to freedom of association may be violated. Of course, the enterprise will want to include contractual language with the suppliers that obliges the supplier to respect this right.

Collective labour action (strikes and protests)

The rights to strike and to protest are protected by the right to freedom of association; indeed, the ILO has deemed the right to strike an indispensable corollary of that right. Around the world, workers and their unions are engaging in climate activism, including collective workplace actions (such as pickets and strikes), protests and public debates over the impacts of climate change in the workplace, and in their

communities around the world. This activity often puts them into direct conflict with the interests of governments and employers. As such, multinational enterprises (MNEs) can find themselves directly implicated (and liable) as a result of their responses to the climate-related activity of their employees, as well as through the responses undertaken by business relationships in their supply chains. And enterprises can be implicated (and liable) through their engagement with state authorities.

What are the climate-related speech, assembly and strike risks for workers?

The right to assemble, in the climate context, can take the form of demonstrations directed at industries with high greenhouse gas emissions or at governments that have failed to act meaningfully on climate change. The HRDD risks for enterprises in this area could include the direct suppression of climate activism by disciplining or dismissing workers for joining climate protests, including those undertaken outside of work hours. Enterprises might also be involved in, or benefit from, excessive force used against protesters by public or private security forces at company sites. Further, some may support or lobby for laws that restrict peaceful climate assemblies (see Section [EMPLOYER ENGAGEMENT IN PUBLIC POLICY TO SUPPORT A JUST TRANSITION](#)). Other common risks involve the surveillance of activists, including employees, which can lead to harassment or blacklisting, as well as being linked to threats or legal harassment of environmental and labour defenders. These risks are especially acute in sectors such as resource extraction, infrastructure and agriculture.

The violation of the right to free expression can take the form of corporate pressure on workers to remain silent on issues of concern

to them, including climate change. Employers may also punish employees for raising concerns publicly or privately about a company's climate-related policies or practices, by identifying acts of corporate greenwashing, or exposing unsafe working conditions that create potential violations of the right to a safe and healthy working environment. Furthermore, restrictive confidentiality or social media policies could suppress legitimate discussion about climate impacts, as well as lead to punishment for the use of social media to raise climate concerns.

Although still relatively infrequent, the use of strikes as a tool to compel employers to adjust their policies towards a low-carbon economy or to address immediate health and safety risks in the workplace is growing. HRDD risks in this area include retaliation against workers who take part in strikes or other forms of collective action (such as informational picketing) to demand stronger climate action or improved protections from climate-related hazards. Employers may also try to claim that a climate strike is an unlawful 'political' protest rather than a legitimate collective labour action. Other risks include undermining strikes by hiring replacement workers.

Companies can also become complicit in violations through their supply chains if suppliers or contractors repress environmental protests, silence whistleblowers, or retaliate against climate strikes. These risks are heightened in jurisdictions where governments criminalise environmental defenders. Of course, where MNEs cause or encourage suppliers to violate the rights of their employees, MNEs can be held responsible.

What are corporate responsibilities?

The UNGPs, the OECD Guidelines and, of course, ILO instruments, set out clear responsibilities for employers for addressing

the aforementioned rights. This means adopting a human rights policy that is shared with employees, business relationships, and workers across the supply chain; proactively identifying and assessing risks; embedding prevention into operational and procurement practices; ensuring participation of workers and unions in designing protections; monitoring continuously and updating policies and practices; and providing remedy when harms occur.

► **Employees**

In light of these risks, enterprises should explicitly incorporate the rights to protest, speak out/whistle blow, and strike into their policies. This means that employees who participate in peaceful protest and social media campaigns, who speak out or strike, should not be retaliated against by the enterprise and/or their direct employer in any way, including but not limited to demotion, termination, relocation, change in employment status, and/or litigation against that individual or group of individuals. Furthermore, employees should be encouraged to participate in public participation and public comment opportunities with their national government and with UN institutions to ensure accurate and credible information is being provided regarding all entities' obligations under international law.

► **Workers in a company's supply chain**

In order to **identify and assess risks**, enterprises should map high-risk jurisdictions (indicated by the ITUC Index) and sectors where these rights are likely to be suppressed, and actively engage with unions to understand and address such risks.

In order to prevent or mitigate these violations from occurring, enterprises

should **integrate these rights into their contracts with their suppliers at all levels of the supply chain**. This means requiring suppliers to respect rights to protest, to whistle blow and to strike into their policies, and adopt anti-retaliation protections. These standards should be embedded into supplier codes of conduct and contractual terms, and suppliers should be mandated to carry out regular risk assessments and report on their findings. Workers should be informed at the beginning of their employment about the supplier code of conduct and the grievance mechanisms available to them. Transparent, independent and inclusive grievance mechanisms should be established, and made accessible to workers and unions. Grievances should be addressed expeditiously, and where substantiated, lead to a rights-compatible remedy.

In any case, when any worker suffers retaliation for speaking out or taking collective action, an **effective remedy** including reinstatement, back wages and compensation, as appropriate, should be provided. Furthermore, the supplier will need to adjust their policies in order to prevent repetition. If the supplier fails to respect the rights of expression, assembly or to strike, the enterprise may suspend or terminate the relationship if the matter cannot be resolved. Of course, where the enterprise has caused or contributed to the occurrence of the violation, it must also be a part of any remediation.

How trade unions can use this framework

The right to freedom of association, including the right to take collective action in defence of that right (and the right to collectively bargain)

is fundamental. Efforts by employers to deny workers the right to form or join a trade union, and to carry out activities in defence of its members' interests, will most certainly violate the right to freedom of association – including when the reasons for organising or for taking collective action relate to the impacts of global warming in the workplace and/or the employers' contributions to GHG emissions, which threaten to worsen the problem. Unions should use the complaints mechanisms outlined in the Annex to demand that their employer respects the right to freedom of association in their own workplaces, and in their supply chains – whether domestic or global.

COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

One way to shape corporate decision-making is through collective bargaining, whether at the workplace, firm, branch or sectoral level. The right to collective bargaining assumes particular importance in the achievement of a Just Transition, as trade unions are well placed to ensure that mitigation and adaptation measures – from workplace protections against climate hazards or job protections, retraining and upskilling – are sufficiently ambitious. Indeed, a Just Transition is simply not possible without genuine collective bargaining undertaken in good faith. An enterprise's failure to engage in collective bargaining with representative organisations of workers, or to ensure that its business relationships in its supply chains do the same, will not only violate HRDD laws and policies, but lead to chaotic transition processes that will neither achieve environmental sustainability nor decent work. Rather, it will likely lead to more conflict and disruption at all levels.

What are the climate-related collective bargaining risks for workers?

Some trade unions have successfully negotiated ‘green’ clauses in their collective agreements, ranging from training and education on Just Transition to the right to refuse work in the event that workers deem the work to be dangerous for the environment (for example, due to pollution or biohazards). However, the ILO recently found that only 23 per cent of the collective agreements it had reviewed addressed environmental transitions.¹¹ Further, “clauses dealing with environmental transitions are more common in agreements in high-income countries, particularly in Europe”.¹² More often than not, however, unions have reported that employers simply refuse to negotiate over any climate-related issues.

The reluctance to negotiate is further complicated by the law in some countries that have developed the concept of ‘mandatory’ and ‘permissive’ subjects of bargaining. In these countries, a mandatory subject is usually limited to matters directly impacting upon the employment relationship. While workers can raise permissive subjects at the bargaining

table, employers can legally refuse to bargain over them. This obviously limits the extent to which worker representatives can insist on bargaining over issues that the employer believes lack a direct relationship to the workplace. Further, strikes over an employer’s refusal to negotiate or reach an agreement over a permissive subject could expose the union to significant risk of civil suits or criminal prosecution. It is possible to argue that at least some climate-related concerns fall within the mandatory scope of bargaining. These could include occupational safety and health (OSH)-related climate impacts, or even severance and benefit plans to protect workers who may lose employment. However, bargaining over a firm’s emissions or the environmental impacts of a firm’s activities on the broader community might be deemed out of bounds.

Even in the countries where this is not an issue, employers may still refuse to bargain or fail to bargain in good faith. Furthermore, by putting the onus of ‘greening’ the firm or sector on workers, it can force unions, rather than employers, to make difficult trade-offs at the bargaining table, and to invest in those greening efforts.

MINE OWNERS IN PERU REFUSE TO NEGOTIATE

In Peru, national laws do not require employers to negotiate over climate-related issues. Mineworker unions have attempted to address such issues by rooting them in OSH concerns. However, if a trade union were to seek to negotiate beyond that limited framing, for example to demand that the company properly process mine tailings (a mixture of crushed rock, water, and chemicals, which can also contain heavy metals and acids), which affect both workers and the surrounding communities, mining companies usually oppose such demands. They argue that they need only comply with state regulations and that the union cannot demand anything else unrelated to wages and working conditions.

¹¹ ILO, *Social Dialogue Report 2022: Collective bargaining for an inclusive, sustainable and resilient recovery*. (Geneva 2022), p. 93

¹² *Ibid*

On the other side of the coin, enforcing ‘green’ clauses in a collective agreement can also be difficult. In some countries, strikes can be used to compel an employer to observe the terms of a collective agreement once breached. In others, strikes are permitted even if means for otherwise resolving the dispute are found in the collective agreement. However, such a strike would be illegal in other countries as a violation of the peace obligation. In such countries, enforcement means going to court, which again can impose significant costs on the union, especially if the employer appeals. Judicial enforcement can also take years, which again could limit the effectiveness of collective bargaining as a means to force changes in a firm’s behaviour as it relates to climate change.

Ideally, it would be helpful for governments to mandate (or at least strongly encourage) that parties negotiate in good faith on climate mitigation and adaptation measures. Unions would have a lawful basis on which to engage in collective action to insist on such measures, separate and apart from other demands. In 2023, such a proposal was tabled in the European Economic and Social Committee, though it has yet to be regulated at the European level.¹³

What are corporate responsibilities?

As Clément Voule, the former UN special rapporteur on the right to peaceful assembly and association, explained in his recent report to the UN General Assembly, states must “ensure that all workers are guaranteed the right to associate, including the right to strike, and to bargain collectively at all levels, including over matters related to climate change and just transitions”.¹⁴ Essential to a Just Transition is the negotiation of

national-, sectoral- and firm-level mitigation and adaptation measures with workers and trade unions to best ensure that such measures are sufficiently ambitious, while at the same time providing a basis for workers and communities to adapt and indeed prosper under those measures. The right to bargain binding agreements over climate-related issues is well established under ILO Convention 98 and international law generally. The ILO has repeatedly recognised that the scope of collective bargaining is broad and should not be restricted by the authorities, meaning that there is no basis for employers to refuse to bargain over the climate impacts of their own operations, as well as over mitigation and adaptation measures in their operations, as well as in the operations of their business relationship in their supply chains.

CLIMATE CHANGE AND OCCUPATIONAL SAFETY AND HEALTH (OSH)

Since 2022, a safe and healthy working environment has been deemed a fundamental right, which requires all governments to respect, promote and realise it, regardless of whether they have ratified the underlying OSH conventions (ILO Conventions 155 and 187). Climate-related risks to occupational safety and health (OSH) are widely recognised in both scientific and labour-law literature. They include both **direct** and **indirect** hazards, and those affecting both physical safety and mental health. Many will hit specific sectors or worker groups harder than others. Migrant workers, informal workers, women in certain sectors, and those with pre-existing health conditions, often face **higher exposure** and **fewer protections**. Lack of union representation and weaker OSH enforcement amplify these vulnerabilities.

¹³ EESC, *Opinion of the European Economic and Social Committee on green collective bargaining: Good practices and future prospects* [Exploratory opinion] (2023/C 293/05)

¹⁴ UN, *Exercise of the rights to freedom of peaceful assembly and of association as essential to advancing climate justice*, A/76/222 (Geneva 2021)

What are the climate-related OSH risks for workers?

1. Heat-related hazards

As temperature and humidity increase, workers are exposed to more frequent and more serious heat-related risks. These can include heat exhaustion and heat stroke, dehydration (which in time can lead to kidney disease), and reduced mental concentration, which can of course increase the risk of accidents. The hazards of extreme heat affect workers in traditionally outdoor sectors and in warehouses or other indoor workplaces without adequate HVAC systems and access to clean, cold water.

2. Air quality and respiratory hazards

Climate change has contributed to an increased incidence of wildfires and droughts, which increase the risk of respiratory hazards, especially for those working outdoors. Wildfire smoke and particulate matter, as well as dust from more frequent and longer droughts, can lead to eye and throat irritation and respiratory distress. Long-term exposure to these risks can lead to pulmonary and cardiovascular diseases.

3. Ultraviolet (UV) radiation

Climate change is contributing to higher risks of excessive UV-light exposure, which is the result of changing atmospheric conditions including thinning ozone and sparser cloud cover. In the long term, these risks include a higher likelihood of skin cancer and cataracts.

4. Severe weather and extreme events

Climate change has led to warmer ocean temperatures, which in turn fuel stronger hurricanes/typhoons. At the same time, a warmer atmosphere holds more moisture,

leading to heavier rainfall and increased flooding. These more frequent and more intense storms create significant OSH risks. These can include injury or death from wind, flooding and flying debris. In other cases, floods may lead to risk of chemical contamination, and the spread of water-borne illnesses, and downed power lines can lead to risk of electrocution. Even after the storm, risks to workers involved in the clean-up can include sharp debris, unstable structures, and biological and chemical hazards..

5. Vector-borne and climate-sensitive diseases

Climate change has contributed to the expansion of disease vectors such as mosquitoes, ticks and rodents into new geographic regions where they were not previously encountered. Their presence increases the risk of transmission of illnesses such as Malaria, Dengue, Lyme disease, and West Nile virus. These shifts pose particular occupational hazards for outdoor and agricultural workers, who are more frequently exposed to at-risk environments. Additionally, the arrival of new diseases may pose treatment challenges for public health systems.

6. Psychosocial and mental health impacts

Climate change can also have serious psychosocial and mental health impacts. Heightened stress, anxiety and depression have been linked to exposure to extreme climate events. Workers may also experience job insecurity or job loss as a result of climate-related disruptions, which also take a psychological toll. Finally, those involved in disaster response or who witness the direct effects of climate impacts can suffer from trauma and other psychological distress.

7. Gender-based violence and harassment (GBVH)

There is a well-documented link between climate change and the increased the risk of violence and harassment in the world of work, leading to both physical and mental health impacts. Even steps to mitigate dangerous heat can lead to heightened

risks of violence and harassment. For example, women workers in the agricultural sector may opt to travel to work in the early hours to avoid daytime heat. However, without specific protections put in place, travelling in the dark increases their risk of GBVH.¹⁵

► **Climate-related risks to Occupational Safety and Health**

CLIMATE HAZARD	OSH IMPACT	HIGH-RISK SECTORS
Extreme Heat	Heat exhaustion, heat stroke, dehydration, kidney failure, accidents	Construction, agriculture, mining, transport, digital platform workers (ride-hailing and food delivery), street vendors, warehouse workers, waste pickers, logistics workers, factory workers
Air Pollution	Respiratory illness, cardiovascular stress, eye irritation	Outdoor work, emergency response, digital platform workers, street vendors, waste pickers, logistic workers, construction
UV Radiation	Skin cancer, cataracts, immune suppression	Agriculture, construction, fisheries, digital platform workers, street vendors, waste pickers
Severe Weather Events	Injury, drowning, electrocution, trauma	Outdoor work, emergency response, utility workers, digital platform workers, street vendors, waste pickers, logistic workers, fishers
Vector-borne diseases	Malaria, Dengue, Lyme disease, West Nile virus	Agriculture, forestry, outdoor work, fisheries, waste pickers, sanitation workers
Psychosocial Impacts	Stress, anxiety, depression, job insecurity	All sectors, especially disaster-prone regions

**All of these harms are exacerbated for the groups of vulnerable worker groups discussed above.*

¹⁵ How climate change impacts gender-based violence and harassment at work, Devex, Aug 7 2024

What are employer responsibilities with regard to climate-related risks to OSH?

The climate-related hazards identified pose serious threats to workers' health and safety. They must be treated not only as occupational hazards but as human rights concerns requiring employers to integrate climate-related considerations into their HRDD processes. The UNGPs, the OECD Guidelines and, of course, ILO instruments, set out clear responsibilities for employers, whether public or private, for addressing climate-related occupational safety and health (OSH) risks. A company's HRDD obligations require integrating climate science into OSH management — both for its own employees and for workers in its supply chain. This means proactively identifying climate-related hazards; embedding prevention into operational and procurement practices; ensuring participation of workers and unions in designing protections; monitoring continuously and updating measures as climate risks evolve; and providing remedy when harms occur.

► For Employees

When conducting HRDD in relation to climate-related OSH risks for employees, employers have several clear obligations, starting with the requirement to adopt a formal policy commitment to respect human rights, including OSH.

There is an obligation to **identify and assess** foreseeable climate impacts on workplace safety. This process should include comprehensive risk mapping that draws on meteorological data, hazard mapping and, importantly, input from workers and unions themselves. Special attention must be given to vulnerable groups, such as outdoor workers, pregnant

employees, older workers, and those with pre-existing health conditions, as they may face heightened OSH risks. Examples of this kind of assessment include using heat index projections for outdoor construction sites, reviewing air quality indices, and evaluating fire, flood or storm surge risks for specific facilities.

Employers must also implement effective **prevention and mitigation measures**. This could include installing cooling systems, improving ventilation, providing shade, clean water access, and air filtration. Management can also adopt modified work/rest cycles to address periods of intense heat. As always, employers should also provide appropriate personal protective equipment (PPE) such as heat-protective clothing, respirators for smoky conditions, and UV-blocking garments as appropriate. These measures could be supplemented with paid breaks and ready access to hydration. In cases of extreme heat or hazardous air quality, clear work stoppage protocols based on science and health professional guidance must be in place, with wage protection to ensure that workers are not financially penalised for prioritising their safety.

There is also a duty of **monitoring and continuous improvement**. Employers should systematically collect data on climate-related incidents and near misses, and periodically review OSH policies in light of the latest climate science. These reviews help to ensure that measures remain effective as environmental conditions evolve. These should be carried out with direct input from workers and unions.

Finally, the employer must provide a **remedy** in case workers suffer from an occupational injury or disease. This could include, in the case of injury, appropriate paid medical care, paid rest and recuperation, and wage restitution. For diseases, this could also include a commitment to longer-term care. If a return to work is not possible in either case, the additional payment of a disability benefit or other compensation would be warranted. Of course, the company will need to modify their policies and practice in order to prevent possible exposure to such OSH risks in the future.

As always, **worker participation** at all steps is essential to effective HRDD. This includes engaging in social dialogue with trade unions and worker representatives to design and implement climate-related OSH measures. Workers must also have the legally protected right to refuse unsafe work without fear of retaliation. Employers should provide regular training on climate hazards and on the preventive measures available to mitigate them.

► **Workers in a company's supply chain**

When undertaking HRDD in relation to climate-related OSH risks, a company's responsibilities extend beyond its workforce to include the workers of the business relationships in its supply chains. Under the UNGPs and the OECD Guidelines for Multinational Enterprises, employers are responsible for addressing adverse impacts that they cause, contribute to, or are directly linked to through their business relationships, including suppliers.

As above, the company must **identify and assess the risks in its supply chains**.

Employers should map the sectors and geographic locations within their supply chains that are most vulnerable to climate hazards. For example, a company with a supply chain in agriculture will need to account for threats from heat stress and storms. A company in the garment industry will need to address poor ventilation during heatwaves, and potentially the flooding of facilities during storms. Further, low labour standards under domestic law are also a very good indication of a high-risk environment. Once the risks are identified, companies must prioritise 'salient' risks — those that are most severe in terms of scale, scope, and the difficulty of remediation.

Companies should then **integrate OSH and climate considerations into their contracts**. This means requiring suppliers to adopt OSH policies that explicitly address climate-related risks. Climate-related OSH standards should be embedded into supplier codes of conduct and contractual terms, and suppliers should be mandated to carry out regular risk assessments and report on their findings.

Importantly, companies must also ensure that their own business practices are not causing or contributing to heightening these risks. Unsafe working environments are often the result of purchasing practices that force suppliers to cut corners, including on machine maintenance, building safety, PPE, and proper ventilation and air conditioning. As such, a company could find itself jointly responsible for the injuries or illnesses suffered by the workers of its suppliers. Indeed, **capacity building and support** will also be critical in ensuring that suppliers can meet contractual

requirements to implement climate-resilient OSH systems. Companies can and should provide training, share resources, and collaborate with industry peers to raise standards across an entire sector.

Ongoing **monitoring and remediation** are essential components of HRDD for supply chain workers. Employers should conduct targeted audits or on-site inspections to evaluate climate hazard management with direct involvement of the workers and their unions, and they should establish accessible grievance mechanisms that supply chain workers can use without fear of retaliation. Where risks or violations are identified, employers must ensure that

suppliers develop corrective action plans and follow up with verification to confirm that the issues have been resolved. This includes providing any affected workers with an effective remedy. If the supplier fails to respect the rights of their workers to a safe and healthy working environment, the MNE may suspend or terminate the relationship if unresolved.

How trade unions can use this framework

A number of unions have negotiated language in collective agreements that provide for time off during periods of high temperatures or provide for hazard pay. Below are just two examples.

AN AUTOMATED WEATHER SURCHARGE SYSTEM FOR PLATFORM WORKERS IN KOREA

In 2023, the KCTU's Delivery Riders' Labour Union and the company, Baedal Minjok, negotiated a collective agreement stipulating that riders would receive additional pay when delivering goods at temperatures below -5°C or above 33°C. This system was linked to the Korea Meteorological Administration and would result in automatic surcharges when temperatures and weather conditions make delivery difficult. However, the company failed to make the additional payments, leading to a complaint of wage arrears. The Employment and Labor Office ordered the company to rectify the situation in 2024.

PORT WORKERS IN ARGENTINA

The Argentinian trade union Sindicato de Obreros y Empleados Aceiteros de Rosario (SOEAR) recently negotiated a new collective agreement with a multinational port company. The main improvement consists of a modification of working hours during the summer period to avoid high temperatures and permitting workers to stop working when their health is at risk. Further, the agreement establishes a joint committee with equal representation between labour and management to discuss any proposed future changes related to heat.

EMPLOYMENT DISCRIMINATION

What are the climate-related discrimination risks for workers?

Climate change acts as a multiplier of employment discrimination, deepening vulnerabilities unless companies adopt proactive equality strategies. International labour law, human rights instruments, and Just Transition frameworks establish binding and persuasive obligations for enterprises to prevent exclusion, ensure equitable access to new opportunities, and remedy discriminatory outcomes. Embedding anti-discrimination measures into corporate governance and HRDD processes is indispensable to achieving a just, fair, and inclusive transition to green economies.

Effects of climate change, from heat and extreme weather to the structural shifts in the economy away from carbon-intensive industries, are highly disruptive and, without the appropriate laws and policies, will

exacerbate existing forms of discrimination in the workplace. In particular, women, migrant workers, persons with disabilities, racial and ethnic minorities, and older workers, are vulnerable both from climate hazards and exclusion from decent work opportunities caused by the restructuring of labour markets. Discriminated groups, often concentrated in precarious or informal work, face heightened risks of job loss or health impacts without adequate access to protective equipment or occupational safety measures. Secondly, the economic restructuring required for decarbonisation can reinforce structural inequalities. Fossil fuel closures and shifts to green technology may disproportionately affect male, older, and low-skilled workers in certain regions, while women and minorities may be excluded from re-skilling opportunities if proactive equality measures are not adopted. Finally, discriminatory hiring practices and biased access to retraining risk leaving entire groups behind in the transition, entrenching social and economic inequality.

THE SITUATION OF THE UKRAINIAN AGRICULTURAL SECTOR

Workers in Ukraine's agricultural sector face discrimination on multiple bases, which impacts their ability to adapt to climate change. First, women make up a significant portion of the agricultural workforce and are often in informal employment. As a result of limited land ownership or access to credit, women in rural employment face greater economic vulnerability due to climate change. Similarly, ethnic minorities such as Roma communities face additional challenges due to their systemic exclusion from land ownership and agricultural support programmes, amplifying climate-related losses. These problems are compounded by war, as internally displaced persons (IDPs) and refugees are displaced by both armed conflict and climate (e.g., 42,000 displaced from front-line areas in March-May 2025) and lose access to agricultural livelihoods. As a result, they fall into informality in the absence of state policies to support rural employment.

What are employer responsibilities with regard to climate-related risks for discrimination?

International labour and human rights law imposes clear obligations to prevent discrimination in the context of the energy transition. The ILO Discrimination (Employment and Occupation) Convention, 1958 (No. 111) prohibits all forms of discrimination in employment and occupation. The UN Guiding Principles on Business and Human Rights (2011) require enterprises to avoid infringing on human rights, including the right to equality and non-discrimination, and to conduct Human Rights Due Diligence (HRDD) to identify, prevent and mitigate risks. The OECD Guidelines for Multinational Enterprises (2023 update) similarly emphasise non-discrimination as a core component of responsible business conduct. The ILO's 2015 Guidelines for a Just Transition further stress that equity and inclusion are essential in climate-related structural change.

Companies must operationalise equality and non-discrimination principles within their Just Transition strategies. This includes, for example: (i) ensuring equal access to upskilling and re-skilling programmes for women, minorities, older workers and persons with disabilities; (ii) adopting proactive recruitment and promotion policies to integrate underrepresented groups into emerging green sectors; (iii) conducting equality impact assessments as part of HRDD; (iv) providing targeted support, such as childcare and flexible training schedules, to address structural barriers and, of course, (v) embedding collective bargaining to monitor and enforce anti-discrimination measures. Further, companies should develop transparent metrics to monitor participation and outcomes by demographic categories, consistent with

privacy and data protection laws. In cases where discriminatory impacts arise, companies have an obligation to provide or cooperate in an effective remedy. This includes revising discriminatory practices, compensating affected workers, and adopting corrective measures to prevent recurrence.

How trade unions can use this framework

It is well established that the impacts of climate change affect some groups of workers more than others. Typically, those workers who have been historically marginalised in the workforce will be more vulnerable to the impacts of global warming in the workplace. This includes women, older workers, racial minorities, and persons with disabilities, among others. Unions can and should insist that underlying employment discrimination is addressed, including proactive measures to ensure that such workers do not bear the brunt of the impacts of global warming. As mentioned in the previous section, there are specific measures that MNEs should be taking with regard to their own workers and workers in their supply chains to ensure that *all workers* are treated equitably. Unions can bring violations to national equality bodies, labour inspectorates and labour courts. Complaints before OECD National Contact Points (NCPs) provide additional enforcement avenues. The reputational risks of failing to ensure a non-discriminatory Just Transition are significant, particularly for public-facing companies and those reliant on government procurement. The Trade Union Advisory Committee to the OECD (TUAC) can provide further information and technical assistance to unions willing to submit a case to the NCP of a country, having adhered to the OECD MNE Guidelines (see Annex).

CORPORATE OBLIGATION TO PROVIDE TRAINING AND UPSKILLING

The global shift from fossil fuel-based industries to green/renewable energy presents profound implications for labour markets. International labour standards, human rights instruments, and corporate due diligence frameworks impose obligations on enterprises to support workers during this transition. Central among these obligations is the duty to provide training, upskilling and re-skilling opportunities to affected workers. This section outlines the legal and policy foundations of these responsibilities.

What are the risks to workers?

Workers employed in carbon extraction, such as coal mining, and carbon-intensive industries, such as steel,

cement, heavy manufacturing and chemicals, are facing job losses at an accelerating pace and, with it, sharp drops in income. While there are many reasons for this, one is certainly the often sudden and uncoordinated shifts away from these industries without any plan for the affected workers (informed through social dialogue, including collective bargaining). In many cases, particularly in the global north, these workers tend to be older, male, and have higher incomes and benefits (often due to collective bargaining). They typically face considerable difficulties finding new jobs, especially with comparable earnings and benefits. As such, workers in these industries reasonably fear a bleak future with no meaningful work and a steep decline in their standard of living — in particular in those countries with a meagre social protection system.

COLOMBIAN COAL MINERS ABANDONED

In Colombia, mining companies such as Prodeco-Glencore have simply walked away from their coal mines, leaving workers in the lurch. They did so by renouncing their mining titles and returning that land to the State. This meant they did not have to close the mines or comply with environmental restoration obligations. They left it to the State to decide whether to issue a contract to another company or shoulder the costs of closing the mines. Renouncing the contract has only minor legal obligations, but the closure of a mine has legal obligations of a different nature, especially in terms of environmental restoration.

What are employer responsibilities with regard to training and upskilling?

The International Labour Organization (ILO) has long recognised the obligation of employers to ensure that workers are able to adapt to technological and economic changes. Convention No. 142 on Human Resources Development (1975)¹⁶ and Recommendation No. 195 on Human Resources Development (2004) establish that enterprises should provide access to training and lifelong learning.¹⁷ These instruments impose a positive duty on companies, especially in sectors undergoing structural transformation, to anticipate skill needs and facilitate retraining. Furthermore, the ILO's 2015 Guidelines for a Just Transition further emphasise that re-skilling is essential to securing decent work in climate-friendly economies. As the Guidelines explain, "The aim should be to generate decent jobs all along the supply chain, in dynamic, high value-added sectors which stimulate the upgrading of jobs and skills as well as job creation and improved productivity in more labour-intensive industries that offer employment opportunities on a wide scale."

The UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises (2023 update) also provide that businesses are required to identify, prevent, and mitigate adverse human rights impacts. The loss of livelihoods due to energy transition policies constitutes a serious human rights risk. Companies are therefore expected to integrate training and re-skilling measures into their human rights due diligence (HRDD) processes. Training is not discretionary but is a necessary component of remediation and forward-looking risk prevention. The severity of impacts —

measured by scale, scope and irremediability — requires robust corporate engagement in training initiatives.

At the regional level, the European Union has incorporated re-skilling and Just Transition principles into labour and environmental policy. The European Pillar of Social Rights (2017)¹⁸ enshrines the right to lifelong learning, while the Just Transition Mechanism requires that enterprises benefiting from public funding invest in training and social dialogue.¹⁹ National legal frameworks in several jurisdictions mandate employer participation in workforce development, particularly when redundancies arise due to decarbonisation policies. Failure to comply may expose companies to litigation, loss of procurement eligibility or reputational harm.

Enterprises engaged in fossil fuel production, energy-intensive manufacturing and allied supply chains must develop comprehensive re-skilling strategies. This includes: (i) assessing future skill requirements; (ii) designing training programmes in consultation with workers and trade unions; (iii) financing access to certification and apprenticeships in green technologies; and (iv) ensuring non-discrimination in training access. The principle of social dialogue is critical: employers are obligated to involve workers' representatives in the design and monitoring of re-skilling initiatives. Beyond compliance, proactive training policies contribute to long-term competitiveness and social licence to operate.

In summary, the transition to green technology is not merely a matter of technological substitution but a legal and social obligation for enterprises. Companies bear responsibilities, under international labour law, human rights

¹⁶ https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312287

¹⁷ https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R195

¹⁸ European Commission, European Pillar of Social Rights

¹⁹ European Commission, Just Transition Mechanism: Making sure no one is left behind

frameworks, and domestic regulation, to provide training, upskilling, and re-skilling opportunities for affected workers. Embedding these obligations into corporate governance and HRDD systems is essential to ensuring a just, equitable, and legally compliant transition.

How trade unions can use this framework

Workers, such as the Colombian miners mentioned above, are engaging with MNEs to negotiate agreements on how a mine will be

closed, to guarantee social protection for sick and elderly workers who cannot work, as well as retraining and employment opportunities – including in the environmental clean-up of the same mines. Unions should be demanding of their employers that they invest in continuous upskilling of the workforce, including in the introduction, use and maintenance of new, greener technology and processes, as well as negotiation of compensatory measures in the case of a partial or full cessation of activities.

A JUST TRANSITION AND THE PUBLIC SECTOR

While much of this guide concerns employers in the private sector, the public sector also has responsibilities, whether as an employer or as the procurer of goods and services. This section explores state obligations in the latter situation.

What are state obligations regarding procurement?

When a government engages in procurement of goods and services, HRDD becomes a critical tool for advancing a Just Transition, given that governments are among the largest buyers in any economy and therefore can influence the policies and practices of the private companies that want to bid for government contracts. Principle 6 of the UNGPs in particular, urges governments to leverage their

commercial relationships to promote respect for human rights in supplier operations and supply chains. Public purchasers should reflect these expectations in the pre-qualification of bidders, in award decisions, and throughout contract management.

Indeed, this is already the case in the European Union, where the 2014 Procurement Directives (Directive 2014/24/EU, Directive 2014/25/EU and Directive 2014/23/EU) require public authorities to ensure that contractors and subcontractors comply with environmental, social, and labour law, including International Labour Organization (ILO) obligations.²⁰ These directives also permit the inclusion of environmental and social criteria at all stages of a tender, providing a strong legal basis for incorporating labour-and-climate HRDD clauses. In the US, the Federal Acquisition Regulation (FAR) prohibits the purchase of goods made with forced or indentured child

²⁰ European Commission, *Buying Social – A guide to taking account of social considerations in public procurement – Second edition (2021/C 237/01)*

labour and requires contractors to certify compliance.²¹ In 2022, the Biden Administration proposed to require major federal suppliers to disclose GHG emissions, assess climate risks, and set science-based targets. The proposal was unfortunately withdrawn in January 2025.²²

How can governments conduct HRDD with its suppliers?

HRDD in public procurement to promote a Just Transition could take many forms. First, governments should undertake pre-tender risk mapping to identify sectors with climate-linked labour risks, from renewable energy components and battery production to construction, agriculture, textiles and transportation. These findings would then inform the contract criteria for bidding. Selection criteria should require bidders to demonstrate that they have put in place HRDD systems that protect against climate hazards for workers as identified in the risk mapping. The criteria must also require the respect for freedom of association and collective bargaining to address climate-related issues in the workplace. These HRDD systems should also include supply-chain mapping down to high-risk tiers, to ensure that the bidders' suppliers are also compliant.

Additionally, technical specifications and contract award criteria should include product or process decarbonisation, such as the use of low-carbon materials, with worker rights and protection measures related to climate change, including fair scheduling, paid rest and heat breaks. Additional points could be awarded for credible transition plans aligned with international temperature goals and for Just Transition agreements developed through collective bargaining.

Contract clauses should also incorporate model provisions, including continuous risk assessment, corrective-action planning, independent monitoring, non-retaliation protections, wage protection during climate-related work stoppages, supply-chain traceability, GHG reporting paired with worker-safety metrics, and termination or debarment for serious or repeated breaches. Monitoring and remedy mechanisms should be established by buyers and suppliers, allowing workers and unions safe access through grievance mechanisms. These mechanisms must ensure time-bound remediation, which could include medical care, wage restitution, rehiring and OSH upgrades, and results should be published transparently.

For decarbonisation-linked contracts, such as replacement of transportation fleets or building retrofits, deliverables could include workforce impact assessments, retention and retraining targets, apprenticeship pathways, union engagement and community benefit agreements, reflecting the ILO's Just Transition Guidelines and the UNFCCC Just Transition Work Programme.

How trade unions can use this framework

First and foremost, trade unions should insist that governments at all levels incorporate not only environmental and labour standards into their procurement bids, but also address the intersection of the two. Of course requirements can and should be targeted to meet specific objectives. A good, recent example comes from the work of trade unions in Phoenix, Arizona.

²¹ Federal Acquisition Regulation (FAR), Subpart 22.15 - Prohibition of Acquisition of Products Produced by Forced or Indentured Child Labor; 52.222-50, Combatting Trafficking in Persons

²² Federal Acquisition Regulation: Disclosure of Greenhouse Gas Emissions and Climate-Related Financial Risk

PHOENIX PASSES LANDMARK RULE REQUIRING HEAT PROTECTION

In a unanimous 7-0 vote, the Phoenix City Council passed an ordinance in March 2025 that requires airport contractors to comply with heat standards for outdoor airport workers.²³ The rule requires employers to provide workers access to shade from the sun, rest, water and air conditioning, as well as training on recognising signs of heat stress. This rule applies to city contractors and their subcontractors who work outdoors. Its passage was aided by a citywide campaign led by members of UNITE HERE Local 11, SEIU's Airport Workers United, and other labour and community organisations.

Trade unions should engage with public representatives, whether at the national, sub-national, and even municipal level (as in the above example) to insist that contracts are awarded only to supplier of goods and services who do not contribute to the climate crisis and

who also include appropriate mitigation and adaptation measures. No worker, employed or otherwise, working on a project paid for with public funds should be denied their fundamental rights, in particular as it relates to global warming.

EMPLOYER ENGAGEMENT IN PUBLIC POLICY TO SUPPORT A JUST TRANSITION

This guide has focused on the measures that enterprises should take to prevent or mitigate human rights risks to their own workforce as well as those of the business relationships in their supply chains. However, the duties of enterprises go beyond that to include their interactions with governments and public institutions to shape law and public policy that impact the human rights of workers. Enterprises

everywhere shape public policy through a wide array of activities, including direct lobbying and indirect lobbying through industry associations, financial contributions to political campaigns, influence on academic and scientific research, and using public relations to shape public narratives. Sometimes, these activities are conducted lawfully and transparently. All too often, however, they are not — especially in weak regulatory environments. When enterprises knowingly engage in support for

²³ Aliya Uteuova, [Phoenix passes landmark rule requiring heat protection for outdoor workers](#), The Guardian, 27 March 2024

policies that will put profits over people, or engage in political activities while maintaining wilful ignorance of the potential human rights impacts of those activities, they cannot then claim to uphold their responsibilities or legal obligations to respect human rights, including the rights that underpin a Just Transition.

What are the risks for workers?

A major issue is the prevalence of corporate lobbying and the lack of transparency when they engage in such activities. Direct lobbying is common in sectors such as fossil fuels, where some companies have resisted regulations intended to protect public health and the environment. Indeed, corporate lobbying efforts have successfully delayed much-needed environmental regulation, and undermined labour protections for decades. Much of this conduct is legal under domestic law, even though its goal is corporate profit at the expense of public welfare. The very same concerns surface when companies lobby indirectly through industry associations. These associations often act on behalf of corporations but lack transparency and accountability. As such, companies use them to advance policy agendas contrary to their stated public human rights claims.

Corporate political contributions also pose significant risks. Donations to politicians or parties that promote harmful labour or environmental policies can undermine public trust and violate human rights norms. Dark money funding mechanisms such as anonymous contributions through Political Action Committees (PAC) further exacerbate these risks. While common in many countries, these practices are especially dangerous in politically unstable or less democratic environments where governance structures are weak.

Furthermore, companies can and do seek to influence public narratives around political issues, in turn creating policy change by influencing the outcome of elections and ballot referendums, and creating public pressure on public officials. This is achieved through various means, including both traditional and social media outlets. Risks arise when narratives are shifted in order to obscure business-related human rights harms or to give a false impression of public support behind business priorities that entail adverse human rights impacts. Astroturfing and greenwashing are particularly especially prevalent in the climate space.

All of these activities, separately and together, create significant risks for workers, and in particular forestall a Just Transition. The more that enterprises can shape the narrative and promote the lawmakers who are supportive of their interests, the harder it becomes for workers, unions and communities to shape public perception and policy so that the right laws, policies and practices are adopted.

What are MNE responsibilities with regard to public advocacy?

All corporate political engagement must be conducted in accordance with the UNGPs, which place a duty on states to protect human rights, and a responsibility on businesses to respect them. In the context of the climate crisis, the UN has explained that “business enterprises should act responsibly and not promote unsustainable consumption, undertake greenwashing, or seek to have undue corporate influence in the political or regulatory sphere in this area”.²⁴ At the intersection of labour rights and climate change, we can identify both positive and negative duties for companies.

²⁴ Working Group on Business and Human Rights, *Information Note on Climate Change and the Guiding Principles on Business and Human Rights* June 2023, para 18

Employers must not be neutral or passive in the face of global warming. If they identify that their own inaction would lead to human rights risks, e.g., job losses without compensation, they are expected to proactively support public measures that prevent these outcomes. If ‘progressive’ enterprises stay silent while others lobby against necessary regulation, HRDD principles call on them to use their influence to counter harmful lobbying and promote equitable policy. Indeed, companies should actively support laws and frameworks that provide income protection and job guarantees, ensure access to retraining and upskilling opportunities, and include transition planning that meaningfully involves unions and workers through social dialogue and, where necessary, tripartite consultations. Such support should also extend to strong environmental and decarbonisation targets, in their own operations and in their supply chains, that are fully aligned with the latest climate science.

MNEs must of course not obstruct climate or labour regulations that are designed to ensure a Just Transition. This responsibility includes refraining from lobbying against climate legislation that contains strong labour safeguards, avoiding the funding of trade associations that oppose Just Transition frameworks, and not engaging in misleading public relations campaigns that portray labour protections as unnecessary burdens.

Human Rights Due Diligence principles require businesses to be transparent about their public policy positions. Workers and their unions have the right to know which policies the company is lobbying for or against, whether those positions align with human rights and climate goals, and if the company’s trade associations are acting in

ways that contradict Just Transition principles. Membership in associations that lobby against climate action or labour protections can create both reputational and legal risks. Under HRDD, companies are required to assess these risks and take corrective action, which may include publicly distancing themselves from such associations or terminating their membership altogether.

How trade unions can use this framework

1. Demand employer disclosure

Workers and their representatives should demand full transparency from their employer regarding the company’s lobbying positions and memberships. This includes requesting the publication of Human Rights Due Diligence (HRDD) reports that assess risks related to public policy engagement and Just Transition commitments. It is also important to request detailed information about the company’s trade association affiliations and actions. If those associations are found to be lobbying against climate and labour protection policies, the employer should be urged to withdraw its membership.

2. Identify contradictions

To hold companies accountable, unions should compare their stated sustainability or climate pledges with their actual lobbying record. Any inconsistencies between public commitments and the activities of trade associations should be highlighted. Risk assessments should be conducted to evaluate how such lobbying activities influence public policy, and the findings should be made public through HRDD reports.

3. Engage in dialogue

The HRDD framework should be used to push for constructive social dialogue and collective bargaining. Workers and their representatives should demand meaningful inclusion in decision-making processes concerning the company's public policy engagement. Employers should also be encouraged to actively support Just Transition policies at both national and global levels.

4. Use public leverage

Public leverage can be a powerful tool in influencing corporate behaviour. Where appropriate, complaints can be filed using HRDD-based mechanisms such as the OECD National Contact Points. Shareholder and investor complaints should also be considered. See Annex for information about potential complaints.

KICKING BIG POLLUTERS OUT²⁵

A record number of fossil fuel lobbyists have been attending the climate talks, undermining the strength and urgency of climate action to protect their profits at the expense of people and the planet. In advance of COP-30, a coalition of civil society organisations, including trade unions, formed the Kicking Big Polluters Out campaign. The campaign is calling for the implementation of an Accountability Framework that “fully protects climate action from polluter interference, ending the ability of Big Polluters to bankroll climate action through corporate sponsorships, and resetting the system so it works for people and the planet, not polluters”.

²⁵ Kick Big Polluters Out campaign

ANNEX I: WHERE TO FILE COMPLAINTS ALLEGING VIOLATIONS OF A JUST TRANSITION TO OBTAIN LEVERAGE WITH EMPLOYER OR LEAD FIRM

1. **OECD National Contact Point (NCP) complaints**

Under the OECD Guidelines for Multinational Enterprises, trade unions can file a ‘Specific Instance’ with the country’s National Contact Point (NCP) when a company has violated its responsibilities under the Guidelines — which include Human Rights Due Diligence and labour rights. Possible outcomes from such a process could include a mediated agreement between the union and company and/or a public final statement and recommendations from the NCP. The outcomes can be used in campaigns to challenge MNEs to comply with Guidelines. You can contact the [Trade Union Advisory Committee \(TUAC\) to the OECD](#) for information and support on tuac@tuac.org.

2. **Legal actions under national HRDD laws**

A few countries have already enacted HRDD laws, which might be useful both in those states and along the companies’ supply chains. In France, under the Loi de Vigilance, trade unions, as well as NGOs, can file legal notices or lawsuits if a company’s vigilance plan does not address risks that

undermines labour/climate rights, and for compensatory damages if that failure has resulted in harms. Few labour cases have been successful to date, however. In Germany, the Lieferkettengesetz (Supply Chain Law) allows trade unions to report HRDD violations to the German export control agency (BAFA), which can impose monetary fines on MNEs for failures related to their HRDD plans, and for the harms that may have resulted from the failure to effectively apply those plans in practice. Unfortunately, the law is under increasing pressure in Germany, and may be weakened or repealed. At the European level, the Corporate Sustainability Due Diligence Directive (CSDDD) would allow trade unions to seek civil liability or administrative enforcement for HRDD failures. The law will be phased in depending on the size of the MNE. Currently, EU regulators are considering amendments that would weaken the Directive.

3. **International Labour Organization (ILO)**

Violation of any of the fundamental labour rights may be brought to the ILO using various mechanisms. Violations of the right to freedom of association and to collective bargaining may be brought to the Committee on Freedom of Association, regardless of whether the country where the violation took place has ratified the convention. Additionally, violations of

the other fundamental rights may be the subject of ‘representations’, which are complaints alleging the failure of the state where the violations occurred to prevent or remedy the harms. The state must have ratified the relevant convention in order to file a representation. Furthermore, it may be possible to file ‘representations’ alleging violations at the intersection of labour and environment under Convention 122 (Employment Policy). While largely untested, this may be the best convention under which to raise broader policy failures around a Just Transition. While all of these complaints are against governments, not MNEs, the complaints and their outcomes can nevertheless shine a spotlight on the violations, and validate that they were, in fact, breaches of international law.

4. **UN Human Rights bodies and special procedures**

Though not enforcement mechanisms, unions can submit information to one or more UN Special Rapporteurs, including the UNSRs for Human Rights & Environment, Human Rights & Climate Change, and Freedom of Peaceful Assembly and Association. The UNSRs can address not only governments but also MNEs. Another important UN organisation would be the Working Group on Business and Human Rights, which can also direct letters to MNEs concerning alleged failures related to human rights due diligence — including at the intersection of labour rights and climate change.

5. **Development finance institutions (DFIs)**

DFIs are increasingly investing in climate measures, such as investing in all forms of renewable energy, decommissioning coal plants, building transport corridors/ railways, or reforming laws and institutions. In addition to financing climate-related projects with governments or corporations, several DFIs are working on Just Transition programmes, such as **ADB’s Just Transition Platform**, which have direct bearing on their project investments — and workers involved in these projects. When a project is financed in full or in part by a DFI, certain environmental and social safeguards apply, providing a leverage point for workers and communities impacted by these projects. In the case of the World Bank’s International Finance Corporation, which lends to the private sector, Performance Standard 1 requires companies to conduct HRDD, including with regard to labour rights (outlined in **IFC Performance Standard 2 (Labor and Working Conditions)**). To ensure compliance with these policies, DFIs have established Independent Accountability Mechanisms (IAMs) — non-judicial grievance mechanisms that provide a means for affected individuals, communities and workers to directly seek remedy. While IAMs differ in structure and process, their purpose is to hold DFIs and their clients (governments or corporations) accountable to the institutions’ own standards, most often through dispute resolution and/or a compliance investigation.

ANNEX II: GLOSSARY OF TERMS

Adaptation: in the climate context, refers to measures focusing on adjusting to the impacts of climate change that are already occurring or are expected to occur.

Greenhouse Gases (GHGs): gases, such as carbon dioxide, methane, nitrous oxide and fluorinated gases, found in the atmosphere, which trap heat and warm the planet.

Human Rights Due Diligence (HRDD): a process that businesses use to identify, prevent, mitigate, and account for how they address potential and actual adverse human rights impacts related to their operations.

International Court of Justice (ICJ): the highest court in the UN system, which resolves legal disputes between states and provides advisory opinions on legal questions brought by states or UN agencies.

International Labour Organization (ILO): the UN specialised agency dedicated to the negotiation and enforcement of workers' rights, among other roles.

Mandatory Human Rights Due Diligence (mHRDD): HRDD that is required by law, as opposed to voluntary compliance.

Mitigation: in the climate context, refers to measures focusing on reducing GHGs to limit the severity of future climate change. These could include transitioning to renewable energy sources and improving energy efficiency, among others.

Multinational Enterprises (MNEs): businesses that own and control the production of goods or services in at least one country in addition to its home country.

Nationally Determined Contributions (NDCs): pledges made by governments in the context of the Paris Agreement to reduce GHG emissions and to adapt to the impacts of climate change. They are meant to be updated every five years, and become more ambitious each time.

UN Framework Convention on Climate Change (UNFCCC): the UN-backed process to negotiate agreements to limit climate change. The UNFCCC currently works to implement the Paris Agreement, which entered into force in 2016.

UN Guiding Principles on Business and Human Rights (UNGPs): a three-pillar framework: Protect, Respect and Remedy. The State has a duty to protect against human rights abuses through appropriate regulations; businesses have a responsibility to respect human rights, including through HRDD; and victims of human rights abuses by businesses should have access to effective remedies.

ANNEX III: STEPS OF THE DUE DILIGENCE PROCESS

Human Rights Due Diligence (HRDD) is the ongoing process through which enterprises identify, prevent, mitigate, and account for how they address their adverse human rights impacts. In the context of labour rights, HRDD ensures respect for workers' fundamental rights — covering areas such as freedom of association, collective bargaining, non-discrimination, a safe and healthy working environment, and the prohibition of forced and child labour. The process is continuous, risk-based, and context-specific, applying across a company's operations, subsidiaries, and business relationships, including suppliers and contractors.

Step 1 – Policy commitment

The first step is to establish a clear corporate commitment to respect labour rights through the supply chain. This is usually done by adopting a public policy statement recognising labour rights as a part of human rights, aligned with the UN Guiding Principles on Business and Human Rights and other relevant international frameworks (e.g., OECD Guidelines). Enterprises must also embed labour rights expectations in the company's Code of Conduct, procurement policies, and supplier contracts. Further, this commitment must be integrated into the enterprise's governance structures to ensure implementation. These policies must be communicated internally and externally

to ensure that managers, procurement officers and suppliers understand their responsibilities.

Step 2 – Identifying and assessing actual and potential impacts

Enterprises must also then detect where labour rights risks are most likely to occur. This is achieved by conducting **risk mapping** covering its own operations, its supply chains and business relationships. No competent mapping on labour can be done without engaging with stakeholders, in this case trade unions, where they exist, or other genuine, worker-led organisations. Enterprises must then assess the identified risks based on **severity and likelihood**, prioritising those that cause or contribute to the greatest harm. Note, however, that many enterprises will focus on issues such as forced labour and child labour, and ignore completely freedom of association and collective bargaining. As enabling rights, the risk of their violation must be considered to be serious, and the harm of union busting to be severe.

Step 3 – Preventing and mitigating adverse impacts

Once identified and assessed, enterprises must of course take effective measures to stop or reduce identified labour rights risks. This could include developing and implementing **corrective action plans** with measurable timelines. Further, in the case of suppliers or business relationships, this could also include strengthening **contractual clauses** requiring compliance with labour rights standards, and

enabling independent monitoring. Of course, in the best case, enterprises should support **worker-driven monitoring** through collective bargaining and an established grievance process with the trade union(s).

Step 4 – Tracking and measuring effectiveness

Enterprises must subsequently evaluate whether prevention and mitigation measures are working, again in consultation with worker representatives.

Step 5 – Providing for or cooperating in remediation

Where workers are adversely affected, enterprises need to provide an effective remedy. When an enterprise has caused or contributed to harm, they should provide the remedy directly through compensation,

reinstatement or other corrective measures. Where an enterprise is linked to harms caused by a third party, it must use its leverage to bring that harm to an end. In cases where progress is not being made, enterprises need to redouble their efforts, and where progress is not possible, consider disengagement from those suppliers and business relationships.

Step 6 – Communicating and reporting

Finally, an enterprise should publicly report on its HRDD by, for example, publishing an annual human rights report detailing labour rights performance, disclosing methodologies for identifying risks, key findings and measures taken, and communicating progress to workers, unions and civil society stakeholders.

ANNEX IV: SELECTED FURTHER RESOURCES

ILO

ILO, Guidelines for a just transition towards environmentally sustainable economies and societies for all (2015)

ILO Declaration on Fundamental Principles and Rights at Work (amended 2022)

ILO, Trade unions actions towards climate change and a just transition A trade union guide (2024)

ILO, The role of collective bargaining in promoting just transitions (2025)

ILO, Heat at work: Implications for safety and health (2025)

OECD

OECD, Guidelines for Multinational Enterprises on Responsible Business Conduct (2023)

OECD, Assessing and Anticipating Skills for the Green Transition Unlocking Talent for a Sustainable Future (2023)

OECD, Ensuring a just transition to net-zero emissions (2025)

UNITED NATIONS (non-ILO)

UN, Guiding Principles on Business and Human Rights (2011)

UN Special Rapporteur on the Rights to Peaceful Assembly and Association: Exercise of the rights to freedom of peaceful assembly and of association as essential to advancing climate justice (2021)

UN General Assembly, Corporate influence in the political and regulatory sphere: Ensuring business practice in line with the Guiding Principles on Business and Human Rights (2022)

UN Intergovernmental Panel on Climate Change Sixth Assessment Report (2023)

UN, Information Note on Climate Change and the Guiding Principles on Business and Human Rights (2023)

UN, Just Transitions in National Climate Frameworks and Climate Policies: Experiences in Alignment, Planning and Progress Tracking (2025)

UN, Synthesis report on opportunities, best practices, actionable solutions, challenges and barriers relevant to just transition and the full realization of human rights for all people - Report of the Secretary-General (2025)

World Health Organization & World Meteorological Organization, Climate change and workplace heat stress: technical report and guidance (2025)

World Health Organization, Climate Change and Health (various resources)

TRADE UNION and NGO

European Trade Union Institute, Resource Page on Just Transition (various)

IndustriALL, A trade union guide of practice for a Just Transition (2022)

Building and Woodworkers International Union (BWI), Adapting to the Heat – Workers' Protections Against Extreme Temperatures (2025)

SHIFT Project, Building Consensus Around Just Transition Metrics (2025)

INTERNATIONAL AND REGIONAL COURTS

International Court of Justice, Obligations of States in Respect of Climate Change

Inter-American Court of Human Rights, The Climate Emergency and Human Rights

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