



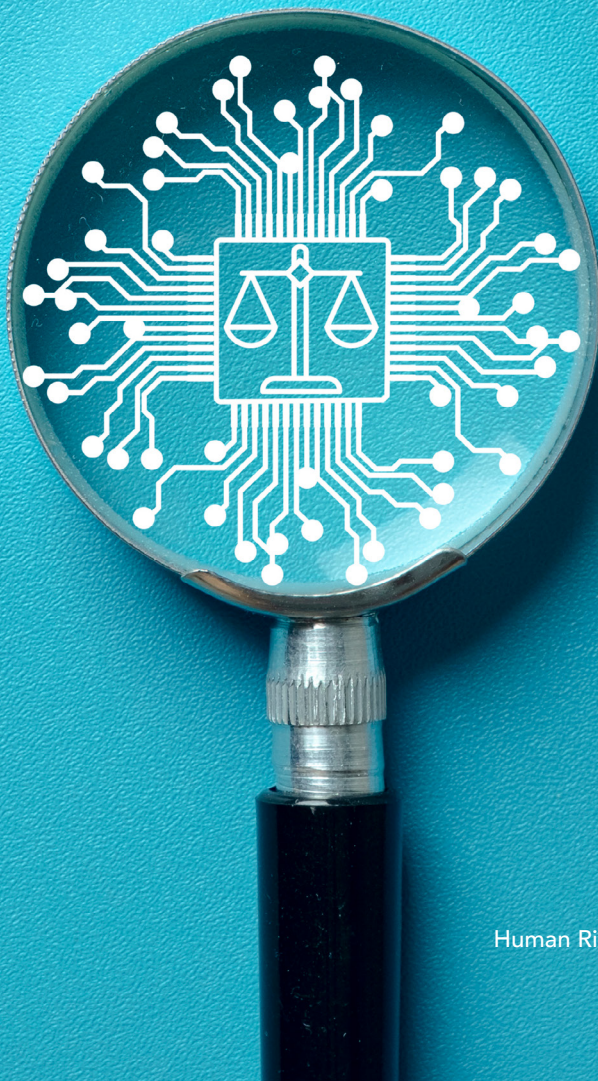
Human Rights Assessment
BSR 2026

Human Rights Assessment of the AI Data Supply Chain



Table of Contents

- I. **Executive Summary**
- II. **Introduction**
- III. **Methodology**
- IV. **The AI Data Supply Chain**
- V. **Key Observations**
- VI. **Human Rights Impacts**
- VII. **Recommendations**
- VIII. **Annex: Relevant Resources**



I. Executive Summary

AI systems depend on large-scale human labor throughout the AI lifecycle. Behind model development, alignment, evaluation, and deployment is a global workforce performing data annotation, reinforcement learning from human feedback (RLHF), red-teaming, content review, model monitoring, and more. While AI is often framed as autonomous, these systems remain fundamentally reliant on human workers to ensure quality, reliability, and safety.

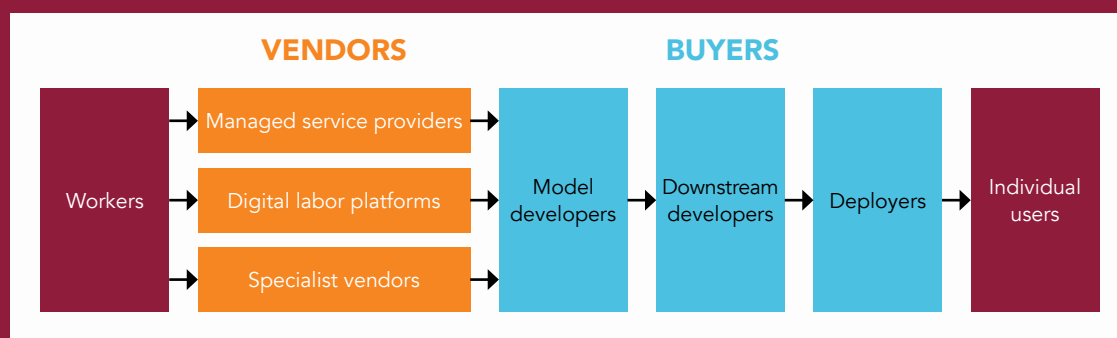
Awareness of labor rights issues in the AI data supply chain is growing, along with emerging good practices, resources, and examples for addressing them. However, companies have not sufficiently integrated these issues into their broader human rights programs, responsible sourcing policies, or AI governance efforts—and the field lacks a coherent, industry-wide approach to addressing them.

This Human Rights Assessment (HRA), conducted by BSR with a group of technology companies, examines labor and human rights impacts across the AI data supply chain and identifies actions companies can take individually and collectively to strengthen governance and responsible sourcing practices. The assessment was informed by stakeholder engagement with worker representatives, unions, civil society organizations, academics, buyers, and vendors, and is grounded in the UN Guiding Principles on Business and Human Rights (UNGPs).

The AI Data Supply Chain

The AI data supply chain has evolved rapidly beyond traditional labeling and annotation work. AI data labor is now integrated across the full AI life cycle, including data procurement, pre-training, evaluation, fine-tuning, safety testing, and deployment monitoring. Human input increasingly focuses on higher-order judgment tasks, such as evaluating model outputs, identifying harmful behaviors, and improving model alignment.

At the same time, the supply chain is becoming more stratified and opaque. Buyers rely on a mix of managed service providers, crowd-sourcing platforms, specialist vendors, and emerging AI-native talent marketplaces. The market is increasingly segmented between higher-skilled, higher-paid expert work and large volumes of lower-wage, precarious labor concentrated in the Global South. Despite growing demand for specialized expertise, significant amounts of low-wage AI data work remain essential to model development and deployment.



AI data work vendors employ workers through a range of workforce models. This HRA focuses on two overarching models—BPO (Business Process Outsourcing) and Platform—and assesses human rights impacts across these two models. In the first model, data workers are employees of the BPO and subject to the rules and entitlements of an employee/employer relationship. In the latter, data workers are typically independent, freelance gig workers, working remotely and logging onto these platforms to access tasks at their own volition.

Structural Drivers of Labor Rights Risks

Several structural dynamics are driving labor rights risks across the sector:

- Buyer concentration places significant pressure on vendors around cost, speed, and performance expectations.
- Platform-based workforce models increase workforce flexibility, but externalize responsibility for labor protections and worker well-being.
- Outsourcing and subcontracting reduce visibility into labor conditions and dilute accountability across the supply chain.
- Unit-based pricing and task commoditization incentivize excessive workloads, unstable compensation, and limited investment in worker development.
- Automation is reshaping lower-skilled tasks while increasing demand for human oversight in safety-critical and judgment-intensive workflows.
- Traditional content moderation and AI data work are increasingly converging, with workers being exposed to psychological risks that companies have not consistently addressed through existing well-being programs or safeguards.

Salient Human Rights Risks

The assessment identified several salient labor and human rights risks across the AI data supply chain:

- **Precarious working conditions and economic insecurity:** Workers may face unstable workloads, unpredictable income, short-term contracts, and limited access to benefits or labor protections, particularly in platform-based workforce models.
- **Inadequate wages and excessive working hours:** Workers may face low pay and excessive working hours driven by vendor practices, such as unit-based pricing models that prioritize speed and volume over fair compensation and sustainable workloads.
- **Barriers to professional development:** Workers may face limited opportunities for continuity and career growth due to structural factors such as short-term contracts, repetitive piecework, and limited visibility into broader projects.
- **Occupational health and psychological harm:** Workers may experience PTSD, trauma, burnout, and cognitive strain due to repeated exposure to graphic or harmful content, often without adequate mental health support.
- **Limited access to remedy and accountability:** Workers may lack access to meaningful grievance mechanisms. Subcontracting structures, confidentiality requirements, and distance between buyers and workers often reduce accountability.

- **Privacy and workplace surveillance:** Workers may be subject to excessive monitoring practices, including algorithmic performance tracking, keystroke logging, biometric monitoring, and surveillance technologies that can affect worker autonomy and dignity.
- **Inequality and structural vulnerability:** Wage disparities and unequal treatment across geographies remain widespread, particularly between workers in the Global North and Global South. Migrant workers, younger workers, and workers facing structural discrimination may face heightened risks of exploitation or exclusion.
- **Restrictions on freedom of association:** Workers may face barriers to organizing or collective bargaining due to platform-based work arrangements, nondisclosure agreements, remote work structures, and fear of retaliation.

Recommendations for Companies

As AI data work becomes increasingly specialized, industry leaders have noted that closing the remaining 5%-10% accuracy gap in AI will require better labor conditions. Addressing adverse impacts to workers in the AI data supply chain is therefore both a human rights responsibility and a strategic business priority.

Recommendations, which are broadly directed toward direct buyers of AI data services, are organized into four strategic priority areas:

1. **Establish Visibility:** Companies should map their AI data supply chains, including vendors, subcontractors, workforce models, and worker geographies. Greater transparency is necessary to identify risks, conduct due diligence, and strengthen accountability.
2. **Apply Existing Responsible Sourcing Practices:** Technology companies should extend existing supplier due diligence processes to AI data work. Responsible sourcing programs are often not applied consistently to AI-related labor despite comparable labor rights risks.
3. **Address Salient Labor Rights Risks:** Companies should strengthen protections around occupational health and safety for workers handling sensitive or harmful content, fair compensation, grievance mechanisms, and contracting practices.
4. **Address Structural Drivers:** Companies should review commercial requirements and purchasing practices that can drive adverse labor conditions, including pricing, productivity targets, turnaround times, demand volatility, and subcontracting expectations. They should also strengthen oversight of platform-based work and pursue collective action with buyers, suppliers, and other stakeholders to align incentives, raise labor standards, and improve worker access to remedy.

Looking Ahead

Ultimately, this assessment finds that the future of responsible AI depends not only on model governance, but also on how companies govern the human labor systems that enable AI development and deployment. Companies that proactively address labor rights risks in the AI data supply chain will be better positioned to manage regulatory expectations, operational risks, and long-term trust in AI systems. Where possible, industry collaboration may be necessary to drive better outcomes for workers in the AI data supply chain.

II. Introduction

The development and deployment of AI systems continue to rely on large-scale human labor. In the early 2000s, the data enrichment industry emerged to meet growing demand from AI companies to prepare datasets for training AI systems. Since then, millions of workers, primarily in the Global South, have been working as data labelers, annotators, and cleaners. While the industry has been credited with creating jobs for underserved populations, it has also faced scrutiny over labor rights abuses, including exploitative wages and poor working conditions.

AI data work has since evolved to encompass a much broader range of tasks, labor types, worker profiles, and vendors. A new wave of companies has rapidly emerged, attracting significant investment and experiencing unprecedented growth as demand for highly specialized AI data work grows. The supply chain is now more fragmented and stratified than it was a decade ago, with automation impacting some parts of the supply chain. As a result, labor rights impacts are also shifting, though they remain a significant concern.

The Importance of Labor Rights in the AI Data Supply Chain

While AI systems are often portrayed as seamless and autonomous, they remain deeply dependent on high-quality human input and improvement. These improvements cannot be achieved when the workers performing this labor are underpaid, overworked, and held in precarious employment conditions.

Public discourse on AI and labor has largely focused on technology's impact on jobs at a macro level. Yet data work remains a foundational component of AI labor and should be central to these discussions. Human labor is integral to the development and ongoing operation of AI systems and will remain so for the foreseeable future. As the future of work in the AI economy takes shape, greater attention must be paid to the workers who enable this technology and to the responsibilities of companies developing and deploying them.

Beyond their responsibility to respect human rights, companies have clear business incentives to promote fair and safe working conditions in the AI data supply chain. Data quality and model performance are directly linked to workforce well-being, making labor conditions an operational concern. At the same time, emerging regulations, such as the Corporate Sustainability Due Diligence Directive (CSDDD), increasingly require companies to identify and address human rights risks in their supply chains.

Poor labor practices also create material risk for companies, including reputational damage, erosion of stakeholder trust, and potential legal exposure. In short, failure to address labor rights in the AI data supply chain is not only a human rights issue, but a source of business risk.

The Human Rights Assessment

Awareness of labor rights issues in the AI data supply chain is growing, along with emerging best practices, resources, and examples for addressing them. However, companies have not sufficiently integrated these issues into their broader human rights programs, responsible sourcing policies, or AI governance efforts—and the field lacks a coherent, industry-wide approach to addressing them.

BSR worked with a group of technology companies to conduct a sector-wide Human Rights Impact Assessment (HRA) of the AI data supply chain. The objectives of this HRA are to:

- Identify the human rights impacts associated with AI data work, informed by stakeholder and rightsholder engagement
- Unpack how different actors across the AI supply chain are connected to these impacts
- Make recommendations for how companies can address these impacts both individually and collectively.

This HRA is intended to support AI companies in more systematically integrating labor rights considerations into their policies, processes, and management systems, while also contributing to the adoption of industry-wide, pre-competitive approaches to address challenges.

Importantly, this HRA attempts to capture the evolving nature of AI data work and assesses how labor rights impacts and appropriate mitigation strategies are changing over time. It's important that companies adopt a forward-looking approach to managing these impacts while remaining grounded in current realities. Although parts of AI data work are becoming more automated and increasingly require higher-skilled labor, a large number of vulnerable workers continue to perform precarious work to train and evaluate AI systems. The AI industry has a responsibility to address the past, present, and future impacts experienced by these workers.



III. Methodology

BSR's Human Rights Assessment methodology is based on the UN Guiding Principles on Business and Human Rights (UNGPs) and includes consideration of the human rights principles, standards, and methodologies upon which the UNGPs were built.

Individual company HRAs are conducted to identify and assess impacts to human rights and determine appropriate action to address those impacts. They are often undertaken to inform strategy and position companies to fulfill their responsibility to respect human rights.

In accordance with the UNGPs, credible human rights assessments:

- Assess impacts to people, not impacts on business
- Assess impacts against all internationally recognized human rights
- Draw upon internal or independent external human rights expertise
- Highlight the concerns of affected stakeholders

Within these parameters, there is flexibility to determine how to conduct the assessment. This allows for adaptation to different industries, issues, and geographies while prioritizing the risks to people, rather than the risks to the business.

This assessment builds upon existing HRA methodology¹ to consider the human rights impacts of a specific supply chain as a whole.

Identifying Human Rights Impacts

Principle 11 of the UNGPs states that companies should respect all internationally recognized human rights. BSR uses as its baseline the universe of rights codified in the International Bill of Human Rights (The Universal Declaration of Human Rights, The International Covenant on Economic, Social, and Cultural Rights, and The International Covenant on Civil and Political Rights), the Core Conventions of the International Labor Organization (ILO), and other relevant international human rights instruments.

BSR identifies actual and potential human rights impacts and the human rights risks and opportunities arising from those impacts.

Prioritizing Human Rights Impacts

Principle 24 of the UNGPs acknowledges that while companies should address all their adverse human rights impacts, it is not always possible for companies to address them simultaneously, and therefore companies "should first seek to prevent and mitigate those that are most severe or where delayed response would make them irremediable." To inform prioritization, BSR draws upon the human rights concepts of severity and likelihood.

However, as this is an HRA of a whole supply chain, rather than one focused on an individual company, BSR did not conduct a prioritization of impacts. The AI data supply chain is large, opaque, and continually shifting. Therefore, it is challenging to conclusively determine the scope, scale, or remediability of potential impacts, which will ultimately vary depending on the specific worker population, geography, and situation.

BSR makes the following general observations about the severity and likelihood of human rights impacts identified in this HRA:

- **Scope:** The number of data workers is estimated to be in the millions worldwide. However, due to the distributed, fragmented, and fast-evolving nature of this industry, it is difficult to ascertain the proportion of workers doing low-wage data work, or those reviewing harmful content. It is similarly challenging to understand the geographical split of data workers beyond anecdotal evidence.
- **Scale and remediability** are particularly difficult to extrapolate in the context of this vast supply chain because the seriousness of the adverse impacts suffered by a rightsholder varies significantly according to the context in which it occurs.
- **Likelihood:** BSR typically considers the likelihood of the potential impact occurring in the near future. However, the broad scope of this report, focusing on the entire AI data supply chain, makes a likelihood analysis less informative than one for a specific company or worker population. Furthermore, the likelihood of impacts may change over time. It is necessary to be forward-looking because human rights impacts will emerge or shift as AI technologies, and the supply chains enabling them, continue to evolve.

Importantly, BSR observed that the severity and likelihood of impacts change based on several factors in the AI data supply chain: workforce model, type of work, geography, and vulnerable population.

Section 6 of this report (Human Rights Impacts) includes a discussion of how human rights impacts manifest across some of these vectors. To the extent possible, the concepts of severity and likelihood have been included in these descriptions. This section also includes a description of the vulnerable populations that may be at heightened risk.

Appropriate Action

BSR considers the appropriate action for companies using factors contained in Principle 19 of the UNGPs:

- **Attribution:** How closely is the company connected to the human rights impact?
- **Leverage:** How much leverage does the company have to influence the impact?

As with assessing the severity of a given impact, attribution and leverage will vary depending on the situation. Given the high-level nature of this HRA, we discuss attribution and leverage at a high level. Section 6 of this report (Human Rights Impacts) discusses how attribution and leverage differ for different actors in the AI data supply chain.

1 See [BSR's perspective on Human Rights Assessments](#).

Rightsholder and Stakeholder Engagement

Effective human rights due diligence requires meaningful engagement with rightsholders whose human rights may be impacted by the company, or by working with reasonable alternatives such as worker unions, independent experts, and others from civil society. Particular attention should be paid to human rights impacts on individuals from groups or populations that may be at heightened risk of vulnerability or marginalization.

We define rightsholders and stakeholders as follows for this HRA:

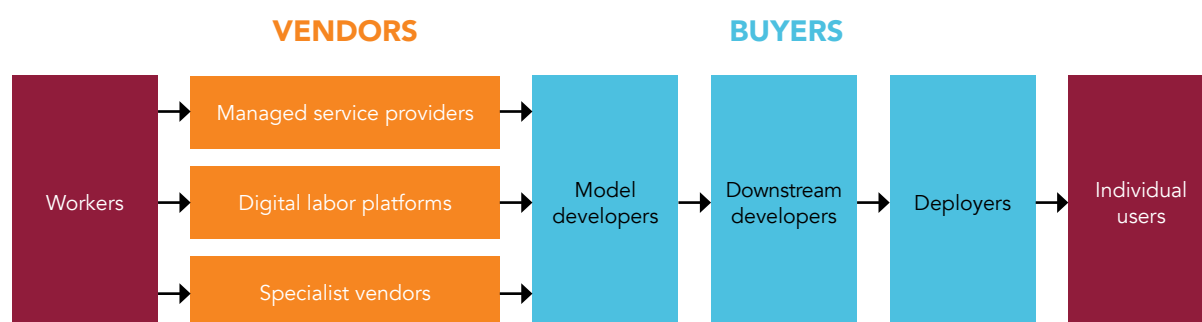
- **Rightsholders:** AI data workers whose rights could be impacted by the companies in the AI data supply chain
- **Stakeholders:** Organizations informed about and capable of speaking on behalf of rightsholders, such as worker unions, civil society organizations, or independent experts

In this HRA, BSR engaged directly with worker representatives, unions, experts, and civil society organizations, which provided insights into the risks and opportunities for AI data workers. This was supplemented with buyer and vendor interviews to produce a robust understanding of the supply chain.

To enable candid dialogue, the identities of the individuals and organizations we consulted have been kept confidential.

IV. The AI Data Supply Chain

The supply chain of AI data work is relatively simple when compared to other supply chains, such as hardware manufacturing or electronics assembly. However, it is rapidly evolving, with roles, vendor categories, and the balance between human and automated labor shifting quickly. It is also more distributed and less transparent, with work often fragmented across digital platforms and geographically dispersed labor pools. These characteristics make it difficult to establish visibility and accountability in the AI data supply chain. Therefore, it is important to map out the supply chain as it stands today. Having a good understanding of relationships will help us assess different actors' attribution to labor rights impacts and their leverage to address these impacts in later sections of this report.



The categories above are intended as a simplified way to describe the predominant operating models in the market, though many vendors combine several approaches and the lines between vendors and buyers are not rigid.

The main actors in the AI data supply chain include:

- 1. Workers:** Individuals who perform the core labor of AI data work. This includes contracted workers as well as gig workers (see Workforce Model below for more on this distinction).

Given the distributed and geographically dispersed nature of the data work and the opacity of the supply chain, there is no single comprehensive demographic dataset on the global AI data workforce.² To date, the majority of data work has been conducted by platform workers based in the Global South in major industry hubs, including but not limited to Kenya, Malaysia, India, and Brazil.³

Data workers typically skew young and well-educated and are frequently overqualified for the tasks they're asked to do.⁴ Workers interviewed for this assessment added that the average data worker is often someone underrepresented in the broader tech economy but drawn to the appeal of participating in technology-related work.

As AI products expand across different deployment contexts, the skillsets demanded by buyers are shifting to include more highly specialized expertise. Buyers are increasingly sourcing subject matter experts (e.g., in fields such as physics, law, medicine, etc.) primarily from the U.S. and Western Europe.

² A 2026 ILO research brief notes the difficulties in determining the number of global workers employed by digital platforms, given that platforms do not disclose such information and country-level disclosures are inconsistent.

³ Global Inequalities in the Production of Artificial Intelligence

⁴ The Role of Digital Labour Platforms in Transforming the World of Work, ILO.

2. Vendors and Suppliers: Companies that provide AI data work services, such as data labeling, annotation, model training, safety testing, and more. This is a rapidly evolving industry with new types of companies emerging frequently and existing ones continuously adapting their business models. The AI data work market is evolving rapidly, and many vendors now operate across multiple business models. The categories below are intended as a simplified way to describe the predominant operating models in the market, though many vendors combine elements of several approaches and the lines between vendors and buyers are not firm.

a. Managed service providers: Vendors that have ongoing, often multiyear contracts with tech companies to deliver AI data work and trust & safety operations as a managed function. Companies outsource not just labor, but the end-to-end operation, including recruitment and management of the workforce, workflow execution, quality assurance, and delivery against service agreements. MSPs typically hire full-time employees in delivery centers. Many MSPs also operate proprietary digital platforms or maintain pools of independent contractors to meet fluctuating demand. Examples include Accenture, Sama, TaskUS, and Teleperformance.

b. Digital labor platforms: Vendor-operated platforms that match AI data work with distributed workers. These platforms range from open crowd-work models, where tasks are completed by large pools of freelancers, to curated talent marketplaces that recruit and vet professionals with specialized expertise. Workers are typically engaged as independent contractors, although some platforms also provide managed services or create proprietary datasets for AI developers. Examples of crowd-work platforms include Clickworker, Remotasks (Scale AI), Prolific, and Toloka. Examples of curated talent marketplaces include Mercor, Turing, and Handshake AI.

c. Specialist providers: Vendors that focus on domain-specific data work that requires subject matter expertise or specific language skills. These providers may operate as managed service providers, digital platforms, or hybrid models, depending on the type of work being delivered. Examples include eBrevia (legal text annotation), iMerit (medical imaging annotation), and RWS (localization).

In practice, the distinctions between these categories are increasingly blurred. Many vendors combine managed services, digital platforms, expert talent networks, and proprietary data offerings, with business models continuing to evolve alongside advances in AI.

3. Buyers

a. Model developers: Companies that design and develop AI models. They purchase AI data services to support the full model life cycle, including training, testing, and evaluation. They are the primary buyers in the supply chain. In some cases, model developers directly contract AI data workers for in-house operations, particularly for more sensitive or critical workflows.

Among model developers, the largest buyers are those developing general-purpose foundation models, such as large language or multimodal models. These companies account for the greatest share of purchasing power in the supply chain.

- b. Downstream developers:** Companies that build apps, programs, products, and systems that utilize AI models. They often integrate AI models developed by foundation model developers—both closed models and open-source ones.

Downstream developers purchase AI data services primarily to adapt and optimize models for specific products of use cases (e.g., fine-tuning, domain-specific annotation). In some cases, solution developers directly contract AI data workers for in-house operations.

Among downstream developers, the largest buyers tend to be in industries that depend on large volumes of domain-specific data, such as autonomous vehicles, robotics, and medical AI.

- c. Deployers:** User-facing entities that deploy AI systems to address different operation or business needs. They purchase AI data services primarily to operationalize and maintain AI systems in different deployment contexts (e.g., localization, ongoing performance evaluation).

Note that in the B2C context, consumers can also be developers and deployers of AI systems. However, for the purposes of this HRA, enterprise developers and deployers are more relevant.

Within buyer organizations responsibility for AI data services is often distributed across multiple functions with different objectives and incentives:

- Human data, sourcing, engineering, product, or operations teams typically lead vendor selection, negotiate commercial terms, manage day-to-day relationships, and oversee delivery against requirements such as cost, quality, scale, and timelines.
- Responsible sourcing, trust, sustainability, human rights, or compliance teams generally play an advisory and oversight role by establishing general supplier standards, conducting due diligence, and advising on labor rights risks. Given the speed of development, our research has found that in many cases, established responsible sourcing programs are not effectively engaging with teams in charge of AI development and sourcing activities related to AI data work.

There are other actors relevant to AI data work, such as vendors that provide data, infrastructure, and tooling that enable and influence how this work is performed. Further removed, there are “value-chain adjacent” actors, such as regulators and investors. Their activities have impacts across the supply chain, but they are excluded from the supply chain for simplicity.

Workforce Models

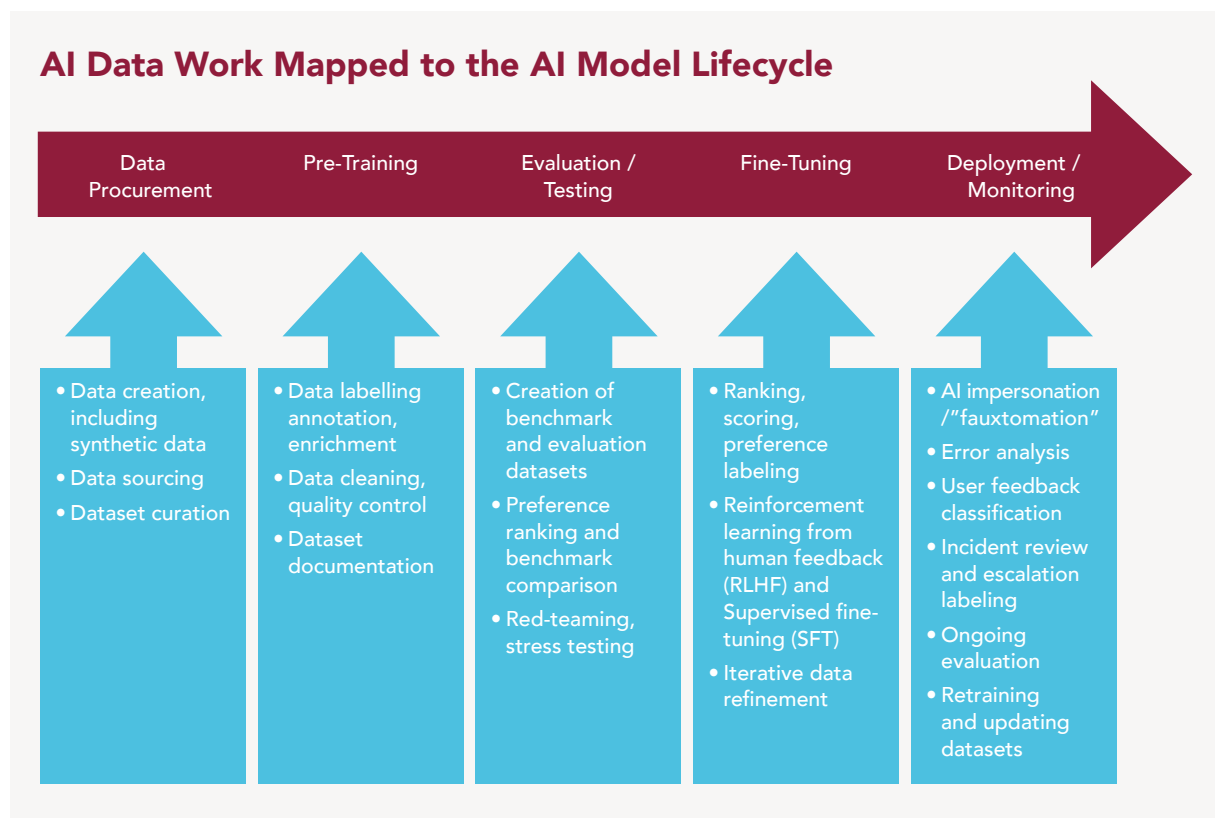
AI data work vendors employ workers through a range of workforce models. This HRA focuses on two overarching models—BPO and platform—drawing on [TechEquity's landscape assessment](#), and assesses human rights impacts across these two models.

- **BPO (Business Process Outsourcing) Model:** A form of outsourcing in which a third-party provider is contracted to carry out specific business operations for a company. In this model, data workers are employees of the BPO and subject to the rules and entitlements of an employee/employer relationship. Workers are employed at delivery centers, which are typically physical offices located in countries around the world.
- **Platform Model:** Digital platforms where distributed workers perform AI data work tasks that are posted by buyers. In this model, data workers are typically independent, freelance gig workers, working remotely and logging onto these platforms to access tasks at their own volition, and are therefore not subject to the rules and entitlements of an employee/employer relationship.

Some vendors operate hybrid models, combining elements of both BPO and platform approaches. For example, from the vendor categories above, managed service providers and specialist vendors typically use the BPO model, while some maintain their own proprietary digital platforms as well.

The Labor of AI Data Work

What does the labor of AI data work look like? The types of work performed in this supply chain include traditional data labeling, annotation, and enrichment, but also, increasingly, a wider array of tasks to train, evaluate, and fine-tune AI models and their outputs. In other words, AI data work is no longer performed only in the pre-training phase; it is now integrated across the AI lifecycle.



Below we describe the different types of tasks performed in each phase:

- **Data Procurement:** Workers assemble datasets tailored to a specific AI use case or model application. They source data from internal and external channels, and generate targeted synthetic data where gaps exist. Datasets are then curated with attention to coverage, diversity, and known limitations, as decisions at this stage have a direct impact on downstream model performance, reliability, and potential bias.
- **Pre-Training:** Workers perform core data enrichment tasks to transform raw data into structured, model-ready inputs through labeling (assigning predefined categories to data, such as marking an image as “cat” or “dog,” or a comment as “spam” or “not spam”), annotation (adding more detailed information, such as drawing boxes around objects in an image, or highlighting specific words or phrases in text), and cleaning (reviewing data to remove errors, duplicates, or irrelevant content). In this phase, workers may also develop documentation to capture how datasets were constructed, including key assumptions, constraints, and risks, helping support transparency and reproducibility in downstream model development.

In the earlier phases of the AI model lifecycle, the type of labor performed by AI data workers is often more routine, large-scale, and task-based. This work is typically performed by large, distributed workforces through managed service providers or crowd-sourcing platforms, with an emphasis on consistency and throughput. This type of work is typically considered lower-skilled work, though it’s not always performed by low-skilled workers.

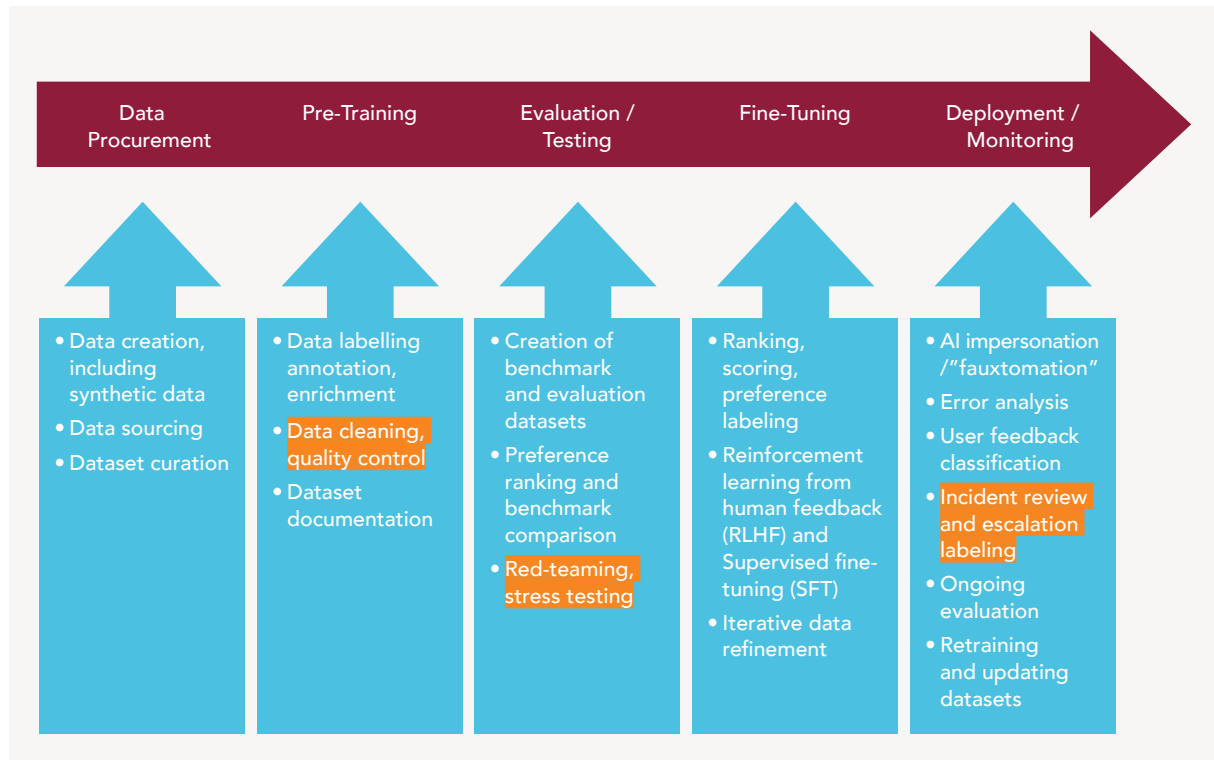
- **Evaluation/Testing:** Workers assess how well the model is performing using specially designed test datasets to see if the model gives correct, safe, and useful responses. This includes creating benchmarks to test specific skills and rating responses to assess quality and consistency. Workers may also conduct red-teaming or stress testing, where they intentionally try to make the model fail or produce harmful outputs, in order to identify weaknesses and edge cases before the model is released.
- **Fine-Tuning:** Workers help improve model behavior by providing feedback. This includes ranking or rating responses to indicate which outputs are better, labeling preferred behaviors, and scoring outputs based on defined criteria. These inputs are then used to refine the model through iterative approaches, such as supervised learning or reinforcement learning from human feedback, to align the model with desired quality standards. In many cases, these tasks are tailored to specific deployment contexts to adapt the model for particular domains, user groups, or safety requirements.
- **Deployment/Monitoring:** Workers integrate the model into real-world applications, often with human oversight embedded into workflows. This may include AI-assisted or “fauxtomated” approaches where human operators review, validate, or guide outputs. Workers monitor model performance over time, identifying and responding to issues by analyzing errors, labeling failure modes, and classifying user feedback. These insights feed into retraining and dataset updates, creating a continuous cycle of improvement.

In later phases of the AI life cycle, after the model is trained, the work becomes more analytical and judgment-intensive. Tasks demand higher cognitive engagement and, in some cases, domain-specific knowledge. This type of labor is often more continuous, iterative, and embedded within product life cycles, rather than one-off task execution.

Note that throughout this report, “post-training” is used as an umbrella term referring to the evaluation, fine-tuning, and deployment/monitoring phases of the AI model life cycle.

Content Moderation and AI Data Work

There is growing convergence between AI data work and content moderation. While traditional content moderation hasn't disappeared (i.e., moderating user-generated content), increasingly, moderation-style tasks are embedded directly into AI model development. For example, filtering toxic training data, evaluating outputs for safety, or annotating harmful content across multiple modalities. Tasks that involve elements of content moderation are highlighted below. These tasks also tend to involve greater exposure to sensitive content.



In practice, the same vendors—and sometimes the same workers—perform both content moderation and AI data work.

Automation of AI Data Work

Automation is increasingly reshaping AI data work, but its impact is uneven across different types of labor. The tasks that are most prone to automation are high-volume repetitive tasks in the data procurement and pre-training phase, such as synthetic data generation, basic image labeling, transcription, and simple text classification. As these tasks are being automated, the role of data workers is shifting toward verification, correction, and handling edge cases that AI cannot determine. More complex tasks in later phases of the AI model life cycle, such as reinforcement learning from human feedback, safety testing, and domain-specific annotation, are less prone to automation due to their reliance on human judgement and expertise.

Looking ahead, automation in AI data work is expected to accelerate as models improve and synthetic data generation becomes more ubiquitous,⁵ further reducing the need for manual data labeling and annotation. At the same time, the rapid growth of the use of AI technologies is likely to sustain, or even increase, the overall demand for human input,⁶ particularly in areas requiring evaluation, monitoring, and contextual understanding. Therefore, rather than a wholesale replacement of human labor, AI data work is expected to shift toward hybrid human-AI workflows.

5 Estimates suggest that more than 60% of data used for AI applications in 2024 was synthetic, and this figure is expected to grow across industries, MIT News, 2025.

6 Industry leaders expect that humans will stay involved in data creation for decades, Business Insider, 2026.

V. Key Observations

This section lists key observations that arose during this assessment and influenced BSR's analysis of human rights impacts and appropriate actions to address them. These observations provide context for the impacts analysis and recommendations that follow.

The Shifting Market Landscape

The landscape of AI data work is evolving rapidly, driven by advances in technology and changing business needs. Market dynamics, including new vendor models, shifting skill requirements, and evolving sourcing strategies, are reshaping how data work is organized and performed. These shifts have important implications on the human rights risks faced by workers across the AI data supply chain.

- AI data work is becoming more complex and integrated across the AI life cycle.** The types of work procured by companies is moving from basic data annotation and labeling to multimodal and domain-specific tasks, such as domain-specific enrichment, synthetic data validation, RLHF, and safety testing. Importantly, these tasks are integrated across the AI life cycle—data work is not only needed for the pre-training phase anymore, but for post-training and monitoring as well.
- More complex tasks are driving demand for higher-skilled labor and reshaping the data workforce.** Low-skill, manual microtasks are giving way to higher-complexity, iterative, and AI-assisted labor. As a result, the workforce is shifting from predominantly anonymous, platform-based global crowd-workers toward tiered models that include trained vendor staff, curated pools of contributors, and specialists. In particular, there is an increasing demand for domain-specific experts (e.g., in fields such as physics, law, medicine, etc.) for post-training tasks, such as evaluation, testing, and fine-tuning. This shift in workforce profile may change the profile of vulnerability, as discussed below.
- Despite this shift, low-wage data work remains common.** While demand for high-skilled work is increasing, there is still strong demand for low-wage workers, many of whom are in the Global South. One stakeholder suggested that at least 200,000 African workers are actively conducting AI data work, including high-skill tasks such as medical annotation or translation. This suggests a potential perception gap among buyers, including assumptions that higher-skill workers are exclusively in the Global North or that this type of work is now largely automated, when, in fact, a substantial volume of low-wage data work continues to be performed. Furthermore, low wages are not strictly associated with lower-skilled tasks. Professionals, including doctors, lawyers, engineers, etc., particularly in the Global South, have been engaged in low-wage conditions where job markets are weak for their services.
- Some tasks are being automated, but demand for human labor remains strong.** While AI tools are increasingly used to assist with pre-labeling, filtering, and triage, human workers remain essential for validation, edge cases, safety review, and policy interpretation. Automation is more advanced in traditional content moderation (e.g., of user-generated content). Increased automation may shift human workloads toward more challenging tasks (e.g., edge cases), which may drive mental health impacts.

- **Content moderation and data enrichment are increasingly converging.** While traditional content moderation work continues, content-moderation tasks are also performed to shape AI systems (e.g., to clean training data or evaluate model outputs). Such tasks expose workers to harmful content (e.g., crime scene imagery, violent pornography) where they are asked to describe in detail different aspects of images. Increasingly, the same vendors/workers perform content moderation and AI data work.
- **The marketplace is becoming increasingly stratified.** Buyers are adopting multi-vendor models: large service providers for higher-value safety-critical work, niche specialists for domain-specific tasks, platform-based marketplaces for generalist work, and in-house contracted workforces for sensitive tasks. Each vendor type / workforce model comes with particular labor and human rights risks, discussed below.
- **New types of vendors are emerging,** including those specializing in post-training evaluation and alignment (e.g., SurgeAI) and AI-native talent-matching platforms (e.g., Turing, Mercor). Some of these companies are experiencing unprecedented growth as demand expands for high-skill evaluation and training work. Similarly, many companies are repositioning themselves to benefit from the AI growth.
- **Vendor/platform turnover seems to be common.** Interviewees note that some platforms and vendors can shut down quickly and later re-emerge in modified forms to escape payments owed or to adapt to evolving market dynamics. This churn adversely impacts workers, at times leaving them unpaid for work performed, and restricting their ability to organize.
- **AI companies are increasingly internalizing data work functions.** In response to concerns around data sensitivity, quality control, and intellectual property, some companies are building in-house data work teams or hybrid models that combine internal staff with contracted workers. Still, AI developers retain external labor for scalability and cost efficiency.

Structural Drivers of Labor Rights Risks

As in any industry or supply chain, the conditions experienced by data workers are shaped by underlying structural features of the sector. These include characteristics of the market, the organization of the supply chain, and the business models that govern how data work is sourced and delivered. These elements can be key drivers of or pathways to labor rights risks. In a sector-wide assessment of the AI data supply chain, it is important to make these structural factors explicit. Because these drivers are systemic, they cannot be addressed by any single company acting alone; rather, they require coordinated, industry-wide approaches to effectively mitigate risks and improve outcomes for workers.

Market Dynamics

- **Buyer concentration and competition put pressure on labor conditions.** The AI data work market is highly buyer-driven, with a small number of large buyers setting pricing, timeline, and quality expectations. Amplified by the intense competition in AI, this concentration of demand limits vendors' ability to improve wages and working conditions and creates pressure to deliver faster and cheaper. These pressures are often passed on to workers through tighter deadlines and reduced compensation.
- **Commoditization drives a race to the bottom.** Many forms of AI data work are treated as commoditized services, with limited differentiation between vendors beyond price, speed, and baseline quality. This enables buyers to switch providers easily, intensifying competition and reinforcing a race to the bottom, pushing vendors to cut costs—often at the expense of workers.

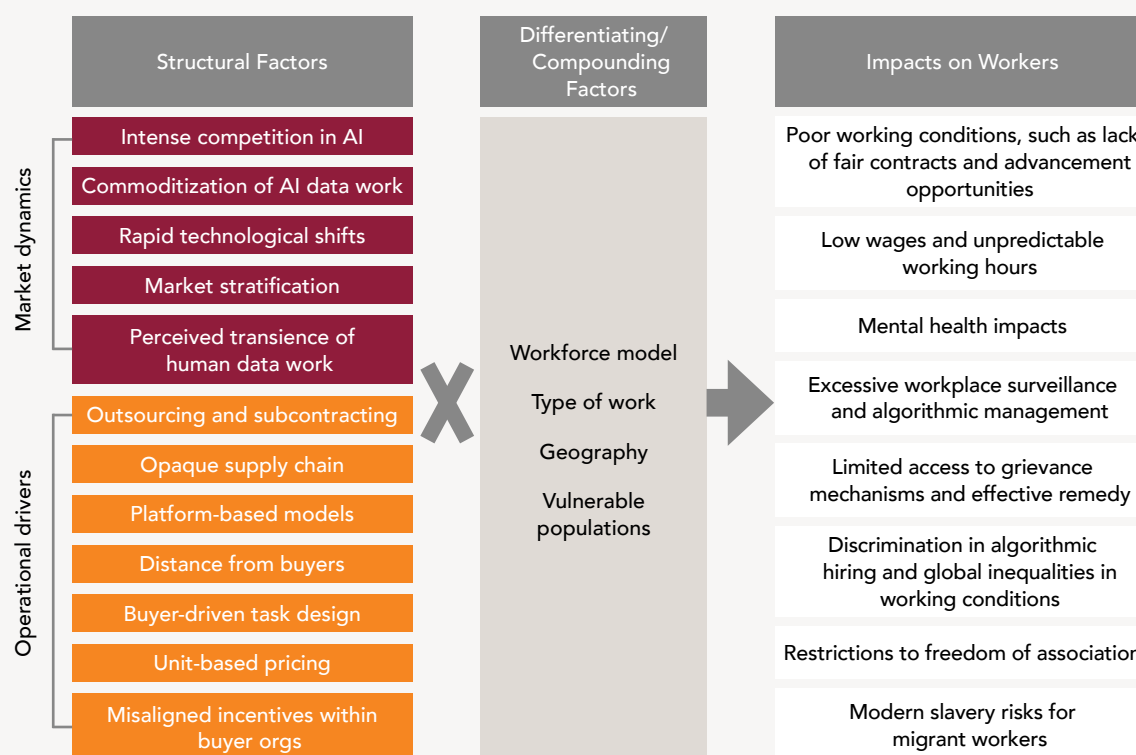
- **Rapid technological change creates demand volatility and vendor churn.** The fast pace of AI development continuously shifts the types of data work required. Sudden shifts in demand disrupt earnings and create uncertainty for workers. Vendors continuously adapt their business models, service offerings, and workforce structures in response to shifting technology and client demands, leading to high market churn and less stable working conditions.
- **Market stratification is deepening global inequalities in the workforce.** The AI data work market is becoming increasingly segmented between higher-skilled, higher-paid roles concentrated in higher-income countries, and large volumes of lower-wage, more precarious work distributed globally, particularly in the Global South. This stratification risks entrenching structural inequalities, as workers at the lower end of the market face limited pathways to access higher-paid roles, while continuing to bear the brunt of cost pressures and unstable working conditions.
- **Perceived transience of data work discourages investment in workers.** The assumption that AI will soon replace human data workers prevents a healthy long-term view of the industry, and reduces incentives to invest in training, protections, and career pathways, reinforcing short-term, transactional approaches to workforce management. This perception of AI as fully autonomous obscures the essential role of human labor, contributing to the invisibility of data workers and their contributions to value creation.

Operational Drivers

- **Outsourcing and subcontracting distribute responsibility and reduce oversight.** Vendors often rely on workers based in lower-cost regions with less robust worker protections to perform data work and frequently subcontract portions of work to manage fluctuating demand and tight timelines. This creates multiple layers that dilute accountability, reduce transparency, and contribute to poor working conditions.
- **The AI data supply chain is opaque, limiting visibility and accountability.** Within companies, there is often no consolidated view of data work engagements and there is limited visibility into where and how data work is performed. Buyers lack insight into vendors' labor practices, and downstream AI developers lack visibility over model developers' sourcing decisions or data training practices. Factors such as subcontracting, commercial confidentiality, and the absence of standardized reporting further limit transparency and accountability.
- **Platform-based models increase precarity for workers.** Platform-mediated work enables flexibility and scale, but often relies on independent contractors who lack formal protections, benefits, and stable income, and are subject to opaque algorithmic management. The routing of work through platforms externalizes responsibility, reduces accountability for working conditions, and limits access to recourse for workers.
- **Distance between buyers and workers reduces worker agency and accountability.** Data workers are typically several steps removed from end clients, with no visibility into who the buyer is and the purpose of the project. Direct communication and feedback are constrained by commercial and security considerations, resulting in unclear guidelines and limited ability to raise concerns or influence working conditions. This distance can hinder the quality of work, weaken accountability, and contribute to a lack of recognition, leaving workers feeling unseen or undervalued despite their central role.

- Buyer-driven task design shapes working conditions throughout the supply chain.** Buyers often define task specifications, annotation guidelines, quality standards, and performance metrics, while vendors are responsible for recruiting, managing, and supervising workers. As project requirements evolve, changes to instructions or quality expectations can cascade through vendors to workers, resulting in rework, increased work intensity, and uncertainty. Because workers typically have limited opportunities to provide direct feedback to buyers, challenges related to task design may persist or be amplified over time.
- Unit-based pricing model places downward pressure on wages and working conditions.** The data work market is largely structured around unit-based pricing (i.e., pay per task), which is often translated into piece-rate compensation for workers. This model incentivizes speed and volume, placing downward pressure on wages and encouraging long hours, work intensification, and unpaid labor (e.g., for rejected or reworked tasks). This approach to structuring tasks as piecework or microtasks also minimizes skill differentiation and renders workers largely interchangeable, weakening incentives for vendors to invest in workers' professional development.
- Misaligned incentives within buyer organizations can weaken labor rights outcomes.** Responsibility for AI data procurement is often split across multiple functions with different incentives. Procurement, engineering, and operations teams, which typically manage vendor selection and delivery, have incentives tied to cost, quality, scale, and timelines, while responsible sourcing or human rights teams focus on labor standards and due diligence. Where these objectives are not aligned, commercial pressures can take precedence over responsible sourcing considerations, cascading through vendors and contributing to tighter deadlines, lower prices, and reduced investment in worker protections.

Factors that drive adverse labor rights impacts for data workers



VI. Human Rights Impacts

BSR identified eight main categories of rights where data workers in the AI data supply chain may face salient impacts:

- **Working Conditions**
- **Occupational Health and Safety**
- **Wages and Working Hours**
- **Access to Remedy**
- **Privacy and Workplace Surveillance**
- **Equality and Nondiscrimination**
- **Freedom of Association**
- **Modern Slavery**

The tables below describe each rights category, provide examples of how these rights may be impacted in the AI data supply chain, and assess how risks might manifest differently across workforce models and types of AI data work.

There are several important points to note about the identification of these human rights impacts:

- All human rights are indivisible, interdependent, and interrelated, and the deprivation of one right adversely affects others—in other words, the connections between these rights can be as important as their relative salience, and some overlap across categories is expected.
- Many of the impacts identified are based on actual experiences reported through rightsholder engagement. However, given the scale and diversity of the AI data supply chain and the limited number of workers interviewed, these findings may not capture all worker experiences. Therefore, impacts are presented as potential.
- As explained in Section 3 (Methodology), BSR has not conducted a formal prioritization of salient impacts. However, to the extent possible, considerations of severity and likelihood have been reflected in how impacts are described across different workforce models and types of AI data work.

Working Conditions
Relevant Human Rights Instruments
UDHR Article 23: Everyone has the right to work, to free choice of employment, to just and favorable conditions of work, and to protection against unemployment.
Human Rights Impacts
• Data workers may face unfair working conditions, such as forced overtime, inability to take breaks throughout the day due to pace of work,⁷ or unpredictable workloads due to buyer timelines or employer practices. • Data workers may face barriers to stable or predictable work due to sudden shifts in demand, rapid vendor churn, or employer practices such as short-term contracts and the use of algorithms to assign work. • Data workers conducting full-time work may be intentionally misclassified⁸ by vendors as contractors or may not be offered fair contracts, and may therefore lack access to associated benefits, such as healthcare, paid annual leave, or public holidays. • Data workers may face systemic barriers to professional development and career advancement, such as having workloads that primarily consist of repetitive piecemeal tasks, being subject to short-term hiring approaches, having limited visibility into the broader project, having limited collaboration with buyers, or lacking acknowledgement of their contributions to advanced AI systems. • Data workers may face job insecurity due to automation of AI data work⁹ and may find themselves in a paradoxical situation in which they contribute to training systems that ultimately reduce their own job opportunities, further exacerbating economic insecurity. • Data workers may lack agency over the type of work they conduct or the nature of content they are exposed to, such as not being able to reject or opt out of tasks, due to employer practices or expectations of workers.

7 In a [2026 report](#) for Data Worker Inquiry, a Brazilian content moderation worker wrote that, when conducting work for TikTok, he and other moderators faced constant evaluation against conflicting metrics such as moderation time, speed, and quality, which together resulted in a pace of work that made it difficult for workers to take necessary breaks throughout the day.

8 In California, data workers have recently launched class-action lawsuits against major AI companies, such as [Mercor](#) and [Surge AI](#), in which they allege that the companies intentionally misclassified workers as contractors in order to avoid providing them with benefits or workplace protections.

9 According to a [2025 report](#) by Rest of World, rising automation and the use of generative AI to create synthetic training data has displaced Venezuelan data workers who were previously able to support themselves by conducting data enrichment work.

Assessment by Supply Chain Segment

Workforce Model:

- **BPO workers** are generally less likely to experience adverse impacts related to working conditions given the stronger contractual relationship between employers and workers. Still, employment contracts for BPO workers can underpin unfavorable working conditions. For example, interviewed workers noted that BPO contracts are commonly short term, which can drive unpredictable workloads and limited opportunities for professional development. Additionally, interviewees noted that BPO employers may use contracts to mislead workers by stipulating an initial level of workload or type of work, only to then shift expectations as contracts progress.
- **Platform workers** are generally more likely to experience adverse impacts related to working conditions given the dependence on software as the mediator of employment, making it especially difficult to resolve challenges related to working conditions or even ask questions. Interviewed platform workers noted that the algorithms which evaluate their performance or manage their workloads can be inconsistent and ineffective, and workers' accounts may be deactivated without proper explanation.

Type of Work:

- Workers performing **low-skilled data enrichment tasks** are at heightened risk of impacts related to working conditions given the repetitive nature of tasks and the view by vendors that workers are largely interchangeable, which drives a lack of professional development opportunities or acknowledgement of data workers' importance to finished outputs and an increased risk of job displacement due to automation.

Geography:

- Workers in the **Global South** may be particularly vulnerable to impacts related to working conditions. Given that worker protections are typically weaker, impacts may be less remediable. Research shows that data work vendors have exploited these geographical differences through "regulatory arbitrage" (i.e., moving data work operations into countries, such as **India**, that lack well-defined worker protections). Similarly, interviewees from **Nairobi** noted that platforms specifically recruited younger workers and recent high-school graduates from city slums with the assumption that they may be more likely to accept precarious or unfavorable conditions.

Occupational Health and Safety
Relevant Human Rights Instruments
ICESCR Article 7: Everyone has the right to enjoyment of just and favorable conditions of work which ensure, in particular, safe and healthy working conditions.
Human Rights Impacts
• Data workers may face PTSD or other psychological impacts associated with repeated exposure to harmful content¹⁰ (e.g., content depicting graphic violence, self-harm, sexual activities, etc.) and/or inadequate access to mental health support. • Data workers may face disproportionate work-related stress due to unfair working conditions (e.g., unrealistic timelines set by buyers, unpredictable working hours, or lack of adequate support and grievance mechanisms). • Data workers may face risks related to cognitive strain and burnout, particularly in the absence of adequate breaks or support systems. • Data workers may face mentally taxing tasks and assume the burden of having to train AI models in a certain way to ensure that models are aligned with human values, due to a lack of unclear instructions or support from buyers.
Assessment by Supply Chain Segment
Workforce Model: • BPO workers generally have easier access to mental health support provided by employers. However, interviewed workers noted that when mental health support is available, it is not always sufficient or trauma-informed and can sometimes appear perfunctory given the volume of harmful content workers are asked to interact with and the severity of impacts they subsequently face. Additionally, BPO workers are vulnerable to psychological impacts associated with disproportionate work-related stress given unreasonable buyer expectations, tight project timelines, and subcontracting practices. • Platform workers are generally more likely to experience long-lasting mental health impacts given the relative lack of resources and mental health interventions afforded to them. Interviewees noted that workers are often not given warning before being exposed to sensitive content, limiting their ability to mentally prepare themselves and potentially worsening the psychological impacts they face. Type of Work: • Workers performing content moderation or similar AI data work tasks are more likely to face mental health impacts related to harmful content. Whereas buyers and vendors are relatively attuned to this risk in traditional content moderation, wellness and support measures are not consistently extended to AI data workers. • Workers performing safety testing and red-teaming activities may be at higher risk of facing mental health impacts as they are asked to assume the role of bad actors to probe AI models. • Workers performing highly repetitive data enrichment tasks, such as data annotation, may face heightened risks related to cognitive strain and burnout.

¹⁰ Many recent publications record examples of psychological impacts to content moderation workers as a result of long-term exposure to harmful content, including a [2025 report](#) from Equidem and a [2024 investigation](#) by The Guardian.

Wages and Working Hours

Relevant Human Rights Instruments

UDHR Article 23: Everyone who works has the right to just and favorable remuneration.

Human Rights Impacts

- Data workers may receive less than an adequate or living wage in exchange for completed work due to low pay rates, subcontracting arrangements, or payment models that are open to being exploited (e.g., pay-per-task).
- Data workers may be left unpaid for completed work according to timelines initially defined by employers due to issues with subcontracts, sudden closure of operations, or the widespread practice of not compensating time spent on sign-up, onboarding, and training.
- Data workers may experience unstable working hours and irregular income due to fluctuating demand and ambiguous matching practices, leading to financial uncertainty.
- Data workers may be forced to work unpaid overtime to fulfill contract expectations or unrealistic timelines set by buyers.
- Data workers may face barriers to collectively bargain for higher wages due to structural features associated with AI data work, such as not being in the same physical location or not knowing who the buyer is.

Assessment by Supply Chain Segment

Workforce Model:

- **BPO workers** generally face lower risk of experiencing wage-related impacts given the higher proportion of full-time employees and stronger contractual relationship between employers and workers. However, interviewed workers noted that wages for in-person BPO roles in cities are sometimes not enough for workers to live in the surrounding areas. Additionally, buyer timelines are often compressed and urgent, which can drive a need for forced overtime or subcontracting arrangements to meet demand. Interviewed workers noted “wage compression” downstream as subcontracted workers supplement BPO staff for a smaller portion of the original fee received from the buyer.
- **Platform workers** generally face heightened risk of experiencing wage-related impacts given short-term or no contracts, dependence on software platforms as mediators of employment, and the general precarity of gig-based models. Interviewed workers also reported difficulties in receiving pay on time due to technical issues with the platform, or because platform vendors sometimes shut down operations without providing workers with back pay.

Type of Work:

- Workers performing **low-skilled data enrichment tasks** are at heightened risk of wage-related impacts given the structuring of tasks as piecework, and routinely demanding project timelines, which drive long hours and potentially unpaid overtime.
- Workers performing **domain-specific specialized tasks** (e.g., data enrichment for medical algorithms) typically earn higher wages, both in BPO and platform contexts.

Geography:

- Workers in the **Global South** and others outside the Western world face dramatically lower wages for similar tasks, even in major hubs for AI data work, such as Nairobi, Kenya, where workers earn less than one-third of the pay that a Western worker may receive for the same work. Interviewed BPO workers reported receiving less than \$200 a month, which is barely enough to cover monthly rent and transportation costs.

Access to Remedy

Relevant Human Rights Instruments

UDHR Article 8: Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.

Human Rights Impacts

- Data workers may lack access to grievance mechanisms or other channels to seek remedy for adverse human rights impacts they have experienced.
- Data workers may be blocked from accessing grievance mechanisms set up by buyers because of confidentiality agreements between buyers, vendors, and subcontractors.
- Data workers may choose not to take advantage of existing grievance mechanisms for fear of retaliation or termination.¹¹

Assessment by Supply Chain Segment

Workforce Model:

- **BPO workers** are generally less likely to face impacts associated with inability to access remedy, given they have a direct relationship with their employers. However, interviewed workers cited examples of retaliation (including termination of their job) against workers who utilized vendor-level grievance mechanisms to raise concerns. Additionally, workers noted that buyer-vendor contracts and subcontracting relationships may be leveraged intentionally to dilute responsibility. For example, subcontractors may refer workers to vendors, who may refer workers back to subcontractors.
- **Platform workers** are generally more likely to face restrictions to access remedy, given their dependence on a software platform to mediate work and the fact that platform workers are more isolated compared to BPO workers. Interviewed workers reported that platforms have deactivated worker accounts for unspecified reasons, and that workers were not afforded an opportunity to appeal. Such decisions are often made by algorithms rather than humans, which further distances data workers from remediation and platforms from accountability, and leaves platform workers having to bear the full responsibility of arbitrating disputes themselves.

Geography:

- In some countries, close relationships between vendors and government actors may limit oversight and accountability. Efforts to attract technology investment can result in weak enforcement of labor protections. As reported by worker representatives in such regions, this can constrain access to remedy and reduce pressure on companies to improve working conditions.

¹¹ A 2025 study by Equidem noted that data workers around the world face retaliation for raising concerns in their workplaces. A Kenyan worker reported witnessing coworkers be dismissed from roles for speaking up, while workers in the Philippines felt actively discouraged from speaking to researchers about negative workplace experiences for fear of retaliation.

Privacy and Workplace Surveillance

Relevant Human Rights Instruments

UDHR Article 12: No one shall be subjected to arbitrary interference with his privacy, family, home, or correspondence, nor to attacks upon his honor and reputation.

Human Rights Impacts

- Data workers may face excessive surveillance¹² in the workplace, such as the use of physical sensors to monitor worker communications, or the use of software that tracks eye movements or keystrokes. Such data may then be used for algorithmic management, to make automated decisions about workers.
- The personal data of workers may be misused or processed in ways that are disproportionate or beyond stated purposes. For example, workers' biometric data (e.g., facial data or heart-rate data) initially collected for worker safety purposes may be incorporated into data enrichment workstreams or processed to make inferences about workers.

Assessment by Supply Chain Segment

Workforce Model:

- **BPO workers** are generally more likely to face impacts related to workplace surveillance given the in-person nature of BPO delivery centers. Interviewed workers noted a culture of excessive monitoring in the office, including a practice of recording their screens and working areas. Workers also reported having encountered their own faces, collected without their knowledge, in datasets at work.
- **Platform workers** are generally more likely to face impacts related to pervasive algorithmic monitoring. Given that platforms lack direct visibility into workers via in-person interaction, they are incentivized to maximize data collection to track worker activities and performance. Interviewed workers noted that their keystrokes and on-screen activities are tracked and evaluated by algorithms against rubrics that are not made available to workers. Similar to BPO workers, platform workers are not made aware of how their personal data may be used.

Type of Work:

- Workers performing **low-skilled data enrichment tasks** may be more likely to face impacts related to workplace surveillance and algorithmic management. Interviewed workers noted that such practices are common due to urgent timelines and the necessity of precision associated with such tasks.

¹² A 2022 *Time* magazine report found that content moderators in Colombia faced a combination of algorithmic and physical surveillance in order to drive efficiency, which led workers to feel unable to take breaks or allow family members to move around in their homes while they were on shifts for fear of facing consequences.

Equality and Nondiscrimination

Relevant Human Rights Instruments

UDHR Article 2: Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

Human Rights Impacts

- Data workers may face discrimination associated with algorithmic hiring, task matching, and performance management practices.
- Data workers who are similarly qualified may earn unequal pay for the same work based on their geographic location.¹³
- Data workers may face discriminatory treatment due to their cultural beliefs, religious practices, unique lived experiences, safety concerns, or other protected characteristics that influence their ability or willingness to engage in certain sensitive data workstreams (e.g., moderation of sexual content), potentially resulting in biased performance evaluations or reduced access to future work opportunities or career advancement opportunities.
- Data workers without higher education degrees or those in the Global South may be excluded from higher-value or more complex data work opportunities due to buyers' preferences or biased hiring or matching algorithms, even where workers possess equivalent skills, thereby reinforcing existing socioeconomic and geographical inequalities in participation in the AI economy.
- Data workers may face harassment in the workplace based on their personal characteristics, such as their gender or race.

¹³ A 2024 study of labor exchange around the world documented that workers in the Global South, including areas where the majority of data enrichment workers are based, receive wages that are roughly 90% lower for work of equal skill. A 2022 *Time* magazine investigation corroborated this finding in the context of the data work industry, noting that data workers in Colombia received less than 9% of the wages of workers conducting the same work in the U.S.

Assessment by Supply Chain Segment

Workforce Model:

- **BPO workers** are generally more likely to face harassment in the workplace due to the in-person nature of this workforce. Interviewed workers shared stories of colleagues facing gender-based sexual harassment by their supervisors.
- **Platform workers** are generally more likely to face discrimination related to pay or access to work opportunities, given the reliance on algorithmic tools. The use of flawed or biased algorithms could result in discriminatory outcomes. Additionally, interviewed workers noted that some platforms do not let them opt out of harmful content, or that they are exposed to it without warning.

Type of Work:

- Workers performing **content moderation tasks** are generally less likely to face unequal treatment due to their unwillingness or inability to handle sensitive content, given that exposure to sensitive content is more clearly defined as an expectation of the job and that workers with sensitivities may self-select into other workstreams where possible.
- Buyers may exhibit biased preferences for workers with higher-education degrees from Western institutions when sourcing workers for **complex post-training tasks** requiring reasoning skills, such as evaluation, testing, and fine-tuning.



Freedom of Association

Relevant Human Rights Instruments

UDHR Article 20: Everyone has the right to freedom of peaceful assembly and association.

Human Rights Impacts

- Data workers may face systemic barriers to exercising their rights to freedom of association, including the use of workplace technologies that limit worker communication, limited transparency regarding buyers, physical dispersion of remote workers, and the use of nondisclosure agreements to restrict collective organizing.
- Data workers may face retaliation in the workplace for exercising their associative rights, including summary dismissal of worker organizers without cause, or the abrupt closure or relocation of operations in response to organizing efforts.¹⁴

Assessment by Supply Chain Segment

Workforce Model:

- **BPO workers** are generally more likely to be able to exercise their associative rights given their in-person relationship with coworkers and employers. At the same time, they are more likely to face retaliation by employers for doing so. Interviewed workers noted that organizers were targeted by management for disciplinary action or termination, and that worker nondisclosure agreements have specifically prohibited workers from joining any associations. Interviewees noted a case where a vendor, in response to worker organizing, relocated company operations to a new market.
- **Platform workers** are generally less likely to be able to exercise their associative rights due to structural barriers associated with platform work, such as remote working arrangements and digital surveillance of employee activities. Interviewed workers reported facing abrupt account deactivations without proper explanation, contributing to perceived risk of retaliation for exercising their rights to freedom of association.

Geography:

- Workers in **countries where vendors have a less established presence** may be disproportionately impacted by restrictions on freedom of association. Interviewees noted that, in some cases, vendors have exited markets—for example, in response to worker organizing in Kenya, a vendor moved its operations to Uganda instead of accommodating workers' rights to freedom of association.

¹⁴ No reference text included

Modern Slavery

Relevant Human Rights Instruments

UDHR Article 3: No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.

Human Rights Impacts

- Migrant data workers may be subject to human trafficking-related abuses, such as restriction of movement, confiscation of identity documents, or interference with travel or work authorization, limiting their ability to leave employment freely.
- Data workers may be exposed to forced labor conditions, such as debt bondage through recruitment fees. The absence of formal contracts can further increase vulnerability to coercion and limit workers' ability to exit exploitative arrangements.

Assessment by Supply Chain Segment

Workforce Model:

- **BPO workers** may be more likely to face impacts related to modern slavery. Interviewed workers noted that vendors conduct cross-border recruitment for data work but can then fail to provide workers with promised work authorization on arrival. In such cases, workers are legally unable to find other work or travel home and have no other option but to continue working for their employer.
- **Platform workers** are generally less likely to face impacts related to modern slavery given platform reliance on remote work and less weight placed on a worker's physical location.

Type of Work:

- Workers with specific language skills are more likely to be recruited as migrant workers and exploited.

Geography:

- Workers in **countries immediately surrounding** major data enrichment hubs, such as **Kenya, Malaysia, and India**, may be at heightened risk of modern slavery in the process of migrating to such hubs to conduct data work. In one example, a migrant data worker from **Nigeria** died by suicide¹⁵ after not being allowed to travel back home from Kenya for two years.

¹⁵ A 2025 [AP News](#) report noted that a Nigerian migrant worker conducting data work for Teleperformance, died by suicide after she was unable to secure a valid work permit and the annual travel promised to her by her employer for two years.

Vulnerable Groups

As established in the UNGPs, companies should pay “particular attention to the rights and needs of, as well as the challenges faced by, individuals from groups or populations that may be at heightened risk of becoming vulnerable or marginalized.” Vulnerable groups generally face heightened risks, or different risks, compared to others and are less likely to have their needs represented in decision-making processes.

Vulnerability is heavily impacted by a variety of factors, including geography. In countries with a history of widespread human rights violations and/or conflict, vulnerable groups are especially at risk. There may be vulnerable groups outside of the typical categories who are vulnerable specifically in that geographic context.

Similarly, structural characteristics of the supply chain or the nature of the work performed by workers, may impact vulnerability. Groups typically considered vulnerable in other sectors may not face the same risks in the context of AI data work, given specific sector considerations.

Within the AI data supply chain as it currently stands, certain groups of data workers may be disproportionately exposed to human rights risks. These include:

- **Workers in lower-income geographies** may be disproportionately exposed to low pay, weaker labor protections, and limited access to remedy.
- **Workers who have historically faced structural discrimination** in the workplace, such as women, racial or ethnic minorities, or LGBTQ+ workers, may be particularly vulnerable to similar harms in AI data work, including algorithmic bias, discriminatory treatment, or downstream risks related to violations of privacy.
- **Groups that traditionally face barriers to traditional employment**, such as refugees, undocumented migrants, formerly incarcerated people, disabled people, and caregivers may be disproportionately represented in AI data work and benefit from the flexibility associated with platform-based work, but may also be disproportionately impacted by its precarity, including unpredictable workloads, unstable income, and sudden disruptions to work.
- **People with lived experience of violence, sexual assault, or other trauma** related to harms depicted in sensitive content workstreams may face heightened risk of psychological harm and re-traumatization.
- **Young workers** may be particularly vulnerable to long-term psychological impacts associated with exposure to harmful content as their brains are still developing.
- **Migrant workers** may be particularly vulnerable to risks related to forced labor and labor exploitation, including wage-related risks.

As the composition of the AI data workforce changes in response to buyer and vendor demands (e.g., an increasing focus on high-skilled labor), the profile of vulnerability in the sector will continue to evolve:

- **Workers without formal higher-education degrees** may face increasing exclusion from higher-value data work as demand shifts toward specialized expertise, limiting their access to opportunities, recognition, and equitable participation in the AI economy.

- **Early-career or underemployed professionals**, such as highly skilled doctors or lawyers who are unable to practice their professions due to economic unemployment or other structural barriers, may be disproportionately reliant on AI data work and more likely to accept lower pay and insecure conditions due to constrained alternatives, putting them at heightened risk of labor exploitation and economic inequity compared to their peers.

Attribution and Leverage

BSR uses the concepts of attribution and leverage contained in Principle 19 of the UNGPs to determine the appropriate action for a company to address adverse human rights impacts.

- **Attribution**—How closely is the company connected to the human rights impact?
 - **Cause:** A company is considered to “cause” a harm when its actions alone are sufficient to create harm.
 - **Contribute:** A company is considered to “contribute” to a harm when it enabled or facilitated another party to create harm.
 - **Directly linked:** The company’s connection is less than causing or contributing but is nevertheless linked in some way to the harm.
 - **Not linked:** If the company has no link to the harm, it need not act. All businesses that do not fall into the “cause,” “contribute,” or “directly linked” categories fall into this category.

If the company is causing an adverse impact, it should cease or prevent that impact. If the company is contributing to or is directly linked to an adverse impact, it should use its leverage to address it.

- **Leverage**—How much ability would the company have to affect change in the wrongful practices of an entity that “causes” or “contributes to” the harm? How can the company increase leverage, such as by collaborating with other actors?

In practice, the cause, contribute, or directly linked categories operate on a spectrum and often require contextual analysis. Therefore, it is not possible to make a definitive judgement on attribution to human rights impacts in the AI data supply chain as a whole. However, BSR makes the following observations, which may be helpful to determine appropriate action for the different types of actors in the supply chain.

Attribution

- As the primary employer, **vendors** can generally be considered *causing* adverse human rights impacts. However, the level of attribution may change depending on workforce model. For example, vendors with a BPO model generally have more control over working conditions, whereas in a platform model, buyers generally have more control.
- **Buyers** can generally be considered *contributing to* adverse human rights impacts. However, given the concentration of buyers and the buyer-driven dynamics of this supply chain (i.e., many of the unfair working conditions described in this report are related to buyers’ purchasing practices), they may be considered *causing* the impacts.
- **Downstream developers and deployers** that are not direct buyers of data work services but integrate third-party AI models or systems can generally be considered *directly linked to* adverse human rights impacts.

Leverage

- As the primary buyers in the supply chain, **model developers** have the strongest leverage to influence vendor practices regarding labor rights conditions.
- **Downstream developers and deployers** have less leverage over vendor practices as they typically make up a smaller proportion of spend. However, these downstream actors have leverage over model developers. In particular, large enterprise developers that engage directly with model developers may have an opportunity to influence their sourcing practices, though their leverage may depend on whether the models are open source or closed/proprietary. In closed or proprietary models, enterprise customers can exert more leverage through commercial relationships and contractual requirements.



VII. Recommendations

The following recommendations have two intended outcomes. First, they aim to catalyze industry action to address the serious human and labor rights impacts identified in this report, ultimately improving conditions for the most vulnerable workers in the AI data supply chain.

Second, they aim to help companies establish the business case for such improvements. As AI data work becomes increasingly specialized, industry leaders have noted that closing the remaining 5%-10% accuracy gap in AI will require better labor conditions. If leading AI companies adopt these recommendations and address that gap through improved practices, this is likely to drive a broader shift in the marketplace by creating a clear competitive advantage for those that do so.

Most recommendations are directed at direct buyers of AI data services. In some instances, recommendations for downstream actors are also included. Where recommendations apply to both buyers and downstream actors, they are labeled as “all.”

Companies can take a risk-based and phased approach to implementing these recommendations, reflecting their individual supply chain footprint, existing systems, resources, and level of maturity. In line with established human rights due diligence approaches, companies may prioritize actions addressing the most severe and likely risks first and progressively expand their efforts over time. Where relevant systems and processes are already in place, companies can build on and adapt these mechanisms to address the specific characteristics and risks of the AI data supply chain, rather than creating parallel processes.

BSR has grouped recommendations into four broad buckets:

- Establish visibility
- Apply existing responsible sourcing practices
- Address salient labor rights impacts
- Address structural drivers

These four approaches should exist in a framework of ongoing human rights due diligence capable of addressing new human rights risks as the AI data work landscape evolves.

A. Establish visibility

While this report maps the AI data supply chain at the industry level, companies' risk management ultimately depends on company-specific visibility. Without a clear understanding of supplier relationships, worker profiles, and operational conditions across tiers, companies are limited in their ability to assess risks, conduct due diligence, or implement effective safeguards. Establishing end-to-end visibility is therefore a foundational step for identifying salient human rights risks and enabling informed decision-making.

1. [ALL] Map the company's AI data supply chain

One key finding of this assessment is the limited visibility, traceability, and awareness of employment models and conditions upstream. To fully understand and address labor rights impacts, companies need greater transparency and traceability. As a first step, companies should map out their individual AI data supply chains. This includes:

- A list of all Tier 1 and Tier 2 suppliers (including subcontractor relationships)
- Types of AI data services they provide
- Their workforce model(s)
- The country or countries in which they operate
- The geographic distribution of their workers (including those sourced through digital platforms)

2. [BUYERS] Establish screening questionnaires for direct vendors

Buyers should use their leverage to gain a clearer picture of labor rights conditions at their vendors. Responsible sourcing teams can collaborate with research and engineering team members (who typically lead engagement with AI data work vendors) to gather existing information and use questionnaires to fill in gaps. Information gathered through these questionnaires should be used when making procurement decisions.

The questionnaire can include:

- Questions to understand what workforce model vendors use for the company's projects, distinguishing between the platform and BPO model
- Questions to understand whether any subcontracting is done for the company's projects; if so, where subcontractors are located and how they are sourced
- Questions to understand where workers are located
- Questions to understand existing mitigation measures that the vendor has in place to prevent adverse labor rights impacts

3. [BUYERS] Disclose sourcing practices

Buyers have an opportunity to influence industry transparency norms through voluntary disclosures. At a minimum, buyers should consider disclosing the following about their buying practices:

- Vendor human rights assessment process and anonymized results
- Human rights-related contractual obligations, such as:
 - Wage and hour requirements
 - Grievance mechanism requirements
- Health and safety and mental-health safeguarding requirements
- Ongoing monitoring and tracking processes

These can be disclosed through traditional ESG reporting channels. Buyers can also consider integrating these into technical disclosures related to specific projects or models.

Opportunity for sector-level collaboration: Buyers can also work collectively to strengthen transparency and accountability in the AI data supply chain. Industry-wide sourcing disclosure initiatives in other industries include: the garment industry's [Transparency Pledge](#) and [Fashion Transparency Index](#); the [Responsible Mineral Initiative](#) for sourcing of critical minerals; and the [Open Supply Hub](#), which maps commodities and suppliers across several industries.

4. [DOWNSTREAM ACTORS] Request model vendors to provide information related to data work sourcing practices

Downstream actors can exercise their leverage when purchasing AI models or systems by requesting greater transparency from developers regarding data work sourcing decisions and associated labor practices. This can include disclosures related to working conditions across the supply chain, as well as information on vendor due diligence, assessment, and monitoring programs, such as those outlined above.

There is already a growing expectation for AI developers to disclose the social and environmental impacts associated with their AI models or systems, including issues such as carbon emissions and energy use. Downstream actors should integrate labor rights and data work sourcing transparency into these broader responsible AI procurement expectations and disclosure frameworks.

Where possible, downstream actors should prioritize business relationships with vendors that demonstrate transparency regarding their data work sourcing practices and the conditions experienced by workers.

B. Apply existing responsible sourcing practices

Many technology companies have robust responsible sourcing programs for traditional supply chains, but these are not consistently applied to AI data services. Rather than establishing entirely new systems, companies should consider how AI data supply chain risks can be incorporated as an additional layer within existing due diligence, supplier standards, assessment, grievance, and oversight mechanisms, adapting these processes where necessary to reflect the distinct characteristics of BPO and platform-based work.

5. [BUYERS] Translate company supplier code of conduct to the AI data supply chain

The AI data supply chain presents unique risks that require tailored approaches to supplier oversight and due diligence. Companies should adapt existing supplier assessment tools, or develop targeted checklists or questionnaires where needed, to translate existing supplier codes of conduct into standards and expectations more applicable to the BPO and platform-based environments common in the AI data supply chain. These tools can help business relationship owners engage vendor more effectively on labor rights and working conditions.

Buyers can also establish minimum sourcing requirements that address concerns outlined in frameworks such as the [Partnership on AI's Data Enrichment Vendor Engagement Guidelines](#) or the [Apti Institute's Code of Conduct for Data Workers](#), and ensure that these expectations are explicitly incorporated into contracts alongside existing supplier codes of conduct.

Sourcing and procurement teams can work directly with research, product, and engineering teams managing vendor relationships to integrate these considerations into existing procurement and vendor oversight processes.

6. [BUYERS] Develop a vendor scorecard to assess labor rights conditions

Teams responsible for vendor relationships can incorporate AI data supply chain labor rights considerations into existing supplier scorecards or, where appropriate, develop dedicated scorecards to assess vendors based on labor rights performance and transparency and incorporate these assessments into sourcing and procurement decisions. These scorecards should account for different workforce models (e.g., platform vs. BPO) and place significant weight on the level of transparency provided by vendors. Vendors that provide limited visibility into their operations, workforce composition, or labor practices should receive lower scores.

Scorecards can include criteria such as:

- Vendor capacity to monitor worker well-being and mitigate labor rights impacts
- Vendor knowledge of, and transparency regarding, worker demographics and geographic locations
- Vendor reliance on subcontractors and the level of oversight exercised on them
- Publicly reported allegations, investigations, or findings related to vendor misconduct or labor rights abuses

In addition to internal assessment and tracking mechanisms, companies can draw on external benchmarks, such as Fairwork, where applicable. For vendors with physical operations or delivery centers, companies should also consider applying oversight approaches similar to those used in other supply chains, including virtual and in-person audits commonly used in the sourcing of physical goods or raw materials.

7. [BUYERS] Implement a screening process and corrective action plans for vendors

Buyers should have a screening process in place to assess potential human and labor rights risks associated with AI data work before engagement. Where issues or gaps are identified, vendors should be required to implement corrective action plans (CAPs) with clear timelines, responsibilities, and expectations for remediation.

Once vendors are onboarded, their performance against human and labor rights standards should be evaluated periodically, with CAPs issued where violations or gaps are identified. These assessments should be integrated into ongoing vendor management and performance review processes, with mechanisms to monitor progress against CAPs and ensure timely remediation of identified issues.

Buyers should also have a clear policy to terminate relationships for cases of ongoing non-performance or failure to implement agreed upon CAPs.

8. [BUYERS] Train vendor engagement leads on labor rights risks

Buyers should develop training and guidance for employees responsible for managing vendor relationships to help them identify and address labor rights risks in the AI data supply chain. This training should:

- Explain the common risks associated with different workforce models, including distinctions between BPO and platform-based environments
- Equip teams with practical guidance on what issues to monitor, what questions to ask vendors, and what warning signs to look for during engagement and oversight processes
- Clearly distinguish between impacts related to company expectations (e.g., unreasonable timelines, sensitive content workstreams, price sensitivity, etc.) and those driven by vendor practices (e.g., subcontracting practices, inadequate well-being programs, exploitative workplace policies, or risks associated with platform-based business model issues).



C. Address salient labor rights impacts

Companies should prioritize the most severe and likely labor rights risks in their supply chains. While due diligence processes are essential, some impacts require targeted interventions. Effective responses should combine systemic approaches with issue-specific measures. Both buyers and downstream actors should also take measures to understand how their own purchasing practices exacerbate the negative human rights impacts identified in this report. Many of those impacts are driven not only by vendor practices, but also by buyer purchasing practices and other structural features of the AI data supply chain. Addressing salient labor rights impacts will therefore require changes to buyer and downstream actor behavior, including procurement processes, commercial incentives, and operational practices that shape working conditions throughout the supply chain.

9. [ALL] Incorporate fair contracting and employment expectations into vendor agreements

Buyers should consider how their contracting practices can support greater stability and predictability for workers in the AI data supply chain. This can include incorporating contractual expectations that vendors provide workers with clear terms of engagement, including defined contract durations, transparent payment schedules, reasonable workloads, and other protections consistent with frameworks such as the Apti Institute's Code of Conduct for Data Workers.

While platform-based work can provide flexibility and supplemental income opportunities, workers who depend on these arrangements as their primary source of full-time employment may face precarious working conditions and lack access to basic labor protections. Buyers should therefore establish expectations that workers performing the equivalent of full-time work receive formal employment arrangements or contracts that clearly define employment terms and conditions in line with applicable law and internationally recognized labor standards.

10.[ALL] Require vendors to provide fair compensation, including progress toward living wages and hourly pay structures

Buyers should work toward requiring all AI data work vendors to provide workers with compensation that meets living wage standards and to structure compensation around hourly pay rather than per-task or piece-rate models, which can incentivize excessive workloads, unpaid labor, and income instability.

Buyers can take a staggered approach to implementing a living wage across the supply chain:

- In the immediate term, buyers should ensure that vendors operating in major AI data work hubs (e.g., India, Colombia, Kenya, Malaysia, and other regions identified through supply chain mapping exercise) comply with applicable minimum wage, working hours, and overtime legislation. Existing responsible sourcing frameworks, supplier codes of conduct, and audit or compliance resources can be leveraged to prioritize oversight in higher-risk geographies.
- Once an acceptable baseline has been established in priority regions, buyers can expand these efforts across the broader supply chain by assessing compliance with wage and working hour standards in all sourcing locations.
- In the medium to long term, buyers should conduct a living wage analysis across different geographies and progressively incorporate living wage expectations into contractual requirements and vendor agreements.

Opportunity for sector-level collaboration: Note that rolling out living wage expectations to vendors or suppliers needs to be a collaborative effort between buyers and suppliers. This can be done by buyers individually or through a more collaborative effort to raise industry standards for wages in this supply chain. Only where there is recognition that buyer practices have an impact on wages further up the supply chain will real progress be made on this issue.

11. [ALL] Strengthen occupational health and safety protections

This assessment identified significant occupational health and safety concerns in the AI data supply chain, particularly related to mental health impacts and psychological strain associated with the processing of sensitive or harmful content. However, the existence and/or effectiveness of programs to monitor and mitigate these risks vary widely across vendors.

Buyers should establish clear and strict expectations regarding occupational health and safety management for all vendors, including but not limited to programs designed to monitor and mitigate mental health risks for workers exposed to sensitive content. Expectations may include access to mental health support services, well-being monitoring, appropriate escalation protocols, training, reasonable exposure limits, and opportunities for workers to opt out of particularly harmful content streams where feasible.

These requirements should be integrated into existing vendor assessment, oversight, and monitoring processes. Buyers should also ensure that workers have access to grievance mechanisms that allow them to raise health, safety, and well-being concerns directly with buyers, enabling greater accountability, visibility, and oversight across the supply chain.

12. [ALL] Ensure AI data supply chain workers have access to effective grievance mechanisms

Companies should ensure that workers in the AI data supply chain have meaningful access to effective grievance and remediation mechanisms. Where companies already operate established grievance mechanisms, they should consider extending access to these mechanisms across the AI data supply chain and adapting them as needed to address the unique characteristics of this sector, including the distance between buyers and workers, the sensitive nature of many AI data workstreams, the widespread use of nondisclosure agreements, and the limited visibility workers often have into the companies for whom they are ultimately performing work. Where existing mechanisms cannot adequately address these barriers, companies may consider establishing dedicated channels or engaging independent third parties to administer them. Existing models, such as the German Crowdsourcing Code of Conduct's Ombuds Office, demonstrate how sector-level mechanisms can provide workers with accessible channels to raise and resolve workplace concerns.

Companies should ensure that all workers in the supply chain are informed about the existence of these mechanisms, the types of concerns that can be reported, and the labor standards and expectations that companies seek to uphold and enforce. Vendors and suppliers should also be required to communicate this information clearly and regularly to workers and to support access to the mechanism without retaliation.

Opportunity for sector-level collaboration: companies may benefit from collaborating to establish an independent, sector-wide grievance mechanism for AI data workers. Shared mechanisms can help address the confidentiality and sensitivity concerns associated with AI data work while strengthening workers' access to remedy and improving consistency across the industry.

D. Address structural drivers

Labor rights risks in the AI data supply chain are shaped in part by buyers' purchasing practices. Addressing these structural drivers requires deeper engagement with vendors to understand how commercial practices affect working conditions, as well as collective action across buyers and suppliers to align incentives and improve standards.

13. [ALL] Consider buyer commercial requirements

There is a direct connection between buyer and downstream actor commercial terms and the impacts on AI data supply chain labor conditions. The following table highlights some of those connections. Buyers and downstream actors should review their commercial terms on a regular basis and ensure collaboration between responsible sourcing teams and purchasing teams, and, where possible, they should revisit those commercial terms that likely have a negative impact.

Buyer Practice	Likely Vendor Response	Potential Worker Impact	Better Buyer Practice
Aggressive Average Handling Time (AHT)/ throughput targets	Increase tasks per hour; monitor individual productivity closely	Work intensification, insufficient breaks, unpaid catch-up time, stress, lower-quality work	Treat AHT as a planning metric rather than a hard individual target; establish task-specific ranges with worker input; explicitly account for breaks and difficult cases
Low price per task/ aggressive unit-price negotiation	Reduce labor cost or increase expected output	Lower wages, piece-rate insecurity, excessive hours, reliance on lower-wage jurisdictions	Price contracts using a living-wage-plus-cost model; require vendor disclosure of the labor assumptions behind pricing
Fixed-price contracts despite uncertain task complexity	Vendor absorbs complexity risk	Pressure to work faster when tasks take longer; unpaid or underpaid complex work	Complexity bands, time-based components, or contractual repricing triggers
Short turnaround / rush orders	Overtime, night shifts, rapid hiring	Excessive working hours, inadequate rest, compulsory overtime	Lead-time standards; rush premiums; caps on overtime; buyer-funded surge capacity
Highly volatile demand	Hire workers on temporary/on-call arrangements or rapidly reduce headcount	Income instability, unpredictable schedules, layoffs	Volume forecasts, minimum volume commitments, notice periods and payments for cancellations

Late scope changes	Retraining and rework without corresponding budget/time	Unpaid training, overtime, increased productivity pressure	Paid change orders; reset delivery schedules and productivity assumptions when specifications change
High accuracy targets without corresponding time allowance	Simultaneously pressure workers for speed and accuracy	Impossible performance expectations; disciplinary action; stress	Jointly calibrate quality and productivity requirements; never change one without reassessing the other
Punitive error/rejection rates	Reject worker output or withhold piece-rate payment	Wage loss and arbitrary discipline, particularly where instructions are ambiguous	Pay for good-faith work; transparent appeal process; buyer bears cost of ambiguous specifications
Unpaid qualification tests or training	Shift onboarding cost onto workers	Uncompensated labor	Require all mandatory training, calibration and qualification work to be compensated
24 / 7 service requirements	Night work and rotating shifts	Sleep disruption, family-life impacts, transport/safety risks	Pay shift premiums; permit stable rather than constantly rotating shifts; assess safe transport and working-hours risks
"Follow-the-sun" procurement	Concentrate difficult shifts in lower-cost countries	Geographic distribution of undesirable hours to workers with less bargaining power	Assess working-time impacts by location rather than treating 24/7 coverage as labor-neutral
Worker-level surveillance demanded by buyer	Screenshots, keystroke monitoring, webcam monitoring, granular productivity scoring	Privacy impacts, stress, inability to take normal microbreaks	Collect the minimum operational data necessary; favor team/ process metrics over continuous individual surveillance
Rapid scaling requirements	Use subcontractors, freelancers or crowd-workers	Weaker employment protections and less visibility into conditions	Require approval/ transparency for subcontracting and flow down labor standards

Short contracts/ frequent rebidding	Vendor avoids permanent hiring and long-term investment	Temporary contracts, job insecurity, reduced benefits	Longer contracts, renewal visibility, responsible transition requirements
Lowest-cost-wins tendering	Vendors compete primarily by suppressing labor costs	Structural downward pressure on wages and conditions	Give meaningful bid weighting to labor performance, worker well-being and responsible employment models

By better understanding the impact of downstream commercial requirements on vendors and their extended workforces, buyers and other downstream actors can take measures to make commercial adjustments that will have a mitigating role on the salient human rights issues identified in this report.

14. [ALL] Understand the consequences of platform-based work

While platform-based work allows flexibility and independence, for many workers, particularly vulnerable workers and workers in developing countries, it has also contributed to the emergence of working arrangements in which core labor rights protections enshrined in the ILO conventions do not apply. Companies should take steps to understand their exposure to platform-based labor models within the AI data supply chain and recognize the associated labor rights risks as structural issues requiring active oversight and mitigation.

Where companies engage platform-based vendors, they should use their leverage to require greater transparency regarding worker geography, pay, working conditions, well-being programs, and access to grievance and remediation mechanisms, and work to ensure that any platform work meets equivalent basic labor standards, regardless of worker classification.

At the same time, some labor rights impacts may stem from features inherent to the platform business model rather than isolated vendor practices. Therefore, companies should assess their relationship with platform-based vendors holistically and determine whether the severity or persistence of impacts warrants ending the business relationship altogether.

Opportunity for sector-level collaboration: Companies can also adopt a broader ecosystem approach by supporting regulatory efforts aimed at extending labor rights protections to platform workers.



15. [ALL] Engage in industry-wide collaboration and collective action

Many of the labor rights risks identified in the AI data supply chain are structural and cannot be fully addressed by individual companies acting alone. In the absence of sector-wide collaboration, buyers are incentivized to demand work at speeds or price points that increase the likelihood of labor rights harms, while vendors face pressure to rely on platform-based models, subcontracting, or other cost-reduction strategies that can contribute to unfair wages, excessive working hours, job insecurity, and psychological harm to workers. At the same time, vendors consistently report that data quality and output precision suffer when worker well-being and working conditions are not adequately prioritized.

To better respect worker rights while also supporting the quality and sustainability of AI data work, companies should consider greater collaboration at the industry level, including through the following approaches:

- Sharing best practices, challenges, and lessons learned related to responsible sourcing and vendor management
- Developing or adopting pre-competitive principles and industry-wide standards related to wages, worker contracts, occupational health and safety, well-being programs, safety training, responsible subcontracting, and independent auditing
- Establishing independent or sector-wide grievance and remedy mechanisms for data workers that allow confidentiality requirements to be maintained while ensuring workers have meaningful access to remedy
- Collaborating on public policy engagement and advocacy to strengthen labor protections for platform workers and other vulnerable workers engaged in AI data work globally
- Supporting greater transparency, traceability, and accountability across the AI data supply chain

VIII. Annex: Relevant Resources

Fairwork Certification

Crowdworking Code of Conduct and Ombudsman (Testbirds GmbH)

Building Better Workplaces for Data Workers (Apti Institute)

Data Enrichment Vendor Engagement Guidelines (PAI)

Data Workers' Inquiry

Data Labeler's Association

Data Work Landscape (Tech Equity)

Responsible Sourcing Guidelines (PAI)

8 Protocols for Safe Content Moderation (UNI Global)



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