

ETHICAL SOURCING & PRODUCTION GUIDELINES

MITIGATING RISKS FOR HUMAN
TRAFFICKING IN SUPPLY CHAINS



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NOT FOR SALE 

Nearly 21 million¹ people around the world are victims of forced labor, a form of human trafficking.² A significant portion of these people is being exploited in global supply chains. In 2014, the US Department of Labor documented cases of forced labor and/or child labor in the production of 136 goods across 74 countries.³ During the same year, Apple's suppliers alone reimbursed almost \$3.96 million for excessive recruitment fees to over 4500 foreign contract workers at risk of debt bondage.⁴ The graphic on the following page provides a geographical overview of forced and/or child labor found in mineral extraction, highlighting the situation for workers in Indonesia.⁵

Risks for labor exploitation, such as forced labor, are more prevalent in certain areas, industries and situations. To the right are a few examples of instances that could indicate an elevated risk for human trafficking. Later, we will take a look at risks specific to certain countries and sectors.

This guide on ethical sourcing and production specifically targets the issue of human trafficking in supply chains. It is intended to complement and strengthen existing frameworks and management systems that already address other aspects of sustainability, such as environmental responsibility. To help identify improvement areas and gaps in

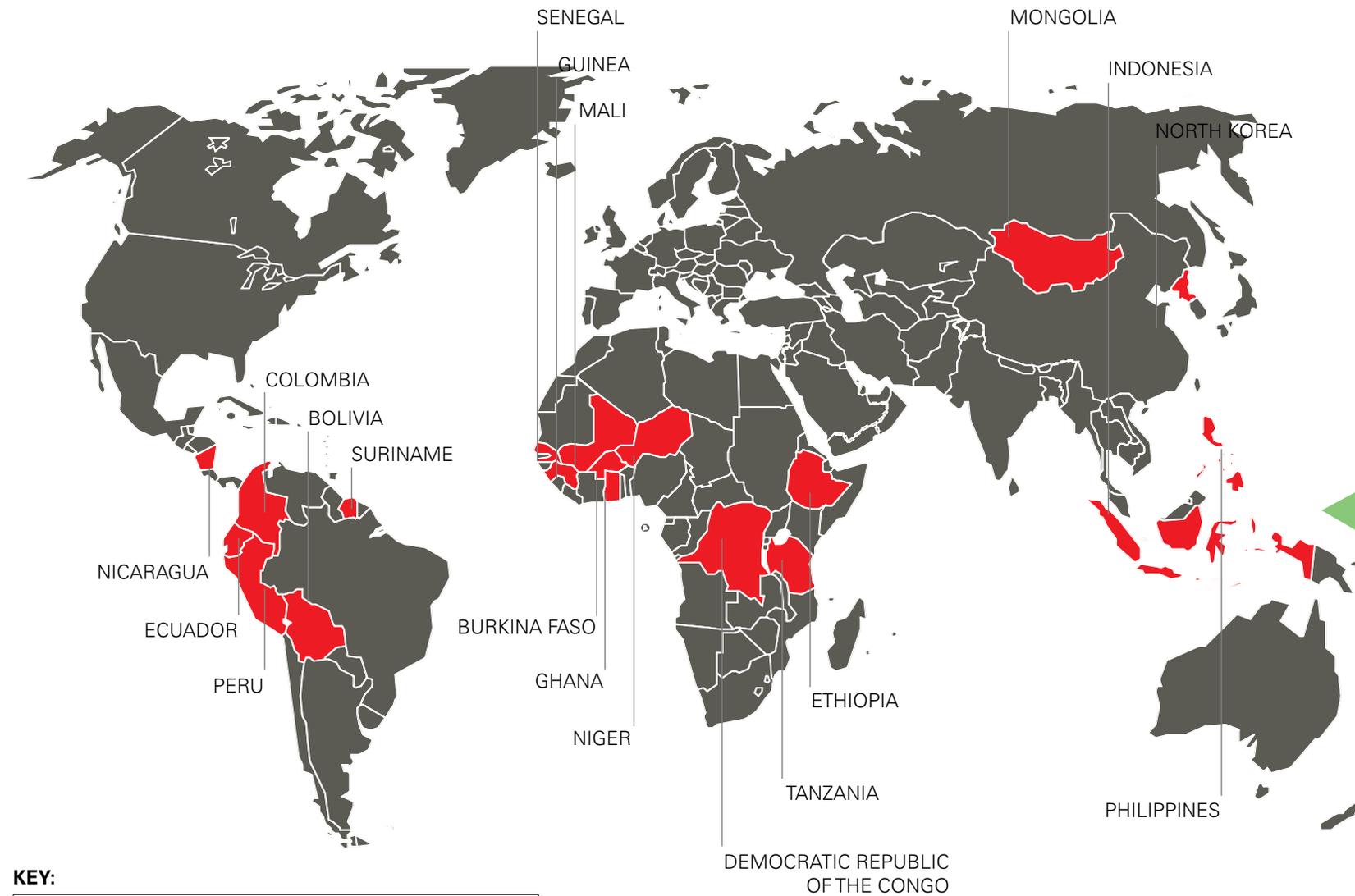
existing management systems, a self-assessment tool is provided at the end of the guide (please see Appendix A). For best results, every department or individual responsible for procurement should complete this assessment. The self-assessment questionnaire is based on the Free2Work evaluation tool, developed by Not For Sale and the International Labor Rights Forum with support from the US Department of State. Hundreds of brands in the apparel, electronics, and coffee industries have been assessed using this tool, evaluating the strength of their policies and procedures to protect against labor exploitation. To benchmark your performance against peers in your industry, or across industries, you can access complete brand assessments at free2work.org. You can also find industry reports providing best practice examples and performance overviews for the apparel, coffee, and electronics industries on this website.

The Ethical Sourcing and Production Guidelines were developed as part of the Business Against Slavery project, initiated by Not For Sale and the Samilia Foundation with financial support from the European Commission. The project seeks to develop a set of tools for companies looking to address the issue of human trafficking. You can access all the tools at: businessagainstslavery.org.

Elevated risk for human trafficking:

- Workers recruited through an unauthorized labor broker
- Workers who paid recruitment fees or deposits to a recruitment firm
- Workers that do not have access to their passports, visas or identification papers
- Workers who live on the worksite and cannot leave the premise at all times
- Workers who are very young and lack identification papers
- Workers who are not allowed to participate in worker interviews during audits
- Workers that lack contracts or are unable to terminate long-term contracts
- Workers who labor for unauthorized subcontractors
- Foreign workers who labor under conditions different than those agreed upon prior to employment
- Foreign workers that are unable to return to their home countries
- Foreign workers or refugees that lack work permits

WHERE IS CHILD AND FORCED LABOR USED IN MINERAL EXTRACTION?



KEY:

Red represents countries known to use child and/or forced labor in the extraction of one or more minerals (Source: DOL List of Goods Produced by Child Labor or Forced Labor, 2014)

Spotlight: Indonesia

One third of the world's tin is mined in Indonesia. This tin is used in a variety of different electronics products including mobile phones, tablets, laptops and cars. A 2015 Bloomberg report found that men and children work in these mines in very dangerous conditions with most mines found to be unlicensed and unregulated. Workers often die as a result of collapsed mines. Overall, more than one hundred workers die each year due to the unsafe conditions. With Indonesia being the world's biggest exporter of tin, this is a major concern for this industry.

1. POLICIES & CODES OF CONDUCT

A first step toward establishing a system that protects workers is to adopt policies, such as a code of conduct, which outlines minimum labor rights requirements. While good policies do not guarantee good practices, they are a critical starting point. They form the backbone of management systems that protect against exploitation and uphold worker rights. As human trafficking is not an isolated issue, but a form of exploitation often linked to other labor rights violations, it is crucial to adopt and implement policies that holistically address risks for labor abuses. To offer effective protection, it is important that these policies apply to all stages of production, including home workers and subcontractors. It is also critical to consult workers and other local stakeholders to ensure relevant needs and risks are addressed in the code.

A best practice code of conduct covers, at minimum, the International Labour Organization's core conventions and the UN Declaration of Human Rights. It also generally outlines requirements in the areas listed in the figure to the right.

For details on policies that specifically address the risk of human trafficking, see *Supplier Code of Conduct on Human Trafficking* at

businessagainstsavery.org. For a holistic best practice code of conduct covering all the areas listed below, see the *SA8000 Standard* issued by Social Accountability International.⁶

Responsibility Topic	Areas Addressed
FORCED & COMPULSORY LABOR	Confiscation of individual property; Recruitment fees & deposits; Freedom of movement; Labor brokers; Remediation policy
CHILD LABOR	Verification of age; Young workers; Remediation policy
HARASSMENT & ABUSE	Physical & psychological abuse; Sexual harassment; Disciplinary practices
DISCRIMINATION	Foreign workers; Pregnant workers; Organized workers
WAGES & BENEFITS	Premium payments; Wage payments; Deductions; Provision of contracts; Misuse of contracts
WORKING HOURS	Overtime; Rest; Responsible business planning
FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	Parallel means to organizing; Non-interference; Facilitation
HEALTH & SAFETY	Fire & building safety; Hazardous conditions; Emergency evacuation; First aid; Personal protective equipment; Drinking water, Sanitation; Training
MANAGEMENT SYSTEM	Announcement to workers; Grievance mechanism; Right to inspection; Corrective actions; Monitoring

2. TRACEABILITY & TRANSPARENCY

In order to build relationships with suppliers and initiate a dialogue on how to best protect worker rights, a company first needs to know who their suppliers are. Though this might seem like a straightforward process, tracing suppliers up the supply chain can be a challenging undertaking. Most companies know where some or all of their final stage manufacturers are located, but it is less common for companies to know the location of their raw materials suppliers. In a recent study by Not For Sale and Baptist World Aid Australia, 52% of the 59 apparel companies researched had fully traced their final stage manufacturers, but only 9% had traced their supply chain up to raw materials level. However, a similar study on the electronics industry positively showed that 57% of the 56 companies evaluated had initiated or joined a tracing project to further trace their suppliers.

Below are a few key steps companies can take to start tracing their supply chains:

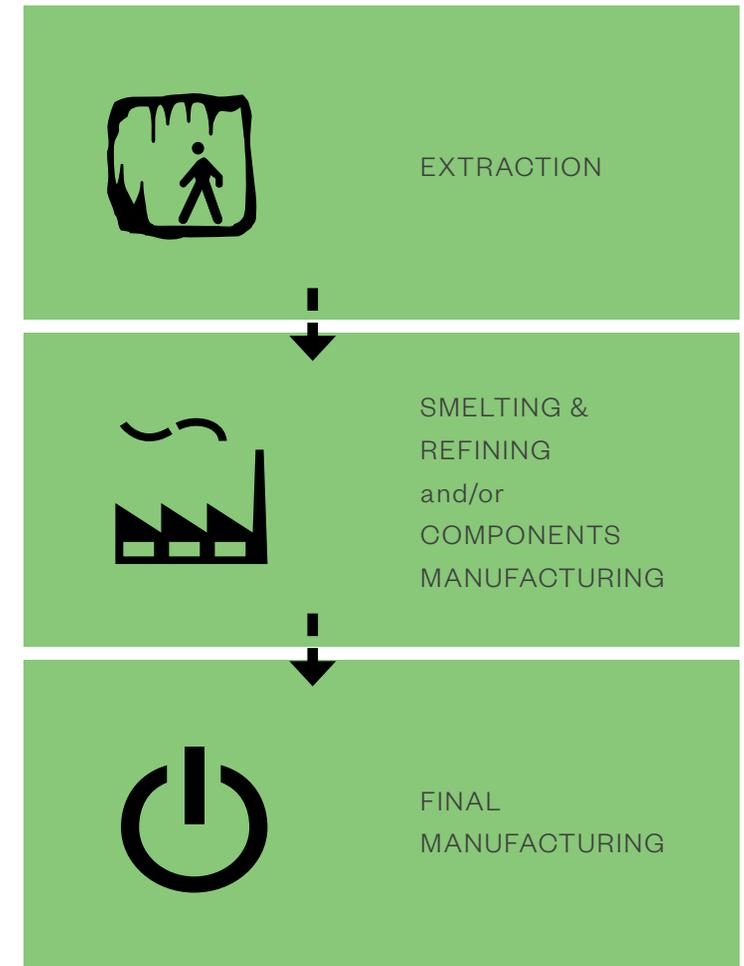
1. DETERMINE THE STRUCTURE OF YOUR SUPPLY CHAIN:

Before starting the tracing process, try to get an idea of how many tiers your supply chain consists

of by conducting due diligence on its structure and composition. Type and complexity of the supply chain will determine how many levels and actors the tracing should cover. In the self-assessment tool (Appendix A), questions are asked for three major stages of production: raw materials, inputs, and final manufacturing. The graphic to the right illustrates an example of this structure from the electronics industry: extraction (raw materials level), smelting and refining and/or components manufacturing (inputs level), and final manufacturing. This is a simplified way of breaking down a supply chain, and yours might consist of more or less than these three stages.

2. REQUEST INFORMATION FROM DIRECT SUPPLIERS:

Start tracing your supply chain by requesting information from direct suppliers on who they source from. Information can be collected using various means, such as an online questionnaire requesting information on names and addresses of suppliers, sub-suppliers and subcontractors. Require direct suppliers to gather information on names and addresses of suppliers and subcontractors they source from. Request that this question is passed



on until it reaches the very last tier of the supply chain. It is in many industries common that suppliers outsource parts of their production to unauthorized or unknown subcontractors. It is therefore critical to investigate if there are any subcontracting arrangements in place and to fully trace those. Knowing the country of origin of suppliers provides an opportunity to conduct an initial analysis of the risk for labor exploitation associated with certain countries and industries (see the next chapter for an overview on how to conduct a risk analysis). Similarly, it is crucial to have contact information to actors up the supply chain, to conduct further investigation and mitigate any potential risks.

3. SHARE INFORMATION ON WHO YOUR SUPPLIERS ARE:

Companies increasingly share information publicly about where their suppliers are located, as well as publish audit results and codes of conduct. Best practice in several industries is to publish a list with supplier names and addresses or display suppliers on an interactive map on the company website. Along with this information, some companies share audit protocols and corrective action plans. Offering this transparency to consumers and other stakeholders

strengthen a company's credibility and creates an opportunity for public accountability and, ultimately, improvements. Below are links to a few examples of supplier lists and maps:

Supplier Map	Supplier List
Everlane	Apple
Nudie Jeans	H&M
Nike	Levi Strauss & Co.
Patagonia	The Walt Disney Co.
HP	HP

4. STAY UP TO DATE ON TRACEABILITY & TRANSPARENCY LEGISLATION:

The last few years have seen an increase in transparency and traceability legislation, requiring companies to disclose efforts to mitigate risks for human trafficking in their supply chains. Additional legislation is underway in Europe and the US, similar to the current examples highlighted below:

- *The Modern Slavery Act; Transparency in Supply Chains (2015)*:⁷ Legislation requiring businesses operating in the UK to disclose a statement each financial year on the efforts made to ensure human trafficking is not taking place in their supply chains or in their own businesses. The Act applies to companies offering goods or services with a minimum annual net turnover of £36 million globally. The statement has to be publicly available on the company website.⁸

- *The California Transparency in Supply Chains Act (2012)*:⁹ Legislation requiring companies doing business in California, USA to publicly disclose their actions to eradicate forced labor in their direct supply chains. The legislation applies to companies with \$100 million or more in global annual revenue.¹⁰

- *The Dodd-Frank Act (2010)*:¹¹ Legislation requiring any company using “conflict minerals” – tin, tungsten, tantalum, and gold – and that is doing business in the US, or is listed on a US stock exchange, to determine the source country of those minerals. If any of the minerals are sourced from the Democratic Republic of the Congo or adjoining countries, companies are required to conduct due diligence to ensure they are not financing or benefiting any armed groups.¹²

Identifying suppliers and developing policies sets the stage for guiding supply chain partners toward code implementation and improved protection of workers. To help prioritize where to start and which suppliers to focus on first, a high-level risk analysis can be conducted. This analysis can vary in detail and depth, depending on the size of the supply chain and number of risk sources used. As risks for labor exploitation are more prevalent in certain production processes and countries, an initial analysis can be conducted looking at supplier location and industry. Below is an example of a risk assessment methodology developed by Not For Sale, primarily drawing risk data from the following two sources:

- ***The U.S. Department of Labor’s List of Goods Produced by Child Labor or Forced Labor (“DOL List”):***

List of goods and countries where cases of child labor and forced labor have been identified.¹³

- ***“Tier Placements” from the U.S. Department of State Trafficking in Persons Report (TIP Report):***¹⁴

Report assessing government efforts to address human trafficking. The TIP Report ranks countries according to four levels depending on their actions to mitigate risks to human trafficking:

- **Tier 1:** Countries compliant with the Trafficking Victims Protection Act (TVPA)
- **Tier 2:** Countries not fully compliant with TVPA, but are making significant efforts
- **Tier 2 Watch List (WL):** Countries not fully compliant with TVPA, but are making some efforts
- **Tier 3:** Countries not fully compliant with TVPA, and are not making significant efforts.¹⁵

As an initial means to assess existing efforts to protect workers and counterbalance risks, information can be gathered from applicable labor certifications and pre-existing audit protocols. No system can guarantee full protection of workers, but certifications such as Fairtrade International, Fair Trade USA, Fair For Life, Rainforest Alliance and UTZ all audit against labor rights criteria. Based on the risk sources listed above, as well as knowledge of supplier location (or lack thereof) and existing certifications, each good can be sorted into four risk levels: see chart on the next page for more information.

It is important to note that instances of human trafficking and labor exploitation can still occur in low risk countries and in certified environments and that the chart on the next page only describes one

way of assessing risk. There are other risk sources that can be added to this methodology, the most insightful ones being stakeholders and workers on the ground. To further guide prioritization among high-risk suppliers, identify the most labor-intensive stages of the supply chain and suppliers where your leverage is higher due to large procurement volumes or spending.

Risk Level	Criteria	Checklist
LOW	Good is fully traced to raw materials level, and all stages of production are located in low risk countries or have been certified on labor rights criteria if located elsewhere.	<ul style="list-style-type: none"> - Good and country are not on the DOL-list, AND; - All levels of the supply chain are located in Tier 1 countries or have been certified on labor rights criteria if located elsewhere
MEDIUM	Good is fully traced to raw materials level, but one or more stages are located in medium risk countries and have not been certified on labor rights criteria. Tracing provides an opportunity to further investigate labor conditions.	<ul style="list-style-type: none"> - Good and country are not on the DOL-list, AND; - One or more levels of the supply chain are located in Tier 2 countries and lack labor certification, AND; - Addresses to suppliers at each stage of production have been provided, OR; - Good and country are on the DOL-list for one or more stages and have been certified on labor rights criteria for all those stages
HIGH	Good is not fully traced to raw materials level, or is traced but located in a high-risk country with weak enforcement of labor laws and has not been certified on labor rights criteria.	<ul style="list-style-type: none"> - Good and country are not on the DOL-list, AND; - Suppliers are located in Tier 2 WL or Tier 3 countries and addresses have been provided but no labor certification is in place, or suppliers are located in Tier 2, Tier 2 WL or Tier 3 countries and no addresses have been provided and no labor certification is in place
VERY HIGH	Good and country are on the DOL-list for one or more stages of production, or there is no information on country of origin for one or more supply chain stages.	<ul style="list-style-type: none"> - Good and country are on the DOL-list and have not been certified on labor rights criteria for all those stages, OR; - No information on country of origin available for one or more stages of production

4. CODE IMPLEMENTATION & MONITORING

In order to investigate high-risk suppliers and collaborate with them to ensure that the adopted code of conduct is implemented, it is crucial to establish a collaborative relationship with each vendor. A code is only effective to the extent to which it is implemented, and the implementation ultimately relies on the efforts of the supplier. It is therefore important to adopt a business-focused approach to the implementation process, and to emphasize the opportunity for positive financial outcomes, such as lower staff turnover, improved competitiveness, and increased productivity. It is equally important to review the company's own sourcing practices to ensure business is conducted in such a way that lead times and prices allow the supplier to comply with code requirements. Above all, it is critical to adopt a worker perspective and to involve workers and union representatives in each step throughout the implementation process. Talk to workers and learn about their needs and concerns. They are the best monitors and the ultimate evaluators whether the efforts have the desired impact or not.

Here are a few key steps companies can take to guide suppliers toward code compliance:

1. COLLECT INITIAL INFORMATION THROUGH A SELF-ASSESSMENT QUESTIONNAIRE:

As a first step toward implementation, and to get a better idea of the current state, ask suppliers to complete a benchmarking questionnaire or self-assessment. This will provide a baseline and more clarity on what the greatest needs are. To reduce assessment fatigue among suppliers, there are several industry initiatives aiming to streamline data collection. The Sustainable Apparel Coalition has developed The Higg Index for the apparel and footwear industry, while the Electronics Industry Citizenship Coalition (EICC) provides a self-assessment questionnaire for suppliers in the electronics industry.

2. OFFER TRAINING & SUPPORT THE ESTABLISHMENT OF A MANAGEMENT SYSTEM:

To ensure an effective implementation process, make sure the code of conduct is included as part of a legally binding agreement with the supplier. Offer to train supplier management on the requirements in the code, and how to identify instances of forced and child labor. Make sure workers also receive this training. Support the establishment of a management

system to help identify potential risks, drive implementation and remediation, and conduct root cause analyses of non-conformances. As part of such a management system, a committee consisting of a balanced team of management and worker and/or union representatives should be formed.

3. CONDUCT AUDITS TO IDENTIFY IMPROVEMENT AREAS:

To verify compliance with code requirements, an audit can be conducted. This audit can be announced or unannounced, be performed internally or by a third-party auditor, and be based on the company code of conduct or a best practice standard. There are pros and cons to each model, and it is important to adapt the audit approach to the prevailing risk. In high-risk countries, more in-depth monitoring with annual unannounced visits by an independent auditor should always be conducted. Regardless of the approach, it is important that union leaders or worker representatives are involved in the process, that monitoring benchmarks have been vetted by a credible third party organization, and that auditors have been trained to identify child and forced labor. It is also crucial that suppliers are audited for their use of labor brokers and temporary

contracts, and that workers are interviewed on- or offsite. Off-site interviews can prove to be more effective, as workers usually are more comfortable sharing concerns away from the work site. An increasing number of companies offer innovative technologies to facilitate direct communication with workers through their mobile phones, such as Good World Solutions¹⁶ and LaborVoices.¹⁷ These technologies also provide an opportunity to survey conditions between audits and offer an avenue for workers to report on issues. This is critical as audits can only provide a snapshot of conditions during the time of the visit, and workers are the most efficient monitors; they are present when auditors are not. Lastly, it is important that the data collected during an audit is verified through triangulation and secondary sources, to minimize the risk for incorrect or false information.

4. SUPPORT & FOLLOW UP ON REMEDIATION:

An audit generally results in an audit report and a “Corrective Action Plan” (CAP) detailing any non-conformances and timelines for remediation. Without effective remediation, good policies and strong audits have very little to no impact. The more robust management system, the more efficient remediation

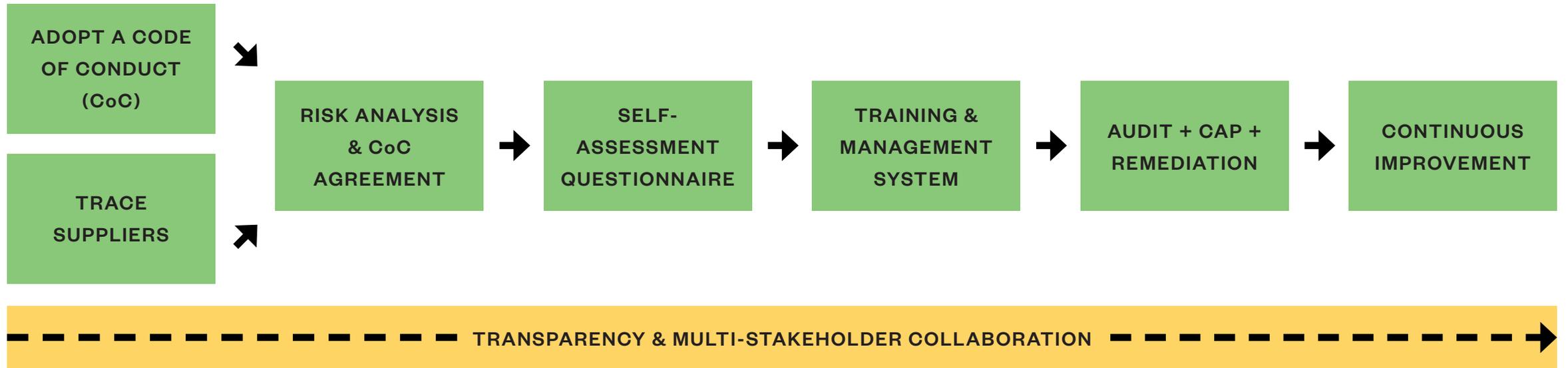
will be. In instances of forced and child labor, it is important to identify local partnerships to aid with the rehabilitation and to cooperate with local authorities to ensure full protection of victims. Make sure to provide for the child’s education and replace the lost income to his or her family. In cases of forced labor, help facilitate the individual’s reintegration into the labor market and transition to decent work. Ensure that the situation has been completely remediated by conducting unannounced follow-up audits.

5. PROVIDE INCENTIVES FOR CONTINUOUS IMPROVEMENTS:

Implementing a management system to enhance worker rights takes time. It is therefore important to build long-term relationships with suppliers and to adopt a collaborative approach. Leverage, attitude and perseverance are essential to the success of the collaboration. To encourage continuous improvements, many companies establish a system to base sourcing decisions on labor conditions and award more business to compliant partners. In a worst-case scenario, where collaboration to protect workers is not an option, a company might have to end its relationship with the supplier. In these cases,

it is important to make sure workers are fully paid for hours worked prior to the termination.

On the next page is a summary of the key steps outlined above to mitigate risks for labor exploitation and to establish a system for responsible supply chain management.



Empowering workers and farmers to uphold their rights is critical in achieving sustainable and long-term protection. Providing workers a living wage and farmers a fair price is imperative to reducing individuals' vulnerability to exploitation and spurring economic development. Worker-owned co-operatives and labor unions are important tools toward this end as they help increase workers leverage and voice. In the same manner, an increasing number of companies are realizing that sustainable supply chain improvements and systemic change require broader collaboration. Hence, multi-stakeholder initiatives in several industries are on the rise to address industry-wide issues.

LIVING WAGE & FAIR PRICE:

Legal minimum wages in many countries are not sufficient to cover workers' basic needs. This forces laborers to work excessive overtime in order to make ends meet, which keeps them in a vulnerable cycle of poverty. Hence, one of the most important means to empower workers and reduce their vulnerability is to ensure they are provided with a "living wage". For a standard work week, not including any overtime, a living wage should be high enough to ensure a decent standard of living for the worker and his/

her family, including the provision of food, water, housing, education, health care, transport, clothing, and some savings for unexpected events.¹⁸ A lot of work remains to be done in this area. In the Apparel Industry Trends Report from 2015, only 13% of the 59 assessed companies had taken any tangible steps toward ensuring workers were paid above the legal minimum. For more information on minimum and living wages in different countries, see the Fair Wage Guide¹⁹ from Good World Solutions and the Wage Indicator.²⁰

Independent farmers in many countries face the same struggle as workers do; when prices fall below the cost of production, they are unable to provide for themselves and their families. To make ends meet, children are often taken out of school to work on the farm or help their parents meet production quotas. Many farmers also take on unfavorable loans, putting them at risk to debt bondage and tightening the cycle of poverty. To address this issue, a number of certification systems, such as Fairtrade International and Fair Trade USA, provide farmers with premiums and a guaranteed minimum price.

WORKER VOICE:

One of the most critical mechanisms to protect and empower farmers and workers is to provide avenues for increased voice and leverage. No one but the workers and farmers themselves know their needs better or are better equipped to address these. Democratically run co-operatives or employee-owned firms, where workers own a substantial part of the business and serve on the Board of Directors, are business models established toward this end. Similarly, independent democratically elected unions, empowered to bargaining collectively, are important tools for hired workers to improve their conditions. The Freedom of Association Protocol²¹ in Indonesia is a groundbreaking tripartite initiative, negotiated and signed by brands, unions, and suppliers alike. The legally binding protocol provides companies practical guidelines on how to implement and uphold freedom of association.

To further strengthen worker voice, it is important that there is a channel for internal dialogue between workers and supplier management. It is also crucial that this channel is established between workers and an external third party, and that employees can report concerns anonymously. To further protect the

identity of workers, third party organizations should have the option to submit complaints on their behalf. Concerns should be investigated and remediated with resolutions publicly disclosed.

MULTI-STAKEHOLDER COLLABORATION:

Supply chain challenges are complex, with multiple brands sourcing from the same factories and with increasing audit fatigue among suppliers. To address industry wide issues, and improve knowledge sharing and efficiency, a number of multi-stakeholder collaborations have been formed in recent years. These initiatives allow common standard setting, collaboration on industry specific projects, and sharing of best practices. Below are a few examples of multi-stakeholder collaboration in the apparel, footwear, and electronics industries:

- Sustainable Apparel Coalition
- Better Cotton Initiative
- The Accord on Building and Fire Safety in Bangladesh
- Alliance for Bangladesh Worker Safety
- Fair Labor Association
- Ethical Trading Initiative

- Electronics Industry Citizenship Coalition (EICC)
- Solutions for Hope
- Public-Private Alliance for Responsible Minerals Trade
- IDH Indonesian Tin Working Group

APPENDIX A

SELF-ASSESSMENT TOOL

1. CODE OF CONDUCT & GENERAL POLICIES	
CODE OF CONDUCT	
Does the Company have a Code of Conduct for suppliers ("Code") that addresses labor standards?	YES/NO
Code includes elimination of child labor?	YES/NO
Code includes abolition of forced and compulsory labor?	YES/NO
Code includes freedom of association?	YES/NO
Code includes rights to collective bargaining?	YES/NO
Code prohibits discrimination on the basis of personal attributes, tenants or affiliations?	YES/NO
Code prohibits the use of regular and excessive overtime?	YES/NO
Are suppliers required to ensure freedom of movement for employees and their right to enter and leave employment willingly and voluntarily? <i>(Example of a policy that fits: Suppliers are prohibited from withholding employee identity documents, including passports.)</i>	YES/NO
Are suppliers prohibited from using recruitment fees?	YES/NO
Does the Code apply to multiple levels of the supply chain including the raw materials level?	YES/NO
Is the Code included in supplier contracts?	YES/NO
POLICIES	
Does the Company have a policy of non-interference toward trade unions and worker organizing?	YES/NO
Does the Company participate in any multi-stakeholder initiative (MSI)?	YES/NO
Name of MSI(s):	

<p>Has the Company taken steps to use responsible purchasing practices? <i>(This does not include auditing improvements; it refers to managing sampling, order timelines or prices to enable suppliers to provide decent working conditions.)</i></p>	<p>YES/NO</p>
<p>Describe program and goals:</p>	
<p>Does the Company have a policy that addresses subcontracting in the supply chain (including homework where applicable)? <i>(Policy must include either a plan to prevent subcontracting or else a plan to ensure Code standards are met in subcontracting arrangements).</i></p>	<p>YES/NO</p>
<p>Describe policy briefly:</p>	

2. TRANSPARENCY & TRACEABILITY			
	Final Stage Production	Inputs Production	Raw Materials
<p>In the following levels of the supply chain, select one key production process that the Company has traced or has begun to trace. <i>Traced = the Company has a direct knowledge of supplier including name and location.</i></p>			
NOTE: Use the processes selected above to answer the remainder of the questions.			
<p>Approximately how many suppliers produce for the Company in total, including subcontractors and untraced producers (if known)?</p>			
<p>Approximately how many of these suppliers has the Company traced? <i>Traced = the Company has a direct knowledge of supplier including name and location.</i></p>			

NOTE: From this point on, "suppliers" refers to those suppliers the Company has traced.			
Is the Company involved in a tracing project to identify the location of unknown producers?	YES/NO	YES/NO	YES/NO
Name/description of tracing project:			
Is there a public list of countries in which suppliers are located?	YES/NO	YES/NO	YES/NO
List top five countries in which production takes place:	1. 2. 3. 4. 5.	1. 2. 3. 4. 5.	1. 2. 3. 4. 5.
Is there a public list of suppliers (must include supplier names and addresses)?	YES/NO	YES/NO	YES/NO
Does the Company require and keep record of information from direct suppliers on every subcontractor and subcontract?	YES/NO	YES/NO	YES/NO
Does the Company track suppliers' use of temporary or contract workers?	YES/NO	YES/NO	YES/NO

3. MONITORING & TRAINING			
	Final Stage Production	Inputs Production	Raw Materials
MONITORING			
% of suppliers internally monitored per year:	%	%	%
% of suppliers monitored by a third party with labor-standards accreditation per year:	%	%	%
	Name of third party:		
% of suppliers monitored with unannounced visits or off-site worker interviews per year:	%	%	%
% of suppliers having publicly shared audit reports and corrective action plans:	%	%	%
TOTAL % of traced suppliers monitored per year:	%	%	%
Are monitoring benchmarks vetted by an outside organization?	YES/NO	YES/NO	YES/NO
Name of organization:			
Are suppliers monitored for their use of labor brokers?	YES/NO	YES/NO	YES/NO
Are broad monitoring results shared publicly?	YES/NO	YES/NO	YES/NO

Has the Company identified higher risk countries where it conducts more in-depth monitoring?	YES/NO	YES/NO	YES/NO
List countries under higher-risk monitoring program:			
Are all of these suppliers independently monitored with unannounced visits or off-site worker interviews at least once a year?	YES/NO	YES/NO	YES/NO
TRAINING			
Are both auditors and factory managers trained to identify human trafficking, child labor, and forced labor?	YES/NO	YES/NO	YES/NO
Does the Company invest in suppliers' compliance implementation through training or other financial support?	YES/NO	YES/NO	YES/NO

4. WORKER EMPOWERMENT & REMEDIATION			
	Final Stage Production	Inputs Production	Raw Materials
WAGES & SOURCING			
Do workers make a living wage?	YES/NO	YES/NO	YES/NO
Info on wage calculations:			
Is a stable price guaranteed to suppliers regardless of world price fluctuation?	YES/NO	YES/NO	YES/NO
Does the Company have a system for basing sourcing decisions on supplier labor conditions? <i>(Examples: a) Company has a preferred supplier program, b) Company can demonstrate that suppliers' labor conditions have improved over time)</i>	YES/NO	YES/NO	YES/NO
For Companies more than 10 years old: From how many suppliers has the Company sourced for at least 5 years?			

If the Company ends its relationship with a supplier, does it have a program to ensure that workers are fully paid for hours worked?	YES/NO	YES/NO	YES/NO
CO-OPERATIVES			
Are there any democratically run co-operatives or employee-owned firms at this level of the supply chain? <i>(If "NO" skip to the section on "unions")</i>	YES/NO	YES/NO	YES/NO
Do workers or their appointees either serve on the Board of Directors of the co-operative or firm, or else have access to financial information about the performance of the business including management salaries?	YES/NO	YES/NO	YES/NO
Do workers own either 50% or more of the co-operative, or 25% or more of the Company?	YES/NO	YES/NO	YES/NO
UNIONS			
Do any suppliers employ hired workers (including contract and permanent workers) at this level of the supply chain?	YES/NO	YES/NO	YES/NO
How many suppliers are known to have independent democratically elected trade unions?			
List the suppliers:			
How many suppliers are known to have collective bargaining agreements in place?			
List the suppliers:			

GRIEVANCE MECHANISMS			
Does the Company have a functioning grievance mechanism? <i>(This must include investigation and efforts by the Company to address grievances)</i>	YES/NO	YES/NO	YES/NO
Does the Company have a functioning dispute resolution mechanism?	YES/NO	YES/NO	YES/NO
Can workers submit complaints anonymously?	YES/NO	YES/NO	YES/NO
Can organizations submit complaints on behalf of workers?	YES/NO	YES/NO	YES/NO
Are the resolutions publicly disclosed?	YES/NO	YES/NO	YES/NO
CHILD & FORCED LABOR REMEDIATION PLAN			
Does the Company have local partnerships in place in high-risk areas to rehabilitate child or forced laborers if found?	YES/NO	YES/NO	YES/NO
List partner organizations:			
When child or forced labor is removed from the workplace, is it later verified by unannounced monitoring?	YES/NO	YES/NO	YES/NO
If child labor is discovered, does the Company find a way to provide for the child's education and replace the lost income to the family?	YES/NO	YES/NO	YES/NO
If forced labor is discovered, does the Company facilitate the individual's reintegration into the labor market and transition to decent work?	YES/NO	YES/NO	YES/NO
Where appropriate will the Company cooperate with local authorities, government, law enforcement, victim service providers and others to ensure full protection of trafficking, forced and/or child laborer(s)?	YES/NO	YES/NO	YES/NO
Info on Remediation Plan:			

ENDNOTES

- ¹ <http://www.ilo.org/global/topics/forced-labour/lang--en/index.htm>
- ² For information on how the European Union defines human trafficking, visit: https://ec.europa.eu/antitrafficking/citizens-corner/trafficking-explained_en
- ³ http://www.dol.gov/ilab/reports/pdf/tvpra_report2014.pdf
- ⁴ http://images.apple.com/supplier-responsibility/pdf/Apple_Progress_Report_2015.pdf
- ⁵ <https://www.baptistworldaid.org.au/assets/BehindtheBarcode/Electronics-Industry-Trends-Report-Australia.pdf>
- ⁶ http://sa-intl.org/_data/n_0001/resources/live/SA8000%20Standard%202014.pdf
- ⁷ <http://www.legislation.gov.uk/ukpga/2015/30/part/6/enacted>
- ⁸ <http://accountabilityhub.org/provision/s-54/>
- ⁹ California Transparency in Supply Chains Act: http://www.leginfo.ca.gov/pub/09-10/bill/sen/sb_0651-0700/sb_657_bill_20100930_chaptered.pdf
- ¹⁰ <http://www.dol.gov/ilab/child-forced-labor/California-Transparency-in-Supply-Chains-Act.htm>
- ¹¹ Dodd-Frank Act: http://www.cftc.gov/idc/groups/public/@swaps/documents/file/hr4173_enrolledbill.pdf
- ¹² <https://www.sec.gov/News/Article/Detail/Article/1365171562058>
- ¹³ <http://www.dol.gov/ilab/reports/child-labor/list-of-goods/>
- ¹⁴ <http://www.state.gov/documents/organization/245365.pdf>
- ¹⁵ <http://www.state.gov/j/tip/rls/tiprpt/2015/243366.htm>
- ¹⁶ <http://goodworldsolutions.org>
- ¹⁷ www.laborvoices.com
- ¹⁸ <http://sa-intl.org/index.cfm?fuseaction=Page.ViewPage&pageId=1584>
- ¹⁹ <http://fairwageguide.org/>
- ²⁰ <http://www.wageindicator.org/main/salary/living-wage/living-wage-map>
- ²¹ http://www.play-fair.org/media/wp-content/uploads/FOA-Protocol_7-June-2011_English-translation1.pdf

NOT FOR SALE 

Samilia
FOUNDATION



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Not For Sale works to protect people and communities from human trafficking. The organization manages projects in Europe, Asia, and the US focused on job-readiness training for survivors and protection of children. Not For Sale collaborates with companies to address trafficking through innovative business solutions. Learn more at notforsalecampaign.org.

The Samilia Foundation is based in Brussels and specifically targets sexual and economic exploitation through awareness raising in Belgium and through education and prevention programs in countries of origin of victims in Western Africa and Eastern Europe. Samilia also develops social inclusion programs for survivors in partnership with the private sector. To learn more, visit samilia.org.

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