

Social Compliance

On the 25th of April 2019, we hosted a forced Labour workshop. Presenters outlined the percentages of this modern-day slavery practices, whereby we saw that most of the poor countries are involved in the act. The poor citizens of the countries are the victims of the act, as they are more vulnerable.

A survey was conducted after the workshop and the purpose of the survey was to:

- Determine the prevalence of social compliance policies in supply chain
- Gain insight into how these policies are enforced and audited
- Establish whether other social compliance initiatives are undertaken
- Gauge interest in developing CGCSA social compliance standards and participation within a forum to discuss social compliance issues

The results show that:

Almost all participating companies stated that they have a human rights code of conduct and supplier social compliance code of conduct or similar policies within their organizations. These policies are communicated through websites, intranet, emails, one on one sessions, workshops or booklets. The Supplier social compliance code of conduct is enforced either by Audits, legal department, supplier vetting beforehand, SLA Appraisals or Supplier declaration. The employed types of Supplier social compliance audit programmes are: Internal audits, 3rd party audit standards, Internal & 3rd party audit standards and Internal (SA) & 3rd party audit standards (other markets).

Suppliers are subject to social compliance audits due to requirements, private label and direct import, random audits required, working in sectors that are vulnerable to human rights violation, and a need to so.

Social compliance audits frequency depends on previous audit results, some do it annually, biennially or every 3 years if no tip offs received. These audits are paid by the affected party depending on why the audit was conducted, or either a joint between a supplier and organization, or the supplier.

Internal supplier social compliance audit programmes are mostly conducted by 3rd party auditors, and others by internal audit team, QA Team, Dedicated social team or dependent on SLA. Areas that are covered by this audit programme are Labour & employment, Health & safety, Environmental compliance and other depend on SLA OR audit reason. These programmes are paid in different ways similar to the social compliance audits.

Almost all the participating companies perform social compliance audit of own operations through both internal and 3rd party auditors.

Some of the Social compliance initiatives to combat forced labour, modern slavery & human trafficking are:

- proper recruitment an employment process or policies.
- supply chain initiatives focusing on forced labour such as seafood in SE Asia, responsible recruitment etc.

- Human rights training for all employees based on operational sights (including contractors).
- reaching out regularly to suppliers to raise awareness of the importance of combating forced labour
- Strong human rights and ethical sourcing policies
- Enforcement through the supplier code of conduct

Other initiatives of monitoring working conditions in the supply chain are:

- Clear guidelines in terms of social compliance in the export business
- Investigations team that visits factories
- use of & wider direct worker reporting tool
- Monitoring of working time, age, rest periods & payments
- Tracking of suppliers that have undergone relevant audits

For participation in the development of social compliance standards, organizations have stated interest in either or both helping in the development of CGCSA Supplier social compliance standards or willingness to participate in social compliance working group.