



## Company Engagement Questions:

### KnowTheChain Apparel & Footwear benchmark

#### Documents

1. Please share links to any policy statements, reports, or other documents that you would like to be taken into account in a review of your company's approach to managing forced labor risks in the supply chain.

#### Commitment and governance

Awareness and commitment

2. Has your company made a formal commitment (e.g. adopted a policy) to address human trafficking and forced labor? Please include a link to the commitment.

*Related to indicator A.1.2 of the CHRB*

***Please see attached link.***

***[http://www.ralphlauren.com/transparencyact/index.jsp?ab=footer\\_CAtransparencyact](http://www.ralphlauren.com/transparencyact/index.jsp?ab=footer_CAtransparencyact)***

Supply chain standards

3. Does your company have a supply chain standard that requires suppliers to uphold workers' fundamental rights and freedoms, including the elimination of forced labor? Please include a link to the standard, and provide information on how frequently the standard is updated.

*Related to indicator A.1.2 of the CHRB*

***<http://www.ralphlauren.com/helpdesk/index.jsp?display=terms&subdisplay=other>***

***See link to our Operating Guidelines. Our Operating Guidelines state our expectations, and is our supplier code of conduct. The Operating Guidelines are reviewed annually, and was last updated in 2015.***

Management

4. Who within your company is responsible for the implementation of your company's supply chain policies and standards relevant to human trafficking and forced labor? Please indicate the committee, team or officer, and describe the scope of their responsibility and how they interact with other internal teams, groups or departments

*Related to indicator B.1.1 of the CHRB*

***David Uricoli, Vice President, Global Human Rights Compliance Department (GHRC)***

***David is responsible for the social compliance of all merchandise vendors and certain non-merchandise vendors who are expected to adhere to our Operating Guidelines. The***

***GHRC Department interacts with the following departments on a daily basis: Global Manufacturing and Sourcing, Quality Assurance, International Customs Compliance, Raw Material Operations, Legal and Product Development. The GHRC department was created to ensure that our vendors' operations throughout the world operate on the basic principles of ethical business practices and recognition of the dignity of their workers and environmental sustainability.***

#### Training

5. Does your company conduct training programs for internal decision-makers and suppliers' management teams on risks, policies and standards related to human trafficking and forced labor (this may include training on elements such as passport retention, payment of wages, and vulnerable groups such as migrant workers)? Please describe.

*Related to indicator B.1.5 (internal training) and B.1.7 (training of suppliers) of the CHRB*

***The GHRC team conducts departmental trainings which include a discussion of our Operating Guidelines, with an emphasis on human tracking and forced labor. We also conduct vendor- and country-specific trainings of our suppliers. One of the most successful training initiatives we use is a program that focuses on training mid- to lower-level management on essential skills that will help them better manage the workforce and improve the overall factory environment.***

#### Stakeholder engagement

6. In the last three years, has your company engaged on human trafficking and forced labor, especially as it relates to the supply chain a) with local stakeholders such as NGOs, trade unions or policy makers or b) in multi-stakeholder initiatives? Please describe with whom your company has engaged, the purpose of the engagement and how it relates to forced labor and human trafficking in the supply chain, and your company's role and level of engagement.

*Related to indicator A.1.4 of the CHRB*

***We are a participating member of Better Work (BW) which has recently been working on new BW policy elements for Jordanian suppliers. We have also engaged, and continue to engage, with various stakeholders to work on improving the "sumangali" issues in southern India.***

#### **Traceability and risk assessment**

##### Traceability

7. Please describe your company's supply chain tracing processes. Does your company publicly disclose a) the names and locations of first-tier suppliers, and b) some information on suppliers beyond the first tier? If yes, please provide a URL.

*Related to indicator D.2.3 of the CHRB*

***No.***

##### Risk assessment

8. Please describe your companies' risk assessment processes. Please include specific examples of when your company has conducted forced labor risk or impact assessments focused on a particular commodity, region or group (e.g. migrant workers in a specific context),

as well as the forced labor risks identified through these risk assessment processes (e.g. high risk commodities or high risk sourcing countries).

*For examples of commodities where forced labor risks have been identified - such as cotton from Brazil, silk from Uzbekistan or leather from the Bangladesh - see Verite (2016) – “[Strengthening protections Against Trafficking in Persons in Federal and Corporate Supply Chains Research on Risk in 43 Commodities Worldwide](#)”.*

*Related to indicator B.2.1 of the CHRB*

***All first tier suppliers go through an extensive mandatory review process prior to contract writing. Each review process involves the assessment of risks and recommendations for corrective action processes. Where applicable, the review process also incorporates a foreign migrant worker assessment.***

***We have conducted focused Risk Assessments in the following areas:***

- ***Migrant workers in Jordan***
- ***Sumangali in India***

***Additionally, we are currently developing traceability policies with respect to certain product commodities. These policies will include procedures for risk assessment and review of employment practices and worker’s working conditions.***

### **Purchasing practices**

Purchasing practices

9. Does your company make an effort to avoid purchasing practices that increase the risk of human trafficking and forced labor in the supply chain (e.g. short-term contracts, excessive downward pressure on pricing, sudden changes of workload?) Please elaborate.

*Related to indicator D.2.2 of the CHRB*

***Yes, we discourage short term contracts and contract workers. Additionally we require our suppliers to demonstrate transparency in their record keeping so we may evaluate their corrective action progress. Additionally, our Global Sourcing and Manufacturing (GM&S) Department monitors each factory’s capacity vs. their production allocations.***

Supplier selection

10. Does your company assess risks of forced labor at potential suppliers prior to entering into contracts with them (this may include aspects such as passport retention and payment of wages)? Please describe.

*Related to indicator B.1.7 of the CHRB*

***Yes, we have an extensive factory Onboarding program that includes a full factory evaluation and analysis of all factory labor practices and policies. We specifically review passport retention policies, labor and employment rules, deductions, living conditions and their environments, freedom of movement, recruitment fees, etc. This evaluation process includes a corrective action program to correct issues prior to order placement.***

11. How does your company take into consideration the capacity of suppliers to meet fluctuating demands (to reduce the risk of undeclared subcontracting)?

***Prior to order placement, our GM&S Department considers factory capacities, and, as noted in Question 9 above, monitors each factory’s capacity versus production***

***allocations. . We avoid becoming the largest or only customer in the factory. We utilize our outlet store productions to fill in our suppliers' production capacity gaps.***

Integration into supplier contracts

12. Does your company integrate its supply chain standards addressing forced labor and human trafficking into supplier contracts?

*Related to indicator B.1.4.b of the CHRB*

***Yes, each vendor, factory, subcontractor and raw material supplier involved in the manufacture of our products must sign and adhere to our Vendor Compliance Packet (VCP). The VCP is a compilation of contractual agreements which incorporates our Operating Guidelines, supplier code of conduct, and specific prohibitions on human trafficking and forced labor.***

Cascading standards

13. Does your company have a process to cascade standards on forced labor down the supply chain (e.g. requiring first-tier suppliers to ensure that their own suppliers implement standards that are in line with the company's standards)? Please describe.

*Related to indicator A.1.2 of the CHRB*

***Yes our contractual agreements with all suppliers require them to be responsible for their own supply chains and implement our commitments, standards and expectations downstream. This requirement is also reviewed as part of our social compliance auditing program.***

## **Recruitment**

Recruitment approach

14. Please describe your company's recruitment approach, including a) whether your company requires recruitment agencies in its supply chain to uphold workers' rights (this may include aspects such as written contracts, access to passports, and regular payment of wages), b) whether it has a policy on direct employment (i.e. a policy prohibiting suppliers in its supply chain from using recruitment agencies), and c) whether it requires suppliers to disclose to the company the recruiters that they use.

*Related to indicator D.2.5.b of the CHRB*

***Our Foreign Migrant Worker policy and all auditing and onsite evaluation protocols address foreign migrant workers and the challenges that they face including recruitment fees and freedom of movement. Our suppliers must disclose their recruitment policy and they are encouraged to work on reducing the number of recruiters to one main recruiter for each country.***

Recruitment fees

15. Please describe your company's approach to recruitment fees in the supply chain, including whether your company requires that no fees be charged to supply chain workers during recruitment processes, and whether and how your company ensures that fees paid by workers are reimbursed.

Related to indicator D.2.5.b of the CHRB

**We require all recruitment fees paid by the workers to be reimbursed by the employer within the first year of their employment. No exceptions.**

Recruitment audits:

16. Does your company audit recruiters used in its supply chain, to assess risks of forced labor and human trafficking, and/or require suppliers to audit their recruiters?

For further information, see Verité – [Fair Hiring Toolkit. Conducting Interviews with Labor Recruiters.](#)

**No.**

## **Worker voice**

Communication of policies to workers

17. Please describe how your company communicates its human trafficking and forced labor related policies and standards to workers in its supply chain, and whether your company makes its policies and standards available in the languages of suppliers' workers (including migrant workers).

Related to indicator B.1.4.b of the CHRB

**We require our Operating Guidelines posters to be posted in each supplier facility, and located in a minimum of two areas where employees frequently congregate. The posters are available in 32 languages spoken by the workers. Each supplier's facility is required to post the Operating Guidelines in the workers' local languages.**

Worker voice

18. Please describe how your company engages with workers in its supply chain on labor related issues and rights outside of the context of the factories/farms in which they work? (whether directly or in partnership with stakeholders).

[Example available here](#)

Related to indicator B.1.8 of the CHRB

**In partnership with an external stakeholder, we have, in the past, utilized mobile phone surveys to connect with workers..**

Worker empowerment

19. Please explain how your company encourages its suppliers to ensure workplace environments where workers are able to organize, including through alternative forms of organizing, where there are regulatory constraints on freedom of association.

[For additional information on worker empowerment, see context in "Responding to Challenges of Freedom of Association" chapter of Ethical Trading Initiative's practical guide on "Freedom of Association in Company Supply Chains", and related company example on page 35](#)

Related to indicator D.2.6.b of the CHRB

**Our social audit process reviews processes and procedures that address the worker's rights and activities to support freedom of association in our supplier factories.**

## Grievance mechanism

20. Please describe your company's grievance mechanism, and clearly indicate whether it is available to workers in the supply chain, and how it is communicated to workers in the supply chain. Please also note whether you require your suppliers to establish a grievance mechanism, and to convey the same expectation to their suppliers.

*Related to indicator C.1 and C.5 of the CHRB*

***Our suppliers are required to establish a mechanism to ensure workers can freely communicate to management without the fear of repercussion. Additionally, our company has a hot line that allows for anonymous reporting, and is accessible in numerous languages.***

## Monitoring

### Auditing process

21. Please describe your company's supplier auditing process including whether the process includes a) scheduled and non-scheduled visits, b) a review of relevant documents (documents may include wage slips, information on labor recruiters, contracts, etc.)<sup>1</sup>, and c) interviews with workers.

*For further details on document reviews see Verite – [Fair Hiring Toolkit. Conducting a Review of Documentation](#).*

*Related to indicator B.1.6 of the CHRB*

***Our social audit process consists of the following standard social audit protocols; 1. review of relevant documents including: factory legal documents, worker payroll and time records, worker pay slips, age verifications, wage verifications, workers identifications, contracts, deductions, social benefits, factory bank deposits and payroll distribution, government payments and social payments; 2. review of living environments; 3. Conduct workers interviews in the worker's language, individually and with a group. We have additional audit protocols whenever foreign migrant workers are present. The protocol demands the use of a proper ratio of workers participating in the audit process to the factory worker population and their country of origin. Over half of our audits are unannounced.***

### Audit disclosure

22. Does your company disclose

- a) the percentage of suppliers audited annually
- b) the percentage of unannounced audits
- c) information on who carried out the audits (this may include further information on the expertise of auditors such as relevant certifications, in cases where third-party audits are used, the names of the auditors, and in cases where internal auditors are used, details on department/team/group within which the auditor(s) sits), and
- d) a summary of findings, including details of any violations revealed?

Please provide a URL with the relevant information.

*Related to indicator B.1.6 of the CHRB*

***N/A***

***We do not disclose the statistics or results of our auditing programs.***

## Remedy

### Corrective action plans

23. Does your company have a process for creating corrective action plans when violations are discovered through an auditing process? Please describe this process and the elements of a corrective action plan.

*Related to indicator B.1.6 of the CHRB*

***All audit results are reviewed and full audit reports provided to the supplier. The supplier is responsible for developing a corrective action plan (CAP) that they can support and implement in a timely manner. We review and approve the CAP or make further remedial suggestions. All corrective actions are verified via our auditing analysts review of photos and submitted paperwork. Our field monitors also work to verify the corrections throughout the audit year. The next annual audit in the factory will reveal if corrections from the previous year's audit are sustainable.***

### Remedy

24. Does your company have a process to provide remedy to workers in its supply chain in cases where violations are discovered, including for responding to instances of forced labor and human trafficking? If yes, please provide examples of outcomes.

*Related to indicator C.7 of the CHRB*

***Whenever we find an issue that affects the workers' freedom or health and safety, we will have our auditing companies or our internal field monitors dispatched to the factory immediately to ensure the proper and immediate remediation is being done.***

***For example, during the course of a social audit, our field monitors discovered that a group of new Bangladeshi workers had recently started work in one of our supplier facilities in Jordan. It was discovered through our field monitors that the new workers were required to pay a recruitment fee. We dispatched one of our third party audit companies to investigate, and found the issue affected 33 Bangladeshis. As a result of our response, the factory is now fully reimbursing the workers over a period of 3 months.***

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