



RESPONSIBLE SOURCING TOOL

Food & Beverage | Tool 2

PROTECTIONS AGAINST TRAFFICKING IN PERSONS¹

Sample Code of Conduct Provisions for Food and Beverage Supply Chains

A supply chain Code of Conduct establishes basic performance expectations for subcontractors, suppliers, and agents. It is important that your company sourcing policy or Code of Conduct explicitly prohibits human trafficking, including forced labor, and sets out protections for workers. The sample provisions below can be used by food and beverage companies and suppliers as they consider how best to create, strengthen, or revise their own supply chain policies.

The sample Code provisions address factors that are enablers or contributors to situations or risks of forced labor, but is not intended to ensure compliance with specific legal requirements, such as those in the Federal Acquisition Regulation (FAR): Combating Trafficking in Persons. Specific compliance requirements should be detailed in the terms and conditions of contracts with subcontractors, suppliers, and agents.

Throughout this document and other due diligence tools for the food and beverage sector, efforts have been made to align with both international and voluntary standards in the agricultural sector. The International Labour Organization (ILO) is the UN agency that sets internationally recognized labor standards.

Companies should work to cascade and enforce their Code of Conduct throughout each relevant tier of their supply chain. This is particularly important for food and beverage supply chains because human trafficking risk, as well as risk of other labor abuses, increases in the upstream tiers of the supply chain.

¹ The United States recognizes two primary forms of trafficking in persons: forced labor and sex trafficking. For the purposes of this and other tools in the set, several terms are used such as “trafficking in persons,” “human trafficking,” and “forced labor.” In relation to these tools, they refer to a crime whereby traffickers exploit and profit at the expense of adults or children by compelling them to perform labor.

FORCED LABOR

[Company Name] strictly prohibits trafficking in persons, including forced labor, in all of our operations and in those of all subcontractors, suppliers, and agents in our global supply chain. Workers shall not be subject to any form of forced, compulsory, bonded, or indentured labor. All work must be voluntary, and workers shall have the freedom to terminate their employment at any time without penalty, upon giving reasonable notice.

CHILD LABOR

[Company Name] strictly prohibits child labor. Child labor refers to work by any person under the age of 15, **or** under the legal age for completion of compulsory education, **or** under the legal minimum age for employment according to national law, whichever is higher (excluding light work on family farms that does not harm development, negatively impact school attendance, and that is within limited hours). No worker under the age of 18 may be hired for tasks that are hazardous to the physical, emotional, or intellectual development of the child.

RECRUITMENT FEES AND TRANSPORTATION EXPENSES

Workers shall not be charged any fees or costs for recruitment, directly or indirectly, in whole or in part, including costs associated with travel to the receiving country and processing official job-related documents and work visas in both origin and destination countries.

Workers shall be provided with return transportation to their country of origin or compensation for the cost of return transportation to their country of origin upon completion of their employment contract.

HEALTH, SAFETY, AND WELLBEING

Employers shall provide workers with safe and hygienic working and living environments in accordance with prevailing industry standards and legal requirements. This means:

- Accidents and incidents shall be prevented by the identification, evaluation, and control of health and safety hazards.
- Safety and health hazards shall be controlled following the control hierarchy of elimination, substitution, engineering controls, and administrative

controls. Suitable personal protective equipment shall be provided and used when hazards cannot be adequately controlled by other means.

- Workers shall be trained on general safety and health issues and procedures and on the specific hazards associated with their jobs.
- Emergency preparedness and response plans shall be established to address likely emergency situations.
- Appropriate first aid and subsequent medical treatment shall be provided to injured or ill workers needed to effectively recover from their injuries and illnesses and return them to their original job assignments.
- Worker exposure to chemical, biological, and physical agents will be routinely evaluated and controlled to prevent occupational disease.
- Worker accommodation and food storage, preparation, and dining areas shall be maintained clean, safe, and hygienic.

CONTRACTS OF EMPLOYMENT

Written contracts of employment shall be provided to migrant workers in their native language or a language the workers understand, clearly indicating their rights, responsibilities, and conditions of employment, including wages and rates of pay, benefits, working hours, locations of the work, transportation to and from work site (if applicable), living conditions, housing and associated costs, work-related hazards, and other working and employment conditions.

Migrant workers shall be provided with a copy of their employment contract in their native language or a language they understand at least five days prior to deployment. If agricultural workers are employed as day laborers, they shall receive a notice outlining the conditions of the day's job each day they start a new job in advance of beginning the work. Workers with difficulty understanding the written contract shall be provided a verbal explanation of the contract's terms and conditions.

The practice of contract substitution or use of supplemental agreements by the employer to replace an original contract or any of its provisions with a new contract or terms that are less favorable to the worker is strictly prohibited.

The required notice period for workers to terminate their contracts before the contracted end date shall not exceed one month or what the law requires. After beginning work, migrant workers shall not be penalized for early termination of their employment contract upon giving the required notice.

The notice period shall be waived for situations in which the worker has suffered harassment or abuse, or is a victim of trafficking in persons. The employer shall also be responsible for paying the cost of return transportation to the country of origin for the affected worker.

RETENTION OF PERSONAL DOCUMENTS

Confiscating, destroying, withholding, or otherwise denying workers' access to their identity or immigration documents, including work permits and travel documentation (e.g. passports), is strictly prohibited.

Workers must be provided with individual, secure, and lockable storage for their identification documents and other valuables that is accessible to them at all times.

DEPOSITS

Migrant workers shall not be required to lodge monetary deposits, security payments, or have a portion of their pay withheld at any time as a condition of obtaining or retaining employment. Workers shall not be held in debt bondage or forced to work in order to pay off a debt.

HUMANE TREATMENT

The workplace shall be free of any form of harsh or inhumane treatment.

Disciplinary policies and procedures shall be clearly defined and communicated to all workers and shall not include any inhumane disciplinary measures, including any corporal punishment, mental or physical coercion, or verbal abuse of workers. The use or threat of physical or sexual violence, harassment, and intimidation against a worker, his or her family, or close associates, is strictly prohibited.

Disciplinary procedures shall not include wage deductions, reductions in benefits, ineligibility for bonuses and overtime, or compulsory labor.

WORKPLACE EQUALITY

All workers, irrespective of their nationality, ethnicity, race, gender, or legal status, shall be treated fairly and equally. Migrant workers shall benefit from conditions of work no

less favorable than those available to country nationals, including but not limited to wages, benefits, and accommodations.

Migrant workers and their family members shall not be threatened with denunciation to authorities as coercion to take or maintain employment.

WAGES AND BENEFITS

All workers shall be paid at least the minimum wage required by applicable laws for all hours worked and shall be provided all legally mandated benefits.

Wage payments shall be made at regular intervals and directly to workers, in accordance with applicable law, if any, and shall not be delayed, deferred, or withheld. Wage deductions must not be used to keep workers tied to the employer or their jobs.

Only deductions, advances, and loans authorized by national law are permitted and, if made or provided, shall only be taken with the full consent and understanding of workers. Information shall be provided to workers at the time of their hire about hours worked, rates of pay, and the calculation of legal deductions.

If wages are determined based on production quotas or piece rates, the pay rate shall allow workers to earn at least minimum wage within the normal working hours without having to work overtime or unpaid extra hours.

All workers must retain full and complete control over their earnings. Deception in wage commitments, payment, advances, and loans is prohibited.

WORKING HOURS

Workers shall not be required to work in excess of the number of hours permitted by national law. Where the law is silent, normal working hours shall not exceed eight hours per day and 48 hours per week, and total working hours including overtime shall not exceed 60 hours.

All overtime shall be purely voluntary, including overtime work tied to seasonal production requirements, unless part of a legally recognized collective bargaining agreement. No worker shall be made to work overtime under the threat of penalty, dismissal, or denunciation to authorities. No worker shall be made to work overtime as a disciplinary measure, or for failure to meet production quotas.

Compensable hours, including any mandatory meetings, trainings, or other activities that may occur before, during, or after normal working hours, shall be recorded, and systematic accurate records of hours must be kept.

FREEDOM OF MOVEMENT AND PERSONAL FREEDOM

Workers shall have unrestricted access to basic necessities such as potable drinking water and toilets during both working and non-working hours at the work site or in employer provided or arranged housing.

Workers' freedom of movement shall not be unreasonably restricted. Workers shall not be physically confined to the workplace or related premises, such as employer- or recruiter-operated residences; nor shall any other coercive means be used to restrict workers' freedom of movement or personal freedom.

Mandatory residence in employer-provided or arranged facilities shall not be made a condition of employment unless required by law.

Migrant workers may change employers without requiring permission from their employer or, if applicable, their recruiter.

GRIEVANCE PROCEDURES

An effective, confidential grievance process shall be established to ensure that any worker, acting individually or with other workers, can submit a grievance without suffering any prejudice or retaliation of any kind. The grievance procedure shall include an appeals process for workers who disagree with how a grievance is resolved. The grievance process shall be available from the point of recruitment.

Grievance mechanisms shall be available in workers' native language or a language the workers understands.

PRIVATE EMPLOYMENT AGENCIES AND LABOR RECRUITERS

Workers should be hired directly whenever possible. When the subcontracting of recruitment and hiring is necessary, labor agencies engaged must operate legally, demonstrate that they are certified or licensed by the competent authority in their country of operation, respect human rights, do not charge recruitment fees, use only

trained employees, and do not engage in fraudulent recruitment practices that place workers at risk for human trafficking and sexual exploitation. The recruitment of workers in one country for employment in another country must respect all applicable international human rights and labor standards and adhere to national laws, regulations, and collective agreements of the origin, transit, and destination countries.

Workers must be made aware of their rights and responsibilities at the time of hire, including the terms and conditions of their employment contract, the provisions of this Code, and all applicable laws and regulations of their origin country, the country where the work is performed, and of any country and jurisdiction contracting the work.

Workers must be trained upon arrival in the receiving country on the company's workplace rules and procedures, the grievance process, the housing arrangements (if provided or arranged by the company), and the conditions of work, including any health and safety hazards and the precautions needed to ensure personal safety. Workers should be informed that the company prohibits the procurement of commercial sex.

FREEDOM OF ASSOCIATION

In accordance with national law, workers shall not face retaliation for exercising their right to freely associate or bargain collectively, and employers shall have a policy of neutrality towards these efforts. Employers may not ask about union affiliation during the recruitment process.

EMPLOYEE AWARENESS TRAINING

Workers must be made aware of their rights and responsibilities, both verbally and in writing, at the time of hire, including the provisions of this Code and all applicable laws and regulations of their origin country, the country where the work is performed, and of any country and jurisdiction contracting the work. Workers must have access to free, comprehensive, and accurate information pertaining to the conditions of their employment, recruitment, and rights.

HOUSING

When housing is provided or arranged by an employer or recruiter, housing must meet the minimum housing standards set by local competent authorities; this applies to all types of workers, including seasonal and migrant workers. If no minimum housing standards are specified in a particular country, housing provided or arranged by an

employer or recruiter must meet the standards specified in the International Labour Organizations *Workers' Housing Recommendation, 1961 (No. 115)*.

Costs for employer or recruiter provided or arranged housing must be comparable with local market rates and must not contribute to the debt burden of workers.