



RESPONSIBLE SOURCING TOOL

Mining
Sector |
Tool 5

PROTECTIONS AGAINST TRAFFICKING IN PERSONS:

Sample Supplier Agreement and Contract Clauses for the Mining Sector

The purpose of a Supplier Agreement is to formally document the commitment of a supplier to conform to a customer's Code of Conduct, contract terms, and conditions and applicable legal requirements. It can be a standalone document or included as an appendix to a contract.

Contract terms and conditions covering the obligations of both the buyer and supplier are the legally enforceable requirements for suppliers to prevent human trafficking, including forced labor.¹ Included in all contracts and purchase agreements with suppliers across the mining sector should be both the buyer's specific performance standards (commonly Schedule P), and the due diligence processes suppliers are expected to implement. The American Bar Association has published a set of model contract clauses to protect worker in the supply chain that align with both the UN Guiding Principles on Business and Human Rights and the 2018 OECD Due Diligence Guidance for Responsible Business Conduct.² The clauses are designed to be used by buyers located in the United States but can be adapted for use by companies in other countries.

The following sample Supplier Agreement is a key instrument for implementing a company's Code of Conduct. This document provides a description of principles and a recommended process to follow for conducting due diligence and does not attempt to ensure compliance with any applicable legal requirements, such as Section 307 of the Tariff Act,³ the Uyghur Forced Labor Prevention Act (UFLPA),⁴ Section 1502 (Conflict Minerals) of the Dodd-Frank Act,⁵ the EU Conflict Minerals Regulation,⁶ the Buy American Act (BAA),⁷ the Build America, Buy America Act (BABA),⁸ and the Federal

¹ **Note: 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.**

² "Contractual Clauses Project." American Bar Association. 2021.

³ Tariff Act of 1930 (19 U.S.C § 1307).

⁴ U.S. Customs and Border Protection. "Uyghur Forced Labor Prevention Act."

⁵ U.S. Securities and Exchange Commission. "Fact Sheet: Disclosing the Use of Conflict Minerals." June 28, 2024.

⁶ European Commission. "Conflict Minerals Regulation: The regulation explained." 2021.

⁷ Congress.gov. "H.R.3684 – Infrastructure Investment and Jobs Act." 2021.

Made in America Office. *What Is Build America, Buy America?* 2022.

⁸ Congress.gov. "The Buy American Act and Other Federal Procurement Domestic Content Restrictions." 2022.

Acquisition Regulation (FAR): Combating Trafficking in Persons,⁹ nor legal requirements outside of the United States. Specific compliance requirements should be detailed in the terms and conditions of contracts with your suppliers.

NOTE: "Supplier" is defined as any entity that directly or indirectly provides goods, materials, and/or services to the company at any supply chain tier and any dollar value. This includes services and materials suppliers, contractors, subcontractors, sourcing agents, labor recruiters, and labor agents.

Agreement

Please note that this section is a sample and not intended to be completed electronically.

This Social Responsibility Agreement ("Agreement") is dated this [day] of [month], [year] by and between _____ Company, [address] (the "Company") and [name & corporate address of supplier/subcontractor/agent] ("Supplier").

Rationale

- A. This Agreement is intended to supplement any and all contracts and agreements between the Company and Supplier for the supply of goods or services by Supplier to the Company.
- B. The Parties wish to address in this Agreement how they may work collaboratively to implement effective due diligence processes to achieve the requirements of the Company Supplier Code of Conduct, as incorporated in the terms and conditions of the Supplier's contracts(s) with the Company.

Now, therefore, the Parties agree as follows:

1.0 SUPPLIER RESPONSIBILITY

- 1.1 Supplier confirms that it has read the Company Supplier Code of Conduct and the due diligence terms of its contract with the Company, agrees with its statement of requirements, and commits to comply with them.
- 1.2 Supplier agrees to establish and maintain a human rights due diligence process appropriate to its size and circumstances to identify, prevent, mitigate, and account for how Supplier addresses the impacts of its

⁹ For guidance on complying with the Federal Acquisition Regulation (FAR): Combating Trafficking in Persons, please review Tool 12, RST's Sample Compliance Plan Template.

activities on the human rights of individuals directly or indirectly affected by its supply chains, consistent with the 2011 United Nations Guiding Principles on Business and Human Rights. Such human rights due diligence shall align with the 2018 OECD Due Diligence Guidance for Responsible Business Conduct.¹⁰

- 1.3** Human rights due diligence hereunder may include implementation and monitoring of a remediation plan to address issues identified by due diligence that was conducted before the Effective Date.
- 1.4** Supplier shall ensure that each of its agents and subcontractors acting in connection with this Agreement shall engage with Supplier and any other agents and subcontractors in due diligence in accordance with Section 1.2 to ensure compliance with the Company Supplier Code of Conduct. Such relationships shall be formalized in written contracts that secure from the parties terms at least as protective as those imposed by Section 1.2. Supplier shall keep records of such written contracts to demonstrate compliance with its obligations under this Agreement and shall deliver such records to the Company as reasonably requested.
- 1.5** Supplier will upon request complete the Company's Supplier Self-Assessment (SAQ) questionnaire available at [URL for supplier/subcontractor access to Supplier SAQ].
- 1.6** Supplier will be responsible for identifying any areas of its operations that do not conform to the Company's Supplier Code of Conduct and for implementing and monitoring improvements designed to achieve conformance with the Company Supplier Code of Conduct.
- 1.7** Upon request by the Company, Supplier will submit a report to the Company describing actions taken and progress made by Supplier to meet the requirements of the Company Supplier Code of Conduct.
- 1.8** Supplier will provide the Company, or its nominated representative, upon reasonable notice, access to Supplier's facilities, work sites, and relevant records insofar as they relate to contracts and purchase agreements with the Company in order to verify information provided in Supplier's report.

2.0 COMPANY RESPONSIBILITY

- 2.1** The Company agrees that the report (Section 1.7 above), site access, and records referred to will only be used for the purposes of assessing the Supplier's progress in accordance with the Company's Supplier Code

¹⁰ OECD Due Diligence Guidance for Responsible Business Conduct. Organisation for Economic Co-Operation and Development. 2018.

of Conduct and will not be disclosed to any third party without Supplier's prior written consent, unless otherwise required by law.

- 2.2** Where the Supplier's employees work at facilities owned or operated by the Company, the Company will provide the Supplier complete information about the potential occupational health and safety hazards in the workplace and will work cooperatively with the Supplier to control exposure of Supplier's employees to workplace hazards.

3.0 SCOPE OF AGREEMENT

- 3.1** This Agreement applies to all existing and future contracts and purchase agreements between Supplier and the Company.
- 3.2** This Agreement will remain in force so long as there are any contracts in force. This Agreement will terminate when and if no contract or purchase agreement is in force.
- 3.3** This Agreement does not require either the Company or Supplier to enter into any contract nor to enter into any new or further agreement of any kind.

PARTIES SIGNED

Please note that this section is a sample and not intended to be completed electronically.

For and on behalf of _____ Company:

For and on behalf of Supplier:

Signature: _____

Signature: _____

First and Last Name (Print): _____

First and Last Name (Print): _____

Position: _____

Position: _____

Date: _____

Date: _____