

VinciWorks

Supplier Audit Checklist

Site visit checklist

In light of the 2015 Modern Slavery Act, it is now essential to carry out unannounced audits of your suppliers. Below is a useful checklist to ensure the audits are carried out effectively. When carrying out an audit of a supplier's premises, make sure that:

The factory complies with local and national laws and regulations

The supplier is required to adhere to the standard that promotes the higher level of protection for workers, communities and other rights holders.

The workers have legal working contracts with a specified wage and working hours

Have your suppliers provided legal working contracts with clear information regarding their employment conditions? This includes clarification to the workers about their wages, hours and holidays.

The staffs' wage is not lower than the local minimum national wage

The workers' are paid exactly what they are owed and on time

The day that the workers are supposed to be paid by, be it a specific day each month or a day each week, should be specified in their contracts.

There are no children under the age of 16 working in the factory

This is illegal and unethical and must be reported to the relevant personnel in the company, who must speak to their supplier and demand that they stop employing children.

The factory workers are not the subject of physical or verbal abuse

When visiting the factory, try and see whether the workers look happy and get an idea of how they are being treated by their boss.

The factory owners are not withholding passports form their workers

Owners may do this to retain control over their workers should they wish to stop working in the factory or complain about poor working conditions.

The supplier has appropriate human resources policies in place

These procedures should be relevant to the size of the workforce and be consistent with national law.

Temporary workers are not taken advantage of

Factories may employ temporary workers in order to avoid certain obligations relating to contracts, wages and holidays. A factory that only, or mainly employs temporary workers is a potential red flag. Suppliers may employ temporary workers with the aim of keeping them for a long period of time without the intention of ever awarding them a permanent contract.

There is an effective procedure in place for communicating with workers and gaining their feedback

Try and establish whether staff have a contact person within the workplace to who they feel they can raise grievances and concerns regarding their working conditions? If they do not, the factory owner needs to implement a viable system for ensuring workers' voices can be heard.

Supplier questionnaire

Question	Answer	Plan of Action
Do all your staff have legal working contracts with specified wages, working hours, conditions and holidays?		
Do any children under the age of 16 work in your factory? If yes, how many?		
Have any of your workers had their passports or personal ID documents withheld from them?		
Are there migrants, women, children, minorities or illiterate workers in your workforce?		
How are your workers paid?		
How are your workers recruited?		
As far as you know, are any of your staff being physically or verbally abused?		
Do you comply with all local and national laws and regulations?		
Have you adopted and implemented human resources policies and procedures appropriate to your size and workforce?		
Do you have any temporary workers with fixed term contracts or labour-only contracts?		
Which processes do you have in place for communicating and consulting with workers? How do you gather feedback from your workers?		

Before the visit

Have you done due diligence on the supplier? Have they responded to all your questions and provided copies of all of their policies? Do you know the recruitment practices, in particular for use of labour recruiters and migrant workers?

Is this visit announced or unannounced? Unannounced visits have the useful element of surprise and help with due diligence checks.

Has the site had any previous inspections or visits, or any previous incidents of exploitation or child labour? What were the outcomes?

What is the local environment like? What are the relative levels of poverty, migrant workforce, local labour laws and customs?

For high risk areas, consider some of the following points:

- How do other international companies in the same area operate? Can they recommend particular individuals or groups to work with?
- The relationship with the local or national government. Do you have direct lines of communication with trustworthy officials, and do your operations comply with your company's' anti-money laundering and anti-bribery policies?
- Engage with local labour groups and NGOs. Establish relationships with groups on the ground who can advise on good practices and provide local knowledge.

During the visit

Who is taking you through the visit? What are your impressions of them? Do they seem to have a good relationship with the workers? Do they seem to know the site? Ask your supplier questions again, are the answers the same?

Your initial impressions are important. Feeling like something is wrong means it very well could be. If you have a hunch, investigate it further.

Interview a few of the workers at random. This should be done without your site visit guide. However, be aware that an interpreter, especially if provided or recommended by the supplier, may not be fully independent.

What are the bathroom facilities like? Are there adequate health and safety procedures including fire exits? Do there seem to be any infringements on freedom of movement or workers' dignity?

Ask the workers about their days, the facilities available, how they are treated by management, what their living conditions are like. Do they earn enough to live on? Do they seem happy with their job?

Ask to see documents such as shift rotations, sick day policies and payroll information.

Does the site have the capacity to finish the product, or are there indications of subcontracting? If so and where possible, make sure you visit all of the sites that form part of the supply chain.

Gather as much evidence as possible, such as photographs, recordings of interviews and short videos. Be conscious of your guide's reaction to this. Are they happy for photos to be taken?

How would you feel about working in this location?

After the visit

Try to arrange a further, unplanned visit within 24 hours. Do things seem the same? Are the same workers still there after their shift should have finished?

Stay in touch with the contact person at the site. If you asked for further information, make sure it is provided in a timely manner.

Write up a detailed report from your site visit. Share it with trusted local contacts such as an NGO or labour organisations for their thoughts.

Arrange further interviews with all levels of management of the supplier, including floor supervisors and any subcontractors.

Arrange further employee interviews and focus group discussions which should be conducted independently and off-site.

Check through contracts and records including:

- Signed contracts between the site, labour recruiters and staff
- Payroll records for the last year
- All documents relating to migrant workers
- Operating procedures for any labour recruiters, including from workers' countries of origin
- Pending or past complaints and grievances and how they were resolved

Develop concrete steps, a timeline, key partners and benchmarks to address all concerns that were raised



To learn more, email training@vinciworks.com or call +44 208 815 9308.

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