Human Rights Due Diligence Checklists

Background and Guidance

Global Workplace Rights
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**Introduction**

The United Nations Guiding Principles on Business and Human Rights expects all businesses to have human rights due diligence to identify, prevent and mitigate any human rights impacts they may have. To meet this question, The Coca-Cola Company has developed a number of human rights due diligence resources and tools to address impacts that, experience has shown, may be present in the value chain. The self-assessment checklists included here assist with awareness and early issue identification. By conducting such assessments at the outset, with periodic follow-ups, we can identify and mitigate human rights risks upfront. If an issue is identified, community engagement is expected to be at the heart of any mitigation strategy. These self-assessment tools are only one piece of the Company’s ongoing Human Rights due diligence process. To date, they have been developed to address:

- Plant Siting
- Micro-Distribution Centers
- Migrant Workers
- Contract Labor
- Pre-Sourcing Design
- Child Labor in Agriculture
- Non-Trademark Activation
Who should use this tool?
Managers throughout The Coca-Cola Company are expected to familiarize themselves with and use and/or share the relevant checklists to identify potential Human Rights impacts. The tools are also meant for Bottler and Supplier partners to help raise awareness of human rights and identify potential impacts. Not all checklists are relevant for everyone. For instance some hiring managers may be in a market where migrant work is prevalent and so will find the Migrant Labor checklist helpful. Below are some example uses.

Example Uses

**Example #1**
A facility relying on migrant workers should use the Migrant Worker checklist to assess the human rights impact and risks and identify actions to mitigate any impacts. Migrant labor is a prevalent phenomenon in many countries and one that, if not appropriately managed, can result in forced labor and contract labor abuses. The tool outlines the common issues, helps identify potential risks and provides tangible steps that can be taken to address the risks.

**Example #2**
A facility with contract labor should use the Contract Labor Checklist. Contract workers can be vulnerable to irregular employment, to unsafe working conditions, or to receiving lower wages and benefits than permanent employees, even when performing the same work. The checklist helps facilities using contract workers ensure this does not happen and that human and workplace rights are being respected.

**Example #3**
A team performing plant siting activities should use the Plant Siting Checklist as part of the due diligence process. There may be a number of human rights impacts related to land management, water quality, sufficiency and accessibility, among other things. The checklist will help the team identify potential areas for concern and direct them in the appropriate direction.
How to Use This Assessment Tool?

The purpose of this Assessment is to identify potential human rights-related risks as the result of certain activities, such as employing migrant workers or determining a new plant location. The Assessment questions will require you to identify:

✔ Low risk activities  ❌ High risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. High risk identification, on the other hand, suggests that further inquiry or action may be needed in order to mitigate against potential human rights-related risk. In the case of a high risk identification, one or more of the following actions could be taken:

☐ Perform the action suggested in the assessment question (or stop such actions as the case may be). For instance, a question on the Contract Labor checklist is “Do contract workers receive required training, including safety training, and are such workers issued personal protective equipment?” If the answer is no, the manager will want address this risk by ensuring non-employee workers receive appropriate training in addition to any other recommended steps.

① Contact Subject Matter Experts (SME) (e.g., Global Workplace Rights, Legal, Environmental, etc.) for further guidance on addressing the situation. For example, in the Child Labor checklist there is a question “Is there a procedure in place for removing children found to be working under the minimum age?” If the answer is no, the manager may want to seek guidance from subject matter experts about developing an appropriate policy addressing issues of access to education and mitigating lost income for the family.

〇 Obtain further information about the subject matter before determining next steps. For example, in the Plant Siting checklist one question is: “Do nomadic peoples have a right to enter onto the land for passage or other resources?” If the answer is yes, the team will want to obtain more information about the rights of the nomadic peoples and how the passage may impact the future facility before proceeding with the project.

↔ Engage third party or entity about the activity. For example, in the Migrant Labor checklist one question is “Does the recruitment agency ban the use of subagents?” If the answer is no, the manager should engage the recruitment agency to ensure safeguards are in place to avoid the risk of migrant workers entering a forced labor situation. A third party monitoring firm may be helpful to verify such safeguards.
Due Diligence Checklists
Early Identification Human Rights Assessment Tool
Plant Siting Due Diligence

Human Rights Assessment Tool

Why Conduct a Human Rights Due Diligence Assessment?

The Company’s success is built on high standards of quality, integrity and excellence. We are committed to being a valued member of the communities in which we operate. Our Human Rights Policy confirms the Company’s commitment to respecting the human rights of our employees and those in the community.

There is an increasing expectation from our customers and from the public that we will demonstrate our respect for human rights across our value chain, including agriculture, plant siting, production and product distribution.

Although each prospective plant siting will pose different risks and challenges, human rights risk assessment and community engagement should be at the heart of any mitigation strategy. Other multinational corporations have experienced unrelenting public campaigns as a result of their failure to engage the community in plant siting activities (see the case study, below). By conducting a human rights assessment at the outset, we can identify and mitigate human rights risks.

Case Study
In 2008, an automobile manufacturer worked closely with the Indian government to obtain land on which to produce the world’s cheapest car. After reaching a deal with the Indian government to purchase the land from local farmers and beginning construction, the company faced protest from as many as 40,000 community members at the site for failing to engage them directly. The company pulled out of the area amid public pressure, despite the $350 million already invested in the project.

How Do I Use This Assessment Tool?

The purpose of this Assessment is to identify the potential human rights-related risk as the result of plant siting activities. The Assessment questions will require you to identify:

- Low risk activities
- High risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A high risk identification, on the other hand, suggests that further inquiry or action may be needed in order to mitigate against potential human rights-related risk. In the case of a high risk identification, one or more of the following actions could be taken:

- Perform the action suggested in the assessment question.
- Obtain further information about the subject matter before determining next steps.
- Contact internal subject matter experts (SME) (e.g., Global Workplace Rights, Legal, Environmental, etc.) for further guidance on addressing the situation.
- Engage community stakeholders in a discussion about the proposed activity (see the next page of this Tool for guidance).
- Attempt to obtain free prior informed consent from external stakeholders before performing the proposed activity (see the next page of this Tool for guidance).

This human rights self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.
Community Engagement

Community engagement is at the center of due diligence activities. We believe that local issues are most appropriately addressed at the local level and we are committed to engaging with community stakeholders to listen, learn from, and take into account their views as we conduct our business.

Free, Prior, Informed Consent

Community engagement may involve the concept of free, prior, informed consent in situations such as the relocation of land inhabitants. The goal is to obtain consent to advance the project in the form of a formal, written agreement that includes a process for future dispute resolution.

- **Free**: Consent that is not coerced by actors under the government’s or the Company’s control or influence.
- **Prior**: Consent should be sought before the prospect action is taken, which may mean setting a realistic timeline for the community decision-making process to run its course.
- **Informed**: Informed consent means the Company shares both potential positive and negative impacts with the community in a culturally appropriate manner.

Complivity

We are committed to upholding human rights including avoiding complivity in another’s abuse of human rights. Charges of complivity are generally raised when a company knew, or should have known, that it indirectly contributed to a human rights violation.

**Case Study**

In 2005, a former oil company reached a settlement after a decade long lawsuit alleging complicity with Myanmar’s military junta’s human rights abuses (forced labor) during the construction of its gas pipeline. While the company did not commit the violations, the company knowingly benefited from the abuses.

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### Plant Siting Human Rights: Due Diligence Assessment

**Land Management**

A land claim and title check reaching back 50 years (or more, if required by local law) should be performed before completing these questions.

1. Are there people with nomadic lifestyles within the area or the locality of the prospective plant? (Or were these people in the locality in the case of an already-developed parcel of land?)
   - NO ✓ YES ↔

2. Are there any conflicts of interest negatively affecting legitimate land claimants and rights holders? (Or were there conflicts of interest in the case of an already-developed parcel of land?)
   - NO ✓ YES ↔

3. Do land inhabitants need to be relocated in order for the project to be completed? (Or were inhabitants relocated in the case of an already-developed parcel of land?)
   - NO ✓ YES ↔

4. Do nomadic peoples have a right to enter onto the land for passage or other resources?
   - NO ✓ YES ↔

**Water Quality, Sufficiency & Accessibility**

5. Does the plant siting and/or operations have the potential to negatively impact the physical or economical accessibility, quality or quantity of water in the local area?
   - NO ✓ YES ↔

**Cultural Impact**

6. Does the land have important cultural value to the community (such as architectural, archeological, paleontological, artistic, historical or environmental)?
   - NO ✓ YES ↔

**Security Arrangements**

Before completing these questions, a background check of private security forces considered for employment should be performed.

7. Have private security forces considered for employment been trained in the bounds of their authority and mandate, including the use of appropriate force?
   - YES ✓ NO ↔

**Operational Environment**

8. Does natural resource usage relating to plant operations have the potential to affect detrimentally the community’s access to or use of these resources?
   - NO ✓ YES ↔

9. Would plant operations disrupt a local farming community, wildlife or fishing areas, or do such operations have the potential to negatively affect the local environment through the introduction of new or increased levels of pollution or contaminants?
   - NO ✓ YES ↔

**Complicity**

10. Has local or national government action in connection with the Company’s plant sitting adversely impacted any issues discussed above or other recognized human rights?
    - NO ✓ YES ↔
Human Rights Assessment Tool

Why Conduct a Human Rights Due Diligence Assessment?

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There is an increasing expectation from our customers and from the public that we will demonstrate our respect for human rights across our value chain. This expectation includes understanding the possible human rights impacts of our business relationships and actions, including agriculture, plant siting, production and product distribution.

Each step in our value chain has different risks and challenges that may vary regionally. By conducting a human rights assessment at the outset, we can identify and mitigate human rights risks upfront. If an issue is identified, community engagement should be at the heart of any mitigation strategy.


How Do I Use This Assessment Tool?

The purpose of this Assessment is to identify the potential human rights-related risk as the result of MDC activities. The Assessment questions will require you to identify:

- Low risk activities
- High risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A high risk, on the other hand, suggests that further inquiry or action may be needed in order to mitigate potential human rights-related risk. In the case of an identified risk, one or more of the following actions could be taken:

☐ Perform the action suggested in the assessment question.

☐ Obtain further information about the subject matter before determining next steps.

☐ Contact internal subject matter experts (SME) (e.g., Global Workplace Rights, Legal, Environmental, etc.) for further guidance on addressing the situation.

↔ Engage MDC in activity

This human rights self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.
The Micro Distribution Center (MDC) model helps service small-scale retail outlets located in dense urban areas where truck delivery is not efficient and where smaller, more frequent deliveries are required. MDCs have created jobs, promoted entrepreneurship and strengthened local economies. By 2011, more than 2,800 small distribution businesses had been formed, creating direct employment for more than 13,000 people in East Africa.

This model has provided an opportunity for many entrepreneurs to become business owners and to, in turn, hire other workers. Despite the small scale of many of these workplaces it is important to uphold the values of The Coca-Cola Company and to respect human and workplace rights. This checklist is intended to help MDC operators support positive work environments and mitigate risks associated with the safety and wellbeing of their workforce. For example, respecting work hour restrictions helps ensure the workforce can remain satisfied and productive; maintaining a clean workplace helps protect workers and the product.

For greater detail on the implementation of Supplier Guiding Principles, please visit: http://www.coca-colacompany.com/our-company/supplier-guiding-principles

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**Key:**
- ✔ Low risk activity
- ☐ High risk activity
- ☐ Perform Action
- ☑ Obtain further info
- ☘ Contact SME
- ⇔ Engage MDC

### Business and Employee Records
1. Are records kept for permanent and commissioned workers (payroll, timecards, age documentation, training records)?
   - YES ✔  NO ☑  ☐  ☘
2. Does MDC managers verify the age of workers and communicate age restrictions for assistants?
   - YES ✔  NO ☑  ☐  ⇔

### Wages and Hours of Work
Respecting wage and hour laws help ensure workers remain motivated and productive
3. Are minimum wage laws respected with respect to all workers? Are permanent and commissioned workers paid the same for regular and overtime work?
   - YES ✔  NO ☑  ☐  ☘
4. Do workers get paid for all time worked (offloading, reconciling sales, etc.)? Are mandated social benefits provided (social security, workers’ compensation)?
   - YES ✔  NO ☑  ☐  ⇔
5. Does MDC refrain from deducting worker wages for lost product (accidents/breakages) or otherwise causing workers to be indebted?
   - YES ✔  NO ☑  ☐  ⇔
6. Do workers receive pay slips clearly stating hours worked and wages earned?
   - YES ✔  NO ☑  ☐  ⇔
7. Are statutory hours of work, overtime and rest day requirements complied with?
   - YES ✔  NO ☑  ☐  ⇔

### Health and Safety:
Maintaining a safe and healthy workplace protects workers as well as the product
8. Do workers receive health and safety training and functional personal protective equipment (reflective vests, safety shoes, gloves for sorting, etc.)?
   - YES ✔  NO ☑  ☐  ⇔
9. Is safety equipment functional and safe (brakes, handles, reflectors, etc.)?
   - YES ✔  NO ☑  ☐  ⇔
10. Are workers’ loads within weight limits?
    - YES ✔  NO ☑  ☐  ⇔
11. Are first aid kits available and stocked?
    - YES ✔  NO ☑  ☐
12. Is the MDC prepared for a fire or other emergency?
    - YES ✔  NO ☑  ☐  ⇔
13. Are cases stacked to acceptable height to avoid falling? Are aisles clear?
    - YES ✔  NO ☑  ☐  ⇔
14. Are containers properly ventilated?
    - YES ✔  NO ☑  ☐  ⇔
15. Does the MDC prohibit verbal or physical abuse and harassment?
    - YES ✔  NO ☑  ☐  ⇔
16. Do workers have a mechanism to express grievances?
    - YES ✔  NO ☑  ☐  ⇔
Why Conduct a Human Rights Due Diligence Assessment?

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There is an increasing expectation from our customers and from the public that we will demonstrate our respect for human rights across our value chain. This expectation includes understanding the possible human rights impacts of our business relationships and actions, including agriculture, plant siting, production and product distribution.

Each step in our value chain has different risks and challenges that may also vary regionally. By conducting a human rights assessment at the outset, we can identify and mitigate human rights risks upfront. If an issue is identified, community engagement should be at the heart of any mitigation strategy.

Case Study

In 2008, a supplier of a global sports company in Malaysia was found to be exploiting migrant contract workers. Hundreds of workers were employed from Bangladesh, China, India, Indonesia, Myanmar, Nepal and Vietnam and their passports were taken upon arrival. The workers had to pay for recruitment and work permits and were housed in unacceptable living conditions. In reaction, the company took a number of steps to ensure workers were reimbursed and all fees, including airfare, would be paid by the employer. The company began working with a local NGO to improve treatment of migrant workers in all Malaysian suppliers.

How Do I Use This Assessment Tool?

The purpose of this Assessment is to identify the potential human rights-related risk as the result of migrant labor activities. The Assessment questions will require you to identify:

- Low risk activities
- High risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A high risk identification, on the other hand, suggests that further inquiry or action may be needed in order to mitigate against potential human rights-related risk. In the case of a high risk identification, one or more of the following actions could be taken:

- Perform the action (or stop the current action) suggested in the assessment question.
- Obtain further information about the subject matter before determining next steps.
- Contact internal subject matter experts (SME) (e.g., Global Workplace Rights, Legal, Environmental, etc.) for further guidance on addressing the situation.
- Engage third party provider

Case Study

In 2008, the National Labor Committee reported strikes at a factory in Jordan, which employed 1,400 migrant workers from South Asia. Workers reported passport withholding, physical abuse by management, unpaid overtime, no days off, threats of imprisonment and forcible deportation. All 1,400 workers went on strike and 10 days later, the factory management conceded to worker demands. Workers were paid back wages, provided free medical care and abusive supervisors were terminated.

If you have questions about human rights or related issues, contact the Global Workplace Rights department at humanrights@coca-cola.com
Migrant labor is a prevalent phenomenon in many countries and in many ways good for migrant workers and their families, but if poorly managed can result in exploitation and the abuse of worker rights. Employees may be recruited from their home countries to host countries through a network of labor contractors and a sponsorship system against their will through human trafficking. Recruitment agencies can offer valuable service, but some of the less reputable firms can render workers vulnerable to being in bonded forced labor as they become trapped by debt incurred to pay recruiters, by visa and work permit regulations that bind them to a particular workplace, and by limited access to host country law enforcement. (See Contract Labor checklist)

This checklist identifies key areas for employers to monitor when employing migrant labor. The intent is to respect human rights of migrant workers and thus avoiding instances of forced labor, including human trafficking, by ensuring migrant workers receive full disclosure prior to hire, that they are provided a safe and healthy work environment, and that their freedom of movement is not impeded.

Complicity: Complicity refers to when a company knew, or should have known, that a business partner or supplier was engaged in human rights abuses and, as a consequence, it indirectly contributed to a human rights violation. The concept is relevant when dealing with labor recruiters or brokers and highlights the need to undertake human rights due diligence.

<table>
<thead>
<tr>
<th>KEY:</th>
<th>Low risk activity</th>
<th>☑️ Perform Action</th>
<th>☩️ Obtain further info</th>
<th>☐️ Contact SME</th>
<th>☦️ Engage 3rd party</th>
</tr>
</thead>
</table>

### Recruitment

The facility should formalize arrangements with licensed recruitment agencies to avoid fraudulent practices

1. Is there a policy that sets out allowable fees and who is the responsible party for, e.g., recruitment, fees, renewal, work or exit?
   - YES ☑️ NO ☐️ ☐️ ☦️

2. Is the use of subagents prohibited?
   - YES ☑️ NO ☐️ ☐️ ☦️

3. Does the facility ban recruitment or transport of workers by threat, force, coercion, deception or abduction?
   - YES ☑️ NO ☐️ ☐️ ☦️

4. Are all employment fees paid by employer (recruitment, visa, medical, etc.)?
   - YES ☑️ NO ☐️ ☐️ ☦️

### Passports

Workers should have full control over or access within 24 hours to their passport and similar documentation to ensure mobility is not restricted

5. Do the migrant workers maintain access to their own passports or similar documentation?
   - YES ☑️ NO ☐️ ☐️ ☦️

### Employment terms:

Workers should be provided employment terms in advance of employment to avoid deception or misunderstanding which may result in forced labor situations.

6. Does the facility require employment terms to be communicated in worker’s home country and in the local language?
   - YES ☑️ NO ☐️ ☐️ ☦️

This self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.
**Human Rights Assessment Tool**

The Company’s success is built on high standards of quality, integrity and excellence. We are committed to being a valued member of the communities in which we operate. Our Human Rights Policy and Supplier Guiding Principles confirm the Company’s commitment to respecting the human rights of our employees, those in our supply chain and in the community.

There is an increasing expectation from our customers and from the public that we will demonstrate our respect for human rights across our value chain. This expectation includes understanding the possible human rights impacts of our business relationships and actions, including agriculture, plant siting, production and product distribution.

Each step in our value chain has different risks and challenges that may also vary regionally. By conducting a human rights assessment at the outset, we can identify and mitigate human rights risks upfront. If an issue is identified, community engagement should be at the heart of any mitigation strategy.

**Why Conduct a Human Rights Due Diligence Assessment?**

**How Do I Use This Assessment Tool?**

The purpose of this Assessment is to identify potential human rights-related risks as the result of contract labor activities. The Assessment questions will require you to identify:

- **Low risk activities**
- **High risk activities**

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A high risk identification, on the other hand, suggests that further inquiry or action may be needed in order to mitigate against potential human rights-related risk. In the case of a high risk identification, one or more of the following actions could be taken:

- Perform the action suggested in the assessment question.
- Obtain further information about the subject matter before determining next steps.
- Contact internal Subject Matter Experts (SME) (e.g., Global Workplace Rights, Legal, Environmental, etc.) for further guidance on addressing the situation.
- Engage third party about the activity

**Case Study**

A tea factory in Pakistan was a target of a global corporate campaign because of the use of contract labor. The factory employed 22 permanent workers and 723 contract workers. The contract workers had no annual or medical leave, received 1/3 the wage of regular employees and were excluded from joining a union. The International Union of Food workers led a campaign against casualization in the workforce and used the company as a symbol. After a year-long public campaign, the company agreed to create 200 additional direct, permanent jobs and pay arrears to workers and the state for unpaid social security retirement fund payments.

This human rights self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.

If you have questions about human rights or related issues, contact the Global Workplace Rights Department at humanrights@coca-cola.com
Contract Labor

Non-Employee Workers

The frequent use of high levels of contract labor is common in many parts of the world. Due to the nature of the employment relationship, contract workers are at risk of human and workplace rights abuses. Contract workers may lack stable employment, may be exposed to unsafe working conditions, and often receive lower wages and benefits than permanent employees, even when performing the same work. These workers often lack access to grievance mechanisms.

The intent of this checklist is to help facilities using large numbers of contract workers ensure human and workplace rights are being respected. Facilities should actively manage contract labor agencies, provide a safe work environment of the contract workers and avoid using termination and rehire practices to circumvent legal obligations associated with regular employment.

Complicity

Complicity refers to when a company knew, or should have known, that a business partner or supplier was engaged in human rights abuses and, as a consequence, it indirectly contributed to a human rights violation. The concept is relevant when dealing with labor recruiters or brokers and highlights the need to work with reputable partners and suppliers.

Case Study

A global agriculture company was accused by the International Union of Foodworkers of exploiting contract workers in plantations in Costa Rica. In April 2011, the targeted Company committed to ending the practice of short-term contracts in all 28 plantations by the end of 2011. The system of consecutive 5.5 month employment contracts is a widespread phenomenon in Costa Rica and one which leaves workers facing long-term irregular employment status, limits worker rights and benefits.

The Human Rights Due Diligence Assessment

Key:

- Low risk activity
- High risk activity
- Perform/Stop Action
- Obtain further info
- Contact SME
- Engage 3rd party

Management of Contract Workers

8. Are termination and re-hire policies utilized to avoid contractual or legal obligations associated with regular employment?

9. Are there contract workers with job tenures of 1 or more years (permanent “contract” employees)?

10. Does the contract worker agency make all government-required pension, social security and provident fund payments on behalf of contract workers?

11. Does the facility have a process to undertake periodic, informal audits of contractor supplier practices?

12. Does the contract agency have policies and documentation to ensure:
   - Minimum Age Verification
   - Minimum Wage and Overtime payment
   - Rest day and Working hour limit
   - Freedom of Association
   - Nondiscrimination
   - Prohibit abuse of labor
   - Worker mobility (no forced labor)

13. Does contract agency allow access to records for assessments to verify compliance?
Pre-Sourcing
Human Rights Due Diligence

Human Rights Pre-Assessment Tool

Human Rights Overview

Governments, companies and citizens all have an important role in upholding human rights globally. The term "human rights" refers to those rights recognized in the United Nations' Universal Declaration of Human Rights and related international covenants. The Declaration considers all human rights inalienable, equal and connected. Human rights do not depend on citizenship or personal characteristics.

While governments are responsible for protecting human rights through legal frameworks and for providing access to remedies in cases where human rights are violated, businesses have a corporate responsibility to respect all human rights. The Coca-Cola Company’s Human Rights Policy upholds these principles and applies to all of the entities that it owns or operates. The Supplier Guiding Principles reflect our commitment to respect human rights across our business system and global supply chain.

Case Study

As supply chains become increasingly global, many companies have been cited for poor labor practices. In 2004, 26 retailers agreed to a $20 million settlement to address lawsuits initiated on the part of 30,000 factory workers in Saipan. The allegations included forced labor, deprivation of fundamental human rights and breaking labor laws. Similar allegations exist related to conflict minerals in the electronic industry, child labor in soccer ball production, slave labor in charcoal production and the list continues. Workplace Assessments help identify potential risks to human rights and mitigate any negative impacts.

Why Conduct a Human Rights Due Diligence Assessment?

The Company’s success is built on high standards of quality, integrity and excellence. We are committed to being a valued member of the communities in which we operate. Our Human Rights Policy, Mutual Respect Policy and Supplier Guiding Principles confirm the Company's commitment to respecting the human rights of our employees and those in the community.

There is an increasing expectation from our customers and from the public that we will “know and show” our respect for human rights across our value chain.

Each product manufactured or purchased by the Company poses different risks and challenges. By conducting due diligence at the beginning of the sourcing process, we can identify and mitigate human rights risks. This questionnaire helps identify potential human rights impacts in the product innovation and pre-sourcing process to ensure impacts are appropriately addressed and mitigated.

Case Study-Product Misuse

In India, a company’s low-cost ultrasound technology was being misused to facilitate sex-selective abortions. Addressing these allegations has required the company to work with stakeholders to prevent misuse, and implement a long-term, multi-faceted approach in support of human rights. The ultrasound equipment now goes through up to five internal checks — from the initial sales contact to equipment installation — to verify that the customer in India has a valid government certification which includes an affidavit against such product misuse.

Although product misuse often happens after a product is sold it can have significant reputational and cost implications for any company.

If you have questions about human rights or related issues, contact the Global Workplace Rights Department at humanrights@coca-cola.com
How Do I Use This Tool?

The purpose of this Assessment is to identify the potential human rights-related risk as the result of pre-sourcing activities. The Assessment questions will help

- Low risk activities
- Potential risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A potential identification, on the other hand, suggests that further inquiry or action may be needed in order to mitigate against potential human rights-related risk. In the case of a potential risk identification, one or more of the following actions could be taken:

- Task should be completed prior to moving forward with production.
- Obtain further information about the subject matter before determining next steps. This may entail talking to supplier management.
- Contact internal subject matter experts (SME). For example Legal advisors, Global Workplace Rights, etc. may provide further guidance on addressing the situation. GWR can guide you prior to moving forward.
- Engage third party provider (such as TCCC approved assessment providers)

This human rights self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.

KEY:

- Low risk activity – no immediate action required
- Potential Risk – complete suggested actions
- Perform Action
- Obtain further info
- Contact experts
- Engage 3rd party

Product Innovation

Product design can have impacts down the line on human rights. Upfront due diligence can mitigate future negative consequences.

1. Does the product or production process utilize hazardous material or inputs deemed controversial or unsustainable?
   NO □ YES □ ☑

2. Does product itself or product marketing have any negative cultural implications which can lead to sensitivity or social exclusion?
   NO □ YES □ ☑

3. Will operations have the potential to negatively impact accessibility, quality or quantity of water or other natural resources in the local area?
   NO □ YES □ ☑

4. Is there a potential for negative product misuse? See case study
   NO □ YES □ ☑

5. Is this a seasonal or promotional good requiring quick turn around? If so you’ll want to understand the work hour implications.
   NO □ YES □ ☑

6. Is this part of a broader sponsorship campaign (e.g. Olympics, World Cup)? If yes, there may be additional transparency requirements.
   NO □ YES □ ☑

Production Location & Process:

Once the design is settled the location and environment for the actual production is a key factor in determining potential human rights risks

7. Will the work be located in a country/region or industry known for prevalence of migrant, young or contract workers?
   NO □ YES □ ☑

8. Will product be sourced from a non-traditional production site – such as community center, home or farm setting?
   NO □ YES □ ☑

9. Does this product have to be sourced from a new site instead of an existing SGP assessed facility?
   NO □ YES □ ☑

10. Has the supplier been unable to produce policy documents aligned to our Supplier Guiding Principles?
    NO □ YES □ ☑

11. Has the supplier been unable to produce a copy of a social compliance assessment completed within the last year?
    NO □ YES □ ☑

Workplace Environment:

Production sites will need to show they uphold workplace and human rights.

12. Will this product have a KO trademark or be part of the product itself (ingredient or package)?
    NO □ YES □ ☑

If you need help to work through a “yes” response, contact the Global Workplace Rights Department at humanrights@coca-cola.com
Why Conduct a Human Rights Due Diligence Assessment?

The Company’s success is built on high standards of quality, integrity and excellence. We are committed to being a valued member of the communities in which we operate. Our Human Rights Policy and Supplier Guiding Principles confirm the Company’s commitment to respecting the human rights of our employees, those in our supply chain and in the community.

There is an increasing expectation from our customers and from the public that we will demonstrate our respect for human rights across our value chain. This expectation includes understanding the possible human rights impacts of our business relationships and actions, including agriculture, plant siting, production and product distribution.

Each step in our supply chain may have different risks and challenges that vary regionally. By conducting a human rights assessment, we can identify and mitigate human rights risks, such as child labor. If an issue is identified, community engagement should be at the heart of any mitigation strategy.

### Case Study

*Founded in 2002, the International Cocoa Initiative (ICI) is a partnership of NGOs, trade unions, brands, and cocoa processors who collaborate to address child labor through a wide range of programs. These programs include working at the national level to ensure local laws are enforced, working at the regional level to support social initiatives, and promoting media programs that raise awareness about the issue of child labor. Several brands have partnered with ICI to address child labor in cocoa production including Nestle, Mars, Hershey, and Cargill.*

How Do I Use This Assessment Tool?

The intent of this checklist is to help facilities understand the human rights risks associated with child labor and the steps to take to ensure they are not employing children.

The Assessment questions will require you to identify:

- Low risk activities
- Potential risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A potential or high risk identification, on the other hand, suggests that further inquiry or action may be needed in order to mitigate against potential human rights-related risk. In the case of a potential or high risk identification, one or more of the following actions could be taken:

- Perform the action suggested in the assessment question.
- Obtain further information about the subject matter before determining next steps.
- Contact internal Subject Matter Experts (SME) (e.g., Legal, Environmental, Global Workplace Rights, etc.) for further guidance on addressing the situation.
- Engage community stakeholders in a discussion about the proposed activity.

This human rights self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.

Global Workplace Rights

If you have questions about human rights or related issues, contact the Global Workplace Rights Department at humanrights@coca-cola.com
**Child Labor in Agriculture**

**Hazardous Child Labor**

An estimated 218 million children work as child laborers, of which 70 percent work in agriculture. Most work in agriculture, including harvesting sugar cane, is considered to be hazardous work. Under international standards, the Company’s Human Rights Policy and Supplier Guiding Principles, children need to be at least 18 years of age to work in hazardous settings.

The Coca-Cola system is one of the world’s largest buyers of many agricultural products, such as sugar. We do not typically purchase ingredients directly from farms, but our suppliers do. We hold our direct suppliers accountable for assuring that children under the age of 18 are not working in the harvest of agriculture commodities.

**Case Study**

An estimated 2 million children between the ages of 11-17 harvest cotton in Uzbekistan under forced labor conditions. Unlike cases where children work on family farms, the Uzbek case is different in scale, organization and government complicity. Founded in May 2008, the Responsible Cotton Network includes a wide range of players including socially-responsible investors, a range of major brands and retailers seeks to influence Uzbek policy makers and target companies to remove Uzbek cotton from their supply chains. More than 25 major brands and retailers have joined the campaign to end forced child labor in Uzbekistan, including Gap, Levi Strauss & Co., Nike, and Wal-Mart.

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**The Human Rights Due Diligence Assessment**

**Hiring**

1. Does harvest firm require proof of age when hiring workers and retain documentation?
   - YES ✓ NO ☐ ☐ ☐ ☐
2. Does the site have a verification process to engage only reputable contract labor agencies (business license available, demonstrates legal compliance, etc.)?
   - YES ✓ NO ☐ ☐ ☐ ☐
3. If contract labor is used, do both the contracting agency and the site have copies of the proof-of-age documentation?
   - YES ✓ NO ☐ ☐ ☐ ☐
4. Does the site have a process to check IDs to prohibit underage workers from working at the site?
   - YES ✓ NO ☐ ☐ ☐ ☐

**Remediation**

8. If found, is there a system in place for removing children under 18 from hazardous environments?
   - YES ✓ NO ☐ ☐ ☐ ☐
9. If found, is there a system to help place children in school and/or refer to services corresponding to their needs?
   - YES ✓ NO ☐ ☐ ☐ ☐
10. Does the facility have processes to undertake periodic audits of contractor supplier practices?
    - YES ✓ NO ☐ ☐ ☐ ☐
11. Are there periodic reviews of harvest firms to verify compliance?
    - YES ✓ NO ☐ ☐ ☐ ☐

**Community Engagement**

12. Have local stakeholders, NGOs or services been identified to assist with remediation if needed?
    - YES ✓ NO ☐ ☐ ☐ ☐
13. Are workers and parents educated on the potential risks and issues related to child labor?
    - YES ✓ NO ☐ ☐ ☐ ☐
Why Conduct a Human Rights Due Diligence Assessment?

The Company’s success is built on high standards of quality, integrity and excellence. We are committed to being a valued member of the communities in which we operate. Our Human Rights Policy and Supplier Guiding Principles confirm the Company’s commitment to respecting the human rights of our employees, those in our supply chain and in the community.

There is an increasing expectation from our customers and from the public that we will demonstrate our respect for human rights across our value chain. This expectation includes understanding the possible human rights impacts of our business relationships and actions, including production and product distribution.

Each prospective new activation that will be used to promote our initiatives (or brand) may have different risks and challenges to our Company’s reputation that vary regionally. By conducting a human rights assessment, we can identify and mitigate human rights risks, and risk to our Company’s reputation globally.

How Do I Use This Assessment Tool?

The purpose of this Assessment is to identify the potential human rights-related risk as the result of new programs and initiatives. The Assessment questions will require you to identify:

- Low risk activities
- High risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A high risk identification, on the other hand, suggests that further inquiry or action may be needed in order to mitigate against potential human rights-related risk. In the case of a high risk identification, one or more of the following actions could be taken:

- Perform the action suggested in the assessment question.
- Obtain further information about the subject matter before determining next steps.
- Contact internal subject matter experts (SME) (e.g., Global Workplace Rights, Legal, Environmental, etc.) for further guidance on addressing the situation.
- Engage community stakeholders in a discussion about the proposed activity (see the next page of this Tool for guidance).

This human rights self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.
### Partner Engagement

**Partner Engagement**

Partner engagement is at the center of all Human Rights due diligence activities. Ensuring that you choose a partner that has a focus on the Human Rights for all workers is essential for assuring rights.

**Non-Profit/NGO’s**

If you engage with a community based charitable organization to connect to the workers, here are three key steps:

- Share this Human Rights Due Diligence Checklist to provide an overview
- Request them to provide the background data to be able to complete this assessment
- Engage with Global Workplace Rights through your local Workplace Accountability Manager to address any concerns and review action steps

**For Profit**

If you engage with a business to connect to the workers, here are three key steps:

- Ensure compliance with all company Legal, SGP and Regulatory requirements
- Share this Human Rights Due Diligence Checklist to provide an overview and request they complete this assessment and provide for review
- Engage with Global Workplace Rights through your local Global Workplace Rights contact to address any concerns

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### The Human Rights Due Diligence Assessment

**Case Study**

A multinational company paid $903,000 to the State of California to cover back wages for a contractor who violated child labor, minimum wage and overtime laws while producing toy tiaras and wands. One of the toy makers went out of business. It employed 800 workers to make thousands of bright beaded tiaras. In a five-month investigation, state officials found that they often had workers assemble tiaras and wands at home, though state law bars such work. Investigators found that the home workers typically worked 48 hours a week, with their wages averaging $1.35/hr

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### Production Process:

*The location and environment for the actual production is a key factor in determining potential human rights risk.*

11. If work is completed in a home setting with children present, are there controls to ensure children do not participate in the process?

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<th>YES</th>
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12. Is all work strictly voluntary?

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### Health and Safety

*Maintaining a safe work environment and providing appropriate training will minimize injuries due to production and is key to mitigating human rights risks.*

13. Do workers receive health and safety training and the appropriate functional personal protective equipment?

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14. If the work is conducted at a production facility or community center, does it meet the legal requirements for Health and Safety?

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### Engagement

15. If you work through NGO’s, government or community groups to engage workers, do we conduct due diligence to ensure that they are focusing on the human rights of the workers?

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16. If any KO trademark is being applied or used, have you ensured compliance with all company SGP and regulatory requirements?

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