



Corporate Social Responsibility and Ethical Trade Webinar

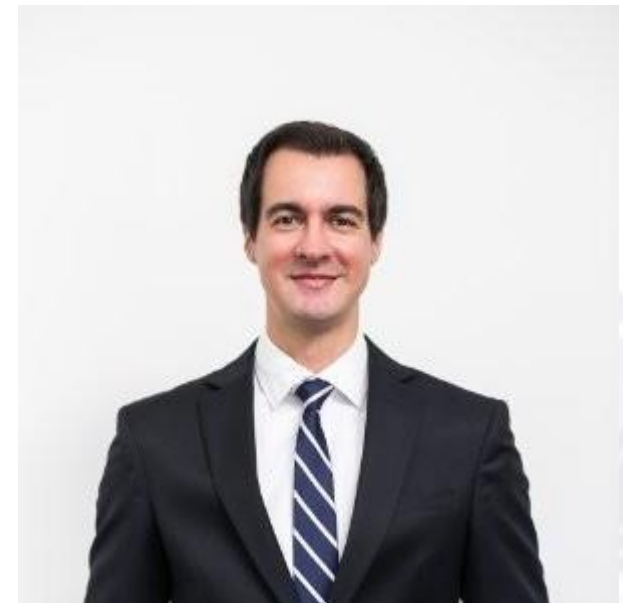
Acting for the benefit of society...



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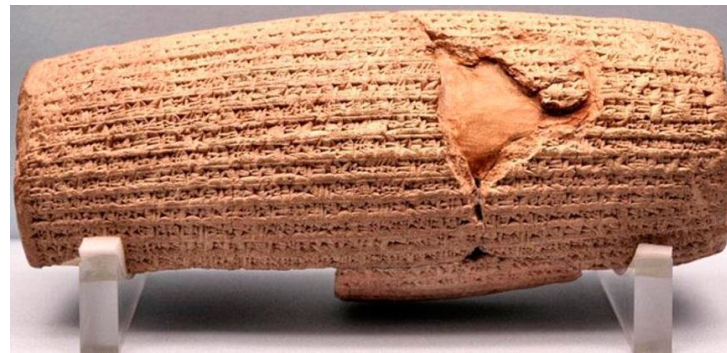




- History of human rights
- Modern day slavery / 2018 Act
- Corporate Social Responsibility and Ethical Trade
- How can organisations demonstrate effective CSR?
- SEDEX
- Other programs increasing in popularity



- Known today as the Cyrus Cylinder, this ancient record has now been recognized as the world's first charter of human rights.
- Its provisions parallel the first four Articles of the Universal Declaration of Human Rights.





- **1215: The Magna Carta**—gave people new rights and made the king subject to the law.
- **1628: The Petition of Right**—set out the rights of the people.
- **1776: The United States Declaration of Independence**—proclaimed the right to life, liberty and the pursuit of happiness.
- **1789: The Declaration of the Rights of Man and of the Citizen**—a document of France, stating that all citizens are equal under the law.
- **1948: The Universal Declaration of Human Rights**—the first document listing the 30 rights to which everyone is entitled.
<http://www.un.org/en/universal-declaration-human-rights/>



- United Nations Charter – namely, that how a government treats its own citizens is now a matter of legitimate international concern, and not simply a domestic issue. It claims that all rights are **interdependent** and **indivisible**.

Preamble

- ***Recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice, and peace in the world.***

- Estimates of the number of slaves today range from around 21 million^[1] to 70 million, depending on method used to estimate and the definition of slavery being used.
- Types of slavery
 - Forced migrant labor
 - Bonded labor
 - Child labor



Modern slavery around the world

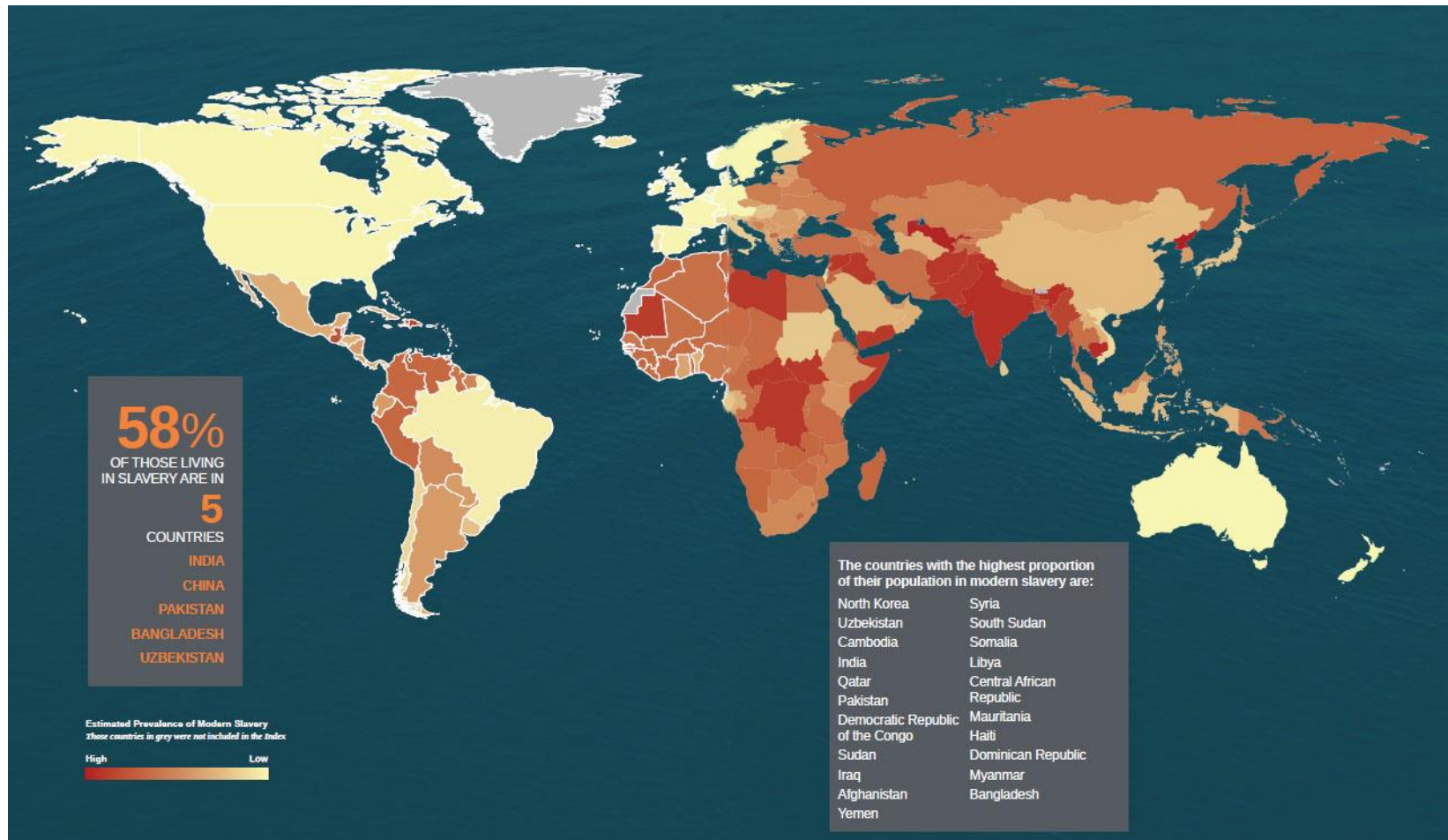


- **1. India** > Est. population in modern slavery: 14.3 million
- **2. China** > Est. population in modern slavery: 3.2 million
- **3. Pakistan** > Est. population in modern slavery: 2.1 million
- **4. Uzbekistan** > Est. population in modern slavery: 1.2 million
- **5. Russia** > Est. population in modern slavery: 1.0 million



- The governments credited with the strongest response to modern slavery are:
 - [Netherlands](#), the
 - [United States](#), the
 - [United Kingdom](#),
 - [Sweden](#),
 - [Australia](#),
 - [Portugal](#),
 - [Croatia](#),
 - [Spain](#),
 - [Belgium](#),
 - [Germany](#)
 - [Norway](#).

Incidence of Modern Slavery



Modern slavery is a multibillion-dollar industry with estimates of up to \$35 billion generated annually

Examples of MDS in Australia and abroad



- Trolley collector industry – underpaid workers
- Convenience stores – falsification of employee records. “half-pay scam”
- Fruit pickers from overseas – underpaid
- 2012 Dhaka fire / Rana Plaza collapse 2013 Bangladesh
- Mica mineral mines – estimates of up to 20000 child workers

Being aware of the products you buy



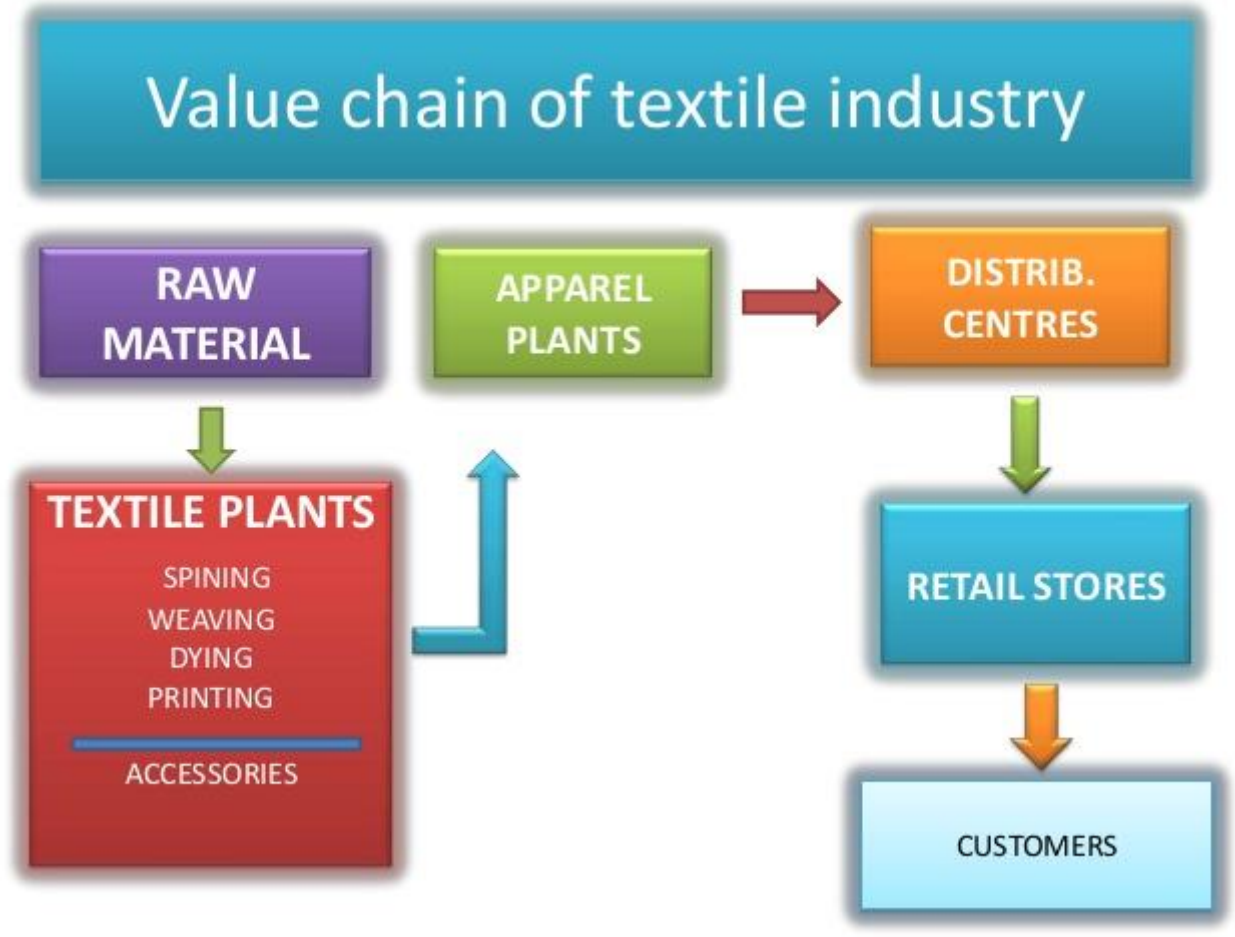
- Buy ethically -- Find a brand's ethicality grade by visiting www.ethical.org.au/theguide.
- Invest ethically
- Do your research
- Learn to ask the right questions



- The Australian government has introduced a Modern [Slavery](#) Act 2018
- It will affect roughly 3,000 companies, and their annual slavery statements will have to be signed off at board level, to be published within six months of the publication of their annual reports.



- Why should companies prioritise CSR?
- Consumers consider more than quality goods and services when choosing a brand.
- A robust CSR program is an opportunity for companies to demonstrate their good corporate citizenship ... and protect the company from outsized risk by looking at the whole social and environmental sphere that surrounds the company. Jen Boynton, vice president of member engagement at [3BL Media](#)



Navigating the various international standards on CSR



- SEDEX – SMETA
- GRI – Sustainability reporting
- UNGP and UN Global Compact
- SA8000
- ISO 26001
- AA1000 - Assurance and Verification
- ISO 50001 – Sustainability
- ISO 45001 Health and Safety
- ISO 37001 – Anti-Bribery
- PROGASA - Gender Awareness



- derived from:
 - Universal Declaration of Human Rights,
 - International Labour Organization's Declaration on Fundamental Principles and Rights at Work,
 - Rio Declaration on Environment and Development
 - United Nations Convention Against Corruption.



- All corporate members of ETI agree to adopt the [ETI Base Code of labour practice](#), which is based on the standards of the International Labour Organisation (ILO). The ETI works out the most effective steps companies can take to implement the Base Code in their supply chains.



For workers' rights.
For better business.
For 20 years.

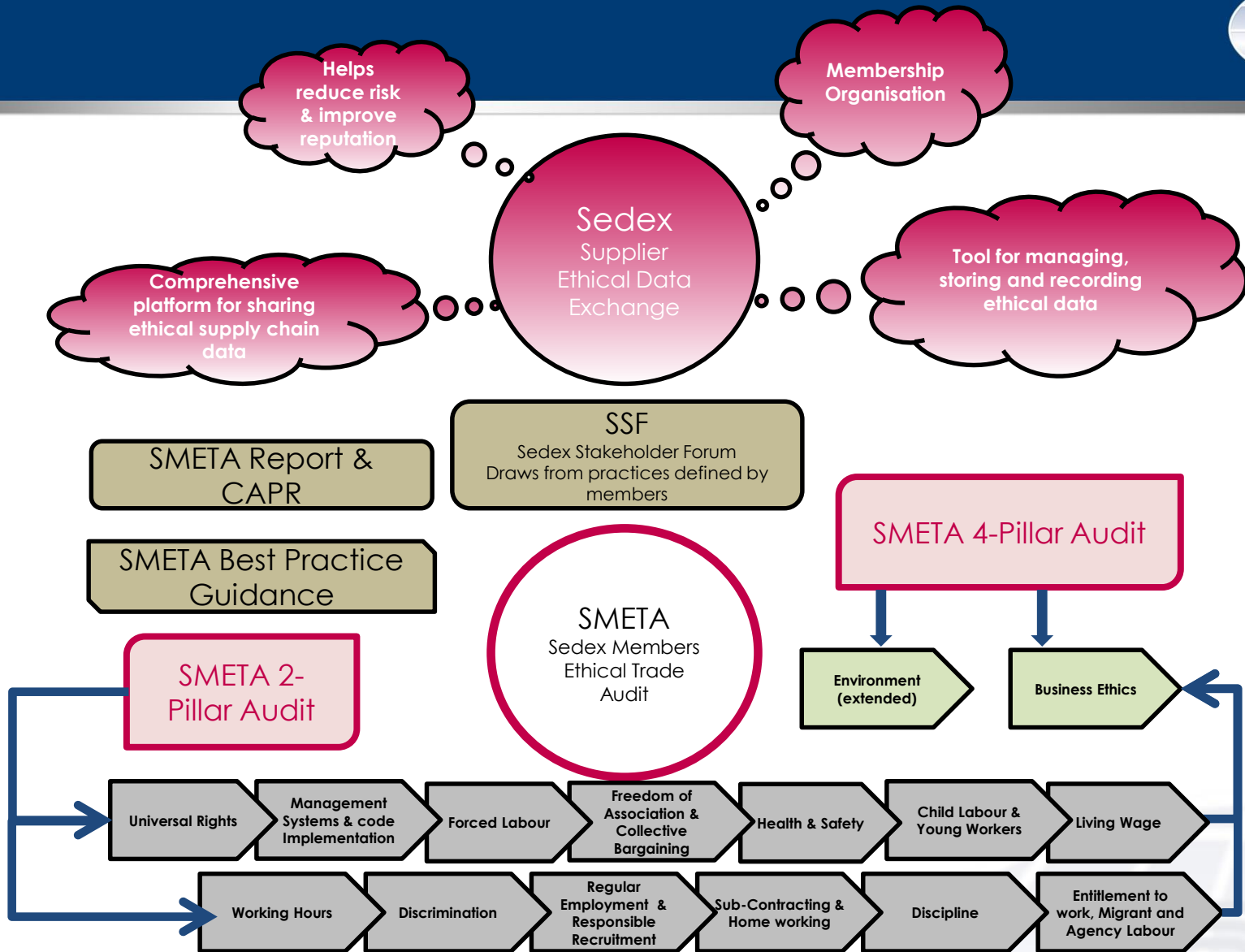


- Employment is freely chosen
- Freedom of association
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practised
- Regular employment is provided
- No harsh or inhumane treatment is allowed

Sedex & SMETA:

- Background and mission of Sedex
- How SMETA fits in
- Where to find resources





What Sedex is...



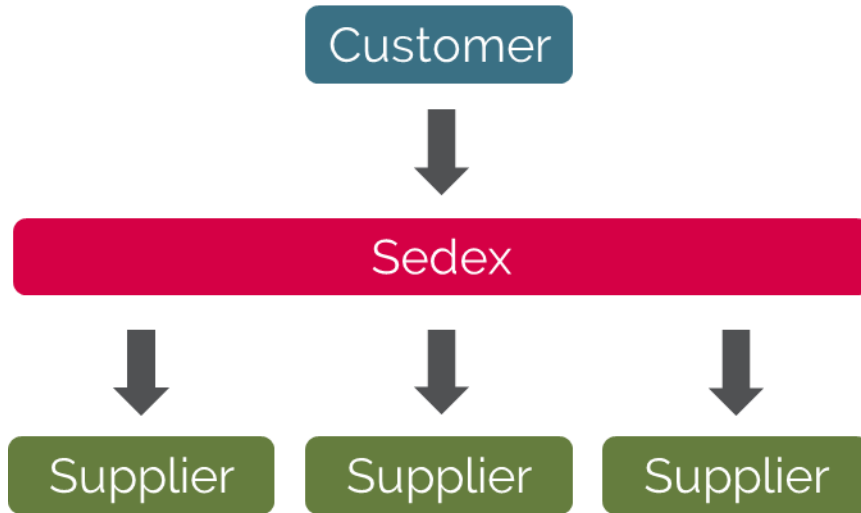
- Not-for-profit
 - Largest collaborative platform - managing ethical data
 - A Learning & Management Tool
 - Risk tool
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What Sedex is not...

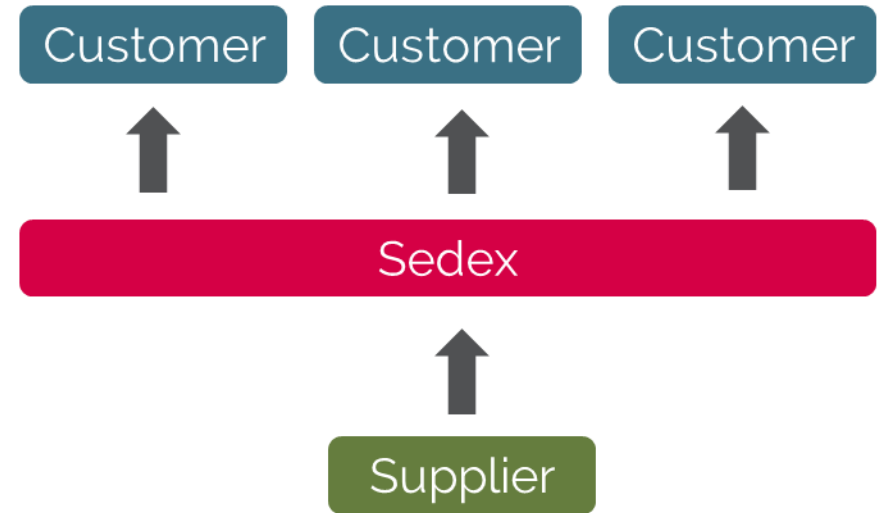


- Policy setter
 - Pass/fail system
 - Social audit company
 - A social audit (see SMETA)
 - Certification scheme
 - Sourcing tool
-

Why Sedex?



Buyers can manage all their suppliers' data in one place, run reports and carry out risk assessments.



Suppliers can share data on the responsible practices of their business with multiple buyers, in an industry-standard format

Our members



Sainsbury's



COVIDIEN



Waitrose



Coca-Cola
Hellenic Bottling Company



Beiersdorf



Office
DEPOT.

HOMEbase

M&S



Cargill



Givaudan[®]
ENGAGING
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SENSES

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MOËT HENNESSY, LOUIS VUITTON

MARS
incorporated

FROSTA AG



Kellogg's



mace



orsay

MASSMART
Dedicated to Value

Kingfisher

WPP



HSBC



MATALAN



JAPAN AIRLINES

Mondelēz
International



Argos



2-Pillar versus 4-Pillar



SMETA 2-Pillar audits comprise of:

- Labour Standards.
- Health & Safety.
- Additional elements of:
 - Universal Rights covering UNGP
 - Entitlement to work
 - Responsible Recruitment
 - Subcontracting and Home-working
 - Environment (shortened)

A SMETA 4-Pillar audit contains in addition:

- Environment – this replaces the Environment (shortened version) detailed in a 2-Pillar audit
- Business Ethics



- Suppliers are nominated by their customer/member
- Suppliers conduct a self assessment
- Suppliers have the option to attend training (DQS is approved to provide training on behalf of SEDEX).
- Audit is conducted over a set period of time depending on size and complexity. Senior management and workers are interviewed both in groups and individually to protect privacy and confidentiality. Various policies, procedures and records are sampled for evidence.
- Audit results are uploaded onto the SEDEX platform. Only direct customers/members can access and review the results.
- Audit frequency is determined by the customer/member depending on level of risk/performance. Normally once every 2 years.



Thank you

Does anyone have any questions?