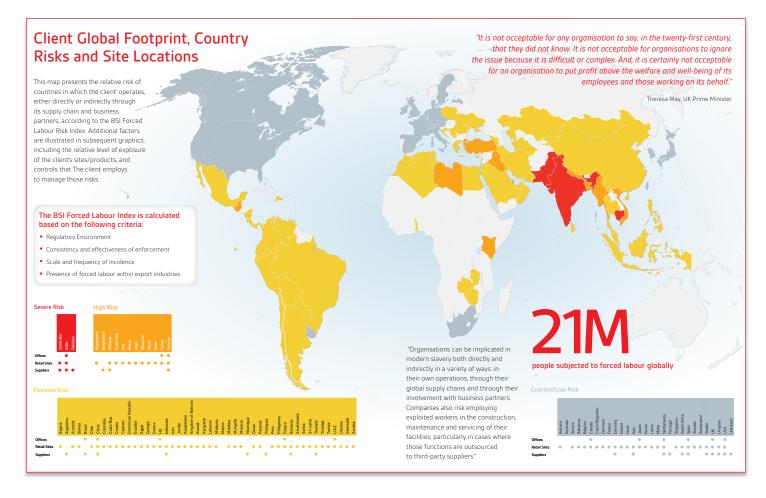
### BSI Supply Chain Slavery Gap Assessment

Recent media and non-government organization (NGO) attention have cast light on how prevalent human trafficking and slavery are around the world. Multinational companies with global supply chains who realize that their own operations may be supporting the practice often struggle to incorporate information and methods into their due diligence programs to tackle the issue. In addition, regulations such as the UK Modern Slavery Act and the California Transparency in Supply Chains Act have increased the urgency of establishing sound practices to support public disclosure requirements on the subject.



BSI Supply Chain Services and Solutions has responded by developing the BSI Supply Chain Slavery Gap Assessment. BSI's expertise and focus on the breadth of supply chain threats – human rights abuses, security threats, and business continuity risks – uniquely positions us to support our clients' needs in understanding and mitigating such a large-scale and complex issue.

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BSI leverages years of proprietary intelligence and analysis captured in our SCREEN platform, and pairs that with in-depth analysis of your company's practices and supply chain by our team of seasoned practitioners to provide objective feedback, prioritized risks and recommendations by assessing key risk criteria:

- **Exposure:** The level of vulnerability and visibility the client is likely to have based on the nature of the product, material, or worksite
- Environment: This focuses on factors related to the country in which a workplace operates, including its legal framework of labor law, enforcement capability and environment related to freedom of association and collective bargaining. This is represented by the BSI Forced Labor Index, which rates countries along a five-tier scale according to the criteria above, as well as historical incidence of cited threats.
- **Controls**: This focuses on the relative strength of controls employed by our client to identify and mitigate the risks to which the organization is exposed within the environments in which the organization directly or indirectly operates.

4.1 Policies, Procedures & Process	Gap in Controls	Risk Level
4.1.1 Presence of corporate policies regarding forced labor, overtime, hiring, recruitment and use of staffing agencies and contract labor/service providers	Major	
4.12 Contractual language in franchisee agreements regarding forced labor, overtime, hiring, recruitment and use of staffing agencies and contract labor/service providers	Major	٠
4.2 Communication & Information Flow		
4.2.1 Clear and consistent communication of policy requirements, ongoing changes to policies, for the client's staff	Minor	
4.2.2 Clear and consistent communications of policy requirements, ongoing changes to policies, and grievance mechanisms to franchisee owners and staff	Minor	
	Major	•
4.3.2 Training provided for managers 6 staff regarding hiring, workplace rights, forced labor, overtime, grievance mechanisms and risks related to staffing agencies and contract service providers	Major	•
<ul> <li>4.3.2 Training provided for managers 6 staff regarding hiring, workplace rights, forced labor, overtime, grievance mechanisms and risks related to staffing agencies and contract service providers</li> <li>4.4 Measurements</li> </ul>	Major Major	•
4.4 Measurements 4.4 Internal audit process, or another suitable means of measurement, to assess compliance with		•
4.3.2 Training provided for managers & staff regarding hiring, workplace rights, forced labor, overtime, grievance mechanisms and risks related to staffing agencies and contract service providers  4.4.1 Measurements  4.4.1 Internal audit process, or another suitable means of measurement, to assess compliance with corporate policies related to hiring, forced labor, use of staffing agencies, etc.  4.4.2 Measurements demonstrating effectiveness of grievance mechanism, examples of grievances,	Major	•

The collaborative engagement and subsequent report identifies and prioritizes the relative risks, current controls employed by the organization, areas of strength, and gaps that represent areas of risk; allowing our clients to:

- Comply with disclosure requirements of the UK Modern Slavery Act, California Transparency in Supply Chains Act, and similar current/future regulatory requirements
- Identify high-risk and/or near-term forced/trafficked labor threats due to systems gaps that require immediate action; as well as gaps that require longer-term improvements to due diligence systems

	Singapore	South Africa	Spain	Sri Lanka	Sweden	Switzerland	Taiwan	Thailand	Trinidad	Tunisia	Turkey	U.A.E.	UK	Ukraine	Unknown	Uruguay	USA	Venezuela	Vietnam	Zambia
Client's Regional Offices	•										•	•							•	
Retail Sites - Client Owned											•									
Franchisees	٠	•	•	•	•	•	•	•	•	•	•	•	•	•			•	•	•	•
Finished Goods										•									•	
GNFR Non-Branded															•				•	
GNFR Branded/Packaging																			•	
Materials & Components								•							•				•	•
Accessories															•				•	
													_		_		_		_	

• Identify opportunities to mitigate risk and drive improvement via improved visibility into organizational business practices, the supply chain and business partner activity.

# **bsi.** Supply Chain Services and Solutions

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