

Responsible Recruitment

Quick Intro to me

Responsible Recruitment

**To Kick Things Off - Here's a lunatic scenario
for you!**

Responsible Recruitment

The Business Case

Responsible Recruitment

The Risks

The Ongoing Risks

Responsible Recruitment

The Due Diligence

Responsible Recruitment

The Thanks for listening

Operationalising the Employer Pays Principle – Tesco PLC

Rachel Munns

Responsible Sourcing Manager, Tesco

Group Modern Slavery Strategy – summary

All the jobs in our supply chains are decent, with rights respected

Vision

Enabling Environment

How

Partners

Priority regions

							
	Government legislation and enforcement	Responsible Recruitment	Freedom of movement	Effective grievance mechanisms	Remediation		
	Advocate for improved Government response to and mitigation of modern slavery inc. better support for victims	Ensure no worker pays for a job across key risk supply chains and regions and that recruitment processes are fair and transparent	Ensure workers are free to terminate employment by preventing document retention, withholding of wages and debt burden	Embed effective grievance mechanisms across all key risk sources from point of recruitment	Where issues are identified, ensure effective remediation and analysis of root causes		
	 Ethical Trading Initiative Respect for workers worldwide	 ISSARA INSTITUTE	 Leadership Group for Responsible Recruitment	 Sedex®	 RRT RESPONSIBLE RECRUITMENT TOOLKIT.ORG	 stronger together tackling modern slavery in supply chains	 TextileExchange Creating Material Change™
	Malaysia, Thailand, UK	Malaysia, Spain, Thailand, UK	China, India	India, Malaysia, Thailand, UK	-		

Capacity Building

Own-operations

Due diligence in Thailand and Malaysia

In September 2019 we commissioned Impactt, a well-regarded independent human rights consultancy, to conduct an assessment of migrant workers' rights in our stores and distribution centres in Thailand and Malaysia. This was because of a number of potential concerns that had been identified by internal colleagues.

The findings in Malaysia, which were based on interviews with 168 migrant workers all employed by service/labour providers, identified several serious allegations, including cases of:

- Passport retention
- Unexplained and illegal wage reductions
- Heavy indebtedness to labour brokers in home country
- Excessive overtime

In response to these findings, a comprehensive action plan was developed by Tesco Malaysia, Tesco Group Responsible Sourcing and external human rights experts including:

- Detailed investigation of specific alleged abuses
- Creation of an accessible support line and grievance mechanism for agency workers, available in workers home languages
- Guidelines to ensure worker access to passports whenever needed
- Training on diversity and inclusion for managers
- Review and improvement of accommodation and worker welfare audits
- Full remediation including the repayment of recruitment fees
- A shift to direct recruitment of migrant workers as a preference, rather than through agency labour providers

(making it easier to ensure workers do not pay recruitment fees).

The findings in Thailand, which were based on interviews with 187 migrant workers employed both directly and via service/labour providers, also identified a number of similar issues including some:

- Unexplained and illegal wage reductions
- Indebtedness through excessive recruitment fees (though at lower levels than in Malaysia)
- Excessive overtime.
- A similar action plan was developed for this business. The Group Risk and Compliance Committee chaired by the Group CEO continues to monitor progress against these plans.



Supply chains

- In 2019, we launched ‘Responsible Recruitment requirements’ for all our suppliers in Thailand and Malaysia
- Outlines a **time-bound** commitment to Responsible Recruitment, including aligning with the Employer Pays Principle

TESCO EXTERNAL REQUIREMENT	
Title: Responsible Recruitment requirements – Thailand and Malaysia	
No.: 60573V1.1EN	Version: 1
Date Effective: 01/03/2020	Revision Due: 01/02/2021
Document Author: Rachel Munns	Document Owner: Andy Hickman/Sophia Cochrane
Role: Responsible Sourcing Manager	Role: Head of Human Rights
Department: Responsible Sourcing	Department: Responsible Sourcing

Document Overview

This policy outlines our Responsible Recruitment requirements for primary suppliers and end-to-end Protein and Produce sites in Thailand and Malaysia supplying Tesco UK/ROI.

Market Of Sale	Business Unit
United Kingdom	Food
Republic Of Ireland	Non Food Formulated
	General Merchandise
	Clothing
	Group Procurement

Table of Contents

1. Purpose & Scope.....	1
2. Detailed Requirements	2
3. Roles and Responsibilities.....	5
4. Glossary	5
5. Revision History.....	5
6. Associated Documents	5
7. Appendices	6

1. Purpose & Scope

This policy outlines our Responsible Recruitment requirements for primary suppliers and end-to-end Protein and Produce sites in Thailand and Malaysia supplying Tesco UK/ROI. We strongly encourage sites further down our supply chain or supplying into other Tesco business units to also work to the principles outlined in this policy.

What does the policy require?

- **Mapping**

- All suppliers must obtain a clear understanding of the processes and costs associated with migrant worker recruitment.
- This should be presentable as a recruitment map, timeline and/or flow chart and include all the fees and costs incurred for migrant worker recruitment in origin, transit (where applicable) and destination countries.

- **Action Plan**

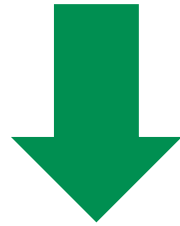
- Based on the mapping, a time bound action plan should be developed for the employer to move to a responsible recruitment model.
- This should be supported by a company or group **migrant worker recruitment policy** that aligns with the Employer Pays Principle and the **ILO definition on recruitment fees and costs**.

- **Implementation**

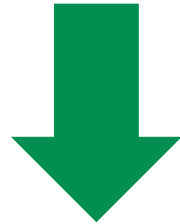
- We expect suppliers and sites to have a migrant worker policy and to have **implemented their action plan by March 2021**.

Supporting supplier partners to implement responsible recruitment

Identifying risk – Tier one (supplier factories)

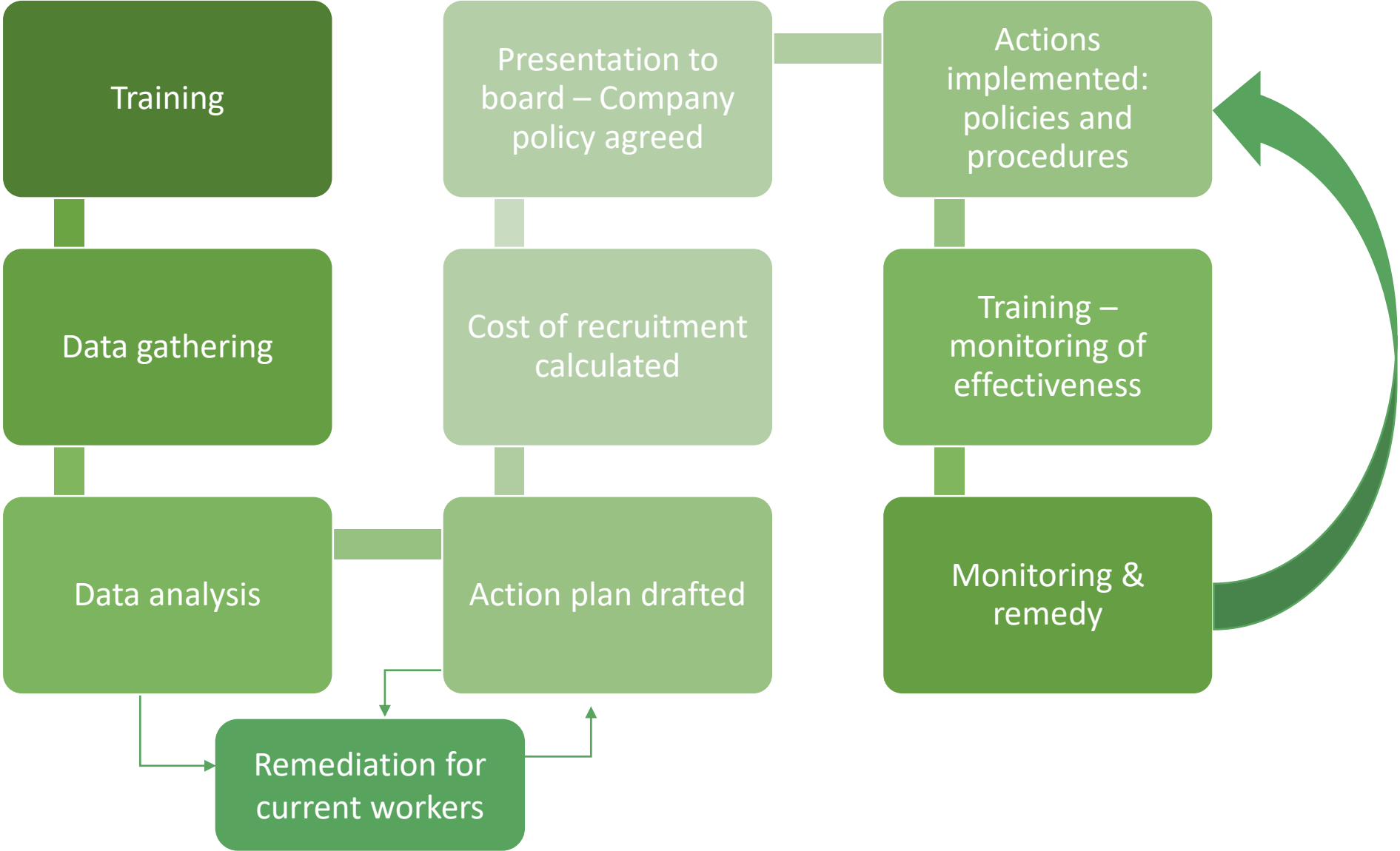


Making a commitment – address recruitment fees by 2025



Equip suppliers to understand the issue

Implementing responsible recruitment practices



Reflections...



Image credit: IPNLF

- Quality of implementation, verification...
...and more verification
- Every supplier is different;
 - Implications
 - Motivation/concerns
- What about the costs?
- The pro's and con's of collaboration;
 - Supplier groups
 - Shared leverage for change
- An opportunity for real impact...

Any Questions...