

# What's On The Horizon?



Lets Look At Recent Past & At Other Industries For Clues....

# GUESS



## South El Monte, CA



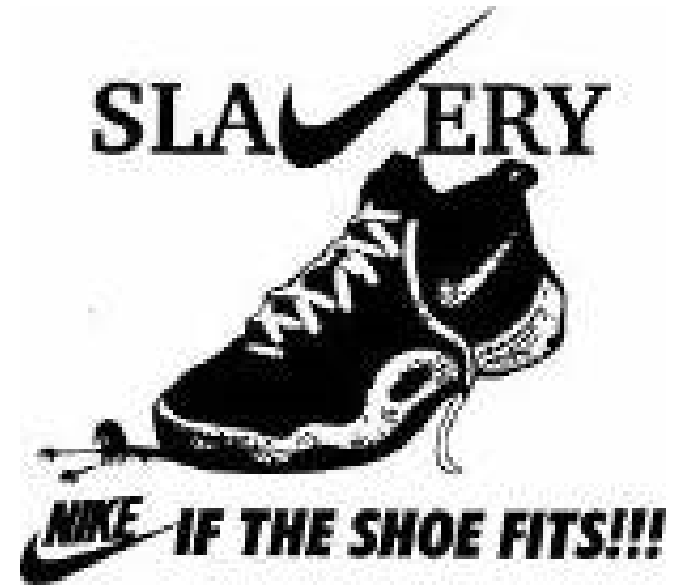
**Slave Labor IN THE USA**



# NIKE Shoes



“By far Nike's biggest mistake in labor practices was to begin to make a new line of products, without doing our homework on the production Practices of our Supplier.”  
- Nike



- Criticized for inhumane working conditions<sup>3</sup>
- Hired former U.N. Ambassador Andrew Young



Fire at garment factories

# 23 workers killed, 100 injured in stampede



# Rana Plaza Building Collapse April 25 2013:



# Combustible Dust Explosion in China in 2014



## THE SECRET WORLD OF **MODERN SLAVES**

By Michael

Hundreds of thousands of workers toil without pay in Latin America, producing timber, gold and the charcoal used to make steel. Their labor goes into materials bought by major companies—including General Motors, Kohler, Toyota and Whirlpool.

Labor inspector Ben...  
Cervantes Truacamat...  
red shirts and worn-o...  
steps shoveling charco...  
whiskey, walks slowly...  
a chronic cough and th...  
of him. "This life you k...  
best I need the work."  
Like hundreds of th...  
collects no wages. He t...  
doesn't have enough m...  
miles away in northwe...  
at Truacamat in a sha...  
ity. The charcoal he and...  
hundreds of will be truck...  
It will be used to create s...  
iron will be purchased b...  
then purchased by some...  
tractors, stoves and refr...  
"This is downy" Sil...  
Silva has descended...  
ing camp—one of abou...  
that it use up old labo...

RETIREMENT GUIDE  
7 STEPS TO FINANCIAL FREEDOM

OF HOW TO PROTECT  
OF HEALTH CARE

IS ON MONEY  
FOR FINANCIAL  
TO GET ON

# Forbes

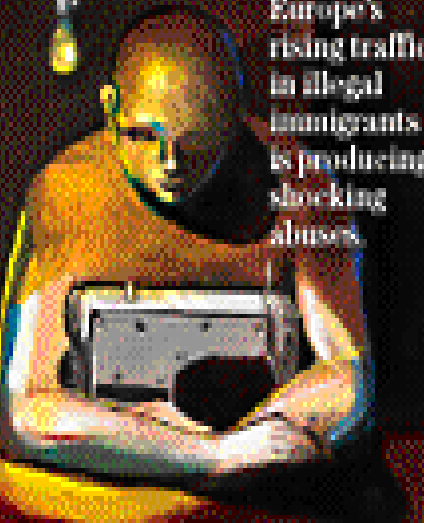
## CHILD LABOR

WHY IS CHILD  
LABOR STILL  
A PROBLEM?



AN INVESTIGATIVE REPORT

# WORKERS IN BONDAGE



Europe's rising traffic in illegal immigrants is producing shocking abuses.

# Levi's & Guess



- Fined \$10 million in back wages by the Dept. of Labor for minimum wage and overtime violations by a **Supplier**
- Develops first SRS type Sourcing Guidelines
- Levi's cuts ties with ALL non-compliant factories



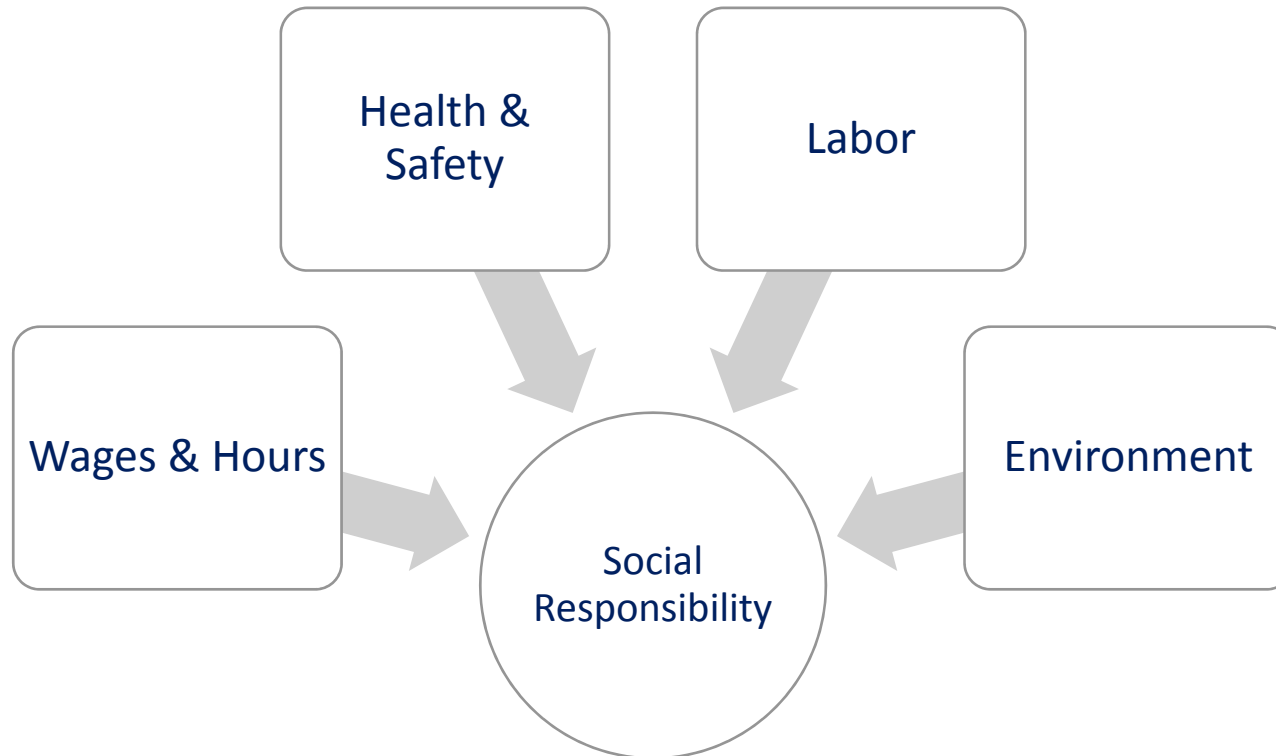
- Signs first Augmented Compliance Agreement
- Must guarantee wages for suppliers' deficiencies for FLSA violations:
  - minimum wage
  - overtime
  - child labor
  - resulting in Hot Goods



# What This Means To You

- Large Companies Are Liable For Actions By Even Their Smallest Suppliers
- They HATE Bad Publicity
- Therefore, They Will “Downstream” SRS Certification Requirements to Their Suppliers
- So If You Want To Attract (or Keep) Big National Accounts, You Will Soon Have To Demonstrate SRS Certification!

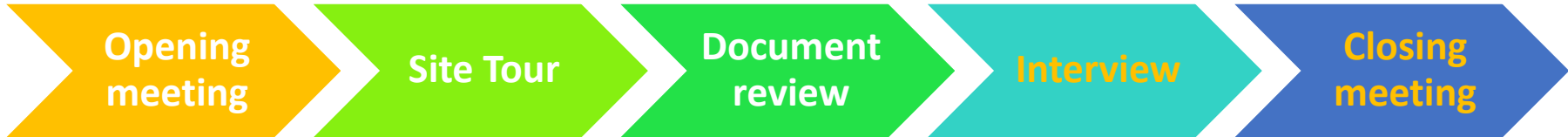
# What is corporate social responsibility?



Responsible Sourcing is the process of purchasing goods and services without causing harm to, or exploiting, humans or the natural environment.

# Social Responsibility Audit Process

## Audit Process



## Audit Report & Corrective Actions



**V Management Review**

Management parameter to review	Current	Goal
Chemical Use Assessment	OK (Yes)	Not Applicable
Chemical Storage Assessment	OK (Yes)	Not Applicable
Chemical Control & Product	OK (Yes)	Not Applicable
PPE/Personal Protective Equipment	OK (Yes)	Not Applicable
Hazardous Management	OK (Yes)	Not Applicable
Waste Management	OK (Yes)	Not Applicable

**VI Historical Risk Profile (in past 3 years)**

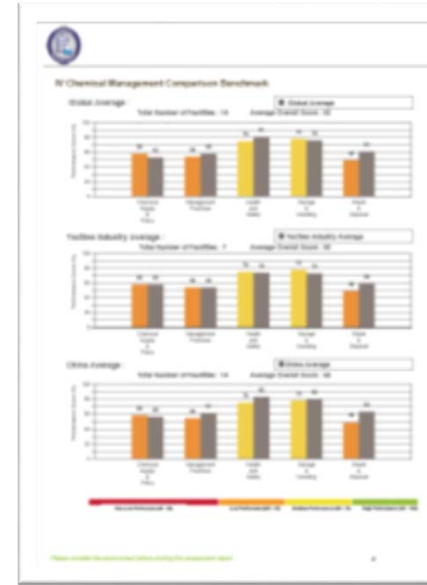
Environmental Health & Safety	Yes/No
Compliance with applicable chemical laws	Yes (No)
Material Safety	Yes (No)
Accident Report for Chemical	Yes (No)
Environmental Hazards	Yes (No)
Environmental Incident Reported to the local government	Yes (No)

**VII Health & Safety and Environmental Data Benchmark Review**

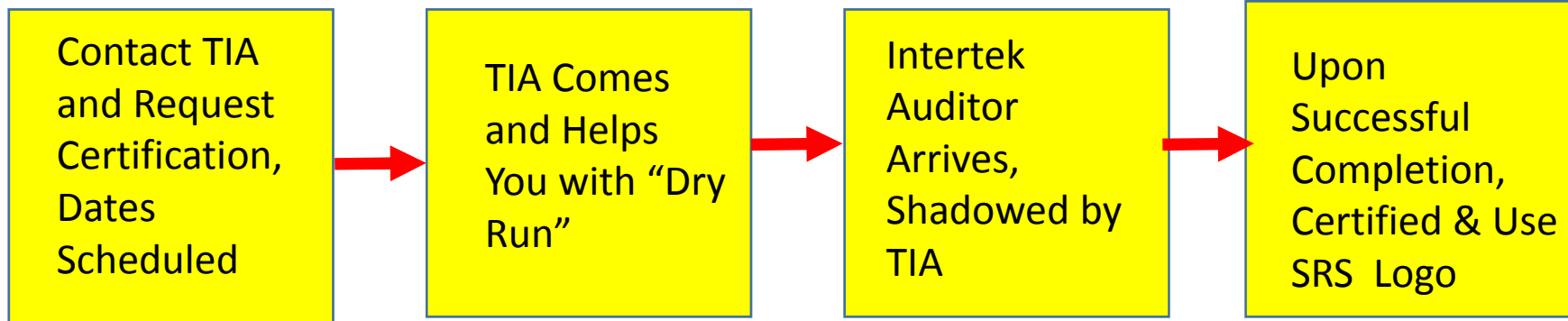
Chemical Substances	Product Substances	Product Substances	Health Hazard	Health Hazard	Health Hazard	Health Hazard
APAC	Yes	Grouping	Yes	Yes	High	
APAC	Yes	Not Applicable	Yes	Yes	Not Applicable	
Chemical	Yes	1,1-Dichloro	Yes	Yes	Not Applicable	
Total Lead	Yes	Not Applicable	Yes	Yes	20 (High)	

**Index Input (partial)**

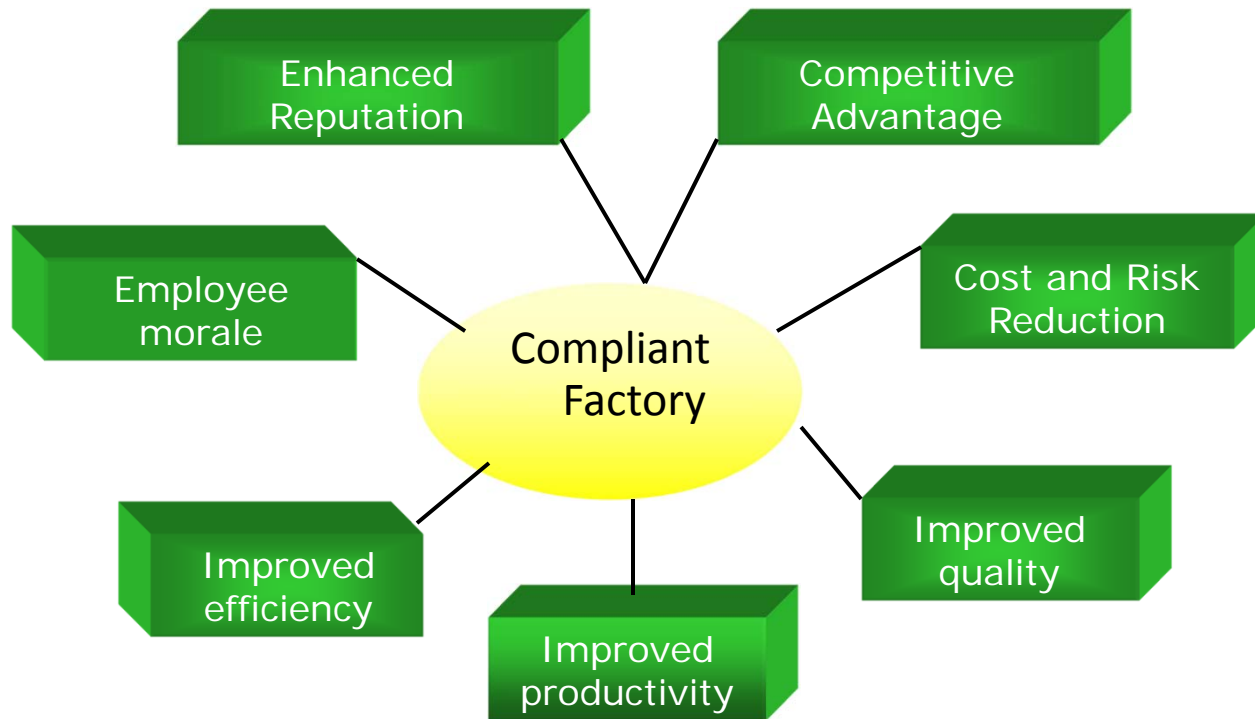
Current	Goal	Yes/No
Surface Water (SW) - Lead (100)	2000	Not Applicable
Surface Water (SW) - PCBs	0	Not Applicable
Surface Water (SW) - PCBs	1000	Not Applicable
Surface Water (SW) - PCBs	0	Not Applicable
Surface Water (SW) - PCBs	0	Not Applicable
Surface Water (SW) - PCBs	0	Not Applicable



# Steps:



## Multiple Benefits



# TIA Ready To Help

- TIA Launched “Socially Responsible Supplier” Certification in May 2014
- Based On Internationally Recognized Standards,
- Partnered with London England Based Intertek (35,000 Employees)
- TIA Now Offers You “TIA-SRS” Certification With Advance Coaching To Ensure Passing
- Entitles You To Display TIA-SRS Logo On All Your Products

# Its Only A Matter of Time...

**Certified  
Socially Responsible Supplier**



**2015**

- QUESTION:  
Will You Do It *Before* Your Competitors...  
...Or After?