Supply Chain Due Diligence Template

Supplier Verification & Forced Labor Risk Assessment

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Purpose

Document your supply chain due diligence process for forced labor compliance (UFLPA), trade agreement qualification, and general supplier risk management. Use this template for each supplier and update annually.

Supplier Profile

Basic Information

Supplier Legal Name: ___________________________ **Doing Business As (DBA):** ___________________________ **Country of Registration:** ___________________________ **Year Established:** ___________________________

Primary Contact:

- Name: ___________________________
- Title: ___________________________
- Email: ___________________________
- Phone: ___________________________

Business Registration Number: ___________________________ **Tax ID / VAT Number:** ___________________________

Section 1: Manufacturing Locations

Factory #1 (Primary)

Factory Name: ___________________________ **Street Address:** ___________________________ **City/Province/State:** ___________________________ **Country:** ___________________________ **GPS Coordinates (if available):** ___________________________

Factory Details:

- ☐ Owned by supplier
- ☐ Leased facility
- ☐ Subcontractor/third-party
- ☐ Joint venture

Production Capacity: ___________________________ **Number of Employees:** ___________________________ **Factory Manager Contact:** ___________________________

Factory #2 (if applicable)

Factory Name: ___________________________ **Address:** ___________________________ **City/Province/State:** ___________________________ **Country:** ___________________________

Additional Facilities

- ☐ Warehouses (list locations): ___________________________

- ☐ Distribution centers: ___________________________
- ☐ Raw material suppliers: ___________________________

Section 2: Ownership & Corporate Structure

Legal Entity Structure

Parent Company (if applicable): ___________________________ **Ultimate Beneficial Owner(s):** ___________________________ **Ownership Percentage:** ___________________________

Related Entities:

- ☐ Sister companies: ___________________________
- ☐ Subsidiaries: ___________________________
- ☐ Joint ventures: ___________________________

Related Party Disclosure

Is supplier a related party to importer?

- ☐ Yes - Provide relationship: ___________________________
- ☐ No

Section 3: Products & Materials Sourcing

Products Manufactured for You

Product Categories:

1. ___________________________
2. ___________________________
3. ___________________________

Raw Material Sources

Primary Materials Used:

Material	Supplier Name	Country of Origin	% of Product
_______	___________	______________	__________
_______	___________	______________	__________
_______	___________	______________	__________
_______	___________	______________	__________

High-Risk Materials (Check if applicable)

- ☐ Cotton or cotton products
- ☐ Tomatoes or tomato products
- ☐ Polysilicon (solar panels)

- ☐ Other XUAR-origin materials: ___________________________

Section 4: Geographic Risk Assessment

China Operations (If applicable)

Does supplier have operations in China?

- ☐ Yes
- ☐ No

If yes, which provinces/regions?

- ☐ Xinjiang Uyghur Autonomous Region (XUAR) ⚠️ **HIGH RISK**
- ☐ Other provinces: ___________________________

Labor Transfer Programs:

- ☐ Supplier participates in government "poverty alleviation" programs
- ☐ Supplier uses workers from Xinjiang in other provinces
- ☐ Supplier recruits through government labor agencies
- ☐ None of the above

Other High-Risk Regions (Check if applicable)

- ☐ North Korea
- ☐ Myanmar (Burma)
- ☐ Eritrea
- ☐ Other sanctioned/high-risk countries: ___________________________

Geographic Risk Level: ☐ Low ☐ Medium ☐ High

Section 5: Labor Practices Assessment

Workforce Composition

Total Employees: ___________________________ **Direct Labor (production):** ___________________________ **Indirect Labor (admin/management):** ___________________________

Worker Demographics:

- ☐ Local workers (from same province/region)
- ☐ Migrant workers (from other provinces)
- ☐ Foreign workers (specify countries): ___________________________
- ☐ Ethnic minority workers: ___________________________

Recruitment & Hiring

How are workers recruited?

- ☐ Direct hire by factory
- ☐ Private recruitment agencies
- ☐ Government labor programs ⚠️

- ☐ Referrals from current employees
- ☐ Other: ___________________________

Recruitment Costs:

- ☐ Workers pay NO fees to get hired (compliant)
- ☐ Workers pay fees (amount): ___________________________ ⚠️
- ☐ Unknown / Not disclosed

Working Conditions

Standard Working Hours per Week: ___________________________ **Overtime Hours (avg per week):** ___________________________
Days Off per Week: ___________________________

Wage & Payment:

- ☐ Wages meet or exceed local minimum wage
- ☐ Workers paid on time (frequency: ______)
- ☐ No wage withholding or deposits required
- ☐ Overtime paid at premium rate

Worker Freedom:

- ☐ Workers can freely resign with notice
- ☐ Workers can move freely (no locked facilities)
- ☐ Workers retain their identity documents
- ☐ Workers can refuse overtime without penalty

Section 6: Forced Labor Indicators

ILO Forced Labor Indicators (Check NONE should be present)

Indicator 1: Abuse of Vulnerability

- ☐ ✓ No vulnerable populations (migrant, ethnic minority, etc.)
- ☐ ⚠️ Vulnerable populations employed, but protections in place
- ☐ ❌ Vulnerable populations exploited

Indicator 2: Deception

- ☐ ✓ No false promises about wages, job type, or conditions
- ☐ ⚠️ Minor discrepancies between promised and actual conditions
- ☐ ❌ Significant deception in recruitment

Indicator 3: Restriction of Movement

- ☐ ✓ Workers can freely enter/exit facility and housing
- ☐ ⚠️ Some restrictions (e.g., night curfew for safety)
- ☐ ❌ Workers confined, identity docs confiscated

Indicator 4: Isolation

- ☐ ✓ Workers can communicate freely, live where they choose

- ☐ ⚠️ Isolated location, but communication allowed
- ☐ ❌ Workers isolated, communication restricted

Indicator 5: Physical and Sexual Violence

- ☐ ✓ No violence, threats, or abuse
- ☐ ⚠️ Reports of verbal abuse or intimidation
- ☐ ❌ Physical or sexual violence present

Indicator 6: Intimidation and Threats

- ☐ ✓ No threats to workers or families
- ☐ ⚠️ Minor pressure (e.g., threat to fire)
- ☐ ❌ Serious threats (deportation, harm to family, etc.)

Indicator 7: Retention of Identity Documents

- ☐ ✓ Workers keep passports/IDs at all times
- ☐ ⚠️ Voluntary document safekeeping (can access anytime)
- ☐ ❌ Documents confiscated or restricted

Indicator 8: Withholding of Wages

- ☐ ✓ Wages paid on time, in full
- ☐ ⚠️ Delayed payment (1-2 weeks)
- ☐ ❌ Significant wage withholding or deposits required

Indicator 9: Debt Bondage

- ☐ ✓ No worker debt to employer or recruiter
- ☐ ⚠️ Small loans with reasonable terms
- ☐ ❌ Significant debt trapping workers

Indicator 10: Abusive Working and Living Conditions

- ☐ ✓ Safe, clean working and living conditions
- ☐ ⚠️ Basic conditions, some concerns
- ☐ ❌ Hazardous, degrading, or inhumane conditions

Indicator 11: Excessive Overtime

- ☐ ✓ Reasonable hours, overtime voluntary
- ☐ ⚠️ Regular overtime, but compensated
- ☐ ❌ Forced excessive overtime, no compensation

Overall Forced Labor Risk: ☐ Low ☐ Medium ☐ High

Section 7: Verification & Audit

Documentation Collected

- ☐ Business license / registration
- ☐ Factory photos (exterior, production floor, dormitories)
- ☐ Employee roster (anonymized if needed)

- ☐ Payroll records (sample)
- ☐ Recruitment contracts (sample)
- ☐ Health & safety certificates
- ☐ Environmental permits
- ☐ ISO/quality certifications

On-Site Audit

Audit Conducted?

- ☐ Yes - Date: ___________________________
- ☐ No - Planned for: ___________________________
- ☐ Remote assessment only

Audit Firm/Auditor: ___________________________ **Audit Type:**

- ☐ Social compliance (SA8000, BSCI, etc.)
- ☐ Quality audit
- ☐ Customs compliance
- ☐ Environmental (ISO 14001)

Audit Results:

- ☐ ✓ Pass - No major findings
- ☐ ⚠️ Conditional pass - Minor corrective actions required
- ☐ ❌ Fail - Major violations found

Corrective Actions Required: ___________________________

Worker Interviews

Workers interviewed?

- ☐ Yes - Number interviewed: ______
- ☐ No

Interview Conditions:

- ☐ Private, voluntary interviews
- ☐ Management present ⚠️
- ☐ Not conducted

Key Findings: ___________________________

Section 8: Certifications & Standards

Supplier Certifications (Check all that apply)

- ☐ ISO 9001 (Quality Management)
- ☐ ISO 14001 (Environmental)
- ☐ SA8000 (Social Accountability)
- ☐ WRAP (Worldwide Responsible Accredited Production)
- ☐ BSCI (Business Social Compliance Initiative)

- ☐ Fair Trade Certified
- ☐ Other: ___________________________

Certificate Expiration Dates: ___________________________

Section 9: Compliance Declarations

Supplier Attestations

- ☐ Supplier signed forced labor compliance declaration
- ☐ Supplier signed UFLPA compliance statement (if applicable)
- ☐ Supplier confirmed no XUAR materials in products
- ☐ Supplier committed to annual recertification
- ☐ Supplier agreed to unannounced audits

Declaration Date: ___________________________ **Signed by (name & title):** ___________________________

Section 10: Risk Mitigation Plan

Identified Risks

1. ___
2. ___
3. ___

Mitigation Actions

1. ___
2. ___
3. ___

Monitoring Plan

- ☐ Annual on-site audit
- ☐ Quarterly document review
- ☐ Biannual supplier questionnaire
- ☐ Continuous supply chain monitoring (software)

Next Review Date: ___________________________

Section 11: Final Assessment

Completed by: ___________________________ **Title:** ___________________________ **Date:** ___________________________ **Approved by:** ___________________________

Supplier Approval Status

- ☐ ✅ **APPROVED** - Low risk, compliant supplier
- ☐ ⚠️ **APPROVED WITH CONDITIONS** - Medium risk, monitoring required
- ☐ ❌ **NOT APPROVED** - High risk, do not use

Action Items

1. ---
2. ---
3. ---

Next Due Diligence Update: ______________________________

Additional Resources

- **UFLPA Compliance Guide:** strixsmart.com/resources/guides/uflpa-compliance
- **Supply Chain Due Diligence Article:** strixsmart.com/resources/blog/supply-chain-due-diligence-2025
- **CBP UFLPA Resources:** cbp.gov/UFLPA
- **ILO Forced Labor Indicators:** ilo.org/forced-labour

Need Supply Chain Audit Support?

Strix Smart provides supplier verification, factory audits, and ongoing compliance monitoring to protect your business from forced labor risks.

Contact us: 📞 (406) 922-6600 📧 sales@strixsmart.com 🌐 strixsmart.com/solutions/compliance

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This template is provided for informational purposes and does not constitute legal advice. For high-risk supply chains, consult with a trade attorney or compliance specialist.

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