



Supply chain mapping, transparency and traceability 1.0: A practical guide for companies and suppliers

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1. Acknowledgements and Disclaimer

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This guide is based on the Fair Labor Association (FLA)'s deep expertise on upstream supply chains. Since 2006, FLA has researched working conditions in upstream supply chains for commodities such as cotton, leather, synthetics, and other agricultural products. As a result, FLA has developed reproducible methodologies, strategies, and tools that delve into a supply chain's tiers from manufacturing units to farms.

FLA appreciates the companies and organizations that reviewed this document and provided valuable feedback to make the guidance more user-friendly:

- Fruit of the Loom;
- Hivos;
- Improving Work Life;
- India Committee of the Netherlands;
- Outerknown;
- Phillips Van Heusen;
- Sociaal-Economische Raad;
- Varova Fashion; and
- WE.

This document supports a range of organizations to develop varying measures concerning sustainability and due diligence. Therefore, not all information may apply to all readers.

2. Executive Summary

The adoption of the United Nations Guiding Principles on Business and Human Rights (UNGPs) have created expectations that businesses will continue to ensure responsible conduct throughout their supply chains.

While risk management activities have historically focused on the supply chain aspects under companies' direct control (where the most leverage existed), the UNGPs recommend companies prioritize areas with the greatest potential for harm. For many companies, following these guidelines requires increased attention to possible human rights violations in upstream tiers of their supply chains – beyond their final manufacturing facilities.

Different approaches can be taken to supply chain mapping; this guide structures FLA's approach into 12 steps:

1. **Set goals:** At the start of the exercise, the company clearly identifies objectives and parameters, such as designating the different tiers and geographic areas to be mapped.
2. **Create a team:** The company determines who will participate in the process (both headquarters and field staff).
3. **Identify actors:** The company identifies internal and external stakeholders to participate.
4. **Identify Tier One suppliers or other entry points:** This step involves naming which suppliers will be involved as well as how many.
5. **Start a dialogue:** In many cases, the company must establish an ongoing channel of communication with suppliers.
6. **Secure commitments from immediate suppliers:** Tier One suppliers, essential in approaching those of Tiers Two and Three, will need to provide a firm commitment.
7. **Introduce tools:** Specific methods (see below) aid in collecting and analyzing information during the exercise. While FLA has designed various tools for assistance, each company will need to define its own data points.
8. **Collect information from Tier One suppliers:** The company records information on the ownership structure, type of production, location and size of Tier One suppliers.
9. **Gather information from Tier Two and Tier Three suppliers:** Tier One suppliers need to approach supply chain partners in other tiers for pertinent data.
10. **Assess information and data:** After all the information is collected, the company will use it to determine next steps.
11. **Collaborate on risk-mitigation strategies:** Based on mapping results and identified supply chain linkages, partners define cooperative follow-up actions.
12. **Discuss and design scaling-up strategies:** Companies discuss how to map a company's upstream supply chain in all its regions of operation.

Supply chain mapping is not merely about compliance; it should also incorporate the principles of co-creation, collaboration, cooperation, timeliness, transparency and trust.

FLA has developed a set of tools to support supply mapping efforts for companies to customize according to their specific needs and requirements:

1. Action Planning Template;
2. Stakeholder Matrix;
3. Company Profile;
4. Supplier Profile;
5. Supplier Visit Form; and
6. Workers' Profiling Form (for sub-contractors).

3. Objectives of the Guide

FLA's goal is to provide information and practical first steps for companies and suppliers to start mapping their supply chains effectively and efficiently. It can be used by any company, manufacturer, or supplier that is part of a supply chain.

All businesses, whether dealing with raw materials or manufactured goods, face myriad questions in connection with supply chain mapping. This guide will answer some of those questions. To learn more about the terms used in this guidance document, please refer to **Annex 1: Glossary**.

4. FLA's Definition of a Supply Chain

FLA defines a supply chain as a multilayered system that aims to transform natural resources, raw materials, and other components into a finished good or service that is delivered to a customer. In other words, a supply chain comprises a network of people interacting to achieve a goal – in this case, the exchange of goods or services for money – through the movement of a product or specific services from supplier to customer.

Most supply chain illustrations focus on the product rather than the people involved with the process. From FLA's perspective, people are at the core of a supply chain, and the product is result of their cooperation.

5. What is Supply Chain Mapping?

Supply chain mapping is an exercise by which a company:

- Collects information on its suppliers and sub-suppliers;
- Discovers the relationships and interdependencies among the supply chain tiers;
- Understands the people involved in the process and their behavior patterns; and
- Increases the traceability and transparency of the entire supply chain.

The result of mapping is a visual representation of a supplier network within a specific geographic area. The social network constituting any given supply chain is typically complex, involving people with diverse interests. However, this same group of individuals may be somewhat predictable in their collective behavior patterns.

Knowledge of these patterns can successfully inform and support supply chain sustainability.

Because of supply chains' dynamic nature, mapping is not a one-time activity. Changes in the supply chain are generally driven by factors such as cost, capability, and risk. As such, supply chains function best when information from all stakeholders at all levels of the production process is current.

Various companies and suppliers are at different stages in mapping their supply chains. Some are familiar with their raw materials providers, while others are learning more about their final product assembly units. Some only have limited interaction with their suppliers because they work through traders and agents (intermediaries). Mapping allows for greater transparency and traceability. It also is crucial for a company's risk management, part of corporate responsible business conduct. When a company is committed to external transparency, it offers stakeholders, consumers, and other "end-users" information and confidence about the identity, sourcing, work conditions, and labor standards in the supply chain.

Mapping is key for any company performing due diligence as well as in the development of a company's responsible and sustainable sourcing program. Sustainability risks depend largely on three factors:

1. Where production takes place (country/supply chain actors);
2. What is produced (materials and processes needed to create the goods); and
3. How business is conducted (buying and sourcing practices).

6. Why is Supply Chain Mapping Important?

To promote decent working conditions within their supply chains, many companies and suppliers maintain human-rights and labor-standards monitoring programs. Occasionally, such programs only cover their immediate suppliers (Tier One), which does not guarantee labor standards compliance or a "clean" product. In many cases, internationally accepted human rights standards and labor conditions are not found in Tiers Two, Three, etc. Mapping helps companies assess the risks in the upstream tiers of their supply chains in an age of increasing transparency.

Ignorance of production and working conditions, in combination with the absence of regular and structured monitoring of upstream supply chain levels, increases sustainability risks – specifically, human rights and labor standards violations. In such instances, violations have been "woven" into a product by the time it arrives for final processing by the Tier One supplier. For companies to guarantee that product manufacturing occurs in an environment that respects human and labor rights – and has no negative impact on surrounding communities – their leaders must examine the upstream supply chain. They should begin with a review of the product's primary raw materials, gradually expanding to other raw materials and components used.

Mapping needs to be a continuous feature embedded in the business, production and corporate social responsibility operations of companies and suppliers. A well-integrated process would allow for the immediate mapping of the supply chain at the time of design or order placement, as opposed to “retrospective tracing.”

Companies and suppliers that go through a supply chain mapping exercise:

- Improve understanding of their business operations, as well as of suppliers and their networks;
- Boost transparency of their supply chain and business relationships;
- Develop relationships and collaborations with suppliers at different tiers;
- Better comprehend individual and collective social behavior patterns;
- Expand their knowledge of and create ties with other supply chain actors, including agents and intermediaries;
- Learn more about working conditions in the supply chain, environmental impacts, and animal welfare aspects;
- Discover how their business operations may be tied to sustainability risks, such as violations of human and labor rights;
- Identify the greatest risks for non-compliances, in addition to magnitude;
- Progress in assessing their suppliers’ capacity to prevent and mitigate non-compliances of human and labor rights, and reassess remediation strategies;
- Identify ways to have a positive impact on people, the core assets in any supply chain; and
- Forge relationships with stakeholders, including government, trade unions, and nongovernmental organizations, to better conditions for workers and their families.

7. The Mapping Process

Companies can customize their supply chain mapping approach based on their existing sourcing model, resources, and commitments. In this guide, FLA breaks down the process into 12 steps. Some companies and suppliers might merge or further break down these steps. Some may even consider proceeding with them in a different chronological order.

1. Set goals;
2. Create a team;
3. Identify actors;
4. Identify Tier One suppliers or other entry points;
5. Start a dialogue;
6. Secure commitments from immediate suppliers;
7. Introduce tools;
8. Collect information from Tier One suppliers;
9. Gather information from Tier Two and Tier Three suppliers;
10. Assess information and data;
11. Collaborate on risk mitigation strategies; and
12. Discuss and design scaling-up strategies.

7.1 Set Goals

Supply chain mapping exercises require interaction between staff members from various departments within an organization, as well as communication with business partners and an analysis of those partners' own practices in relation to product development, buying, and sourcing. The process takes time and resources, and company leadership must understand their motivation and define objectives before undertaking a supply chain mapping process.

i. How does one set company goals?

Clearer goals will result from considering:

- Why does the company want to map its supply chain?
- How will it help the company's overall mission?
- Is supply chain mapping a strategic priority? If so, why? If not, should it be (and why)?
- What will the company do with the information?

- Is this a one-time undertaking or will the organization make mapping a standard operating procedure? If it is ongoing, how can it be integrated in business systems and procedures?
- What are up to five core measurable objectives and commitments during the next three to five years?
- Is the company's leadership committed at the highest levels? If not, how will their commitment be secured?

ii. What are some examples of the scope of a mapping exercise?

A mapping scenario for one company may not be feasible for another. Keeping sustainability and due diligence in mind, we recommend focusing mapping efforts on certain key products or supply chains that potentially pose higher risks.

Some scenarios that could help in setting targets:

- Map the upstream supply chain of one product type (garments, footwear, electronics, or accessories).
- Map the upstream supply chain of selected product component(s) sourced for all products, such as all the cotton or leather or cocoa used in all the products produced by a company.
- Map the upstream supply chain of a component(s) used in a single product, either by one supplier or multiple suppliers.
- Map the upstream supply chain of selected product component(s) sourced by all suppliers in a specific country.
- Map the upstream supply chain of selected product component(s) sourced by a single supplier or self-owned facility.
- Map the kind/characteristic of product component(s) through the entire supply chain.
- Map the supply chain actors involved in certain high-risk processes.
- Conduct horizontal mapping for all suppliers in one tier.

iii. How far along the supply chain should companies map?

Mapping individual Tier One and Tier Two suppliers requires comparatively fewer resources than doing so for those further upstream, such as Tiers Three and Four. Smaller companies with limited interaction in the upstream chain will likely seek to map

Tier One and Two suppliers. Companies with longstanding partnerships and some visibility along their upstream supply chains may focus on suppliers for Tiers Two, Three and Four.

iv. Should I limit the mapping to a specific geographic area?

In the beginning, companies may limit the mapping exercise to both a specific geographic area and time frame. However, this depends on the type of company and production. For example, a company may choose to start the process in an essential sourcing facility where certain concerns exist.

A stable political situation in the targeted area is best, but not crucial, in performing the exercise. In addition, local resources are an asset. The availability of local representatives or partners in the field will help to build on-the-ground trust and understanding with suppliers. Companies and suppliers may wish to use a SWOT analysis to identify which geographic area to target.¹

v. Should I select a single product/commodity to map or should I map all my production?

Companies undergoing this process for the first time should start small and remain sharply focused. Leaders may consider choosing their business's most important commodity, such as cotton for garments or cocoa for chocolate. An alternative is to map all Tier One suppliers and then move up the supply chain.

As companies become experienced with the feasibility of supply chain mapping and with tracing certain material, valuable information may emerge on realistic methods to mitigate certain sustainability risks. For example, if no long-term relationships exist among upstream supply chain actors whose processes are potentially risky, companies may want to reconsider suppliers.

vi. When is the best time to carry out a mapping exercise?

Collecting data for mapping supply chain is easiest to do upon order placement, before production starts, or even during production. Retrieving the information retroactively is more difficult. Some suppliers may not want to engage post-production; also, conducting mapping exercise during production leaves limited time for companies and suppliers to install management systems or ensure better working conditions, as FLA [experienced in 2008 while conducting](#) cotton supply chain mapping in China and India.

An ideal time to start mapping is when the order is first undergoing development or sampling, because supply chain partners may be more willing to share information before the order placement and distribution. Yet supply chain mapping is a continuous process; companies may want to consider reviewing — on an ongoing basis — how to embed

¹ SWOT stands for “strengths, weaknesses, opportunities, and threats.”

supply chain transparency in systems and procedures. Consider specifying production locations (Tier One suppliers) or material suppliers (Tier Two or Three suppliers) at order confirmations and developing procedures that sub-contracting (of production processes) is only allowed upon prior notification and after a monitoring visit.

vii. What information should companies collect in a mapping exercise?

Companies conducting a mapping exercise should seek to collect data on:

- Various tiers of the supply chain;
- Various tasks/processes carried out at each level of the chain;
- Sustainability risks, including human-rights and labor-standards risks, environmental risks, and animal-welfare risks, at each level of the supply chain;
- The understanding of labor rights, as well as the willingness of suppliers along the chain to engage in raising awareness and capacity-building; and
- The origin of raw materials.

viii. What if my company is a small- or medium-sized enterprise with only one person working in the sustainability department?

Companies of all sizes can start and conduct supply chain mapping. The first step engaging with direct suppliers. Companies that undertake mapping have often found that suppliers do not hesitate to share information. Also, mapping exercises can involve staff across many parts of a company – not just those directly involved with corporate social responsibility or sustainability.

In starting with direct suppliers, companies may want to consolidate those on any supply chain. This will help in boosting overall control of the chain. Also, private-label production along “unknown” supply chains can increase the chance of risks.

Another option is to collaborate on the exercise with larger brands and retailers, or to engage in multi-stakeholder initiatives.

ix. What should be my starting point?

Typically, sustainability and/or human rights and labor compliance departments within companies launch supply chain mapping exercises, and often already have some knowledge of the chain. Also note that procurement/sourcing departments as well as country offices also have information about material suppliers and disclosed sub-contractors. In all cases, companies should first determine any information gaps and short, medium, and long-term objectives.

REMEMBER: Companies starting a supply chain mapping exercise have several points of entry. The company business model and available internal resources help determine possibilities. The questions in this section assist in defining the scope, area and starting point for mapping.

7.2 Create a Team

A company should designate headquarters and field to conduct a mapping exercise and assign specific responsibilities. Ideally, these staff members have direct contact with suppliers, intermediaries, and other stakeholders.

Companies may also want to create a working group for a mapping exercise, as these groups gather useful information and leverage technical support and other resources by engaging suppliers and other experts and stakeholders.

i. What happens if the company does not have any staff overseeing this issue?

In thinking about designating personnel for this exercise, companies should consider those involved in the sustainability, human rights or compliance departments, as well as others who work in such areas as procurement, merchandising, sourcing, and quality assurance. Departments from across the company, especially those with involvement and direct contact with suppliers, will help the process. Intermediaries and/or companies' Tier One suppliers should also be involved.

When companies do not have staff in the field, challenges can occur, particularly if resources do not allow for field visits. In such cases, collect as much information as possible online while identifying a local partner, such as a consultant or social organization, that can help in the future.

ii. Does the staff need to have a specific skill set or training?

Designated staff members should understand the definitions, concepts, principles, and challenges of supply chain mapping. Empathy, as well as particular skills in interviewing, listening, and sociality are valuable. Personnel who will be in direct contact with suppliers in other countries should have the language skills necessary to converse with stakeholders, though companies may wish to have this guidance translated into the language(s) spoken by local staff. In addition, companies can arrange for their staff to participate in information sessions or training with groups like FLA.

7.3 Identify Actors

Collaboration from organizations that are internal and external to a supply chain helps inform the mapping process. Initial steps may include the creation of a stakeholder matrix that includes a list of such organizations and the identification and contact information of involved personnel.

i. What are some examples of collaboration?

Working with other buyers, local partners, trade unions, social organizations, and nonprofits will result in a richer supply chain map. Local civil society organizations that interact with various tiers in the supply chain may help in creating a list of contacts. During a 2016 stakeholder mapping process for the cotton supply chain in Türkiye, [86 organizations](#) – both internal and external to the cotton supply chain – were mapped. They had relevant information of use to companies defining courses of action in that geographic location.

ii. What if a company does not have any contacts?

The creation of a stakeholder matrix is an ongoing process. Once field investigations are underway, no matter how preliminary, people emerge who can recommend other sources of information. In addition, there is a good deal of information on country risk, local stakeholders, and supply chain tiers readily available, given the interest in academia and elsewhere in creating traceability and transparency in supply chains. Several organizations are now forming country-level databases and risk indices.

iii. Does a company need to work with a partner?

This depends upon a company's staffing resources as well as the time available for a mapping exercise. Partnering with an organization is not necessary, though it can expedite the mapping process and provide access to richer information.

7.4 Identify Tier One Suppliers or Other Entry Points

A company should identify suppliers they want to involve in the mapping process.

i. How many suppliers should a company involve?

This question raises another: How many suppliers does the company have? A consolidated supply chain is easiest to control. Regardless of the number of suppliers, a company may want to start small and scale-up at a later phase. Your company may wish to begin with an overview of all Tier One suppliers to help prioritize the supply chains of strategic suppliers, supply chains in high-risk regions, and/or specific production segments. The overview of Tier One suppliers, combined with an understanding of those suppliers' importance, will help to guide decisions on this question.

Companies that already have full visibility of Tier One suppliers can embark on this process with those in Tier Two.

ii. Which suppliers should a company choose?

Businesses may want to start work with suppliers that:

- Have a long-term and/or strategic relationship with the company;
- Show enthusiasm for and commitment to the mapping process;
- Share a vision with the company in terms of sustainability, especially in the areas of human and labor rights;
- Have a mutual relationship of trust with the company; and/or
- Do a significant volume of business with the company.

The Pareto Principle (also known as the 80/20 rule) provides some guidance: In business, roughly 80% of the consequences come from 20% of the causes. Therefore, if 80% of a company's products or components come from 20% of its suppliers, start mapping with that 20%, which (in turn) can result in 80% mapping of a supply chain or targeted tiers.

iii. What is the role of Tier One suppliers in the process?

Tier One suppliers are partners in the process and crucial to a successful mapping. They provide information about their work and entry to upstream Tiers Two to Four suppliers.

iv. Should companies engage Tiers Two or Three from the outset?

Some of the Tier Two or Tier Three suppliers (in this case, raw materials processors) are large players, while others may be small and informal. If mapping is presented as an option to help the overall industry – in other words, shown as a proactive approach to human rights and labor standards – suppliers may be more inclined to cooperate. Others may happily cooperate from the start and be familiar with the mapping process, as large retailers and brands have already published their suppliers.

Another option is to work with associations, such as those representing fabric manufacturers, farmers, or tanners. Once these actors are mapped during the “Identifying Actors” phase, the company or group of companies can determine appropriate entry points.

v. What if a company does not know its suppliers because it works through intermediaries?

This certainly presents a challenge. The involvement of agents, traders, or other intermediaries on board as partners would be the only way in this case to map the supply chain. Intermediaries require the same mobilization as direct suppliers in collecting and sharing information. An open dialogue on the reasoning behind supply chain mapping may prove helpful. Another approach is for supply chain disclosure requirements (or a time frame for the disclosure) to appear in the contract a company makes with an intermediary.

7.5 Start a Dialogue

Companies should contact partners to encourage their participation in the mapping exercise, such as face-to-face meetings at various stages to ensure the success of the process.

i. What if a company has never talked to any of its suppliers?

An introductory email, combined with a follow-up phone call, may be the most convenient way to initiate contact, but in-person interactions foster trust.

ii. How can companies convince suppliers them to participate?

Companies should clearly explain why a supply chain mapping process is underway. It may make sense to present mapping as an incentive for Tier One suppliers –it could be explained as a competitive advantage. Also, mapping is part of any discussion on responsible sourcing and production.

All parties should fully understand the purpose of these dialogues. For instance, if a company intends to publish a supplier list, those Tier One suppliers need advance notification and ideally, should give prior permission.

7.6 Secure Commitments from Immediate Suppliers

Once Tier One (or other upstream) suppliers have received the initial communication and dialogue is underway, a company needs to secure commitments.

At this point, companies should have clearly explained the mapping process and all related expectations of the supplier. For instance, suppliers could document and disclose to the company all the raw materials sourced. The company, together with the suppliers, could determine the extent of information maintained and shared in the future.

A supplier could offer the names and locations of sub-suppliers of the main material used, which could then lead to the documentation of where raw materials are produced, the names of other upstream suppliers, and worker demographics, among other data.

Suppliers should feel at ease about their participation; the scope and scale of the exercise depends on suppliers' active involvement and support.

7.7 Introduce Tools

Companies and suppliers can use specific tools and procedures to collect information about the supply chain and (if possible) to assess sustainability, risks, and emerging best practices for human and labor rights along the supply chain.

i. How can companies avoid comparisons of mapping to an audit?

The mapping process is not an audit and should never be considered as such. It provides an opportunity to understand the network of people in the supply chain and the conditions under which they operate. Identifying conditions at each level of the supply chain enables companies to understand the impact their businesses have on the lives of workers, including human and labor rights risks and root causes of poverty, and to ascertain positive effects the process can have on workers along the supply chain.

ii. What tools should companies use?

Some tools, attached to this guide and designed for online and/or face-to-face meetings, will help in executing the above steps. Any tool can be customized, as well as translated into other languages, as needed. Companies should be prepared to answer suppliers' questions. To help carry out the steps outlined above.

Online-mapping tools are useful for building a database, for instance, but they do not create trust and partnership. That requires in-person meetings. Also remember that companies, suppliers, and intermediaries use different names for the same documents or pieces of information.

7.8 Collect Information from Tier One Suppliers

A company should collect and record information about the ownership structure, location, size, and nature of production of Tier One suppliers and intermediaries operating at Tier One. If multiple buyers are working together, they will likely want to identify common Tier One suppliers to facilitate cooperation, as allowable under the law.

i. Who should collect this information?

The specific title or role of the staff member (or members) collecting information may differ from company to company. Regardless of the personnel involved, it is crucial that suppliers view the company's staff as aligned and speaking with one voice.

ii. What information should be collected?

The objective is the creation of a profile for each supplier that includes details of its operation and the specific product. These tools also provide a chance to gather data on the working and living conditions of people along the supply chain.

iii. How should information be collected?

FLA provides a set of tools (available upon request) along with this guide that offer support. If needed, companies can customize these tools to better meet their needs. In any case, local stakeholders will need to understand the tools as well, which may require the translation of materials into another language or an adaptation of terminology.

iv. Will suppliers be reluctant to speak?

When company-supplier relationships focus on trust-building, rather than policing, mapping exercises are easier. Businesses should have open, constructive communications with suppliers, who will then be more willing to share policy documents, internal procedures, and other relevant information.

On occasion, suppliers may prove unwilling to share information that they consider trade secrets, such as pricing or production techniques, or about stakeholders in the supply chain who might take business to competitors or downstream suppliers. In such situations, suppliers will need reassurance them about the purpose and impact of mapping.

v. How can companies avoid comparisons of mapping to an audit?

Mapping is an exercise to collect information to build a better understanding of the whole supply chain so that risks at varied levels can be identified and remedied, if needed. Much depends on the company's attitude. For example, be aware of tone and plan meetings well ahead of time to avoid unannounced visits. Treat suppliers as equals during meetings.

7.9 Contact and Collect Information from Tier Two and Tier Three Suppliers

Tier One suppliers should ideally approach supply chain partners in Tiers Two and Three about the mapping exercise.

i. Should Tier Two be involved immediately?

Access to upstream suppliers is easier if introductions come from corresponding buyers in the supply chain. When both Tier One and Tier Two suppliers attend the same introductory meeting, better cooperation results because of the suppliers' increased and shared understanding of the exercise's objectives.

ii. How should companies approach Tier Two and Tier Three suppliers for information?

As with Tier One, information can be collected in various ways. Companies and suppliers can use email, calls, and field visits. The quantity and quality of information will depend on the willingness of suppliers to be open and transparent about their business practices.

iii. What information should I collect from Tier Two and Tier Three suppliers?

The extent of information collected depends upon the communication between companies and Tier One suppliers and between Tier One and their suppliers. Companies and any related tiers should collect the same types of information. The information could start with the names and locations of the upstream suppliers for the main input material as well as the processes they have in-house.

iv. Should the mapping exercise cease if personnel are in danger?

On occasion, suppliers work in regions affected by conflict. Under no circumstances should people be placed in danger.

7.10 Assess Information and Data

The tools accompanying this guide help companies and suppliers in gathering data and assessing myriad aspects of the production process, including:

- Undisclosed sub-contracting (if any);
- Commitment to workplace standards and awareness-building;
- Inclusion of codes of conduct in business contracts;
- Pre-sourcing evaluations;
- Internal monitoring;
- Worker profiling; and
- Hiring processes.

REMEMBER: It is important that companies modify tools based on their needs. Along those lines, a company's analysis of data depends on its objectives. Increasingly, companies must disclose supply chain information or publish information or produce documentation that showing that products have not been made with child labor and/or forced labor before those products can be imported by certain countries. Regardless of a company's motivation your motivation to start a mapping exercise, these indicators should be part of the data collection and analysis.

7.11 Collaborate on Risk Mitigation Strategies

Based on mapping results and identified supply chain linkages, different partners taking part in a mapping exercise may collaboratively create follow-up actions. This process is more efficient and effective when various stakeholders work together in the assessment and remediation of any human, labor, or social impacts that exist in a shared supply chain.

At this point, it is important to define the approach that the company or supplier might want to take regarding implementation of its Code of Conduct and local law, as well as the expectations it has of its suppliers. While mapping is the first step, data collection and improvement of labor and social conditions is the second phase. This is a vast subject and falls outside the purview of this guide.

7.12 Discuss and Design Scaling-Up Strategies

Before embarking any next steps, companies should start small. Then, they can pursue mapping upstream supply chains in all regions of operation, with the objective of identifying the geographic origin of all materials or components sourced from high-risk areas.

8. Key Principles

Supply chain mapping operates under the following principles:

- **Trust:** To map out different levels of its business operations, a company must base relationships and communications on trust. This implies a change in mindset from a “compliance” approach to one of trust-building. In other words, the approach should evolve from demanding information from a supplier to seeking cooperation based on willingness. All departments within a company should take part in the process and receive training. Responsible sourcing results from trust-building.

- **Collaboration:** To map a supply chain, collaboration is essential. Who are the different actors? Buyers, suppliers, sub-contractors, intermediaries – the chain stretches all the way back to farms. In addition, other stakeholders can provide useful information, including employer associations, workers unions, civil society organizations, and public authorities. Every actor plays a role and has strengths that can be leveraged.
- **Co-creation:** It is important that all partners and shareholders are engaged throughout the exercise, even its initial design. This ensures a better understanding of the scope and objectives of the initiative and promotes participation. Feedback from partners is essential.
- **Transparency:** Open and transparent communication is key to engaging actors and obtaining valuable information beneficial to all parties.
- **Timeliness:** Setting clear time frames and ensuring timely communications are essential.
- **Cooperation:** Brands/companies may share suppliers. Cooperating with brands will enable greater leverage at the supplier level and encourage commitment and participation. A multi-stakeholder initiative that maintains confidentiality might be the best approach.

9. FLA Tools

FLA has developed a set of tools to support supply-mapping efforts. They are flexible and open tools that hopefully will inspire companies to customize their own. Some companies might find them too exhaustive for their needs, while others might need to expand them.

The tools may need to be adapted to address different:

- Sectors;
- Products;
- Countries;
- Focus/target areas;
- Terminologies; and
- Languages.

The tools exist in an Excel spreadsheet, with each tool in a different tab so that companies can easily convert spreadsheets into Word documents or other formats. Please contact innovation@fairlabor.org to receive access to the Excel tools.

REMEMBER: Adapt all tools as needed before initiating supply chain mapping efforts.

9.1 Action Planning Template (Tool #1)

This tool, provided in Excel format, lists all the steps included in this guide, as well as examples of activities within each step. This template can be used to list the activities linked to each step, specify those units and people responsible for each activity, and identify those who will participate in the process. Companies may also use a RACI matrix to assign responsibilities, if preferred.² The FLA spreadsheet also provides space to track completion dates, additional resources or tools needed, and follow-up measures.

9.2 Stakeholder Matrix (Tool #2)

This tool also uses Excel format to record all relevant information for different stakeholders needed to support supply mapping efforts. Such information as type of organization, contact details, company relationship, and summary of results are among the types of data to include. Again, this is a flexible tool for you to adapt, as you consider useful and relevant. If an existing system captures this information, we recommended you use and expand that tool.

9.3 Company Profile (Tool #3)

This tool should be completed by a company representative who will perform the supply chain mapping activity. It collects data about the already-existing company information about suppliers at different levels. This profile tool is also in Excel format, with cells that include multiple-choice options in a drop-down list.

9.4 Supplier Profile (Tool #4)

Through this template, the company collects data about its suppliers, who should complete it. It can be used for each supplier targeted in the supply chain mapping exercise. In addition, it can be converted into an online instrument. The template collects data on suppliers, sub-suppliers, and their relationships, and contains a section on workplace-management systems. Here, the supplier provides specific information about how respecting and promoting human and labor rights in the workplace, existing challenges, and support provided to their own suppliers in respecting these rights.

If there is a sense that it may be premature to collect this information from the suppliers, feel free to adapt the questions or redact them completely.

² RACI stands for “Responsible, Accountable, Consulted, Informed.”

9.5 Supplier-Visit Form (Tool #5)

This Excel sheet allows information to be recorded directly after talking to or meeting a supplier in person. Ideally, the supplier will already have completed the Tool 4 Supplier Profile, so this meeting will help you identify and correct any misunderstandings or inconsistencies with the information provided in the profile.

The Workplace Standards Management Systems tool identifies possible cases of child labor and therefore includes questions related to recruitment, selection, and other hiring practices. Companies may adapt this part of the tool to meet specific purposes, to address different human or labor rights issues, to identify various challenges the suppliers face. If adapting this tool, please remember that it is not an audit self-assessment tool, but an aid in understanding the effect a company has on the lives of workers (and possible remedies, if needed).

Sometimes, it can be useful to ask questions regarding current best practices already implemented. It also may prove helpful to ask suppliers to describe their policies and procedures for certain areas such as production planning, raw materials sourcing, and upstream supplier engagement, as well as implementation challenges. Also, companies may have an interest in supplier-grievance mechanisms or how to better support suppliers in ensuring the well-being of workers.

9.6 Worker Profiling Form – for sub-contractors and Tier Two suppliers (Tool #6)

This Excel sheet is specifically developed for suppliers who use sub-contractors for production activities. While subcontracting is not inherently bad, undisclosed and unmonitored subcontracting poses risks to the suppliers and eventually, to the buyers. This tool helps suppliers in collecting basic demographic data on the workers employed in the subcontracted units. Suppliers can also use this tool to learn of worker demographics in Tier Two materials and component suppliers. Suppliers can kick start the process based on the cooperation with the sub-contractors and filling the information on an annual basis.

10. Annex 1: Glossary

Word/Term	Definition/Meaning
Company	Any business that contracts with another for the manufacturing of products.
Direct Sourcing	A company entering a contractual relationship with its supplier.

Indirect Sourcing	A company sourcing products (such as raw materials, components and finished goods) from an intermediary, such as when agents place orders with garment and footwear manufacturers on behalf of a retailer or brand.
Upstream Supply Chain	The term “upstream” refers to the relationships between manufacturers and their raw materials and packaging suppliers. “Upstream” is thought of as being closer to the origin of a supply chain process.
Downstream Supply Chain	The term “downstream” refers to the relationships between suppliers and their buyers/customers. “Downstream” is thought of as being closer to the final assembly unit, retailer, and consumer.
Factor Inputs	The individual resources that contribute to the production of goods and services. Land, labor, and capital are considered major factor inputs.
Intermediary	A link in the supply chain that facilitates trading among actors in the supply chain but does not add direct value to the products themselves. “Intermediaries” are also known as agents, traders, distributors, vendors, and middlemen. When using intermediaries, the company does not have a direct contractual relationship with the supplier producing its goods, but rather with the intermediary. When the company is using intermediaries, it is said to be sourcing indirectly.
Mapping	Graphical representation of a procedure, process, structure, or system that depicts the relationships among its different components.
Stakeholder Mapping	Such mapping identifies the external and internal actors of a supply chain to understand a network of people and their behavior patterns.
Supply Chain Mapping	An exercise by which a company collects information on its suppliers and their sub-suppliers to understand relationships and increase the visibility of the wider supply chain. The information collected can vary depending upon the purpose of mapping and the resources available for the process. It could start from knowing only the name and location of the supplier to volume supplied, processes undertaken, internal management systems, number of workers, and other labor and human-rights information.
Task Mapping	The process of mapping different activities within each level of the supply chain.
Risk Mapping	The process of identifying, evaluating, and prioritizing different risks along the supply chain, including those related to human rights and labor standards.
Multi-Tier Supply Chains	<p>It is common in supply chain management to refer to tiers (or layers) to indicate when various materials and components of a product come into play during production process. Tiers can apply to any industry and are defined in terms of value added rather than through business relationships. Cotton farms, ginning mills, material producers, and garment manufacturers can serve on different tiers, as they add value to the final product; agents, traders and electricity suppliers are not, as they only facilitate the production process.</p> <ul style="list-style-type: none"> • Tier One are direct suppliers; • Tier Two are suppliers for Tier One; • Tier Three are suppliers for Tier Two;

	<ul style="list-style-type: none"> • Tier Four provides basic raw materials to higher-tier suppliers. <p>Theoretically, further tiers could exist.</p> <p>In the garment and textile sector, for example, a retailer’s supply chain structure would appear as:</p> <ul style="list-style-type: none"> • Tier One: all garment manufacturers and components manufacturers • Tier Two: textile producers, spinning mills, and washing and dyeing facilities • Tier Three: fiber processing units and ginning mills • Tier Four: cotton farms <p><i>Please note that some suppliers have vertically integrated units, whereby several functions are performed on the same premises.</i></p>
Product	Any tangible output or service resulting from following process and intended for delivery to a customer or other “end user.”
Component	Materials used to “build” a product; for a garment, components are buttons, zippers, trims, and other accessories.
Raw Materials	Unprocessed, natural, or artificial materials, such as cotton, cocoa, rubber, synthetic resins, crude oil, lumber, or cobalt, used in the production of final goods. They are also commonly referred to as “commodities.”
Sub-Contractor	The outsourcing of part or all of production orders to a third party (often called “sub-contractors”) by the direct supplier.
Supplier	All business relationships that contribute components or services during the process of bringing a product to market. Suppliers can be manufacturers, processors, direct logistical providers, producers, and farmers.
Sub-Supplier	A generic term describing a supplier who provides goods or services to another downstream supplier. Sub-suppliers could be material suppliers or sub-contractors.
Traceability	The ability to follow a product and its components through stages of production, processing, manufacturing, and distribution.
Transparent Supply Chain	A supply chain that provides useful information about a company, and its suppliers and sub-suppliers, and sourcing locations to stakeholders and to consumers or other “end users.”

11. Annex 2: Supply Chain Mapping in FLA Reports

FLA has developed supply chain maps with its partners and affiliates, as part of supply chain innovation projects and independent external monitoring reports. Mapped commodities include palm oil in Malaysia and Indonesia, rubber in Viet Nam, vanilla in Madagascar, and cotton in Türkiye.

The reports below feature supply chain maps:

- [Palm oil supply chain mapping in Indonesia and Malaysia;](#)
- [Natural rubber supply chain mapping in Viet Nam;](#)
- [Vanilla supply chain mapping Madagascar;](#) and
- [Cotton supply chain mapping in Türkiye.](#)