

# Annual Report 2024



Fair Labor Association



**“For the last quarter century, FLA has worked to put a more human face on the global economy by protecting workers from abusive and exploitative labor practices. Congratulations to Jeff Vockrodt and everyone at the Fair Labor Association on 25 years of making a positive difference for workers around the world, and reminding us that no one should have to put their safety or their dignity on the line to support themselves or their family. Best wishes for a wonderful celebration, and many more years of impact.”**

– PRESIDENT BILL CLINTON

**IN 1999**, leaders from apparel and footwear brands, universities, the labor movement, and human rights organizations came together to fight for a better future for workers, forming the Fair Labor Association. Twenty-five years later, FLA continues to work toward a future where responsible business means that fair working conditions are the standard, not the exception. Our unique model of collaboration builds expertise and drives innovation to improve business policies and practices that benefit workers around the world, with our experts featured at global events like COP28, the Economist Impact Summit, and more.

Throughout 2024, FLA and our members not only celebrated the progress that has been made since 1999 but also shared our inspirational vision of the future of fair labor. Our work transforming supply chains to address challenging issues like living wage, responsible recruitment, forced labor, and child labor continues, but we also are beginning to explore how to respond to new risks for workers, such as climate change and rapid changes in the world of business and human rights, ranging from new mandatory due diligence regimes to advances in artificial intelligence. Our first step was the launch of a new innovation strategy, led by Executive Vice President and Chief Innovation Officer Richa Mittal, to drive the development of scientific, scalable, and replicable solutions to labor rights challenges.

We also welcomed eight new members; celebrated two Fair Labor Accreditations; launched a new Fair Labor Accreditation badge to recognize companies that meet the highest standards in labor rights; continued to advocate on behalf of workers in Bangladesh, Cambodia, and Taiwan; and more. Read on to learn more about today’s efforts to create tomorrow’s Fair Labor Future.

# By the numbers

## Members and affiliates

**51** Participating Companies, representing more than **100** brands worldwide ■ **19** civil society organizations and unions ■ **133** universities ■ **2,590** Collegiate Licensee affiliates

## Assessments

**17** farm assessments, including interviews with **816** farmers and **753** workers across **10** countries ■ **44** factory assessments, including interviews with **1,876** workers across **16** countries

## Investigations

**3** independent investigations conducted, representing **5,300** workers ■ **8** complaints resolved through dialogue without needing to launch an investigation, representing resolution for **6,600** workers ■ **2** closed investigations, representing remediation for **2,910** workers ■ In total, Fair Labor Investigations helped over **14,000** workers in key sourcing countries like El Salvador, Indonesia, Nicaragua, Thailand, and Türkiye.

## New members



**“Through the swift and decisive engagement of the FLA member company and a local organization, the workers were able to receive relief in a timely manner.”**

**– FLA SENIOR VICE PRESIDENT,  
INVESTIGATIONS AND ENGAGEMENT  
SIF THORGEIRSSON**

## Case study: Resolving complaints informally

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**OUR FAIR** Labor Investigations team handles dozens of complaints about working conditions each year. Many are resolved through engagement and dialogue with FLA’s member and affiliate companies, which results in a faster resolution for workers than a formal investigation.

For example, FLA received a complaint from migrant workers at a factory supplying one of our member companies. The workers alleged that they had been retaliated against for being vocal advocates of workers’ rights and for previous complaints made regarding discrimination. The workers alleged that the factory’s human resources department used bureaucratic delay tactics regarding the workers’ renewal of their work permits, costing the workers time and money and even causing workers to lose their jobs at the factory, leaving them in a financially precarious position.

With the intervention of the FLA team and the member company, the workers were able to return to their previous positions at the factory with back pay for the time spent trying to resolve the bureaucratic delays.

# Celebrating 25 years of fair labor

**IN 2024**, we celebrated FLA's 25th anniversary, culminating in an international gathering in October in Istanbul, Türkiye. More than 130 **board members**, staff, and representatives of FLA member companies, universities, and civil society organizations gathered to celebrate the progress that has been made since 1999 and share their vision of the future of fair labor.

"FLA's 25th anniversary comes at a transformational time for human rights at work," said FLA President and CEO Jeff Vockrodt. "I am continuously inspired by the FLA community's unwavering dedication and commitment to protecting workers' rights in supply chains worldwide. A fair labor future is only possible because of our shared accomplishments over the last 25 years."

To commemorate the occasion, we developed a **retrospective video** and **a new publication** highlighting key moments in the organization's history, progress on labor issues, and insights into actionable steps for companies to take to improve workers' rights.



# FLA stakeholders visit farms and factories in Türkiye



**WHILE** in Türkiye, representatives from the government, business, and civil society, including child rights practitioners, shared their experiences working with FLA. FLA members, staff, and stakeholders visited local hazelnut farms to learn about efforts to address child labor and responsible recruitment among seasonal migrant agriculture workers. They also visited apparel factories located in Bursa, the textile capital of the country, to explore how companies are creating more supportive work environments for parents - including implementing programs to recruit female employees and creating childcare facilities onsite.



# Partnering with global coalitions to make tangible progress on labor rights



## The Working Group on Responsible Purchasing Practices

FLA joined [the Working Group on Responsible Purchasing Practices \(RPP\)](#), which collaborates to promote progress on RPP in the garment industry using the Common Framework on Responsible Purchasing Practices as a reference point. Stakeholders, including leading organizations in garment workers' rights, work together on promoting implementation of the framework and influencing relevant policy.



## The Geneva Center for Business and Human Rights

FLA and [the Geneva Center for Business and Human Rights](#) signed a Memorandum of Understanding to facilitate collaboration on activities like identifying research opportunities, developing standardized methodologies to assess and enhance adherence to labor rights standards across global supply chains, and conducting impact assessments.



## United Nations Global Compact's Forward Faster targets (UNGC)

FLA joined more than 550 leading organizations on living wage and gender equality to promote the [UNGC's Forward Faster targets](#). This global, multi-sector initiative calls on companies to commit and take credible and ambitious action on living wage and gender equality—supporting the UN's Sustainable Development Goals.



## Global Fashion Agenda (GFA)


FLA and GFA [renewed their agreement](#) to collaborate on GFA's target consultations and reporting related to better wage systems, one of the five priorities of the [Fashion CEO Agenda](#). This initiative promotes fair compensation and living wages, enables worker access to collective bargaining agreements, and aims to achieve pay equity and close the gender pay gap.

# Spotlight: FLA's University Caucus

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**NEARLY 140** academic institutions in North America demonstrate their commitment to fair labor standards and human rights in the supply chains of their branded merchandise by participating in the [FLA University Caucus](#). Represented by six board members, the caucus comprises institutions of all sizes and locations, including all eight Ivy League universities and most schools in NCAA Power 4 conferences.

Joining the caucus enables members to champion their university values, protect their institution's name and brand, and bring their licensees into a well-established human rights due diligence program. University Caucus members unite to hold companies accountable, contribute expertise to inform FLA's work, and harness their collective influence to advance workers' rights across trademark licensing supply chains.

A portrait of Karen R. Daubert, a woman with short grey hair, smiling and looking to the right. She is wearing a patterned black and white top and a colorful scarf.

## In Memoriam: Longtime FLA Board Member Karen Daubert

Fair Labor Association Board Member Karen R. Daubert, assistant vice chancellor for administration and strategic partnerships in University Marketing & Communications at Washington University in St. Louis, died September 12, 2024, after a short battle with cancer.

For many years, Karen was a warm, collegial, integral part of the FLA community, and she will be deeply missed. Her enduring dedication to our shared work and the impact of her immeasurable kindness, generosity, and wisdom will continue to reverberate well into the future.



# Championing rigorous and transparent labor standards with the OECD

**IN APRIL**, FLA launched an assessment process to review the alignment of our manufacturing standards and accreditation framework with the [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#) (OECD Guidance). Results are expected in 2026.

OECD Guidance is an established benchmark for responsible business conduct, including conduct related to the rights of workers in global supply chains. Through a grant from German development agency [Deutsche Gesellschaft für Internationale Zusammenarbeit](#) (GIZ) GmbH, FLA will undergo a third-party evaluation to identify any gaps between FLA standards and the OECD Guidance and allow FLA to consider ways to ensure the two organizations can be even more closely aligned.



## Joining the Forum on Due Diligence in the Garment and Footwear Sector

At the [OECD Forum on Due Diligence in the Garment and Footwear Sector](#), FLA stakeholders gathered to discuss the future of due diligence in apparel supply chains, including upstream supply chains and social compliance at the Tier One level. Our experts also hosted panel sessions on specific labor topics, including:

- **[Factory Closures and Worker Retrenchment: Lessons from Central America](#)**: Representatives from SanMar, adidas, and unions in El Salvador and Honduras discussed appropriate due diligence in addressing labor risks for workers during factory retrenchments and closures.
- **[Uzbekistan Cotton-Textiles Clusters: Opportunities and Challenges](#)**: Experts from organizations working in Uzbekistan discussed human rights due diligence, improving working conditions, and fostering sustainable practices in cotton production, as well as the need for robust grievance mechanisms and continued forced labor remediation.

# Hosting the inaugural Asia-based Business Caucus meeting



**WE HOSTED** our first in-person Asia-based Business Caucus meeting in Ho Chi Minh, Vietnam with representatives from member companies based in the Asia-Pacific region, including [PUMA](#), [adidas](#), [Amer Sports](#), [Fanatics](#), [Fast Retailing](#), [New Balance](#), [Nike](#), and [Patagonia](#).

FLA leaders shared important updates regarding OECD alignment, Fair Labor Accreditation and fair compensation programs highlights, as well as a presentation on the Vietnam Living Wage Pilot. The meeting included dynamic discussions on industry challenges in Vietnam and opportunities to strengthen FLA's presence in the region.



# Launching the Retailer Working Group

**FLA STAKEHOLDERS** have long recognized the critical role retailers play in influencing working conditions in the supply chains of the products they source. In 2024, FLA launched a cross-caucus Retailer Working Group to chart a path forward for strategic engagement with retailers.



FLA Retailer Working Group Members	
Kyle Muncy University of Connecticut (Co-Chair)	Tom Gerhold University of Notre Dame
Alicia Wickler Lish U (Co-Chair)	Kelsey Keene Colossium
Nazma Akter Sornnilto Garments Sramik Federation	Allison Manley L2 Brands
Erika Austin Michigan State University	Tina Martin New York University
Michael DeMarco The Northwest Group	Fabian Nendza Fenix Outdoor

# Advocate

Many of the labor issues encountered by FLA members—such as forced labor or excessive hours of work—require engagement at the government or industry level to fully address the root cause and prevent future harm to workers. FLA prioritizes collective advocacy to tackle systemic labor issues in supply chains. In 2024, FLA’s advocacy efforts focused on creating positive change for workers in Asia, often working in concert with the American Apparel & Footwear Association (AAFA).

## Supporting responsible recruitment in Taiwan

FLA AND the AAFA are **leading a coalition** of global apparel companies to promote responsible recruitment and employment in Taiwan's textile sector. Part of the Commitment to Responsible Recruitment, the initiative brings together more than 50 companies sourcing from Taiwan, their Taiwan-based suppliers, and the Taiwan Textile Federation to improve conditions for migrant workers in Taiwan's textile sector by eliminating fees for recruitment and addressing other workplace issues.

In September 2024, participating brands **called on Taiwan** to ensure that responsible business practices are consistently and sustainably applied in the recruitment of migrant workers to Taiwan. The same month, FLA and AAFA urged Taiwan's **Minister of Economic Affairs** and **Minister of Labor** to ensure that responsible business practices are consistently and sustainably applied in the recruitment of migrant workers to Taiwan.

At the end of the year, FLA and AAFA hosted a seminar with Taiwan textile mill representatives and global apparel brand representatives to discuss how to provide more protections for foreign migrant workers in Taiwan's textile mills and the need to adopt the "employer pays" principle.

“A vibrant civil society, guaranteed in part by freedom of speech, is a key part of what makes Cambodia an important sourcing partner for the apparel and footwear industry.”

– SIGNATORIES OF FLA/  
AAFA JOINT LETTER TO THE  
CAMBODIAN GOVERNMENT

## Advocating respect for civil society in Cambodia

FLA AND the AAFA **strongly urged** the Cambodian government to immediately cancel its “national security” audit of NGO CENTRAL and ensure respect for civil society. That same month, 19 apparel, footwear, and travel brands sourcing from Cambodia – including several FLA member companies – **issued an additional statement** reiterating this message.

## Promoting responsible business conduct in Bangladesh

**FLA JOINED** labor rights organizations amfori, Cascale, Ethical Trade Denmark, Ethical Trade Norway, the Ethical Trading Initiative, ETI Sweden, Fair Wear Foundation, and Mondiaal FNV in [encouraging companies](#) operating in and sourcing from Bangladesh to conduct business responsibly. The joint statement recommended that companies honor their commitments to suppliers, conduct enhanced human rights due diligence, and implement responsible purchasing practices to prevent and mitigate adverse impacts on workers and supply chains.

FLA and AAFA also [published a joint letter](#) to Dr. Mohammad Yunus – Chief Advisor of the Interim Government of People’s Republic of Bangladesh – applauding the interim government’s focus on reforming local labor laws to align with ILO standards.

# Evaluate

FLA holds companies accountable by evaluating their practices against the highest international standards for global supply chains. This year, in addition to our regular evaluation visits to factories and farms, we created new opportunities for members to share their achievements in protecting workers in their global supply chains through reporting, branding, and strengthened wage data reporting.

“In my 25 years in the apparel industry, I have found it widely recognized that FLA is the penultimate North Star regarding fair labor policies, sustainability in manufacturing, and ethical business practices. I am so proud to be a part of an organization that has earned Fair Labor Accreditation and look forward to working closely with the FLA team to create a path of continuous improvement for BELLA+CANVAS.”

– BELLA+CANVAS PRESIDENT NORM HULLINGER

## FLA awards Fair Labor Accreditation to BELLA+CANVAS and lululemon

**FOLLOWING A** rigorous, multi-year review, our Board of Directors voted to award **Fair Labor Accreditation** to **BELLA+CANVAS** and **lululemon**.

Companies earn Fair Labor Accreditation by demonstrating compliance with international labor standards designed to protect workers in their global supply chains. Fair Labor Accreditation is the only comprehensive program of its kind that is based on international standards and frameworks such as the International Labour Organization, UN Guiding Principles, the OECD, and the UN Sustainable Development Goals.



**BELLA+CANVAS®**  
LOS ANGELES

## Holding members accountable to labor rights commitments post-accreditation

**ONCE FLA** member companies achieve Fair Labor Accreditation, they are expected to continuously uphold FLA standards. In the past, FLA evaluated companies' ongoing due diligence with reaccreditation assessments completed on a regular basis. However, starting in 2024, we revamped the assessment process to more frequently and comprehensively review accredited companies' commitments.

In 2024, FLA piloted Milestone 5 Post-Accreditation Reports for manufacturing companies, featuring adidas, Burton, Fenix, Colosseum, Hugo Boss, Patagonia and Puma. These reports follow a three-year cycle, with three FLA principles evaluated each year (for a total of nine principles). These annual assessments verify that accredited companies are maintaining FLA's requirements and help members showcase their ongoing commitments to protecting workers throughout their supply chain operations.



In 2024, FLA introduced the first-ever Fair Labor Accreditation badge for use by accredited members to help showcase the rigorous processes they follow to prevent, identify, and remediate labor abuses across their international supply chains.

## Strengthening fair compensation data collection

**FLA UPDATED** the **Fair Compensation Toolkit's** wage data collection methodology to strengthen the data collection and analysis for forthcoming reporting requirements. The updates include expanding wage data collection to a full year, removing supervisor benefits from data collection, and strengthening gender disaggregated wage data collection.

The update resulted in an online Fair Compensation Toolkit, with live data checking for easier efficiency in data cleaning and user experience. It supports companies in reporting publicly on living wages in their supply chains and better understanding the gap between what workers earn and what they need.

The screenshot shows the 'Fair Labor Fair Compensation Dashboard' interface. The top navigation bar includes the logo and the title 'Fair Compensation Dashboard', along with a user profile for 'Flavebinar' and a 'Log Off' button. A sidebar on the left contains navigation options: 'Dashboard', 'Upload Wage Data', 'Wage Data Analysis', 'Review Wage Draft Submissions', 'View Accepted Submissions', 'View Returned Submissions', 'View Rejected Submissions', 'View Shared Submissions', 'Data Management', and 'Administration Management'. The main content area is titled 'Pay Period' and displays the following information:

- Dates of Pay Period: 2024-01-01 to 2024-12-31
- Bargained Regular Wage: 15.00
- Period for Bargained Wage: Hourly
- Lowest Monthly Basic Wage Paid to Workers: 2500.00

Below this information is a table showing the number of workers in various occupations, broken down by gender:

	Ironing Female	Ironing Male	Washing Female	Washing Male	Floor Worker Female	Floor Worker Male
Number of Workers in Occupation	7	7	9	7	8	9
Number of Women in Occupation	7	0	9	0	8	0
Number of Men in Occupation	0	7	0	7	0	9

At the bottom of the dashboard, there are links for 'Privacy Policy' and 'Terms of Use', and a copyright notice: '©2019-2025 Fair Labor Association'.

## Factory monitoring and due diligence

### By the numbers

As part of FLA's 2024 social compliance due diligence cycle, assessors ■ Completed **44** factory assessments, **13** of which represent shared assessments among two or more FLA member companies. ■ Interviewed **1,876** workers across **16** countries (Bangladesh, Cambodia, El Salvador, India, Indonesia, Laos, Mexico, Myanmar, Nicaragua, Pakistan, the Philippines, Sri Lanka, Thailand, Türkiye, the United States, and Vietnam).

## Findings: 2024 factory assessments

### Indonesia

#### Worker representation and union participation

Assessments in Indonesia showed that gaps in worker representation and union participation are compounded by the widespread reliance on temporary contracts, weak grievance systems, and ineffective channels for worker input. Many workers remain on repeatedly renewed short-term contracts despite long service, limiting their access to stable employment and reducing their ability to engage in collective decision-making. Grievance mechanisms are either poorly communicated, inconveniently located, or lack confidentiality, making workers hesitant to use them. Additionally, although policies on freedom of association are in place, they are not backed by clear procedures, leaving worker voices underrepresented in factory-level governance.

### Myanmar

#### Hours of work

Assessments in Myanmar revealed that issues around hours of work are tied to inconsistent wage and bonus deductions, overtime practices, and leave entitlements. Workers are impacted by unfair deductions for minor late arrivals and for legally entitled sick or casual leave, which undermines protections under local law. Overtime arrangements are not always voluntary, with restrictions placed on workers' ability to leave the premises, while leave and rest entitlements are not managed in full compliance with legal requirements. Together, these practices point to systemic gaps in how working hours and related benefits are administered and monitored.

### Vietnam

#### Recruitment fees

Recruitment practices in Vietnam continue to raise concerns regarding fair and equal access to employment. Assessments found inconsistencies in how job advertisements are presented, including restrictions not aligned with legal working age requirements, illegal pre-hiring health check costs, and the use of non-job-related questions during hiring. Such practices can create barriers for certain groups of workers and may expose them to risks of hidden or indirect costs during the recruitment process. Overall, there is a need for greater transparency and alignment with responsible recruitment standards.

#### Health, safety, and environment

Findings revealed systemic challenges in occupational health and safety management, ranging from incomplete risk assessments and inadequate safety training to improper maintenance of equipment and facilities. Many factory assessments revealed challenges with fire safety preparedness, electrical safety, chemical handling, and ergonomic provisions, exposing workers to preventable risks. Weaknesses in waste management, recordkeeping, and compliance monitoring further impact safe working conditions. Together, these issues highlight the need for more robust safety systems and stronger enforcement of workplace health and environmental standards.

## Findings: 2024 factory assessments (continued)

### United States

#### Freedom of association and collective bargaining

In the United States, factory assessments illuminated challenges in effectively supporting workers' rights to freedom of association and collective bargaining due to limited communication, inadequate grievance systems, and a lack of worker representation in decision-making processes. Policies are either missing, unclear, or only partially shared, often not provided in the workers' primary language, which creates barriers to awareness and participation. While informal communication channels with supervisors exist, the absence of structured, confidential, and inclusive mechanisms leaves workers without meaningful opportunities to engage collectively or negotiate workplace conditions.

### Mexico

#### Outdated labor contracts

During the assessments, auditors identified multiple compliance gaps related to labor contracts, policies, and worker protections. Several key policies and procedures including recruitment, compensation, overtime, working hours, retrenchment, and freedom of association were missing or outdated. Individual labor contracts contained clauses infringing on privacy, and certain hiring and health practices did not align with local labor law requirements.

### Türkiye

#### Recruitment, hiring, and personnel development

Assessments in Türkiye revealed gaps in fair hiring practices, worker protections, and personnel development systems. Workers often had unclear or incomplete contracts, inconsistent wage practices, and limitations in how their concerns were communicated or addressed. Policies and procedures for training, promotion, performance evaluation, and skills development were largely missing or insufficient, leaving workers without structured opportunities for advancement. In addition, orientation and compliance training were either incomplete or unevenly applied, creating uneven awareness of rights and responsibilities. Together, these issues suggest the need for stronger systems to ensure transparent recruitment, fair treatment, and structured career development.

## Farm-level due diligence

### By the numbers

As part of FLA's 2024 agriculture due diligence cycle, assessors ■ Conducted **17** farm assessments ■ Interviewed **816** farmers and **753** workers, covering farms across **10** countries (Brazil, Costa Rica, Colombia, Democratic Republic of Congo, Ghana, Indonesia, Peru, Türkiye, Uganda, and Zimbabwe).

## Findings: 2024 farm assessments

### Costa Rica

#### Grievance mechanisms

While some forms of grievance mechanisms exist, farms often do not offer grievance mechanism training or awareness sessions to farmers or workers, resulting in a lack of understanding about such mechanisms.

#### Wages

Workers' understanding of wage calculation is limited, regardless of the size of the farm where they work. Farms often explain workers' wage calculations verbally to all workers, even those who speak indigenous languages, and do not provide records of wage payments or any benefit provisions.

### Uganda

#### Lack of awareness of labor rights

Smallholder farmers lack awareness of labor rights and local labor laws, including those related to child labor, HSE, and discrimination. Trainings are often limited to farmers, and not family members, despite their involvement in farm work.

### Türkiye

#### Child labor

Over the course of four assessments, auditors identified 22 cases of child labor at hazelnut farms in Türkiye. These children received wages and worked equivalent hours to adults.

#### Seasonal migrant workers

Auditors found that seasonal migrant workers receive lower wages than local workers, with labor intermediaries often taking a 10% commission from workers' daily earnings. In addition, both local and migrant workers work more than the legally mandated hours without receiving compensation; seasonal migrant workers tend to work an average of 10 hours more weekly.

### Indonesia

#### Record keeping

Workers are typically hired informally, resulting in a lack of contracts, written terms and conditions, employment records (e.g., wages), or any other terms of employment.

#### Personal protective equipment (PPE)

Farmers receive health, safety, and environment (HSE) training, but workers do not. In addition, workers are expected to supply their own PPE on the job, even though they work solely for agreed-upon daily wages.

# Innovate

FLA collaborates with members, companies, governments, and civil society organizations through strategic partnerships that advance workers' rights. In 2024, FLA created a dedicated leadership role focused on innovation, expanded its flagship Harvesting the Future initiative to two new countries, conducted innovative projects to assess living wage and human rights conditions, and more.

## FLA promotes Richa Mittal to Executive Vice President and Chief Innovation Officer

In this newly created role, Mittal drives innovation across various FLA programs, including those focused on manufacturing, agriculture, knowledge management, and worker voice. She is responsible for accelerating the pace at which FLA can explore new sectors, pursue work in upstream supply chains, develop solutions-oriented collaborations, promote a just transition, and take advantage of new technology.

**“Our members are hungry for innovative solutions, worker-centric approaches, and forward-looking programs. In keeping with FLA’s deep philosophy of continuous improvement, I am committed to fostering new collective approaches to solve old problems and quicken the pace at which we address human and labor rights challenges in supply chains.”**

— EVP AND CHIEF INNOVATION OFFICER RICHA MITTAL



## Creating meaningful change for workers through strategic partnerships and collective action

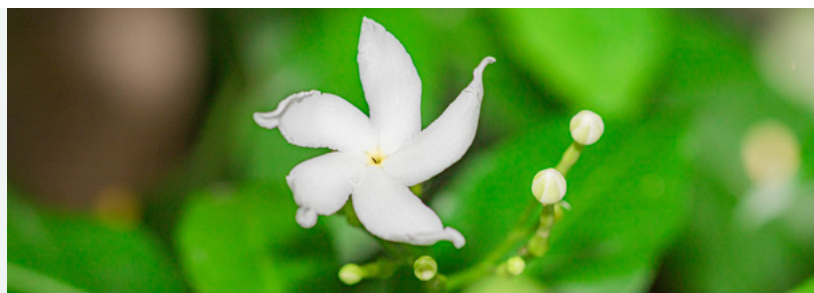
AT FLA, **innovation** drives the development of scientific, scalable, and replicable solutions to create sustainable supply chains. We collaborate with organizations around the world through **strategic partnerships**, collective actions, and projects that increase understanding of labor issues and test innovative ideas to improve working conditions.

Our innovation activities currently focus on upstream supply chains, joint risk assessments, child protection, responsible recruitment, and emerging opportunities and challenges. These initiatives build a comprehensive body of knowledge to benefit workers at factories and farms worldwide.

## Expanding Harvesting the Future: Cotton in India and Jasmine in Egypt

**FLA'S FLAGSHIP** project, Harvesting the Future (HTF), seeks to improve human rights and labor conditions of agricultural workers and their families in project partners' supply chains. HTF brings together companies, their suppliers, civil society organizations, and governments to establish strong HRDD practices around child protection and responsible recruitment.

Following the project's success in Türkiye, where partners have contributed their complementary strengths to create sustainable and meaningful change for workers, in 2024 FLA expanded the HTF initiative to address the unique needs of workers in two new regions:



### Jasmine in Egypt

HTF - **Jasmine in Egypt** is a collaboration between the ILO office in Egypt, government entities, local CSOs, and national and international producers and purchasers of jasmine, jasmine derivatives, and related products.

Focus areas include promoting fair compensation and building the economic resilience of families; strengthening child protection measures and improving children's access to education and childcare; improving human rights due diligence systems at the processor level; and generating support for legal and policy initiatives, including social protection measures.



### Cotton in India

HTF - **Cotton in India** brings together 24 global apparel companies, two Indian garment and textile producers, and several local implementing partners to improve conditions for cotton producers, harvesters, and their families in over 30 villages in Madhya Pradesh, one of India's largest cotton-producing states.

The project takes an area-based approach to improve working and living conditions at the village level, enhance HRDD for various actors in the cotton value chain, and improve stakeholder engagement to create self-sustaining improvements for workers.



## Researching wage progress in Vietnam and Bangladesh

**FLA EXPERTS** are leading two living wage projects in the garment and footwear sectors of Vietnam and Bangladesh, taking place between 2022-2025, to understand the feasibility of implementing wage progress for workers. Both projects consider the impact of national wage-setting mechanisms, like government-mandated minimum wage increases, along with actions taken by buyers and suppliers.



The pilot project in Vietnam, which was funded by Initiative for Global Solidarity, implemented by the German development agency (GIZ), and supported by the Research Center for Employment Relations (ERC), concluded this year. During the project, FLA worked with two factories (with at least three buyers each) on a desktop and payroll review and interviewed workers and management. Overall, FLA found wage progress is supported by the national wage-setting mechanisms - however, progress towards living wages must be supported by buyers' purchasing practices, negotiation tactics, and long-term commitments, along with worker engagement.

FLA also launched a living wage case study project in Bangladesh to understand the wage dynamics in the country following the 2023 minimum wage update. This project featured offsite worker interviews and a survey by the Global Worker Dialogue and in-factory engagement from InSync Global. We will conclude the living wage project and report learnings and findings from both projects in 2025.

### By the numbers

**22.4%**

Vietnam's living wage gap in 2022

**51.78%**

Bangladesh's living wage gap in 2022

## Addressing human rights risks across sectors

**FLA PARTNERED** with Proforest, members of AIM-Progress, and The Consumer Goods Forum Human Rights Coalition to launch the new **Converged Human Rights and Environmental Due Diligence (HREDD) Assessment Tool**. Aligned with the OECD Due Diligence Guidance and UN Guiding Principles (UNGPs), it promotes global cross-sector alignment, ultimately reducing suppliers' reporting burden across multiple buyers.

The open-source tool helps businesses identify, prevent, and address potential risks to human rights and the environment across their business operations and supply chains. Companies can self-assess their due diligence systems and engage with suppliers, identifying areas to strengthen practices in relation to their own operations and supply chains for goods and services.





## Assessing fair compensation in Côte d'Ivoire's cocoa sector

**IN 2024**, FLA concluded a multi-year fair compensation-focused assessment in Côte d'Ivoire to better understand the compensation management system and practices in the cocoa supply chain. Assessors examined the legal wage system, worker profiles, and compensation systems based on workers' employment relationships.

This analysis revealed that only the sharecropper's earnings approached the living wage reference value. Other workers did not earn the referenced minimum wage (FCFA 60,000) or the World Bank Poverty Line (FCFA 35,027), and more than half of the sharecropper's compensation was provided as in-kind benefits.

FLA continues to collaborate with cocoa suppliers and farmers to better understand and improve worker wages.



## By the numbers

The study included field data on **90** cocoa farmers and **13** leaders. ■ It covered workers from three cooperatives in San Pedro, Soubré, and Duékoué.

■ FLA analyzed the wage data of **97** workers (including **54** farm workers and **1** sharecropper), **38** unpaid immediate-family workers, and **5** paid family workers.

## Assessing human rights supply chains across Egypt, India, Brazil, and East Africa

**IN 2024**, FLA carried out a series of Human Rights Impact Assessments (HRIAs) in complex and informal supply chain settings across Egypt, India, Brazil, and East Africa. These HRIAs offer actionable insights for companies seeking to drive long-term improvements in working conditions in their supply chains.

The assessments focused on agricultural and recycling value chains – specifically beeswax, cotton, leather, and PET plastics. Interviews with workers, community members, and supply chain actors uncovered systemic risks such as a lack of living wage benchmarks, informal work arrangements, child labor, gender-based wage disparities, lack of occupational health and safety (OHS) measures, and limited access to grievance mechanisms. These issues are often exacerbated by weak legal enforcement and limited access to services.

Our findings informed the development of tailored recommendations to strengthen due diligence practices and promote responsible sourcing.



## Advancing gender equity in global supply chains

**FLA LAUNCHED** a new Gender Work Plan to integrate a gender lens across all programs and drive progress in three key areas: research and knowledge-building, standards and program improvement, and impact measurement and reporting.

In addition, our experts developed a Gender Equity Research Guide for member companies that compiles the latest reports, legislation, and standards on gender equity, the gender pay gap, and conditions in the workplace and supply chains.

FLA also collaborated with several leading industry organizations, including:

- Convening its members and gender experts to share learnings and support the **United Nations Global Compact Forward Faster** targets on gender equity and living wages;
- Sharing research with the **Global Worker Dialogue** and the **International Center for Research on Women**, and introducing the Gender Equity Research Guide to members and stakeholders;
- Exchanging insights during FLA’s 25th Anniversary Celebration and October Board Convening with the **Anker Research Institute**, **UN Women**, the **Initiative for Women Empowerment Foundation** and the **Global Fashion Agenda** on gender-responsive supply chains, policies in the EU, and ways forward in improving gender equity and violence in factories and farms.





“I feel empowered to research my suppliers to make sure my ethics align with theirs. Knowledge is power; knowing the work[ing] conditions is important [in] pushing for change.”

– FLA COLLEGIATE LICENSEE AFFILIATE

## Engaging record numbers of collegiate licensees in e-Learning

**2024 WAS** a record year for engagement in the quarterly e-Learning component of the FLA Collegiate Licensee Program, with an average quarterly participation rate of 65%, up significantly from previous years.

2024 marked the full transition of the e-Learning requirement to FLA's customized training sessions on key topics in social compliance, which were designed to integrate years of feedback from licensees, licensors, licensing agents, and industry groups. Training sessions featured seven guest speakers and covered critical supply chain social compliance topics, including supplier engagement, monitoring, remediation, and grievance mechanisms.

Examples of licensee actions post-training included cascading training content to other staff, developing new policies and procedures, and strengthening relationships with suppliers and other stakeholders on social compliance.

## Educate

### By the numbers

**84%** of participants reported quarterly that the training content increased their understanding of these important topics.

**63%** of post-training survey respondents indicated that they had applied their learnings through recommended actions and activities within their companies.

## MBA students develop recommendations on impact measurement

**STUDENTS FROM** the University of Michigan's Stephen M. Ross School of Business recommended opportunities for FLA to better measure the impact of our work. As part of the project, the students accompanied FLA leaders on visits to garment factories in El Salvador, where they interviewed management and workers to better understand the work of FLA and its members. The students also spoke with key internal and external stakeholders to deepen their knowledge of FLA's multi-stakeholder model and gain insight into monitoring and evaluation in the global labor rights space.

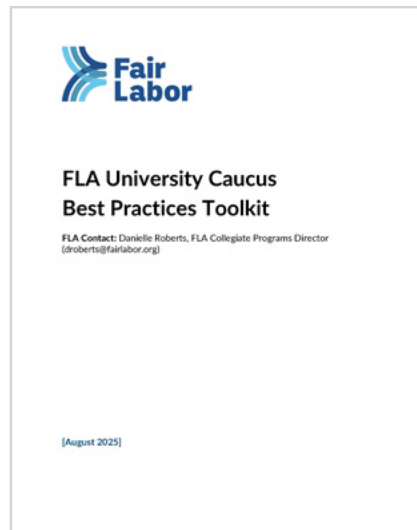
The project culminated in a set of recommendations focusing on member-, factory-, and worker-level indicators to measure FLA's impact on company and supplier practices that impact workers' lives. These recommendations will support FLA's broader impact measurement development.



## Developing new resources and tools for universities and collegiate licensees

### University Caucus Best Practices Toolkit

To support universities' contributions to FLA's mission, we launched an updated version of the FLA University Caucus Best Practices Toolkit. This resource offers communications tools to help members elevate the visibility of their social compliance efforts on campus.

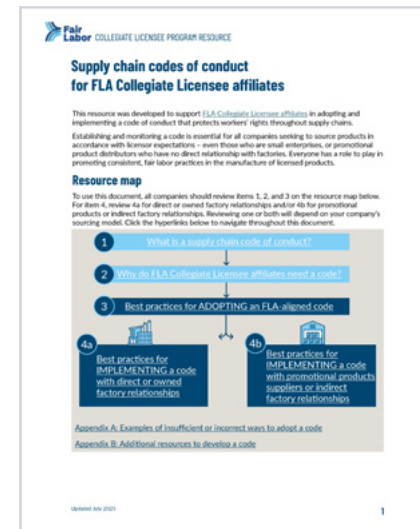


Several new resources have been added to the toolkit, including an overview of FLA's accreditation milestones, an FLA instructor-led training curriculum overview, and a sample syllabus for integrating fair labor standards into academic coursework.

### New Supply Chain Code of Conduct Guide for Collegiate Licensee affiliates

The Supply Chain Code of Conduct Guide, the first of its kind in the collegiate licensing industry, serves as a one-stop-shop to help licensees meet university licensors' expectations of adopting and enforcing a robust code of conduct that protects workers throughout the supply chain.

Whether companies are small or large, source directly or through promotional products suppliers, or are new to the collegiate licensed product space or have engaged with FLA for years, this resource offers opportunities for any company to better understand why codes are so vital to a company's social compliance program, and how a code can be implemented and continuously improved to best uphold workers' rights.



# Financials, Governance, and Membership

<b>STATEMENT OF FINANCIAL POSITION</b>	<b>Dec. 31, 2024</b>
Cash & Equivalents	\$10,440,498
Accounts Receivable	221,100
Prepaid Expenses	770,563
Fixed Assets (net)	208,849
Right-of-use Asset, Office Lease	2,372,549
Other Assets	236,703
<b>Total Assets</b>	<b>\$14,250,262</b>
Accounts Payable & Accrued Expenses	\$838,153
Deferred Revenues	2,024,716
Affiliate Payable	1,619,854
Operating Lease Liability	2,858,690
<b>Total Liabilities</b>	<b>7,341,413</b>
<b>Net Assets</b>	<b>6,908,849</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$14,250,262</b>

<b>STATEMENT OF ACTIVITIES</b>	<b>Dec. 31, 2024</b>
Affiliate Dues	\$6,707,363
Assessment Fees	661,854
Monitoring Fees	221,550
Fee for Service/Special Projects	3,327,387
Other Income	752,578
<b>Total Revenue</b>	<b>\$11,670,732</b>
Personnel	\$6,161,866
Travel	514,425
Professional Fees	2,810,742
Support Services (Overhead)	1,906,363
<b>Total Expenses</b>	<b>\$11,393,396</b>
<b>Net Income</b>	<b>\$277,336</b>

# 2024 Board of Directors

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J. Matthew Owens

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Jeff Vockrodt

## BOARD SECRETARY

Jamie McMillan

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SOMMILITO GARMENTS  
SRAMIK FEDERATION

**Nancy Donaldson**

GLOBAL FAIRNESS INITIATIVE

**Sally Greenberg**

NATIONAL CONSUMERS LEAGUE

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CIVIDEP INDIA

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OXFAM AMERICA

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NESTLÉ

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**Craig Westemeier**

UNIVERSITY OF TEXAS

\*Board members with terms ending prior to December 31, 2024.

## Participating Companies

47 Brand, LLC  
adidas  
Amer Sports  
Arena S.p.A.  
Balsu  
Bella+Canvas  
Brooks Sports, Inc.  
Burton Snowboards  
Colosseum Athletic Corporation  
Durak Hazelnuts  
Fanatics Apparel LLC  
Fast Retailing Co., Ltd.  
Fenix Outdoor AB  
Gildan Activewear Inc  
GOREWEAR and SITKA Gear  
Gymshark Ltd.  
Hanesbrands  
Hugo Boss AG  
KMD Brands  
Lakeshirts, Inc.  
League Collegiate Wear, Inc. (L2 Brands)  
Lucy & Yak  
Lululemon Athletica Inc.  
Mainland Headwear Holdings Limited  
Maxport Limited  
MEC Mountain Equipment Company Ltd

Momentec Brands  
Nestle S.A.  
New Balance Athletics Inc.  
New Era Cap, LLC  
Next Level Apparel  
Nike, Inc  
Olam  
Outerknown  
Outerstuff LLC  
Patagonia  
PopSockets LLC  
Pou Chen Corporation  
PUMA SE  
Reformation  
Roots  
Russell Brands/Fruit of the Loom  
S&S Activewear  
SABIRLAR FINDIK/HAZELNUT  
SanMar Corporation  
SKIMS BODY, Inc.  
The Antigua Group, Inc.  
Under Armour, Inc.  
Voicevale  
Yavuz Gida Sanayi Ve Ticaret A.S.  
Yee Tung Garment Co., Ltd

## Civil Society Organizations

Arisa  
Better Buying  
Cividep India  
Georgetown Law School  
Global Fairness Initiative  
GoodWeave International  
ICRW International Center for Research on Women  
International Corporate Accountability Roundtable  
National Consumers League  
NYU Stern Center for Business and Human Rights  
Orville H. Schell, Jr. Center for International  
Human Rights, Yale Law School  
Our Journey  
Oxfam America  
Öz İplik İş  
Pakistan Textile, Garments, and Leather  
Workers' Federation (PTGLWF)  
Project Liber8  
Save the Children Sweden  
Sommilito Garments Sramik Federation (SGSF)  
TEKSIF  
Threading Change

## Universities

American University  
Angelo State University  
Arizona State University  
Azusa Pacific University  
Ball State University  
Baylor University  
Boise State University  
Boston College  
Boston University  
Bowdoin College  
Brown University  
California State University, Long Beach  
Carnegie Mellon University  
Catawba College  
Colby College  
Colgate University  
College of Charleston  
Colorado State University  
Columbia University  
Cornell University  
Dalhousie University  
Dartmouth College  
Dawson College  
Duke University  
Elon University  
Florida State University  
Furman University  
George Mason University  
Georgia Institute of Technology  
Grand Canyon University  
Gustavus Adolphus College  
Harvard University  
Illinois State University  
Indiana University of Pennsylvania

Johns Hopkins University  
Kansas State University  
Kennesaw State University  
Lehigh University  
Lewis and Clark College  
Marquette University  
McGill University  
Mercyhurst University  
Michigan State University  
Michigan Technological University  
Millersville University  
New York University  
North Carolina State University  
Northwestern University  
Ohio State University  
Oregon State University  
Pennsylvania State University  
Phillips Academy  
Pima Community College  
Princeton University  
Purdue University  
Rochester Institute of Technology  
Rutgers University  
San Diego State University  
Seattle University  
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St. John's University  
St. Joseph's University  
St. Michael's College  
Stanford University  
Stony Brook University  
SUNY Cortland  
Syracuse University  
Temple University

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University of Vermont  
University of Virginia  
University of Washington  
University of Wisconsin, Milwaukee  
US Marine Corps  
Utah State University  
Vanderbilt University  
Villanova University  
Washington State University  
Washington University in St. Louis  
Weber State University  
West Virginia University  
Xavier University  
Yale University  
York University



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