

Human Rights Training For Suppliers



Basics on Human Rights

Human rights are generally defined as basic standards of treatment to which all people are entitled, regardless of nationality, gender, race, economic status or religion.



What are the business reasons for respecting human rights?

Protects people and assets.

Prevents disruptions to business operations.

Contributes to stable operating environments.

Maintains positive relationships with the government, communities, and other key stakeholders.

Recruitment and retention of employees.

Enhances company reputation.





Key Human Rights Issues

Companies are expected to treat its own workers with respect and dignity and promote diversity in the workplace.

Company policies and practices should (i) adhere to all applicable domestic laws; and (ii) are generally expected to be consistent with the International Labour Organization's (ILO) Core Labour Conventions, in particular:

- Freedom of association and the right to collective bargaining
- Elimination of forced and compulsory labour
- Abolition of child labour
- Elimination of discrimination in the workplace
- Promotion of healthy and safe working conditions for employees

2. Provision of Security



Companies are expected to provide security to protect personnel and assets in a manner that respects human rights of staff and community members.

The issues focus on respect for civil and political rights, such as freedom from arbitrary arrest and detention, cruel, inhumane or degrading treatment.

Company policies and practices are generally expected to be consistent with international principles, such as United Nations Use of Force Guidelines or the Voluntary Principles on Security and Human Rights, particularly:

- Contracting private security
- Engaging with public security
- Conducting assessment of potential risks and issues associated with the provision of security
- Appropriate training and support (non-lethal) provided to security providers

3. Community Engagement



Potential community human rights issues include impacts on water quality and access, land access, livelihoods, employment, vulnerable groups, and preservation of cultural heritage.

Companies may mitigate issues by:

engaging in **meaningful consultation** with communities and fostering ongoing two-way communication about project impacts and benefits to achieve durable solutions.

proactively building relationships, goodwill and trust with communities and other key stakeholders where they operate, throughout the lifecycle of a project.

Integrating company processes that identify, mitigate, and track potential impacts and human rights issues throughout the lifecycle of a project into project planning.

Company resources may also contribute to social and economic development in the communities where they operate to support the fulfilment of human rights (e.g. helping improve access to basic human needs and livelihood opportunities).

4. Supplier Engagement



Potential supplier human rights issues may include worker rights such as freedom of association, collective bargaining, forced and compulsory labour, child labour, discrimination in the workplace, working conditions (e.g., health and safety), and impacts on local communities.

Companies may mitigate issues by:

- Encouraging suppliers to treat their employees, and to interact with communities, in a manner that respects human rights.
- Requiring in company policies and practices that key suppliers adhere to all applicable domestic laws
- Encouraging suppliers to be consistent with ILO core labour principles

Opportunities to engage with suppliers may include:

- Supplier meetings and forums
- Contracting
- Company's supplier engagement or management process (e.g. bidding, pre-qualification, contracting, training).



Key Human Rights Terminologies Introduction

International Labour Organization (ILO) – Declaration on Fundamental Principles and Rights at Work

- Freedom of association and the right to collective bargaining
- Effective abolition of child labour
- Elimination of all forms of forced labour, including human trafficking
- Elimination of discrimination in respect of employment and occupation

Freedom of Association and Collective Bargaining: Key Elements



- Freedom of association and right to collective bargaining refers to **the right of workers to establish, join and administer organizations on their own to represent their occupational interests**
- Suppliers should recognize and respect the **right of employees to form labour unions and bargain collectively**, where such rights are recognized by local law
- Suppliers can respect this right by **not interfering in the internal affairs** of these organizations, inappropriately influencing their decisions, or discriminating against workers who are engaged in such activities

Freedom of Association and Collective Bargaining: Key Elements (cont.)



- Workers and employers have the **right to establish and join organizations** of their own choosing without previous authorization. They should be allowed to organize freely and not be liable to be dissolved or suspended by administrative authority
- The Company should allow worker organizations and their representatives to function independently, with reasonable access to the information, resources, and facilities necessary to carry out their functions. Measures should be taken to **allow workers a forum for discussing terms of employment, and for filing and correcting grievances**
- Workers union federations and confederations should be allowed to **affiliate with international organizations** of workers and employers

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to freedom of association and collective bargaining

Freedom of Association and Collective Bargaining: Key Elements (cont.)



Company practices that demonstrate respect for freedom of association and collective bargaining may include:

- A policy recognizing freedom of association and the formation of workers' organizations for collective bargaining purposes
- Management does not retaliate against employees for participating in union activities
- Management engages in collective bargaining and holds regular consultations with workers' representatives concerning issues such as working conditions, remuneration, dispute resolution, and other matters of mutual concern
- Workers should receive adequate protection against acts of anti-union discrimination, including conditions of employment prohibiting membership in a union, or dismissal of a worker because of union membership or participation in union activities

What is Child Labour?

“The right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child’s education, or to be harmful to the child’s health or physical, mental, spiritual, moral, or social development.”

Convention on the Rights of the Child (1989), Art. 32



What is Child Labour?

- Refers to work undertaken by children **under the age of 15** that may damage health and development and that interferes with their opportunity to attend compulsory school
- Children **between the ages of 13 and 15** may be engaged in light work, that is, certain types of work that is not harmful and does not interfere with schooling
- Children **under the age of 18** should not be engaged in hazardous or high-risk work



- Suppliers should not hire underage workers in violation of domestic laws or international standards.
- The worst forms of child labour as defined by Article 3 of ILO Convention No. 182:
 - **All forms of slavery or practices similar to slavery**, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict
 - The **use, procuring, or offering of a child for prostitution**, for the production of pornography or for pornographic performances
 - The **use, procuring, or offering of a child for illicit activities**, in particular for the production and trafficking of drugs as defined in the relevant international treaties
 - Work which, by its nature or the circumstances in which it is carried out, is likely to **harm health, safety and morals of children**

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to child labour.

Company practices that demonstrate good practice on child labour issues may include:

- Adhere to minimum age provisions of national labour laws and regulations and, where national law is insufficient, take account of international standards
- Use adequate and verifiable mechanisms for age verification upon recruitment
- Maintain accurate and up-to-date records of all employees
- When children below the legal working age are found in the workplace, take measures to remove them from work and to the extent possible, help the child removed from workplace and his/her family to access adequate services and viable alternatives
- Exercise influence on subcontractors, suppliers and other business partners to combat child labour
- Consider ways to build the capacity of business partners to combat child labour, such as the provision of training and incentives
- Fix the wage level for the adult employees so that they can support their families without depending on children's earning

What is Forced Labour?

“Forced labour is all work or service that is extracted from any person under the menace of any penalty and for which said person has not offered voluntarily”

International Labour Organization



Keeping someone in forced labour by threatening them with:

- Imprisonment or physical confinement
- Deportation
- Dismissal from current employment, exclusion from future employment, shift to even worse working conditions
- Loss of social status, exclusion from community and social life
- Deprivation of food, shelter, or other necessities



Lack of consent to work:

- Retaining the **identity cards, passports, and other important personal documents** of employees
- Hiring workers into bonded labour relationships involving **salary advances or loans**
- **Withholding wages** in an attempt to coerce additional labour from employees, or demanding money deposits
- **Restricting the ability of employees to move around** and leave the workplace and housing facilities, above and beyond “reasonable” restrictions

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to forced labour.

What is Human Trafficking?



- **Human trafficking occurs both across borders and within a country**

Kinds of trafficking:

- **Trafficking for forced labour** occurs when the movement of people for the purpose of forced labour and services usually involves an agent or recruiter, a transporter, and a final employer who will derive a profit from the exploitation of the trafficked person
- **Trafficking for forced sexual exploitation** includes the trafficking of women and girls for involuntary work in the sex industry – including near business sites where traffickers can benefit from the demand for sexual services by contractor employees

Act (What is done):

- Recruitment, transportation, transfer, harbouring or receipt of persons

Means (How it is done):

- Threat or use of force, coercion, abduction, fraud, deception, abuse of power or vulnerability, or giving payments or benefits to a person in control of the victim

Purpose (Why it is done):

- For the purpose of exploitation, which includes exploiting the prostitution of others, sexual exploitation, forced labour, slavery or similar practices and the removal of organs

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to human trafficking.

Forced Labour and Human Trafficking: Key Elements (cont.)



Company practices that demonstrate good practice on forced labour issues may include:

- Ensure that workers always have **free access to their documentation**, including passports, identity papers and travel documents
- Have a **clear and transparent company policy**, setting out the measures taken to prevent forced labour and trafficking. Clarify that the policy applies to all enterprises involved in a company's product and supply chains
- **Monitor carefully the agencies that provide contract labour**, especially across borders, blacklisting those known to have withheld documents of workers to prevent them freely leaving if they so choose

What is Elimination of Discrimination in Respect of Employment and Occupation?



“Everyone is entitled to all the rights and freedoms set forth in this Declaration [the Universal Declaration of Human Rights], without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.”

- Universal Declaration on Human Rights, Art. 2.



What is Elimination of Discrimination in Respect of Employment and Occupation?



- **Direct discrimination** occurs whenever a company policy, practice or procedure specifically targets a particular group of people because of a distinguishing personal characteristic, and treats that group worse than others
- **Indirect discrimination** occurs when the result of the practical application of a company policy, procedure or practice negatively impacts a particular individual or group of people, even if the content of the policies, procedures or practices appear neutral

Elimination of Discrimination in Respect of Employment and Occupation: Key Elements



- Discrimination in employment and occupation means **treating people differently and less favorably** because of characteristics that are not related to their qualifications for the job, or the requirements and their performance of the job.
- According to ILO Convention No. 111, these characteristics include:
 - Race
 - Color
 - Sex
 - Religion
 - Political opinion
 - National extraction or social origin
 - Other grounds specified by national law

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to elimination of discrimination with regard to employment and occupation.

Elimination of Discrimination in Respect of Employment and Occupation: Key Elements (cont.)



Company practices that demonstrate respect for elimination of discrimination may include:

- Conduct an assessment to determine if discrimination is taking place within the enterprise
- Set up an enterprise policy establishing clear procedures on non-discrimination and equal opportunities; and communicate it both internally and externally
- Provide training at all levels of the organisation, in particular for those involved in recruitment and selection, as well as supervisors and managers, to help raise awareness and encourage people to take action against discrimination
- Support on-going sensitization campaigns to combat stereotypes

Elimination of Discrimination in Respect of Employment and Occupation: Key Elements (cont.)



Company practices that demonstrate respect for elimination of discrimination may include (continued):

- Modify work organization and distribution of tasks as necessary to avoid negative effects on the treatment and advancement of particular groups of workers. This includes measures to allow workers to balance work and family responsibilities.
- Ensure equal opportunity for skills development
- Address complaints, handle appeals and provide recourse to employees in cases where discrimination is identified



Baker Hughes Supplier Social Responsibility Program

BAKER HUGHES expectations for suppliers

Fair employment practices:

- (i) observe applicable laws and regulations governing wages and hours, recruitment, and employment contracts;**
- (ii) allow workers to choose freely whether to organize or join associations of their own choosing for the purpose of collective bargaining as provided by local law or regulation;**
- (iii) prohibit discrimination, harassment, and retaliation;**
- (iv) upon end of employment, reimburse return transportation costs for workers recruited from outside the country;**
- (v) not charge workers recruitment fees or utilize firms charging workers such fees;**
- (vi) not utilize fraudulent or misleading recruitment practices;**
- (vii) not hold or destroy a worker's identity or immigration documents; and**
- (viii) provide workers with terms and conditions of employment in a language the worker understands; and**
- (ix) when applicable comply with the Australian and United Kingdom Modern Slavery Laws, the Norwegian Transparency Act, and other laws enacted to protect human rights and prevent modern slavery.**

BAKER HUGHES expectations for suppliers

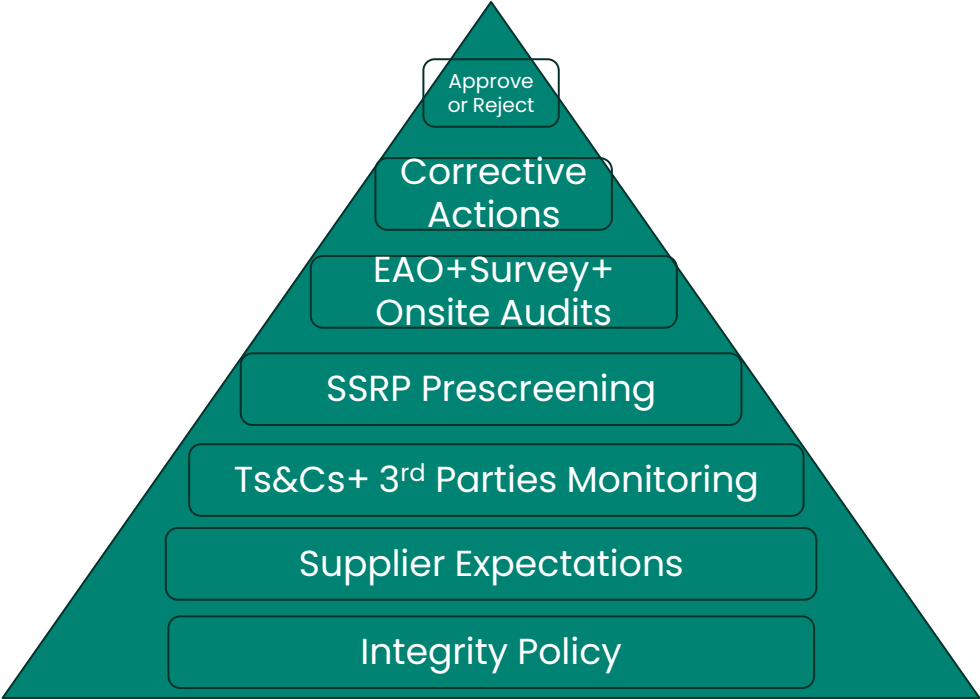
Human rights:

- (i) respect human rights of your employees and others in your business operations and your activities for Baker Hughes;**
- (ii) not to employ workers younger than sixteen (16) years of age or below the applicable minimum age, whichever is higher and not to employ workers younger than eighteen (18) years of age for hazardous and /or high-risk work;**
- (iii) not to use forced, prison, or indentured labor, or workers subject to any form of physical, sexual or psychological compulsion, exploitation, or coercion, or to engage in or abet trafficking in persons;**
- (iv) to adopt policies and establish systems to procure tantalum, tin, tungsten, and gold from sources that have been verified as conflict free; and**
- (v) to provide supporting data on your supply chain for tantalum, tin, tungsten, and gold to Baker Hughes when requested, on a platform to be designated by Baker Hughes.**

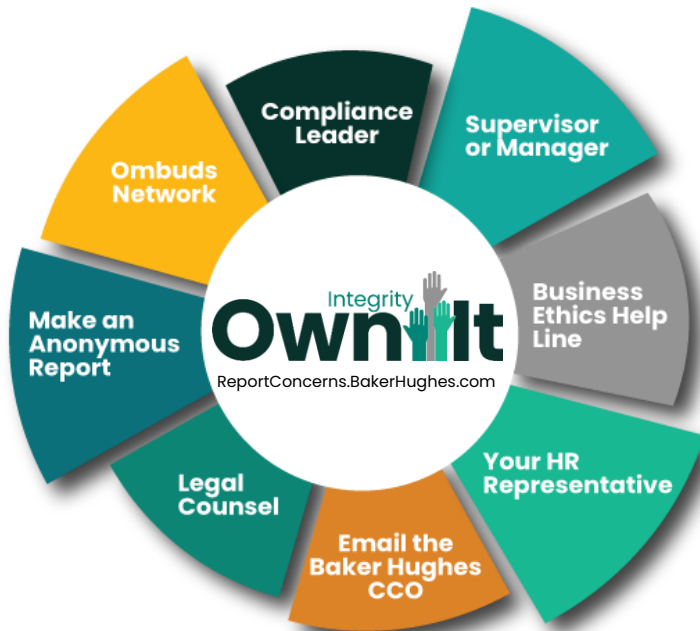
Baker Hughes Supplier Social Responsibility Program (SSRP)

Baker Hughes is committed to unyielding integrity and high standard of business conduct. Our Supplier Integrity Guide governs all aspects of our relationship with suppliers, contractors, consortium partners, and consultants. Our Supplier Social Responsibility Program (SSRP) monitors supplier's compliance of Health, Safety, and Environmental performance, ethical conduct relating to human rights, fair treatment of workers, and security.

Multi-layered approach



How to Report a Concern



We want to hear from you.

Compliance Leader

Browse [here](#) to find a compliance leader

Ombuds Network

Email the Lead Ombuds: bakerhughes.Ombuds@bakerhughes.com

Business Ethics Help Line

Click reportconcerns.bakerhughes.com to submit a concern online or to find your country number if dialing internationally.



1-800-288-8475 (Toll free) or If you are dialing internationally, call +1-713-626-0521



Text 713-575-2126 to anonymously share a concern via SMS (US only)

Email the Baker Hughes CCO

Email the Baker Hughes Chief Compliance officer: cco@bakerhughes.com

Make an Anonymous Report

Report anonymously through reportconcerns.bakerhughes.com