

Timeline of Our Efforts to Prevent the Exploitation of Migrant Workers in Our Supply Chain

January 2011

Begin preparations to launch our Social and Environmental Responsibility (SER) program for the raw material supply chain. This planning includes mapping our Tier 2 supply chain of material suppliers (fabric mills) and their sub-suppliers, developing a communication plan to announce the program and providing internal training on migrant-worker issues to our material development and design teams.

August 2011

Hold a material-supplier seminar at the Outdoor Retailer Show in Salt Lake City, Utah, to announce the expansion of our SER program (which now includes the raw material supply chain). Prior to this, efforts had focused on finished-goods (assembly) factories and their subcontractors (Tier 1).

September 2011

Reevaluate our social audit template and decide to update the migrant-worker section to better detect unfair practices. A third-party Corporate Social Responsibility (CSR) expert develops the new migrant-worker section for us, and several NGOs that focus on this issue vet it. All social audits from this point on use the revised audit tool with the revised migrant-worker section.

October 2011

Prepare our Tier 2 suppliers (raw-materials fabric and trim suppliers) for their upcoming social responsibility audit. These audits are new to most of them, as brands rarely audit at this level of the supply chain. We select an experienced third-party auditing firm, and they begin to make audit arrangements with our suppliers.

November 2011

Post our “[California Transparency in Supply Chains Act](#)” disclosure on our website in accordance with a new state law (California SB 657). This disclosure outlines in detail the steps we take to prevent human trafficking and child labor in our supply chain.

December 2011

Hold a human-trafficking awareness training for all Patagonia staff involved in our supply chain.

December 2011–September 2012

Audit our top raw-material suppliers worldwide. Audits in Taiwan reveal that seven of these suppliers employ migrant workers who were charged excessive recruitment fees. Upon learning this, we ask each of our suppliers to take corrective action to remediate all issues.

Our SER staff follows up with these suppliers, quickly realizing that migrant-worker issues are systemic in Taiwan due to the labor shortage and that eliminating these issues will require a focused, holistic approach.

Our SER team formulates a short-, medium- and long-term remediation strategy for the issues found in Taiwan, which we present to our executives. The phases of our strategy are Research & Launch, Remediation and System-Wide Scaling. Our vision is not only to help workers in our supply chain, but to help other migrant workers in Taiwan who face the same situation and encourage other brands to join us.

Phase 1: Research & Launch

- Convene brands working on the same issue
- Collect data
- Develop migrant-worker standards
- Educate suppliers
- Launch the program to our Taiwan suppliers via an in-person seminar in Taiwan with top Patagonia executives
- Finish in-depth, focused migrant-worker audits

Phase 2: Remediation

- Provide support to suppliers via training and consulting
- Check and adjust the program to maximize and accelerate sustainable remediation
- Monitor and report progress
- Meet with Taiwanese government officials to leverage their knowledge and training and support services

Phase 3: System-Wide Scaling

- Launch the standard to the entire supply chain
- Share our standards and our efforts publicly
- Reconvene interested brands
- Continue to form industry partnerships to scale the program to all migrant workers in Taiwan

October 2012–February 2013

Present the trends among our raw-material suppliers in Taiwan to our chief executive officer, chief operations officer and vice presidents. They acknowledge we need more staff and outside consulting to resolve the issues. We identify the need for two experts—one to work from our headquarters in Ventura, California, and the second in Taiwan—to develop our migrant-worker program. We begin searching for a Ventura-based CSR expert.

January 2013

Launch a revised Supplier Code of Conduct that includes language on human trafficking and slavery. Our earlier version included a prohibition against forced labor, but the new code clarifies this and includes human trafficking and slavery.

March–May 2013

Hire a CSR expert to spearhead the migrant-worker program from Ventura. She begins work in late May 2013.

May 2013

Provide training to Patagonia designers and merchandisers on migrant-worker issues and our “**4-Fold**” approach to supplier management, which gives the SER team veto power over using noncompliant suppliers.

June–October 2013

Our recently hired SER manager starts to execute our short-, medium- and long-term strategy. She begins the search to hire a field manager to be based in Taiwan and begins plans to convene brands across different business sectors to address these issues in the supply chain. We continue to perform social audits of our key material suppliers worldwide, including those in Taiwan.

November 2013

Hire an expert CSR field manager based in Taiwan after an extensive search. We also host a one-day brand forum in San Francisco to which we invite some 40 brands to talk about human trafficking in the supply chain. Seven show up. Many of the others say they're interested but not ready to tackle this issue.

January 2014

As part of our strategy, we begin a deeper dive into the treatment of migrant workers in our Taiwanese mills. We commission four focused migrant-worker assessments at each supplier location that look at all aspects of a migrant-worker life cycle, from recruitment to repatriation. These assessments include recruitment fees, discrimination, housing, wages, contracts and more. We put together a request for proposals, and, after researching expert third parties, we begin working with two organizations that specialize in this issue. We invite each of them to conduct two migrant-worker assessments in Taiwan that include interviewing migrant workers and labor brokers.

February–April 2014

Pilot four migrant-worker assessments and receive the results, using this opportunity to test different protocols and methods of collecting data to inform our eventual assessment process. Our audit findings help us understand the depth and severity of migrant-worker noncompliance at our Taiwanese material suppliers and strengthen our commitment to tackle these issues.

June–July 2014

Partner with the fair-labor nonprofit [Verité](#) and begin discussing the best way to develop a detailed strategy. We map out our key activities and milestones and plan our first steps.

August–November 2014

Develop our comprehensive [Migrant Worker Employment Standards and Implementation Guidance](#) document with Verité. We also prepare a supplier summit in Taiwan to announce our new standards and ask our suppliers to remediate all migrant-worker-related noncompliance.

December 2014

Finalize our Migrant Worker Employment Standards, translate the 40-plus-page document into Mandarin and release it to our Taiwanese suppliers by email and in-person.

All the material suppliers we invite to the meeting in Taiwan attend, as do our chief operating officer, vice president of supply chain, and directors of materials and social and environmental responsibility.

During this same trip, our SER team meets with a government official from Taiwan's Workforce Development Agency within the Ministry of Labor. They discuss the challenges faced by migrant workers, share best practices and seek to identify areas of collaboration. The official agrees to provide our suppliers with training on direct hiring of migrant workers, which is one way to eliminate recruitment fees paid by workers.

January 2015

Our SER manager and field manager continue to work closely with our Taiwanese material suppliers to help them implement our new standards and meet our deadlines. At the invitation of the White House, our chief operating officer and director of SER travel to Washington, DC, to participate in the White House Forum on Combating Human Trafficking in Supply Chains. Our director of SER also sits on a panel to share our work.

February 2015

Taiwan's Workforce Development Agency trains our material suppliers on direct hiring of migrant workers.

March 2015

Announce the Migrant Worker Employment Standards to the rest of our supply chain, including our cut-and-sew factories and material suppliers outside Taiwan (even though to date we have not found similar practices). Continue to commission Verité to conduct focused migrant-worker audits of our Taiwanese suppliers, at our expense.

April 2015

Our director of SER is invited by the International Labour Organization to speak on a panel at the "Out of the Shadows" symposium on modern-day slavery.

June 2015

Post our Migrant Worker Employment Standards on our website for public use.

November 2015

Our SER manager and field manager meet with each of our suppliers in Taiwan to check on their progress and determine ways we can help. We also meet with Taiwan's Workforce Development Agency to provide updates on Patagonia's migrant-worker programs and to learn about the government's efforts to address migrant-worker issues in order to identify areas of collaboration. Verité also conducts a Managing Migrant Worker Social Compliance training for our suppliers to explain possible approaches to address common challenges.

December 2015

Since we recognize that this issue is endemic to the industry in Taiwan and cannot be rectified by one brand alone, we continue to engage other brands in our industry. We invite 40 to a webinar to update them about our work. This time 16 participate, up from the seven that attended our conference in 2013. We also work with other brands that use the same suppliers to improve implementation of the Migrant Worker Employment Standards.

February 2016

Our vice president of SER is featured at a special break-out session of the Fair Labor Association* board meeting on migrant-worker labor issues in the supply chain and possible opportunities for collaboration. Our presentation focuses on our current initiatives and on the need for brand collaboration to address migrant-labor issues.

May 2016

The Taiwan Ministry of Labor conducts another training on direct hiring, which is attended by five of our key suppliers. During this conference, the ministry specifically highlights Patagonia's work to address migrant-worker issues as best practice.

October 2016

Develop a user-friendly cost-analysis tool to help suppliers estimate their existing recruitment costs and determine the cost differences between hiring through labor brokers versus direct hiring as a first step toward eliminating fees.

December 2016

The SER team travels to Taiwan to meet with individual suppliers again and review their progress. During this trip, we meet with representatives from the Workforce Development Agency and Direct Hiring Service Center and present our work to government officials, NGOs and academics, and members of the public at a conference on work-life quality.

May 2017

Wendy Savage, our senior manager for supply chain responsibility, is honored by the [Nomi Network](#) for our work to combat human trafficking. The Nomi Network is a nonprofit economic development agency that fights human trafficking in India and Cambodia.

We are also featured as a case study of best practice in the Interfaith Center on Corporate Responsibility's [Best Practice Guidance on Ethical Recruitment of Migrant Workers](#).

July 2017

Publish on our website our updated disclosure statement for the [California Transparency in Supply Chains Act \(SB 657\)](#) and the [UK Modern Slavery Act](#).

August 2017

While we are making progress in eliminating the retention of passports and imposition of curfews and mandatory savings schemes, we find that fully eliminating recruitment fees remains a challenge for many of our suppliers. To facilitate this process, we develop a detailed “Road Map to No Fees by 2020,” which outlines key deliverables for our suppliers and Patagonia to complete over the next three years. We return to Taiwan with our chief operating officer, vice president of social and environmental responsibility, and director of materials to roll out this road map and meet individually with key suppliers to understand their challenges and identify ways we can support them in making the business changes necessary to eliminate fees. We also share a set of tools and templates with our suppliers to support their efforts to implement these changes. In addition to the cost analysis worksheet, we provide an action-plan template to help our suppliers chart a clear path toward eliminating fees by 2020.

The hard work and presence of our full-time expert in Taiwan has contributed greatly to the progress we've made.

September 2017

After the announcement and training on the “Road Map to No Fees by 2020,” our suppliers set off to review and identify gaps in their recruitment and employment systems and their specific challenges to reaching their goals. They begin the long, hard work to learn about different hiring methods, navigate internal conversations about resources and budget and engage with Patagonia for support. Our team works with every supplier individually to understand their circumstances and what they need in order to make progress. During the next two years, our social responsibility, materials and production teams hold many meetings with each supplier.

October 2018

Over several months, we have conversations with prominent outdoor and sports apparel brands to seek their support of our “No Fees by 2020” goal. If we have an industry united behind this message, our suppliers will recognize the business need to act and the brands will see their vital contribution to ensuring a more responsible workplace. We successfully convince five large brands to adopt our goal and timeline, and we issue a joint announcement to our respective supply chains in Taiwan, where there is much overlap, about our brand collaboration to end fees for workers. Our suppliers are spurred more than ever to act.

At the same time, industry momentum builds for responsible recruitment as we see the Fair Labor Association and the American Apparel and Footwear Association issue an industry pledge that Patagonia and more than 140 companies sign.

September 2019

We return to Taiwan to hold a supplier conference and workshop, which is the final group check-in before the end of the road map. After talking with our suppliers, we design training on outstanding issues that suppliers identified as still being a challenge. We also meet several suppliers one-on-one to see what further support can be provided.

December 2019

We request our suppliers to compile a “No Fees” package to demonstrate their attainment of the goal. The package contains documentation such as an internal responsible-recruitment policy, training materials on the policy, amended service agreements and labor contracts, hiring forecasts and other elements that make up a comprehensive and robust recruitment system that ensures workers do not pay for their jobs.

We review each case individually, and the results are positive. We provide feedback to the suppliers on areas that can be enhanced, but in general our suppliers demonstrate their commitment and capacity to “No Fees.” We are grateful for our suppliers’ partnership on these important issues and remain active in monitoring their progress.

March 2020

Our plan in 2020 was to verify the effectiveness of our suppliers’ “No Fees” system by scheduling in-person assessments with our suppliers after they bring in new foreign migrant workers. Verification of a successful system would partly rely on being able to interview workers and receive confirmation from them that they did not pay for their jobs. In March, the COVID-19 outbreak put these plans on hold. In their place, we hold video meetings with our suppliers, and we surveyed them monthly on their recruitment activities and working conditions. We are still confident that our suppliers remain committed to “No Fees” and are shouldering associated costs (we have started to obtain documented evidence). We hope to resume our in-person assessments in early 2021.

October 2020

After working with fair-labor nonprofit Verité and other key stakeholders on a six-month-long review of our Migrant Worker Employment Standards (2014), we finished Version 2.0 of the standards in October 2020. When we established our original standards in 2014, we found that there was little attention paid to migrant-worker issues in apparel supply chains and we were treading on new ground. Fast-forward several years, the industry is more aware of the needs of these workers, resulting in workers’ rights groups, such as the Fair Labor Association and the UN’s International Labour Organization, and strengthening standards and guidance on responsible recruitment and employment. The goal of revising our standards is to ensure we uphold leading practices as prescribed by NGOs, government and industry. Version 2.0 took effect November 1, 2020, and was shared with our finished-goods and material suppliers.

May 2021

The pandemic continues to hamper our ability to visit our suppliers and meet with workers to assess the implementation of the “No Fees” hiring system. Specifically, Taiwan experiences a surge in COVID-19 cases, and the country is in partial lockdown. Out of caution, Patagonia maintains a no-travel policy for its employees. We continue our monthly check-ins with our suppliers, and as it has been for the past year, there is little hiring being done.

September 2021

The COVID-19 situation in Taiwan lets up, and our staff begin to coordinate in-person audits with our suppliers. We are cautiously optimistic that the situation will remain stable and that we will be able to resume audits in the final quarter of the year.

November 2021

We conduct our first in-person assessments after our field work had been put on hold for nearly two years by the COVID-19 pandemic. By the end of the year, we are able to conduct seven assessments in Taiwan to verify that recruitment fees had been eliminated for all workers, showing that our suppliers maintained a strong commitment to the “No Fees” system. While hiring new workers was rare during this period, the migrant workers who were currently employed reaped the benefits of our policy and saw fees that they once paid for their jobs were now being covered by their employer. We will continue to conduct assessments at the remaining sites in Taiwan and work with our suppliers to further strengthen their recruitment systems and employment practices.

July 2022

We continue to do audits in the new year, but by April, we are forced to put this work on hold as Taiwan faces its biggest surge of COVID-19 cases to date. It isn't until July that we're able to complete the first round of verification audits for suppliers in our migrant worker program . Overall, results are positive and show that our suppliers have eliminated the largest fees for workers. This is an incredible milestone that took many years to achieve. We're grateful to our suppliers for their commitment to responsible recruitment, and we will continue to partner with them to further strengthen their employment systems.

December 2022

We receive results from a study we commissioned to gather worker feedback and other impact metrics of our key programs. In Taiwan, we hear from over 800 migrant workers about their hiring and employment experiences. Over 95% of migrant workers report that they did not owe money for their jobs and 77% reported that they did not pay to get their jobs. It's a meaningful step forward thanks in part to our No Fees policy, but we also hear that some workers were unaware of the repatriation process and policies at their facility. This means more education is required for workers and verification of policy implementation is needed. This data, along with year-over-year audit results, is essential to provide targeted follow-ups and trainings with our suppliers.

2023

Throughout the year we conduct progress checks on our suppliers with additional attention paid to Taiwan's new law establishing a special status for higher-skilled migrant workers. We check to make sure, where appropriate, this law has been applied correctly. We continue to check that any new workers hired did not pay for their jobs and that ongoing improvement is being made on issues like health and safety and working hours.

2024

Government policies can play a key role in driving scalable and sustainable change. That's why we have been working with the Taiwanese Ministry of Labor (MOL) and their supporting agencies to address migrant worker issues. Early in the year we meet with longstanding contacts at the MOL's Workforce Development Agency to exchange updates and share feedback from our supply chain. We hold a second meeting several months later with leaders from various MOL agencies and the Fair Labor Association to discuss industry commitment to responsible recruitment and support for policy changes to eliminate fees.