



Scandal

Inside the global
supply chains of
50 top companies

Frontlines Report 2016



ITUC CSI IGB

International Trade Union Confederation

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ITUC Frontlines Report 2016

Why is the global business model in such bad shape?

With global GDP having trebled in just 30 years and major corporations commanding 60 per cent of global production, transport and services through their supply chains, the respect for rights, the guarantee of minimum living wages and collective bargaining for a fair share of the profits through higher wages with safe, secure and skilled work should be the norm.

Instead we have a model where companies can't or won't identify their supply chains and their hidden workforce. They preside over profits based on low wages, lobby against minimum living wages or regulations designed to ensure safe and secure work and turn a blind eye to the use of informal work or even slavery in their employ.

Workers know it's a scandal; their families know it's a scandal. Governments know too but lack the courage to act. Even the CEOs of 50 of the world's largest companies know it's a scandal, but to admit it would be to accept responsibility.

The 50 companies listed in this report could act to change the model of global trade.

They have the resources and the reach.

Working people pay the price of the scandal – slavery, informal work, precarious short-term contracts, low wages, unsafe work and dangerous chemicals, forced overtime, attacks by governments on labour laws and social protection, inequality – it's all part of a great global scandal that is today driven by corporate greed with an eternal quest for profit and shareholder value.

Consequently we have a business model that has lost its moral compass. For big business, labour is increasingly just a commodity and labour rights are bad for business.

Just 50 companies hold a combined wealth equivalent to that of 100 nations. Our governments – even those democratically elected – are influenced by their interests.

They only employ six per cent of people in a direct employment relationship but they rely on a hidden workforce of 94 per cent – a massive convenient workforce hidden in the shadows of global supply chains.

Just a handful of these companies could recognise their workforce and change the lives of millions of working people.

“ **60 per cent of global trade in the real economy is dependent on the supply chains of our major corporations.** ”

The world has reached a tipping point. Sixty per cent of global trade is now driven by big business which, without apology, uses a business model based on exploitation and abuse of human rights in supply chains. Workers' rights at home or abroad mean little or nothing to the heads of major corporations.

CEOs of these companies must take a good look at the business model they preside over.

They must know their profits are too often driven by low wage levels that people cannot live on; that these profits risk safety with the result of indefensible workplace injuries and deaths; that these profits are increased by tax evasion or tragically linked to pollution of community land and water, even while their lobby teams are turning governments against the rule of law that would hold them to account.

When labour laws, wages, pensions and job security are under attack in too many countries, we have a common enemy: corporate greed.

When a textile worker like Rina from the Philippines explains she cannot tell her twelve-year-old son if she will be home to cook him a meal or say goodnight because she is forced to work extra shifts without notice, this is not decent work.

When men gathering seafood that ends up on our tables are enslaved on boats in Indonesian waters without living quarters and sanitation for months on end, there is no hope for them of decent work without us.

And when the world's largest institutions like FIFA are riddled with corruption and think it's fine to have the World Cup in a slave state, the world has turned its back on the fundamental rights of workers.

This business model is one designed by choice and driven by corporate greed. The facts are that the world's GDP has trebled since 1980, yet inequality is at historic levels.

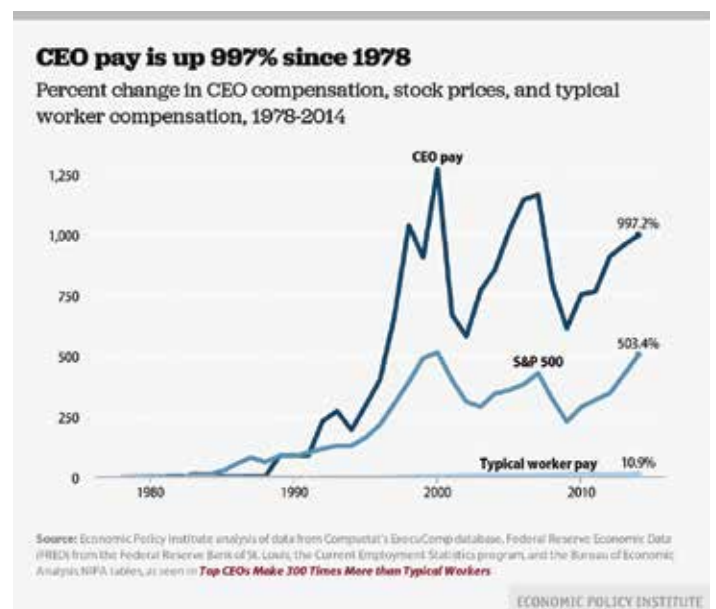
In 2016 the world's wealthiest one per cent hold more net wealth than the other 99 per cent put together.

The wealth generated by workers is not being shared with them. Increasing numbers of workers are trapped in the hidden workforces of the richest companies in the world. They have no job security and work long hours for poverty wages in unsafe environments or with unsafe products.

Working people and their families have had enough.

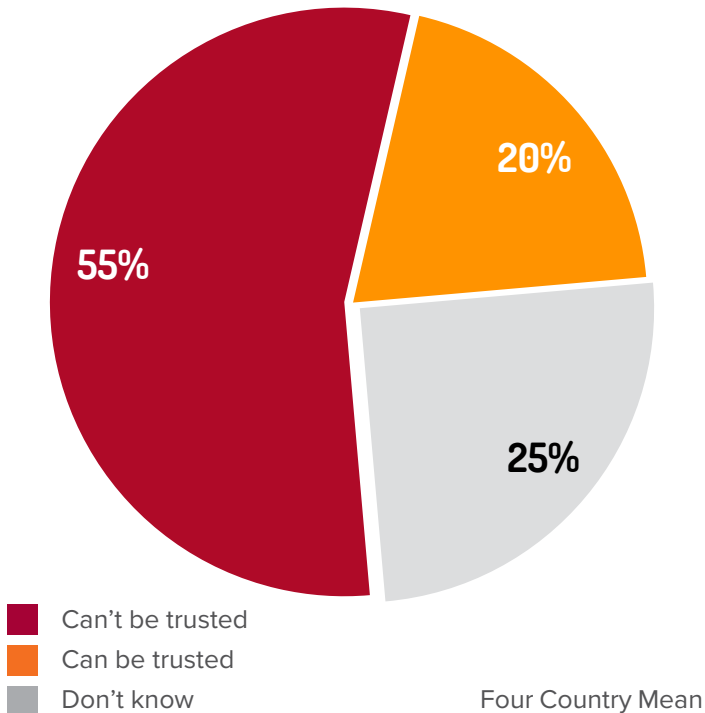
The ITUC Global Poll shows 94 per cent of people want the guarantee of labour rights as a foundation for global trade. More than nine in ten people want stronger rules to hold corporations accountable for better wages and conditions. Eighty-eight per cent of people want minimum wages lifted around the world.

When global business won't pay the moderate demands of workers for a minimum wage on which they can live with dignity – US \$177 a month in Phnom Penh;



ITUC Frontlines Poll Trust in Global Companies

France, Germany, UK, USA



US \$250 in Jakarta, US \$345 in Manila – then this is knowingly condemning workers and their families to live in poverty. It's greed, pure and simple.

It doesn't have to be this way. A few simple actions would transform the business model.

Government leaders should implement and enforce the rule of law. If every nation held its big corporations responsible for their business conduct at home and abroad against the set of fundamental rights and safety they expect in their own countries, we could end corporate greed and put the global economy to work for the many rather than the richest one per cent.

If **employers ensure fair distribution of wealth through minimum living wages and collective bargaining – based on the fundamental guarantee of freedom of association** – we could reduce inequality and end corporate greed.

If **safety standards were respected with workers engaged in safety committees**, and dangerous chemicals banned across the globe, we would reduce work-related accidents and illness and save lives.

And if **governments prioritise the dignity of the social protection floor** for their people – the basic income and the public services that ensure sustainable and peaceful communities – the endless race to the bottom would stop and we could rebuild economic justice.

“ **Stop the scandal, end corporate greed, clean up the world's workplaces.** ”

The ITUC has profiled 25 companies to demonstrate their wealth, their global footprints, and the numbers of working livelihoods dependent on their behaviour. Many of these are hidden workers.

We have profiled the fears and the despair of workers in Asian countries and we have provided a preview of a series of corporate scandals we will release in video episodes.

Another 25 corporate profiles will follow in our next edition with stories from more regions and continents.

We will continue to offer dialogue with companies to help establish minimum living wages, and to bargain with unions for higher-skilled workers in all sectors.

But we also insist that governments mandate the due diligence that the UN Guiding Principles on Business and Human Rights require. And that companies face the consequences for infringements of decent work.

It's important to rebuild trust in our economic and social future, but it requires a determination from governments, companies and consumers to end corporate greed.

It's time to end the scandalous treatment of workers in an unsustainable business model.

Sharan Burrow

General Secretary

International Trade Union Confederation

1. How the world's largest companies built a global business model on low-wage workers, with few rights, in unsafe workplaces

Business and human rights must co-exist if humanity means that the worth of people cannot be measured as a commodity or denied freedom and rights in the interest of the profits of another human being. However, this moral compass has been deliberately broken or at least obscured by those major corporations, dependent on the dominant supply chain model, which dictate the flow of global trade in goods, transport & logistics and services.

Corporate greed has reached such heights that the clamour for yet lower wages, ever longer hours and more flexibility in the employment contract, has all revealed a naked truth: people are expendable in the quest for profit.

But so too is there capacity for change when just a few companies could change the world. Just a handful of corporate CEOs, their boards and investors could act to restore democratic rights and freedoms, ensure safe and secure work, pay minimum living wages and engage in collective bargaining with workers and their unions. That is a recipe for change.

Some companies are starting to take responsibility. Unilever is on a journey to own its supply chains and take responsibility for due diligence. As part of The B Team they are consulting about what makes for a “human company” and what it will take to construct a new social contract. They are committed to the UN Guiding Principles on Business and Human rights.

50 companies with a combined
revenue of **US\$3.4 trillion**

A hidden workforce of **116 million people**

A **global footprint** that covers
almost every country in the world



But it will take governments as well as corporations to make the rule of law a fundamental cornerstone of global supply chains, and the G7 group of nations has taken the first step. They concluded the G7 Germany summit with a statement: *“Unsafe and poor working conditions lead to significant social and economic losses and are linked to environmental damage. Given our prominent share in the globalisation process, G7 countries have an important role to play in promoting labour rights, decent working conditions and environmental protection in global supply chains.”*

This stands in stark contrast to the global reality for workers. 58 per cent of countries exclude groups of workers from labour law, 70 per cent of countries have workers who have no right to strike, 60 per cent of countries deny or restrict workers collective bargaining and 52 per cent of countries deny workers access to the rule of law.¹

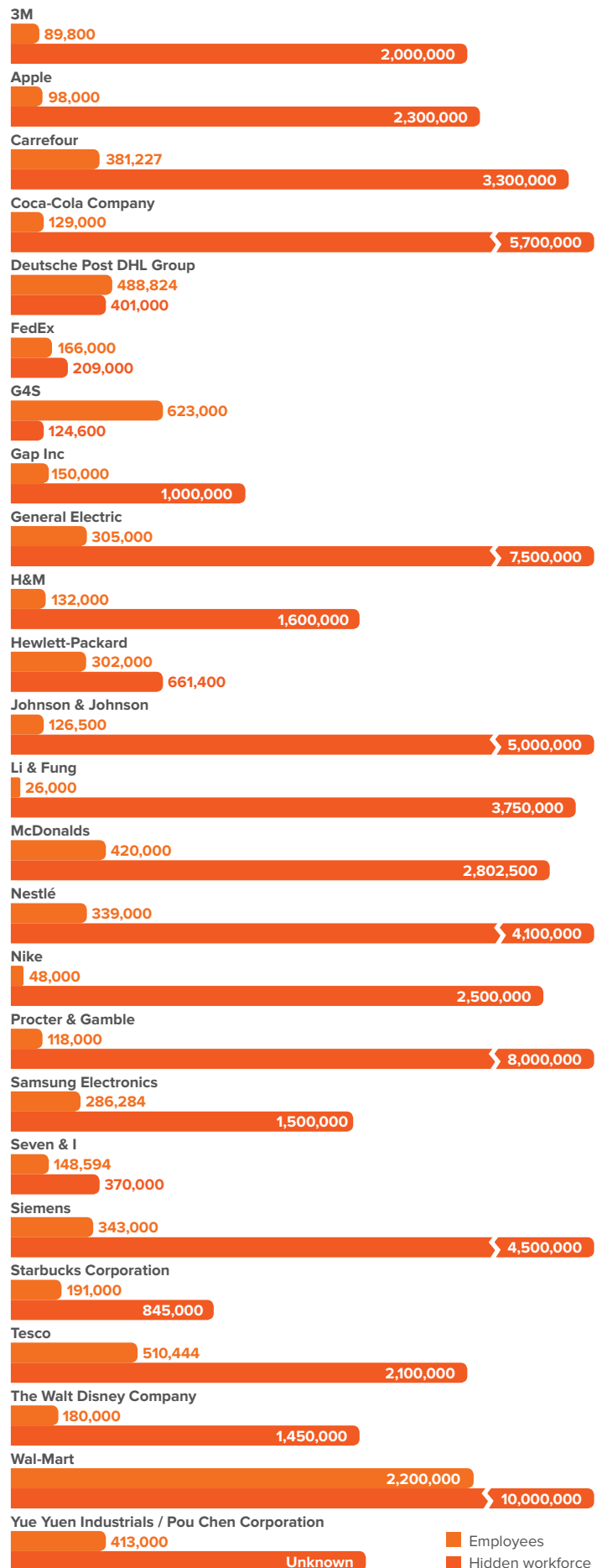
The US\$80 billion corporate social responsibility (CSR) industry has failed. While the opportunities for soft law with the OECD Guidelines for Multinational Enterprises and the ILO capacity for dialogue must be strengthened, we need to see tougher domestic laws in producer countries and responsibility from the governments where multi-national corporations are headquartered for laws that mandate cross border responsibility for implementation of rights and due diligence from companies.

It’s a question of human freedom, rights and responsibility.

ITUC recommendations for companies:

- **Supply chain transparency** – know whom you contract with and publish this;
- **Safe work** – inspect sites, fix hazards and recognise workers’ right to safety committees;
- **Secure work** – end short-term contracts;
- **Minimum living wages** – pay wages on which people can live with dignity;
- **Collective bargaining** – for decent wages and working conditions.

Estimated hidden workforce



What is a global supply chain and how does it undermine workers?

A supply chain is the system that companies use to source and distribute their products and services from origin to customer.

Globalisation has heralded a new era for companies turning to lower-cost suppliers offshore to maximise profits.

Today the majority of the largest multinationals exploit complex global supply chains through countries in which they source cheaper raw materials, use low-wage labour, escape government regulation and reduce taxation.

Some companies have made public commitments to ensure fair wages, long-term contracts and safe and secure workplaces, but this is by no means the norm. And even companies that have made these commitments have been slow to implement them.

In many cases global supply chains squeeze local suppliers, manufacturers, distributors, wholesalers and retailers.

For labour, companies often look to the lowest-cost countries to make investment and sourcing decisions, in particular when the production processes do not require highly skilled labour.

This puts considerable pressure on wages and working conditions, particularly in labour-intensive sectors, with companies shifting operations from higher-to-lower wage countries creating a “race to the bottom”.

It is often claimed that the “economic upgrading” in global supply chains will automatically translate into social upgrading for workers. In reality this only happens when the rule of law is applied.

Due to pressure from global buyers, employment in global supply chains is often insecure with poor working conditions and frequent rights violations. Precarious, temporary or outsourced work or bogus self-employment is a common strategy to drive down costs.

Fast production schedules at cut rates remain the norm, with little respect for rights and standards. Indeed, forced labour, child labour, anti-union discrimination, forced overtime, hazardous workplaces and unpaid wages and social contributions are common in such supply chains.

Employment is often affected by fluctuations in demand, creating seasonal demand for employment instead of steady jobs.

When workers are injured or fall ill, proper compensation is often denied, with companies failing to provide insurance and governments failing to ensure compensation schemes. The absence of social security and pension schemes in many countries also deprives workers of retirement security.

For local producers, global buyers often source goods and services easily from other companies or even other countries with lower costs and less regulations, putting further pressure on suppliers to cut costs.

Multinationals often choose to operate in low-labour-cost countries with weak regulatory environments, leaving workers and communities little legal recourse.

Governments also fail to provide laws to protect workers’ fundamental rights or establish appropriate standards on wages, hours and health and safety. Where there are laws, enforcement when companies fail to respect them is weak.

Meanwhile companies are usually immune from legal action by workers, as host country tribunals are weak and ineffective and courts in their home countries often have no jurisdiction when the violation is caused by a supplier in another country. Even in the case of parent-subsidiary relationships, it can be difficult if not impossible to hold parent companies accountable for the human rights violations of their subsidiaries.

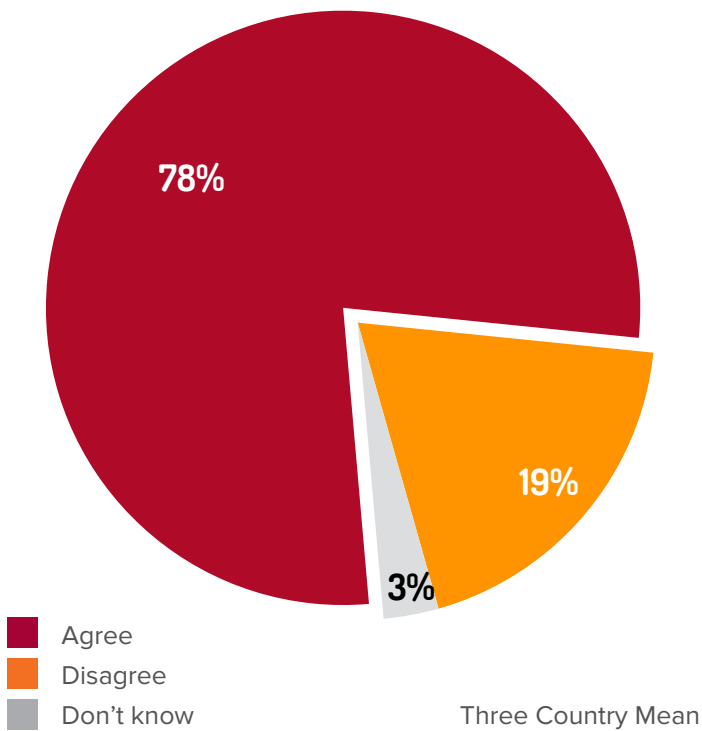
The lack of transparency in global supply chains creates significant issues for workers, as companies claim it is difficult to know the source of their goods and services.

There are several ways in which companies avoid tax in their supply chains, for example, through the manipulation of transfer pricing.

Transfer pricing is the process of setting of prices for goods and services that are traded between, for example, parent companies and their subsidiaries. Firms frequently manipulate prices to lower the profits in the subsidiary that is located in a country that levies higher taxes and to declare higher profits in a country with lower taxes. This tax dodge robs host countries of essential tax revenue to support public services, including labour inspection.

ITUC Frontlines Poll Businesses should pay a decent minimum wage to all workers in their supply chain

Indonesia, The Philippines, Turkey

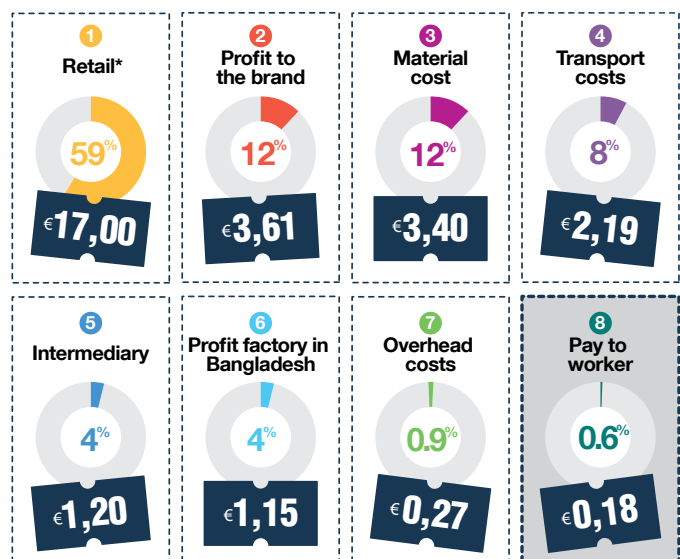


▲ Photo: CLC

“ ... It's only by taking co-responsibility for what goes on within the total value chain that trust in capitalism can be restored and the benefits of business can be spread more evenly. ”

Paul Polman, CEO Unilever

Breakdown of costs of a shirt



* Includes all costs at a retail level including staff, rent, store profit, VAT etc.

2. Profits and workers: 50 companies with the power to reduce inequality

The ITUC has identified 50 of the world's largest companies that have built their business on a model dependent on a hidden workforce of millions of workers without rights and protections.

Only by exposing the practices of these companies to consumers and citizens around the world will companies begin to take responsibility for their supply chains and follow the rule of law.

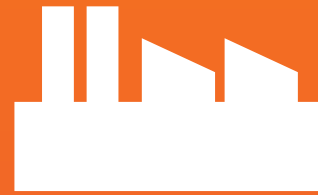
The power of companies



50 of the world's top **companies** have
a combined revenue of **US\$3.4 trillion**



LI & FUNG LIMITED



9 companies



have a combined revenue of

\$705 billion



countries of equivalent value

Netherlands: \$775 billion

South Africa: \$684 billion

UAE: \$579 billion



SIEMENS

Deutsche Post DHL
Group



Carrefour



Group 4 Securicor

TESCO



H&M



INDITEX

L'ORÉAL



PHILIPS

randstad



sodexo

Unilever



17 companies



have a combined revenue of

\$789.2 billion



countries of equivalent value

Pakistan: \$838 billion

Malaysia: \$712 billion

Belgium: \$461 billion



24 companies



have a combined revenue of

\$1.9 trillion



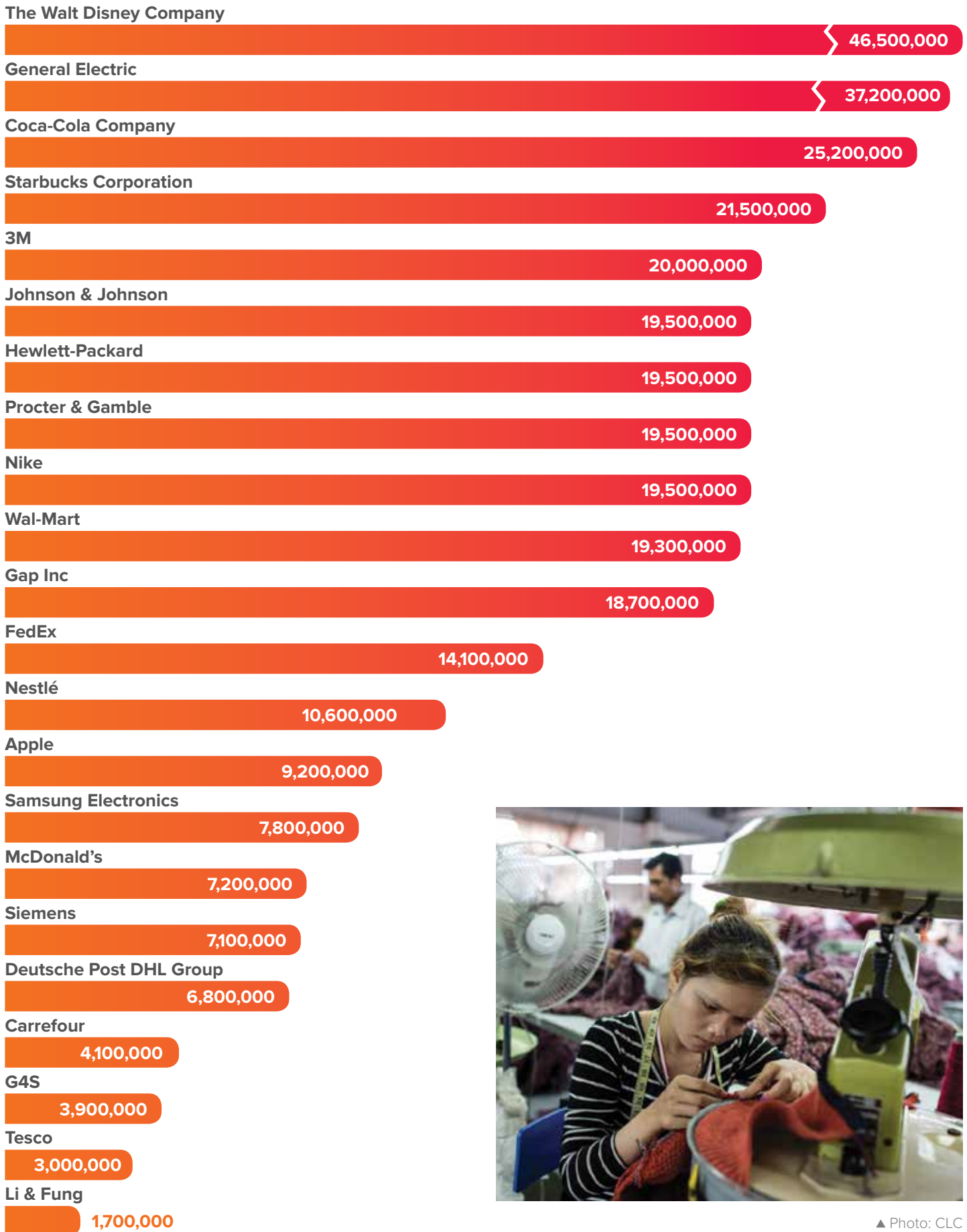
countries of equivalent value

South Korea: \$1.6 trillion

Saudi Arabia: \$1.5 trillion

Canada: \$1.5 trillion

CEO pay of companies with large supply chains



▲ Photo: CLC



The profits of
25 companies of



\$190.2 billion



could increase the wages in their
combined hidden workforce of
71,713,500 by



\$2,652 for a year



The cash holdings of
25 companies of



\$387 billion



could increase the wages in their
combined hidden workforce of
71,713,500 by



\$5,397.50 for a year

3. Company profiles:

How 25 companies exploit workers in unfair supply chains



Operating Revenue = sales

Revenue is the amount of money that is generated by a company through its business activities.

Cash holdings

The term includes the following types of corporate assets that remain functionally liquid: cash, cash equivalents, short-term marketable securities, and long-term marketable securities (marketable securities provide investors with the liquidity of cash and the ability to earn a return when the assets are not being used).

When a company accumulates profits over time, it must put them somewhere so it will invest them in the financial market – mainly in stocks and bonds. These can be sold easily and that’s why they’re called marketable securities and they fall under the broad banner of cash in the mainstream pressⁱⁱ.

3M

Business: General industrials
Products: Scotch Tape, Post-It notes
Headquarters: St. Paul, USA
Revenue (2014): \$31.8 billion
Country of equivalent value: Senegalⁱⁱⁱ
Cash holdings (2014): \$3.3 billion, 50 per cent of which could increase the annual wages of 2.1 million workers by \$786 for a year
Cash returned to shareholders (2014): \$7.9 billion
Company employees: 90,000
Supply chain workers: 2 million (estimate)
CEO pay: \$20 million
Tax avoidance: \$11.2 billion permanently reinvested abroad without being subject to US tax in 2014; some of this is assumed to be sheltered in tax havens where the company has subsidiaries including Switzerland and Luxembourg.

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 From its beginnings as a mining venture in Minnesota in 1902, 3M has grown to become a diversified conglomerate with a supply chain of approximately 2 million people – or the entire population of central Paris.

In this time, 3M expanded beyond facilities across the United

States to include operations in 65 other countries, with a fifth of all 3M workers now in Asia.

3M earns revenue of more than \$30 billion, its business directly employing approximately 90,000 workers worldwide.

Its product range has expanded beyond its Scotch tape, Post-it notes and sandpaper products to a range of adhesives, laminates, polishes, films and now electronics.

The company states its supply chain “respects the rights of workers” and that supplier wages, benefits and working hours are “expected to be fair and reasonable in the local labour market”; however, unions have not seen evidence of these claims.

The company says it has a record of self-assessments of its suppliers but has yet to report findings.

Over the years 3M has been found guilty of various environmental breaches, such as toxic contaminations and spills. It has since been applauded by forest campaigners for its promised sustainable paper-buying policy.

Campaigners have called for greater disclosure about how this policy is implemented.



Apple Inc

Business: Technology, hardware and equipment
Products: iPhone, iPad, Mac, iPod
Headquarters: Cupertino, USA
Revenue (2014): \$183 billion
Country of equivalent value: Ecuador
Cash holdings (2014): \$155 billion, 50 per cent of which could increase the annual wages of 2.3 million workers by \$34,000 for a year
Cash returned to shareholders (2014): \$56.2 billion
Company employees: 98,000
Supply chain workers: Between 1.6 and 2.3 million
CEO pay: \$9.2 million
Tax avoidance: Moved \$50 billion offshore in the last year and has paid virtually no tax to any nation on its offshore reserve. Annual report reveals Apple has paid an effective tax rate of about 2.2 per cent on its permanently reinvested foreign profits, helping it avoid \$56.9 billion in US federal income tax on its offshore cash.^{iv}

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 With its business producing high-end gadgets such as the iPhone, iPad, Mac, iPod and the Apple Watch, Apple Inc is the world’s largest publicly traded corporation by market capitalisation and the world’s second-largest information technology company by revenue.

Apple’s supply chain relies on up to 2.3 million workers, which is greater than the entire population of central Paris.

The popularity of these products helped Apple set a global profit record of \$18 billion this year and earn it the title of the world’s most valuable brand.

Apple sold 74.5 million iPhones during the three months that ended on 31 December – the equivalent of 34,000 iPhones an hour every day of the quarter – more than the entire population of the UK.

The company has also been named by governments around the world for its efforts to minimise the tax it pays where it does business through a complex network of offshore subsidiaries.

The first Apple computer was devised in a Californian garage in 1976 and put together by hand. During the 2000s, Apple outsourced almost all of its manufacturing and assembly to Asia, in particular China.

Today Apple and its suppliers have moved to source parts and components from lower-wage countries in Asia, such as Cambodia and Indonesia.

Despite its brand position, Apple has received criticism for working conditions in its supply chain, with reports of 60-hour working weeks, worker suicides, child labour, pay being withheld, discrimination against women and minorities, beatings and harassment.

Apple has addressed some of these issues, but both internal and external evaluations consistently reveal insufficient wages, excessive working hours, forced labour and migrant worker vulnerability and the lack of worker presence on health and safety committees.



Carrefour

Business: Food and general retailer

Products: Generic brand food products, retail space

Headquarters: Boulogne-Billancourt, France

Revenue (2014): \$101.2 billion

Country of equivalent value: Serbia

Cash holdings (2014): \$3.4 billion, 50 per cent of which could increase the annual wages of 1.1 million workers by \$1,545 for a year

Cash returned to shareholders (2014): \$472 million

Company employees: 380,000

Supply chain workers: 1.1 million (estimate)

CEO pay: \$4.1 million

Tax avoidance: One of the top five French retailers alleged to avoid EUR 2-4 billion annually.⁹

French-based hypermarket chain Carrefour is the world's third biggest retailer and Europe's biggest.

It sells a variety of brand and Carrefour products including electronics, toys, apparel, food and furnishings to around 12.5 million customers every day.

In 2014, Carrefour generated more than EUR 100 billion revenue across more than 10,000 locations in 33 countries, employ-

ing more than 380,000 employees.

To fuel this activity, Carrefour relies on a massive supply chain of more 1.1 million people, or roughly the population of Brussels.

It has worked hard to ensure its brand, engaging with French NGO International Federation for Human Rights and signing a framework agreement on workers' rights with UNI Global Union.

Carrefour was deemed by the global union federation IndustriALL to have had links with the collapsed Rana Plaza factory¹⁰, yet the company refused to donate to the compensation fund for victims.

Last year, *The Guardian* revealed a prawn farming company in Carrefour's supply chain had links to the use of Burmese slave labour. Carrefour subsequently dropped this supplier but previous company audits had failed to uncover any issue, revealing flaws in their assessments.

Last year, almost a third of follow-up audits revealed the company's code for suppliers was breached on health and safety, working hours, and compensation issues, and it has failed to set living wage benchmarks.



The Coca-Cola Company

Business: Beverages

Products: Coke, Diet Coke, Sprite, Fanta, Powerade

Headquarters: Atlanta, USA

Revenue (2014): \$46 billion

Country with equivalent value: Cambodia

Cash holdings (2014): \$21.6 billion, 50 per cent of which could increase the wages of 5.7 million workers by \$1,900 for a year

Cash returned to shareholders (2014): \$4 billion

Company employees: 129,200

Supply chain workers: 5.7 million

CEO pay: \$25.2 million

Tax avoidance: \$19.5 billion permanently reinvested abroad without being subject to US tax – some of this is assumed to be sheltered in tax havens where the company has subsidiaries including Ireland, the Cayman Islands and Luxembourg.

The Coca-Cola Company is the world's largest beverage company, serving more than 1.9 billion drinks every day.

The US-based company owns or licences more than 500 brands such as Coke, Sprite, Fanta and Dasani through a system of company-owned and independent bottling and distribution operations, employing roughly 700,000 workers or the

equivalent of the population of Frankfurt.

It also sells product bases to bottling partners to manufacture Coca-Cola products, therefore playing a massive role across the supply chain from agriculture, suppliers, product distribution and retailers.

Coca-Cola has a large footprint across Asia, owning bottling operations in Cambodia and holding interests in Myanmar, Indonesia, the Philippines and Hong Kong.

The company has set targets for workers' rights at its operations and across its partners and suppliers but despite claiming to conduct more than 2,000 independent audits annually, the results are not disclosed.

A quarter of grievances the company did disclose related to work hours and wages.

At its own operations and those of its partners, there have been previous tensions related to outsourcing, unpaid overtime and union-busting in Indonesia, Hong Kong and the Philippines.

Coca Cola, a sponsor of FIFA, has been demanding major reform of FIFA to meet global human rights, labour and anti-corruption standards.



Deutsche Post DHL Group

Business: Industrial transportation
Products: Express post, freight boxes, logistics
Headquarters: Bonn, Germany
Revenue (2014): \$68.4 billion
Country of equivalent value: Uruguay
Cash holdings: \$3.2 billion, 50 per cent of which could increase the wages of 488,000 workers by \$3,278 for a year
Cash returned to shareholders (2014): \$1.2 billion
Company employees: 488,000^{vii}
Supply chain workers: 401,000
CEO pay: \$6.8 million
Tax avoidance: Unreported

Deutsche Post DHL is the world's largest courier company with operations across 220 countries, employing 488,000 people. Headquartered in Bonn, Germany, almost a fifth of its workers are now in Asia, including Bangladesh, Cambodia, Indonesia, Hong Kong and the Philippines.

It also subcontracts transport services in places like the US and Kenya to minimise costs, an approach that unions say leaves workers vulnerable.

DP-DHL has made some progress on its reputation after it faced an international campaign denouncing the denial of fundamental rights of its workers to legally establish trade unions.

Following complaints from global union federations UNI and ITF about the treatment of workers in Turkey, India, Indonesia, Vietnam and other countries, the company has agreed to assess industrial relations in India and start bargaining in Indonesia.

Despite this progress, issues in Hong Kong remain unresolved, and there are current allegations of injustices in India, including widespread mistreatment of staff.^{viii} At home in Germany, Deutsche Post workers have resorted to strikes to protest against the company creating new positions in separate entities with lower wages.

The company has attempted to distance itself from responsibility for its supply chain workers by stating that workers' rights to union representation can be decided at local site level.

Deutsche Post DHL Group

FedEx

Business: Industrial transportation
Products: Express transportation, post, logistics
Headquarters: Memphis, USA
Revenue (2014): \$45.6 billion
Country of equivalent value: Latvia
Cash holdings (2014): \$2.9 billion, 50 per cent of which could increase the wages of 209,000 workers by \$6,938 for a year
Cash returned to shareholders (2014): \$5 billion
Company employees: 166,000
Supply chain workers: 209,000
CEO pay: \$14.1 million
Tax avoidance: \$1.6 billion is permanently reinvested abroad without being subject to US tax. Its global tax bill was slashed through arrangements in Luxembourg.

FedEx is the world's largest express transportation company with more than 300,000 workers across more than 220 countries.

It employs more than 18,000 workers in the Asia-Pacific region, across operations in Bangladesh, Cambodia, Indonesia, Hong Kong, and the Philippines.

FedEx's operating model has been highlighted as a concern for unions, as the company relies extensively on "independent contractors" for pick-up and delivery, where uniformed FedEx personnel are not actually FedEx employees.

The company shifts significant costs onto contractors, which tend to be small business, and their employees. Last year it contracted more than 8,200 of these businesses, covering 32,500 workers, for services in the US and Canada.

FedEx has declined to consider these supply chain workers as em-

ployees and has been defensive regarding their right to join labour unions. Following a lawsuit in the US, some FedEx drivers are not classified as direct employees. The company fought hard to deny the workers this right.

This is particularly concerning in countries where workers' rights are vulnerable. In Indonesia for example, the company's licensee employs more than 1,500 staff but does not disclose its policy on treatment of workers.



"I never want my one year old daughter to know that guards monitor me when I go to the toilet at work."
 Ghilda, 39 Sewer for NY&CO

G4S

Business: Private security

Products: Services, facilities security, military contracting

Headquarters: West Sussex, UK

Revenue (2014): \$11.3 billion

Country of equivalent value: Sierra Leone

Cash holdings: \$628 million, 50 per cent of which could increase the wages of 623,000 workers by \$504 for a year

Cash returned to shareholders: \$232.6 million

Company employees: 623,000

Supply chain workers: 124,600

CEO pay: \$3.9 million

Tax avoidance: Criticised by the UK's Public Accounts Committee for paying no corporate tax at all in the UK in 2012.

As the world's biggest private security provider, G4S provides security for banks, prisons and airports as well as managing detention facilities and providing private military contractors.

The British-based multinational employs 623,000 workers across more than 110 countries, a force three times the size of the British military. In Asia and the Middle East, the company employs 264,000 people including a significant employment footprint in Bangladesh, Indonesia, Hong Kong and the Philippines.

The company has drawn international criticism for a range of controversies, including prisoners dying in its care, allegations of torture and of fraud and in recent years the company was criticised for paying no UK tax while profiting from billions of pounds of taxpayer contracts.

G4S has also been in the spotlight for poor training, putting security guards and the public at risk.

After years of union campaigning, G4S entered a global framework agreement with UNI Global Union and has committed to respecting fundamental human rights. However, reportedly only one in 100 of its workers in Asia and the Middle East is unionised and just eight per cent have collective agreements.^{ix}

The company has not committed to paying a living wage to its workforce. Unions have reported grievances such as poverty wages, wage cuts, underpaid overtime and excessive working hours in India and South Korea.

Also of concern for unions is the company's operating model, which encourages outsourcing of workforces and their benefits and protections. In South Korea and Nepal there have been examples where G4S has taken over as subcontractor, and workers have been faced with the sack or taking jobs with G4S with lower working conditions.



Group 4 Securicor

Gap Inc

Business: General retail

Products: Clothing, accessories

Headquarters: San Francisco, USA

Revenue (2014): \$16.4 billion

Country of equivalent value: Niger

Cash holdings (2014): \$1.5 billion, 50 per cent of which could increase the wages of 1.5 million workers by more than \$500 for a year

Cash returned to shareholders (2014): \$1.5 billion

Company employees: 140,000

Supply chain workers: 1 million (2012)

CEO pay: \$18.7 million

Tax avoidance: \$581 million permanently reinvested abroad without being subject to US tax in 2014, some of this is assumed to be sheltered in tax havens where the company has subsidiaries including the Netherlands.

Global retailer Gap Inc. offers apparel and accessories under the Gap, Banana Republic and Old Navy brands.

The company designs products which are manufactured by independent vendors and sold at more than 3,700 stores around the world.

Although directly employing 140,000 employees, Gap Inc's supply chain covers many more through 1,000 contractors across 40 countries – almost half of these are in Asia. Up to 98 per cent of the company's purchases are from factories outside the US, in places such as China, Bangladesh, Cambodia, Indonesia and Burma.

Despite developing a "framework for laying the foundation to increase wages", the company's commitment to workers' rights within its supply chains is deficient.

In Bangladesh, the brand refused to join the multi-stakeholder Bangladesh Accord following the Rana Plaza disaster; however, Gap joined a corporate-led initiative, which is not legally binding. Gap has also not developed internal benchmarks to monitor living wages.

Gap's supplier factory audits consistently point to deficiencies in wage payments and working hours. There is also evidence of precarious work at the site of Gap sub-contractors in Cambodia.

The company has provided "personal advancement" training to more than 20,000 women in 60 factories, in countries such as Bangladesh, Cambodia, China and Indonesia, but this program does not help the majority of workers move up the pay scale.

Gap Inc.
Gap
Banana Republic
Old Navy

General Electric (GE)

Business: General industrials

Products: Turbines, locomotives, aircraft engines, MRI machines

Headquarters: Easton Turnpike, USA

Revenue (2014): \$148.6 billion

Country of equivalent value: Slovakia

Cash holdings (2014): \$15.9 billion, 50 per cent of which could increase wages of 7.5 million workers by \$1,060 for a year

Cash returned to shareholders (2014): \$8.9 billion

Company employees: 305,000

Supply chain workers: 7.5 million (estimated)

CEO pay: \$37.2 million

Tax avoidance: \$119 billion is permanently reinvested abroad without being subject to US tax – some of this is assumed to be sheltered in tax havens where the company has subsidiaries including the Bermuda, Ireland and Luxembourg.

GE is the world's largest manufacturer of various industrial goods and services, such as aircraft engines, electric motors, locomotives, healthcare, finance, water and weapons.

The US-based multinational conglomerate employs 305,000 workers at more than 500 manufacturing plants in 40 countries. Around 10 per cent of its US employees are unionised.^x

In Asia its supply chain includes operations in China, Indonesia, the Philippines, Cambodia and Myanmar.

General Electric's former CEO Jack Welch is known for saying that it was his dream to "have every plant you own on a barge" so it can move away anytime workers demand better wages, working conditions or environmental standards.

Over the years the company has attracted criticism, not least for its involvement in designing the Fukushima nuclear facility.

In 2011, GE attracted criticism for spending \$84.35 million on political lobbying, despite avoiding tax payments between 2008-2010, and receiving tax rebates of \$4.7 billion.

Critics argued that during these years the company made a profit of \$10.4 billion, while laying off 4,168 workers and increasing executive pay by 27 per cent for the top five executives.

These increases were not extended to workers. The GE supply chain lacks transparency so its wages and working hours across its operations are vague. The company also does not divulge details of its internal audits nor a list of its first-tier suppliers.



H&M

Business: General retail

Products: Clothing

Headquarters: Stockholm, Sweden

Revenue (2014): \$20.3 billion

Country of equivalent value: Benin

Cash holdings (2014): \$1.9 billion, 50 per cent of which could increase the wages of 1.6 million workers by \$1,187 for a year

Cash returned to shareholders: \$1.8 billion

Company employees: 132,000

Supply chain workers: 1.6 million

CEO pay: Unavailable from public sources

Tax avoidance: Unreported

H&M is the world's second largest clothing retailer with a supply chain encompassing 1.6 million workers.

That's the equivalent of every resident of Barcelona or Philadelphia working in their supply chain.

The company's main business is retailing, with 132,000 staff at 3,500 stores in 55 countries, the vast majority of which are controlled by H&M.

Although the multinational is Swedish-based, its clothing production is outsourced to around 900 suppliers across almost 2,000 factories. Most of these are in Asia, with operations in China, Bangladesh, Myanmar, Cambodia, Hong Kong and Indonesia.

The company has made progress in supply chain transparency and multi-stakeholder initiatives but has been under pressure to show progress on living wages after making commitments on this front.

Over the years the company has attracted criticism for conditions in its supply chain, but it has made efforts to address these.

It has signed the Bangladesh Accord and joined a project to increase collective bargaining in Cambodia. It has also committed to paying a living wage to suppliers by 2018, which would affect 850,000 workers. A recent report found H&M lagged behind in compliance with remediation under the Accord.^{xi}

The company's living wage promises have received criticism for a lack of concrete evidence for actual improvements for workers on the ground.^{xii} A Global Framework Agreement signed in November 2015 between H&M and Global Union Federation IndustriALL and its Swedish affiliate IF Metall has set H&M on a path towards a sustainable garment industry with a unionised workforce, living wages, safe work and collective bargaining.



Hewlett-Packard (HP)

Business: Technology hardware and equipment

Products: Computers, printers

Headquarters: Palo Alto, USA

Revenue (2014): \$111.4 billion

Country of equivalent value: Ghana

Cash holdings (2014): \$15 billion, 50 per cent of which could increase the wages of 661,400 workers by \$11,346 for a year

Cash returned to shareholders (2014): \$4.1 billion

Company employees: 302,000, just fewer than the population of Iceland

Supply chain workers: 661,400

CEO pay: \$19.5 million

Tax avoidance: HP repatriated billions of dollars of overseas cash to the US to fund operations without a formal dividend distribution, which would be taxable.

Hewlett-Packard is the world's largest vendor of personal computers and one of the leading providers of printers, hardware, software and finance and business services.

From its origins in a one-car garage in Silicon Valley, it now boasts a supply chain of outsourced manufacturing suppliers with more than 525,000 workers.

This supply chain includes 63 factories in 16 countries, with almost two-thirds in Asian countries such as Indonesia, Malaysia and the Philippines.

HP's major suppliers include Foxconn and Flextronics (which have a dubious labour rights record) along with Intel and ADM.

The company has taken important steps to protect workers' rights – in 2014 it became the first company in the electronics industry to require direct employment of foreign migrant workers at suppliers' work sites. This effectively ends the practice of workers employed by labour agents and reduces the risk of forced labour. But it is not known if this is effectively carried out in practice.

However, HP continues to face complaints of excessive overtime and insufficient wages in its supply chain. For instance, 17 per cent of workers at HP's final assembly suppliers work more than 60 hours per week on average. Hours worked at its components suppliers are unknown.

Also concerning is that almost a third of audits revealed serious violations regarding minimum wages and overtime compensation.



Johnson and Johnson (J&J)

Business: Pharmaceuticals and biotechnology

Products: Tylenol, Band-Aid, Splenda

Headquarters: New Brunswick, NJ, USA

Revenue (2014): \$74.3 billion

Country of equivalent value: Costa Rica

Cash holdings (2014): \$33 billion, 50 per cent of which could increase the wages of 5 million workers by \$3,235 for a year

Cash returned to shareholders (2014): \$15.6 billion

Company employees: 126,500

Supply chain workers: 5 million (estimate) – greater than the population of Los Angeles

CEO pay: \$19.5 million

Tax avoidance: \$53.4 billion is permanently reinvested abroad without being subject to US tax – some of this is assumed to be sheltered in tax havens where the company has subsidiaries such as Switzerland, Ireland and Luxembourg.

The supply chain footprint of Johnson & Johnson is extensive, covering 5.1 million workers across the globe. This is the equivalent of everyone in central Rome and Paris making products for J&J.

The US-based multinational directly employs 126,500 employees worldwide in 60 countries in R&D, manufacture and sales.



The company spends \$30 billion annually on product procurement, with more than 100,000 suppliers in the pharmaceuticals, chemicals, plastics, manufacturing, metals and transport industries.

It sources and manufactures a broad array of goods in Asia, particularly in China, India, Indonesia, the Philippines, Thailand and Vietnam.

J&J has shown a willingness to uphold workers' rights in its supply chain, but concerns remain around wages and its decentralised approach of leaving responsibility for human rights with its local suppliers in countries that typically have a bad reputation for this.

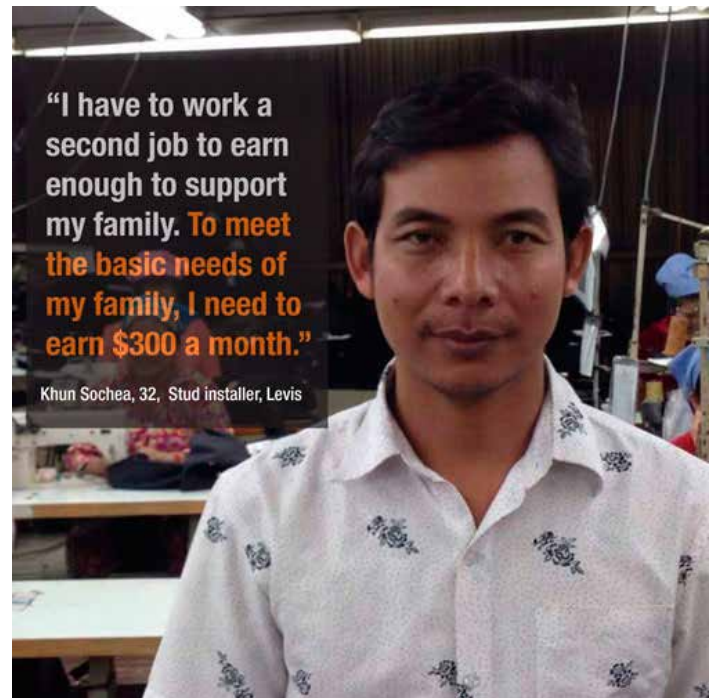
Furthermore, the company conducted audits at just 20 supplier sites, a fraction of its footprint, and these audits revealed labour-practice issues. Minimum wages are also not explicitly part of its suppliers' code of conduct.

Despite committing to source its palm oil sustainably, there are no details regarding how it sources other commodities in its products such as soy, shiitake and seaweed, where low incomes for farmers have been identified.



“I send half my wages home to my mother who takes care of my five year old. I’m working for his future.”

Laarni, 30 Sewer for NY&CO



“I have to work a second job to earn enough to support my family. To meet the basic needs of my family, I need to earn \$300 a month.”

Khun Sochea, 32, Stud installer, Levis

Li & Fung, part of the Fung Group

Business: Trading company

Products: Middlemen for consumer goods of brands and retailers such as Walmart

Headquarters: Hong Kong

Revenue (2014): \$19.3 billion

Country of equivalent value: Papua New Guinea

Cash holdings (2014): \$542 million

Cash returned to shareholders: \$2.8 billion - This could increase the wages of 3.75 million workers by \$747 for a year

Company employees: 26,000

Supply chain workers: 3.75 million (estimate)

CEO pay: \$1.7 million

Tax avoidance: In 2014, the company reached a \$251 million settlement with Hong Kong’s Inland Revenue Department over taxation of its offshore activities.

As part of the Fung Group, Li & Fung is the world’s largest global supply chain manager, acting as a middleman supplier of consumer goods such as clothes, shoes and toys for primarily big brand European and US retailers, such Walmart.

It has a network of 15,000 global suppliers and tends to absorb anywhere from 30-70 per cent of production. This means it both designs and produces market-ready products for sale to large brands; and acts as an outsourcing team for brands, monitoring factories and processing orders to specification for retailers.

To do this, it has a presence in virtually all countries where it operates, including Bangladesh, Cambodia, Indonesia, the Philippines and Hong Kong, where it is headquartered.



LI & FUNG LIMITED

Over the years, Li & Fung has played a central role in the dispersion and fragmentation of the garment supply chain. It demands the cheapest goods for retailers, and exerts market pressure on suppliers to reduce costs.

The company’s chairman has indicated how Li & Fung garment sourcing has shifted away from China, where wages have increased, to lower-cost places such as Cambodia and Bangladesh.

An in-house team carries out factory audits in line with its code of conduct, but it has been criticised for taking little to no responsibility for the role Li & Fung has to play in the safety issues at the factories it sources from.

McDonald's

Business: Food and beverage

Products: Big Mac, McRib, McNuggets

Headquarters: Oak Brook, USA

Revenue (2014): \$27.4 billion

Country of equivalent worth: Mongolia

Cash holdings (2014): \$2.1 billion. 50 per cent of which could increase the salary of 2.8 million workers by more than \$375 for a year

Cash returned to shareholders (2014): \$6.4 billion

Company employees: 420,000

Supply chain workers: 2.8 million workers (Franchises and suppliers) – greater than the population of Vienna, Austria

CEO pay: \$7.2 million

Tax avoidance: Over \$1.1 billion in tax avoidance between 2009 and 2013 in Europe.

As the world's largest fast-food company, McDonald's operates in 119 countries and serves more people per day than France's entire population. It does this through 36,258 restaurants, a workforce of 420,000 and a hidden workforce of 2.8 million.

The US-based corporation earns revenue from franchised and company-owned restaurants.

Almost a quarter of all revenue comes from the Asia Pacific, Middle East and Africa market, with a significant store presence in Hong Kong, Indonesia, the Philippines and South Korea. But it is biggest in China, with more than 2,000 restaurants and more than 100,000 staff.

In recent years, the company has received criticism for the low wages paid to workers across its stores. In the US, McDonald's

low-wage, no-benefits model is estimated to cost taxpayers \$1.2 billion each year due to its workers relying on government aid programs like welfare and food stamps to make ends meet.^{xiii}



The company announced that starting wages of one dollar above the locally-mandated minimum wage would be introduced in 2015 and average wages in excess of \$10 per hour by the end of 2016, but only in company-owned stores in the US.

McDonald's asserts that franchisees "make their own decisions" on workers' pay and conditions. This is being challenged in the US in a case that may have sweeping implications for the industry.

Workers in the US have filed complaints over injuries, such as burns, resulting from understaffing and the pressure to work too quickly. Management often discouraged workers from seeking proper first aid, including telling workers to treat burns with condiments such as mustard.^{xiv}

There have been worker protests at McDonald's stores in Brazil, Hong Kong, Indonesia, Italy, South Korea and in the Philippines, where workers reportedly can make as little as \$1.32 per hour.

Filipino workers this year protested against wage theft by companies including McDonald's after surveys showed employees were required to work an average of 40 minutes at the end of each shift, or 10 per cent of their pay, for free.

In Brazil this year, the company's business model was the focus of a senate hearing into human rights, which heard reports of low pay and poor working conditions locally and tax evasion in Europe.



Nestlé

Business: Food producer
Products: Häagen-Dazs, Nescafé, bottled water, chocolate bars
Headquarters: Vevey, Switzerland
Revenue (2014): \$92.2 billion
Country of equivalent worth: Croatia
Cash holdings (2014): \$14.8 billion. 50 per cent of which could increase the wages of 4.1 million workers by \$1,804 for a year
Cash returned to shareholders (2014): \$8.9 billion
Company employees: 339,000
Supply chain workers: 4.1 million
CEO pay: \$10.6 million in 2013

Tax avoidance: Nestlé's HQ in the Canton of Vaud, Switzerland has a corporate tax rate of 22.8 per cent. But Switzerland is known for offering low-tax rates on dividends and capital gains.

Nestlé is the world's largest food processing company, serving daily more than one billion products, such as baby food, coffee, confectionery and also skincare products.

Across 86 countries, it has 442 factories employing 4.1 million people, or more than the entire population of Los Angeles city.

It works directly with 695,000 farmers worldwide and sources raw materials such as cacao, dairy, sugar, fish, coffee and meat.

It has a significant footprint in Asia, with factory hubs in China,

Bangladesh, Indonesia and the Philippines.

While it made commitments to respect trade union rights in 2013, Nestlé's reputation had previously received criticism for worker rights violations in Southeast Asia. In 2005, a Nestlé trade union representative involved in a long-standing strike over dismissals and benefits in the Philippines was shot dead, and another assassinated in Colombia.

In Indonesia, a lengthy campaign for workers' rights resulted in a complaint under the OECD Guidelines filed by the global union federation IUF with the Swiss National Contact Point, which acknowledged the issue. Nestlé later signed a collective agreement with the workers in the Panjang plant.

The corporation has recently taken steps to improve conditions for its supply chain, committing to benchmark farmer incomes relative to minimum and living wage levels in 21 countries, including Indonesia and the Philippines.

However, the company has not explicitly committed to ensuring living wages are paid to its direct suppliers and to farmers.

In Turkey this year, unions rallied to save the jobs of 28 workers unfairly dismissed by Nestlé for union activity.

In Japan this year, workers said Nestlé's direct interference led to a union in a company to disband, to be replaced with an "employee association".



Nike, Inc.

Business: Sport and leisure
Products: Nike air trainers, sports gear
Headquarters: Beaverton, USA
Revenue (2014): \$27.8 billion
Country of equivalent value: Mongolia
Cash holdings (2014): \$5.1 billion. 50 per cent of which could increase the wages of 2.5 million workers by \$1,020 for a year
Cash returned to shareholders (2014): \$3.4 billion
Company employees: 48,000
Supply chain workers: 2.5 million – greater than the entire population of central Paris
CEO pay: \$19.5 million
Tax avoidance: \$2.1 billion is the estimated US tax bill if permanently reinvested profits offshore were repatriated.

From first selling shoes out of a car boot, Nike, Inc. has grown to be the largest seller of footwear and athletic apparel in the world.

The US-based multinational designs, develops and markets Nike, Jordan, Converse and Hurley products and has outsourced production to 709 factories in 44 countries, almost entirely in Asia.

Nike contracted factories employ more than one million workers

in Vietnam, China and Indonesia and more than 40 other countries. There are more than 2.5 million workers across its supply chain including in Bangladesh, Cambodia, Indonesia, Hong Kong and the Philippines.

Over the years the corporation's reputation has been tainted by accusations of sweatshops and child labour at Nike supplier factories in the 1990s and early 2000s. In 2005, Nike published the list of its manufacturing supplier factories – the first company in the industry to do so.

In 2011, female workers at one of Nike's supplier factories in Indonesia told media they were slapped, kicked and abused while making Converse shoes for 50 cents an hour.

Last year, one of the biggest strikes in mainland Chinese history occurred at a Yue Yuen factory employing 70,000 people making shoes for Nike among others.

However, the company has committed to freedom of association in Indonesia and capped its use of short-term contracts among suppliers at 15 per cent, which no other brand has done.

In Nike's audits of its suppliers, wages and excessive overtime hours constitute eight in ten of all recorded violations. The company refused to join the Bangladesh Accord.



Procter & Gamble

Business: Household goods

Products: Pampers, Tide, Head & Shoulders, Gillette, Duracell

Headquarters: Cincinnati, USA

Revenue (2014): \$83 billion

Country of equivalent value: Lebanon

Cash holdings (2014): \$10.7 billion. 50 per cent of which could increase the wages of 8 million workers by \$669 for a year

Cash returned to shareholders (2014): \$12.6 billion

Company employees: 118,000

Supply chain workers: 8 million (estimate)

CEO pay: \$19.5 million

Tax avoidance: \$44.4 billion permanently reinvested abroad without being subject to US tax, some of this assumed to be sheltered in tax havens where the company has subsidiaries, such as Ireland and Luxembourg.

From its origins making soap and candles for soldiers during the US civil war, Procter & Gamble has grown to become the world's largest household and personal care products company.

The Cincinnati-based multinational sells consumer goods in more than 180 countries, including brands such as Pampers, Head & Shoulders, Gillette and Duracell.

It employs 118,000 people in manufacturing operations in more than 40 countries, including China, India, Indonesia and the Philippines. Its supply chain is massive – last year it purchased \$58 billion worth of products from 80,000 suppliers, encompassing a supply chain of an estimated 8 million people.

In 2011 P&G was fined 211 million Euros for establishing a price-fixing cartel in Europe with Unilever and Henkel.

The company explicitly supports the UN's guiding principles on business and human rights. Its supplier guidelines cover wages, working hours and freedom of association.

However, P&G does not report results from its supplier audits, nor does it provide any details on its actions dealing with insufficient wages and excessive overtime.

P&G also sources raw materials such as tin, tantalum, tungsten and gold through Indonesian smelters, which suggests some sourcing may be done in Indonesia where mining accidents and deaths along with child labour are regular occurrences.



Yue Yuen Industrial Holdings

part of the Pou Chen Corporation

Business: Personal goods

Products: Shoes for Nike, Adidas and Reebok

Headquarters: Yue Yuen-Hong Kong, Pou Chen-Taiwan

Revenue (2014): \$7.8 billion

Country of equivalent value: Eritrea

Cash holdings (2014): \$1.5 billion – 50 per cent of which could increase the wages of 413,000 workers by \$1,816 for a year

Cash returned to shareholders (2014): \$93 million

Company employees: 413,000

Supply chain workers:^{xv} Vertically integrated business^{xvi},

CEO pay: Unavailable from public sources

Tax avoidance: Unreported

The Pou Chen Corporation is the biggest footwear manufacturer in the world, making shoes for big brands such as Nike, Adidas, Reebok, Puma, New Balance, Converse, Asics, Clarks, Timberland, Crocs and Salomon.

A subsidiary of the Taiwan-based company, Yue Yuen Industrial Holdings accounts for a fifth of the global footwear market, making shoes for 60 international brands simultaneously.

It employs more than 400,000 people, its main Asian production occurring in China, Indonesia, Bangladesh, Cambodia, Myanmar and Vietnam. Pou Chen, Yue Yuen's parent company, has massive direct employment but little control over consumer markets – the inverse of firms such as Nike or H&M.

Pou Chen discloses very little regarding workers' rights and does not guarantee a living wage to workers.

In 2014, the company triggered one of the largest strikes in mainland Chinese history: 40,000 workers protested for two weeks over low pay and lack of social security.

In 2015, large strikes took place at its Chinese and Vietnamese plants. A 2011 audit in Indonesia confirmed physical violence, sexual harassment and fee-paying to illegal recruitment agencies. Complaints are regularly filed in Cambodia regarding labour disputes.

Pou Chen has also been accused of refusing to provide pregnant women one paid day off each month to have their health checked, as well as inadequate payment of leave.



Samsung Electronics

Business: Electronics

Products: Phones, televisions, components

Headquarters: Seoul, South Korea

Revenue (2014): \$188.5 billion

Country of equivalent worth: Ecuador

Cash holdings (2014): \$58.5 billion – 50 per cent of which could increase the wages of 1.5 million workers by \$19,500 for a year

Cash returned to shareholders (2014): \$3.2 billion

Company employees: 286,000

Supply chain workers: 1.5 million (estimate)

CEO pay: \$7.8 million

Tax avoidance: Executives of the Samsung Group are suspected of having established paper companies in tax havens. Top-level executives at the Samsung Group are under formal investigation in 2015 over allegations of insider trading.

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Samsung Electronics is the world's second largest tech company by revenue and the world's largest smartphone maker.

The corporation employs more than 285,000 in making smartphones, home appliances and electronic components. Operations are spread across 220 global sites with almost two-thirds of its labour in Asia.

More than 90 per cent of its production is made in-house, unlike most competitors that outsource manufacturing; however, it's estimated Samsung's annual supplier spend of \$135 billion impacts at least 1.5 million workers through subcontractors.



Samsung has attracted criticism for opposing the unionisation of its workers, and has an explicit no-union policy.

In 2011, two Samsung Electronics workers committed suicide by jumping off company dormitories. In 2014, the company agreed to compensate former semiconductor workers who suffered cancers linked to chemical exposure, but appears not to have followed through on compensation in all cases.

Samsung also relies on suppliers in Asian countries like China, South Korea and Indonesia. In South Korea, it was estimated to employ 8,000 workers through in-house sub-contractors to lower costs. That practice was found to be illegal at another Korean manufacturer, Hyundai.

At Samsung's Indonesian sites, there have been cases of worker deaths and allegations of union busting. At its suppliers' sites in Indonesia, there has been union busting and cases of wages paid below the mandated minimum.

Seven & I Holdings

Business: General retailer

Products: Food, accessories

Headquarters: Tokyo, Japan

Revenue (2014): \$55.3 billion

Country of equivalent value: Paraguay

Cash holdings (2014): \$8.3 billion – 50 per cent of which could increase the wages of 370,000 workers by more than \$11,200 for a year

Cash returned to shareholders (2014): \$511.8 million

Company employees: 148,594

Supply chain workers: 370,000 workers at franchise and licensee stores (estimate)

CEO pay: Unavailable from public sources

Tax avoidance: Unreported

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Seven & I Holdings is the Tokyo-based group operator, franchisor and licensor of more than 55,000 7-Eleven convenience stores, serving 57 million people per day across 16 countries.

It has a significant brand presence across Asia, including in Hong Kong, the Philippines, South Korea and Indonesia.

In these countries, 7-Eleven workers are employed by a variety of employers who have licensee agreements with Japan's Seven & I.

Convenience stores in these countries pay low and insufficient wages to employees and 7-Eleven stores have also faced these allegations.



A South Korean employment ministry investigation of convenience stores found violations relating to below-minimum wages in almost a quarter of the 7-Eleven stores visited.

In Australia, it was revealed that up to two thirds of 7-Eleven licensees were deliberately paying workers less than half the minimum wage, with some staff working up to 16-hour shifts without a proper break.

When Hong Kong adopted a minimum wage law in 2012, 7-Eleven licensee Dairy Farm left its income sharing arrangement with its franchises unchanged, creating an incentive for unscrupulous store operators to work around the minimum wage increase.

Siemens

Business: General industrials

Products: Services, power generation, healthcare, trains

Headquarters: Munich, Germany

Revenue (2014): \$90.8 billion

Country of equivalent value: Lebanon

Cash holdings (2014): \$9.7 billion – 50 per cent of which could increase the wages of 4.5 million workers by \$1,077 for a year

Cash returned to shareholders: \$2.7 billion

Company employees: 343,000

Supply chain workers: 4.5 million (estimate)

CEO pay: \$7.1 million

Tax avoidance: Unreported.

Siemens is Europe's largest engineering firm, its main activities in the industrial, electricity generation, healthcare and city infrastructure sectors.

The German multinational conglomerate is best known for its medical diagnostics equipment, fossil fuel and renewable energy technology, trains, and overseeing construction contractors at project sites.

The group employs 343,000 workers at 289 operations worldwide with a significant presence in Asia, across hubs in China, Indonesia and the Philippines.



Its supply chain is extensive: last year it bought EUR €37 billion worth of goods from 90,000 suppliers from generally developing countries.

Siemens' reputation was tarnished in the late 2000s, with its involvement in a price-fixing cartel and having to pay a record \$1.34 billion in fines for serious bribery.

It has signed international framework agreements to respect fundamental worker rights.

Siemens says it endeavours to ensure these principles extend to its supply chain, which lacks transparency. Suppliers must adhere to Siemens code of conduct yet wage provision is vague. Unions say a heavy reliance on self-assessments leaves workers vulnerable.

Audit results are not summarised or reported. Deeper in its supply chain, Siemens' lack of transparency in its sourcing of raw material has caused concern.

Starbucks Corporation

Business: Travel and leisure

Products: Food and beverage

Headquarters: Seattle, USA

Revenue (2014): \$16.4 billion

Country of equivalent value: Niger

Cash holdings (2014): \$1.7 billion – 50 per cent of which could increase the wages of 845,000 workers by \$1,006 for a year

Cash returned to shareholders (2014): \$1.6 billion

Company employees: 191,000

Supply chain workers: More than 845,000 at licensed stores and in coffee supply chain

CEO pay: \$21.5 million

Tax avoidance: In the UK, it paid just GBP8.6 million tax over 14 years despite generating more than £3 billion in sales and is under investigation in the Netherlands.

Starbucks is the world's largest coffee roaster, marketer and retailer. Across 65 countries the Starbucks Corporation operates 21,366 outlets, which is roughly 330 stores per country.

The corporation has received criticism for its tax dealings, especially in Europe.

After reports Starbucks paid just £8.6 million in UK tax over 14 years, despite £3 billion in sales, UK boycotts and protests fol-

lowed. Starbucks later offered to pay a "significant amount" of tax in 2013 and 2014.

The company is currently under investigation in the Netherlands, where it routes significant amounts of its business for tax purposes.

The Seattle-based chain has a large presence in Asia, employing 80,000 people in China alone, while also relying on Asia to source its coffee, tea and manufactured goods. Asian store licensees are generally large companies with the rights to multiple Western brands with large employee numbers.

Some of these have poor labour rights records, such as Maxim Group, the Hong Kong and Vietnam licensee, which has been accused of avoiding employee benefits.

In South Korea, Starbucks has partnered with Shinsegae, a company criticised for anti-union activities.

Starbucks' human rights policy applies to employees; however, the company does not mandate licensees to uphold this policy.

The company has also been involved in various labour disputes and strikes with workers across the US where it has tried to avoid unions. It is known for zero-hour contracts in the UK.





Tesco

Business: Food & drug retailer
Products: Supermarkets and own brand produce
Headquarters: Cheshunt, UK
Revenue (2014): \$106 billion
Country of equivalent value: Ghana
Cash holdings (2014): \$4.3 billion – 50 per cent of which could increase the wages of 2.1 million supply chain workers by \$1,024 for a year
Cash returned to shareholders (2014): \$1.9 billion
Company employees: 510,000
Supply chain workers: 2.1 million (estimate)
CEO pay: \$3 million
Tax avoidance: Estimates of GBP20 million a year in the UK through Swiss partnerships. As of 2013 Tesco had 107 subsidiaries in tax havens.

By share of profits, English supermarket multinational Tesco is the world's third largest retailer. It sells products to 85 million clients a week, which is more than the entire population of Germany.

As of last year Tesco outlets employed more than 510,000 workers at 7,300 stores across the UK, Asia and Europe. It is particularly dominant in the UK, where it is the market leader with almost a third of market share.

Over the years it has diversified from being just a supermarket, selling at low prices a wide selection of licensed and Tesco-branded products including electronics, toys, apparel, food and furnishings.



In 2007 Tesco was investigated over allegations of a price-fixing cartel with other UK supermarkets. It has also attracted criticism for its tax avoidance schemes with Swiss partnerships that are estimated to help it escape £20 million in UK taxes.

The multinational relies on suppliers in more than 70 countries, particularly in Asia including Bangladesh, Cambodia, Indonesia, China, Thailand and India.

Tesco has taken some positive steps regarding wages in its supply chain, including becoming the first retailer to promise a living wage to banana workers by 2017, but this was not extended to workers in its apparel supply chains.

Last year Tesco's reputation was tarnished by revelations it sourced prawns from the Thai-based CP Foods, which bought fishmeal from suppliers associated with Burmese slave labour. Other retailers cut ties with CP Foods, yet Tesco maintained its supplier, saying it preferred to work with suppliers and audit all Thai shrimp feed mills involved in the UK supply base and associated supply chains.

Walmart

Business: General retailer

Products: Walmart discount department and hypermarket stores

Headquarters: Arkansas, USA

Revenue (2014): \$485.6 billion

Country of equivalent value: Vietnam

Cash holdings (2014): \$9.1 billion – 50 per cent of which could increase the annual salary of 2.2 million employees by more than \$2,000

Cash returned to shareholders (2014): \$7.2 billion

Company employees: 2.2 million, the population of central Paris

Supply chain workers: 10 million (estimated)

CEO pay: \$19.3 million

Tax avoidance: Avoids paying \$1 billion to US treasury annually. Reportedly uses 78 subsidiaries to shelter up to \$76 billion in overseas profits.^{xvii}

Walmart is the world's largest retailer, employer and company by revenue. Last year the multinational corporation generated \$486 billion.

Across more than 11,000 stores in 27 countries Walmart employs 2.2 million employees.

The company's purchasing power puts it at the centre of global supply chain logistics. Its headquarters, Bentonville, has been nicknamed "Vendorville" as a result of 1,300 suppliers that have set up office in the small Arkansas town to be near their main client.

Walmart purchases massive volumes of licensed brand products including electronics, toys, apparel, food and furnishings. It is also the largest purchaser of private-label brands in the US. For example, its purchases account for 14 per cent of all Procter & Gamble's revenue.

The corporation has received criticism for its business model, which is reported to destroy independent retail trade in small towns within a few years of a Walmart store opening.

A 2004 Pennsylvania State University report found that US counties with Walmart stores suffered increased poverty compared to those without, possibly due to displacement of workers, less local leadership or reduced social capital.

Another US study showed prices at a recently arrived Walmart in one town were 17 per cent lower than those an already established Walmart in another town where all competition had already been destroyed.

In regards to tax, recent reports reveal Walmart has a web of 78 subsidiaries and branches in offshore tax havens where it is sheltering up to \$76 billion in overseas profits^{xviii}.



In regards to labour, Walmart has received criticism for poverty-level wages, poor working conditions, inadequate health care and hostility toward organised labour and unions. The latter includes illegally disciplining strikers, and training managers to criticise unions to new employees. About 70 per cent of employees leave in the first year.^{xix}

It's estimated that US taxpayers provide roughly \$1 billion in annual welfare to Walmart employees on low wages and benefits.

Following the Rana Plaza tragedy, Walmart refused to join the Bangladesh Accord, instead joining a business-led initiative with no union involvement. Despite being the world's largest retailer, the company has only donated \$1 million to the Plaza victims' trust fund.

The company's supply chain social responsibility commitments have been deemed deficient. Walmart's internal standards for suppliers are different for each country, meaning building safety standards are less stringent in Bangladesh than other countries.

Although the company has acknowledged unauthorised sub-contracting, it sources fish products from Thai Union, a company proven to source fish products from an Indonesian region where every fish sold is associated with slavery according to the UN and the US.

Many of these slaves come from Myanmar, but end up going through Thailand to fish in Indonesia.





“My mother takes care of my daughter.
We need childcare, that would make a difference for women in Turkey.”

Uzgul, 37, Cleaner in Turkey



“From the moment you punch in **the company owns you.** By keeping us on month by month contracts, we’re easier to replace if we can’t work overtime.”

Melvin, 33 Sewer for NY&CO

The Walt Disney Company

Business: Media

Products: Toys, apparel, furnishings, entertainment, theme parks

Headquarters: Burbank, California

Revenue (2014): \$48.8 billion

Country of equivalent value: Cambodia

Cash holdings (2014): \$3.4 billion, 50 per cent of which could increase the wages of 1.63 million workers by \$2,086 for a year

Cash returned to shareholders (2014): \$8 billion

Company employees: 180,000

Supply chain workers: 1.45 million (estimate)

CEO pay: \$46.5 million

Tax avoidance: Aggressive yet legal tax scheme enables it to pay effective tax rate of 0.3 percent on more than EUR1 billion in profit.

The Walt Disney Company invented some of cinema’s favourite animated characters and has since grown to become a multinational mass media and entertainment conglomerate.

The firm is also involved in merchandising and is the world’s largest product licensor for branded items such as toys, apparel, footwear and home furnishings.

Disney products are produced in roughly 29,000 factories across more than 100 countries, with just under a third of all factories in China.

Disney’s vendors have facilities in Hong Kong, Indonesia and the Philippines. It’s estimated that Disney licensees also use factories in these countries but that information is not disclosed.



WALT DISNEY World Company

Disney engages in aggressive yet legal tax avoidance, transferring profits through Luxembourg, enabling it to pay an effective tax rate of 0.3 percent on more than €1 billion in profit.

The company has failed to ensure adequate wages in its supply chain, with no mention of a living wage in the company’s code of conduct. Facility audits have revealed continued violations of this code in regard to minimum wages and overtime.

A recent investigation of a Chinese manufacturing facility producing toys for Disney concluded that labour rights at toy suppliers might be deteriorating relative to other industries. Disney says its ability to change this is limited to facilities with which it has a long-term relationship. However, the majority of Disney products are made by licensees whose production facilities are “changing constantly”.

Disney has withdrawn its operations from Bangladesh after the country was included in a list of permitted sourcing nations where factories participated in the ILO/International Finance Corporation Better Work program. This meant Disney avoided helping to make Bangladesh’s garment industry safer.

The company has also failed to compensate victims of the Tazreen factory fire, one of its source locations prior to leaving Bangladesh.

Share buybacks: how company cash holdings aren't being invested in wages

The world's largest multinational corporations have the ability to engage in terms of trade that would see increased benefits for workers in their supply chains.

At the end of 2014, the cash holdings of the world's top 5,000 MNEs stood at an estimated \$4.4 trillion, nearly twice as much as before the financial crisis.^{xx}

Companies can choose to put that money in the pockets of shareholders through share buybacks or dividend pay-outs. Or they can invest into their own corporate activities, capital expenditure, which could include building long-term relationships with suppliers and decreasing precarious work.

In the US, companies are ploughing money back into the pockets of shareholders in the form of

share buybacks at unprecedented levels: 2015 is on pace to reach \$1.2 trillion worth of announced buybacks and shatter the 2007 record of \$863 billion.

In April 2015, Apple and General Electric announced new buyback programs each of \$50 billion – the largest ever for an individual company^{xxi}.

MNEs have the wealth that is necessary to ensure that decent wages and working conditions are provided when they enter into contractual relationships with suppliers.



4. Evidence of forced labour in global supply chains

Forced labour from field to fork

Most supermarkets peddle their wares using pleasing rural imagery. Product packaging features green fields, jolly farmers and happy cows. Commercials depict a sense of community and cohesion – the world of agriculture brought seamlessly to the plate of the satisfied consumer, with happy families grateful for a good meal at an affordable price.

Yet this imagery is highly deceptive. Beneath the surface it hides a world of exploitation and violence. From Spain^{xxii} to South Korea^{xxiii}, Italy^{xxiv} to the US^{xxv} and UK^{xxvi}, agricultural workers face abuse, coercion and under-payment. Whether research is conducted by academics, unions or by NGOs, the conclusion is always the same: illegal and even forced labour is a norm in agriculture, rather than an exception^{xxvii}. The products that supermarkets sell are far from exploitation-free, far from the happy harmony they pretend.

To give just one recent example, research by UK academics for the Joseph Rowntree Foundation^{xxviii} shows debt bondage, violence, worker bullying, excessive hours and abusive labour brokerage to be commonplace. Migrant workers are especially vulnerable. And no single supermarket can boast supply chains untainted by these practices.

When analysing what causes this situation, it is hard to escape the conclusion that market concentration matters. The global food system is shaped like an hour-glass. At the bottom, masses of farmers produce to sell to masses of consumers at the top. Yet everything goes through the bottle-neck middle that is comprised of a tiny number of vast supermarkets.



▲ Photo: Greenpeace

These supermarkets have unprecedented power, and this enables them to set extremely exploitative terms of trade. They impose harsh contracts and demand low prices – leading to labour sub-contracting, illegality, workforce casualisation and exploitation. As food scholar Sébastien Rioux puts it: “Retailers’ hold over global food production... creates the conditions of insecurity under which forced labour flourishes. Forced workers are not victims of greedy and morally bankrupt individuals. They are the living reality of a violent economic environment where food retailers’ rising profits and market power go hand in hand with food producers’ chronic insecurity and poverty^{xxix}.”



Exploitation in your electronics

Tech giants place great stock in providing the consumer with “the right product, made in the right way”. Companies like Apple don’t just sell you things – an iPhone or a MacBook – they sell you an idea. The idea is that your every purchase is good, in both the moral and the economic sense. They want you to believe that what you’ve just bought isn’t only good value for money, it’s also good for the man or woman who made it. Because it was made in the right conditions by workers treated fairly.

Apple makes this loud and clear in its latest Progress Report on Supplier Responsibility. “To make truly great products”, they state, “we feel it’s crucial to build them in ways that are ethical and environmentally responsible”^{xxx}. Samsung describes its supplier philosophy as one of “openness and fairness”, centred on respect for worker rights^{xxxi}, while Philips professes commitment to every international labour standard^{xxxii}.

Yet these ideals are often not translated into reality. Recent research by academics^{xxxiii} and audit firms^{xxxiv} show labour violations to be common in electronics supply chains, particularly in East Asia.

Malaysia is a massive exporter of electronics goods, and almost all of the largest global firms source from Malaysian suppliers. Many own and operate their own facilities in the country. But despite presumably close oversight of these facilities, abusive labour practices are widespread. Verité, an ethical audit NGO, recently conducted large-scale research among Malaysian suppliers using a representative sample of 500 workers. They concluded that almost a third are in situations of forced labour. Many enter debt bondage simply to get a job in the first place, and once there, suffer more abuse. Living conditions are poor, female workers face sexual harassment, and migrants work unpaid overtime under threat of losing their jobs.

Though refusing to name and shame any individual company, Verité chief executive, Dan Viederman, admits that this affects almost all major international brands working in or sourcing from Malaysia. “This work has led us to conclude that forced labour in this industry is systemic,” he said. “And that every company operating in this sector in Malaysia faces a high risk of forced labour in their operations^{xxxv}.”

Apple sources most of its products from China. It uses giant supplier firms across the country – most notably Foxconn – and these employ millions of workers. Despite their well-publicised commitment to ethical production, NGO and academic research reveals a litany of labour violations at Apple’s Chinese supplier factories.

These violations include forced overtime, underpayment of social or medical insurance, illegal and unreported use of student workers, regular managerial intimidation, an inability to resign with entitlements paid, and no real opportunity for workers to find redress for their concerns. At Foxconn factories in Chengdu, workers polishing the iPad’s aluminium case have been documented doing so without appropriate safety-equipment, exposing them to a daily smog of aluminium dust. In 2011, the accumulation of that dust in one factory’s air vent caused an explosion killing four people.

A major factor in creating these conditions is the squeeze that Apple puts on its suppliers. Those suppliers depend on Apple contracts for their existence, meaning that Apple can and will call the shots. In order to win its battle with rivals like Samsung, Apple dictates price-setting and the timing of product delivery.



▲ Photo: IndustriALL

At times, this results in intense pressures for supplier firms like Foxconn, which are then passed on to workers in terms of overtime and health and safety hazards. This is in a context where for every \$499 a US consumer pays for an iPad, Apple takes \$150, its mega-suppliers \$75, and the average Chinese worker only \$8.

Rapacious retailers

As with agriculture and electronics, market concentration in the retail sector poses massive problems for suppliers lower down the supply chain and for the workers propping the system up from the bottom. Indeed, the unrivalled power of top-tier firms to set prices, impose conditions, demand just-in-time production or even cancel orders makes life in a retailer-dominated supply-chain a dangerous place to be.

Of all the major retailers, none exemplifies this rapaciousness better than Walmart. The biggest retail firm in the world, Walmart sources from tens of thousands of suppliers to sell to over 100 million consumers. Although Walmart claims that “the safety and well-being of workers across our supply chain is [our] top priority^{xxxvi}”, careful research from academics and NGOs paints an altogether different picture^{xxxvii}.

In the report, *Walmart in China*, Chinese and American scholars documented the labour abuses prevalent in the Walmart supply chain and revealed how little effect the company’s cursory audits have had on actually protecting labour conditions. Forced overtime, regular coercion and union-busting are all troubling features. And worse still, as Yu Xiaomin and Pun Ngai’s research found no discernible difference between Walmart’s audited and non-audited factories.

Within vast product chains of the type coordinated by Walmart, lead firms impose very short-term contracts, fine suppliers for late processing and at times cancel orders with little or no notice. What this means is that suppliers experience huge pressure from above, leading them to adopt ever more problematic, irregular, and exploitative labour practices to both meet their orders and stay in business.

Dr. Neil Howard
European University Institute

5. Testimony from Cambodia: Low wage workers in global supply chains



Try Soknim

32 years old

Kandal Province, Cambodia

▲ Photo: CLC

I have worked at the Great Honour Textile Factory Ltd. since 11 February 2004. I began with a three-month probation contract and in May 2004 I started an Un-determined Duration Contract. Before Great Honour, I worked at the Yang Wah I Factory for one week, but left because they made me work 12 hours a day.

My salary is \$128 per month before overtime. I also earn a transportation allowance of \$7 per month and an attendance bonus of \$10 per month. I have a seniority bonus of \$11 per month – one dollar for every year I have been at Great Honour. A proportionate amount of money is deducted from my salary and attendance bonus

when I take leave with permission. My regular working hours are Monday through Saturday, 7.00a.m. until 4:30 p.m., with a lunch break between 11 and 12:30. In December 2013, my supervisor told me I could no longer work overtime because there was not enough work to do.

My salary does not cover my basic necessities. I will need to make \$177 to be able to afford food and rent for each month.

My job is to knit separate parts of clothing together. I am supposed to complete 12 whole pieces of clothing per day. Some pieces of clothing are more complicated than others and take longer to complete. Whenever I cannot complete 12 pieces in eight hours, my supervisors insult me.

I have been electrocuted three times after touching the machine I work with, but I did not complain to management.

I am not allowed to take any breaks during working hours.

I have seen supervisors physically abuse a worker on two occasions. The first time, the manager pushed a worker for talking too much. The second time, the manager punched someone for leaving early, but it was after regular working hours.

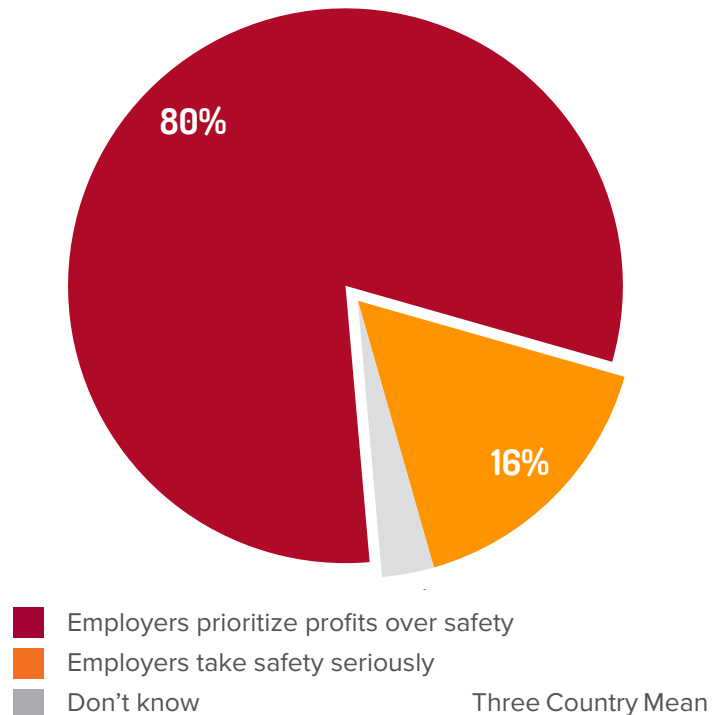
I have been a member of CCAWDU since 2010, and the Secretary of CCAWDU since 2011. Before I joined CCAWDU, my supervisor threatened that I would be fired if I joined. Management continues to harass me for being a member.

At the end of 2010, 247 workers were fired for signing a petition demanding that the factory pay them the legal minimum wage. CCAWDU was able to get them all reinstated.

I have seen a labour inspector come about once a year since I began work in 2004. At least two times I know that they worked for the brands. Some of the brands made at the factory are GU, United Colors of Benetton, New Look, Alia and Bershka. The inspectors never talk to workers.

ITUC Frontlines Poll Business prioritize profits over safety of workers

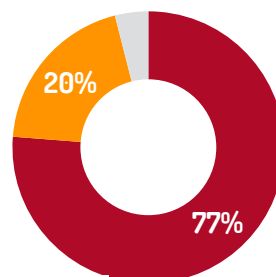
Indonesia, The Philippines, Turkey



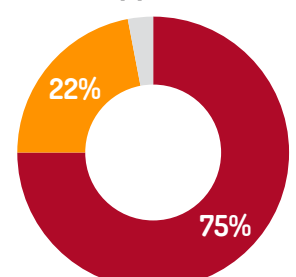
ITUC Frontlines Poll Business prioritize profits over safety of workers

(by country)

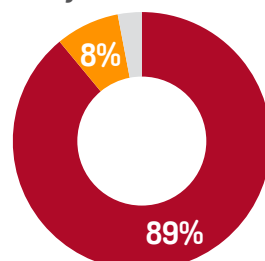
Indonesia



The Philippines



Turkey



- Employers prioritize profits over safety
- Employers take safety seriously
- Don't know

6. Scandal reportage: Episode previews

From your mobile phone, to the food you eat, watch the stories of the workers behind the products which you use every day and share #endcorporategreed

1. Apple Inc – The Human Tragedy

They make the electronic gadgets that billions around the world rely upon. But who is looking after the workers throughout Apple's supply chain? This look behind the scenes reveals the real stories of workers assembling the products that make Apple Inc one of the world's most profitable companies. #EndCorporateGreed

<http://www.ituc-csi.org/apple-tragedy>



2. A toxic workplace – ASM International in China



For two years Ming Kungpeng worked at a factory owned by Dutch company ASM International. His bosses told him the deadly chemicals he used everyday were safe. After battling leukaemia caused by chemical exposure, Ming killed himself after ASM refused to cover his full medical costs. #EndCorporateGreed

<http://www.ituc-csi.org/asm-toxic>

3. In the Basement: T-Mobile USA Deutsche Telekom Germany

A man is called down to the basement of a New York store. Interrogated by T-Mobile company managers for hours, he is told to vote "no" to the union. This is the true story of the "Harlem 7", a group of workers who stood up to company oppression and voted to form a union. T-Mobile USA is owned by the German company Deutsche Telekom. Share this video and tell @Tmobile @deutschetelekom #WeExpectBetter www.weexpectbetter.org

<http://www.ituc-csi.org/dt-basement>



4. McPriceless – why workers fight for 15

84% of McDonald's workers say they have experienced wage theft:



What's the true cost of McDonald's paying low wages to its workers? Watch here and see the real need for a minimum living wage.

www.fightfor15.org

<http://www.ituc-csi.org/McPriceless>



5. The true cost of Walmart's low prices

How can a Walmart T-shirt cost just \$5.97? Walmart is the world's largest retailer and one of the world's biggest employers, but US employees are paid below-poverty-line wages and workers at its global suppliers are treated even worse. See the true cost of Walmart products in a supply chain that relies on low pay, dangerous warehouses and extreme cost-cutting.

<http://www.ituc-csi.org/cost-walmart>



6. Made in Kyrgyzstan



Working 12-hour days for as little as \$47 a week, Kyrgyzstan's textile workers are essential to the central Asian country's economy. Around 90 per cent of garment workers are women and most come from rural areas. Watch their story and see how their union is making factories safer and improving working lives.

<http://www.ituc-csi.org/made-in-kyrgyzstan>

7. Children at work: India's gemstones

Jaipur is the centre of India's gemstone industry, where thousands of children work to cut and polish rubies, opals, emeralds and other precious stones. Some are paid as little as \$8 a month in an industry worth \$39 billion a year. See their story behind the scenes.

<http://www.ituc-csi.org/india-gemstones>



8. Citra Mina, what's the catch for workers?



Tuna exporting giant Citra Mina is one of the Philippines's biggest seafood suppliers. The company makes billions of dollars in sales to the European, Asian and North American markets, while workers endure a grim reality of precarious work and labour standards violations. A must-see.

<http://www.ituc-csi.org/citra-mina>

9. Union-busting at a Samsung & Apple supplier

Workers at NXP Philippines, a company producing chips for Samsung and Apple, were laid off for asking for a deserved pay rise. The company's plan? Union-busting. But they didn't expect the huge public support for the Filipino workers.

<http://www.ituc-csi.org/NXP-Philippines>



Appendix

Methodology

The following methodology was used to establish the 50 companies that are among the world's multinationals with the largest employment and/or supply chain footprint in Asia – with a focus on Bangladesh, Cambodia, Indonesia, Hong Kong and the Philippines.

1. Identified FT Global 500 www.ft.com/intl/cms/s/2/1fda5794-169f-11e5-b07f-00144feabdc0.html#axzz3q0dOHDHo
2. Retained companies in the following sectors: 1. Beverages; 2. Electronic & electrical equipment; 3. Food & drug retailers; 4. Food producers; 5. General industrials; 6. General retailers; 7. Health care equipment and services; 8. Industrial transportation; 9. Leisure goods; 10. Media; 11. Personal goods; 12. Pharmaceuticals; 13. Software and computer services; 14. Technology hardware and equipment; 15. Travel and leisure.
3. Ranked companies according to: 1. Top 50 revenue earners; and 2. Top 50 employers
4. Added companies (biggest employers in the world) using data compiled by S&P Capital IQ (247wallst.com/special-report/2014/08/21/15-biggest-employers-in-the-world/)
5. Among remaining companies, identified key consumer brands in the world (www.millwardbrown.com/BrandZ/2015/Global/2015_BrandZ_Top100_Chart.pdf).
There were 79 companies that fit into at least one of the three categories: 1. Top 50 revenue earners; 2. Top 50 employers; 3. Top consumer brands.
6. Analysed corporate disclosure and national websites to identify employees at company installations, outlets or suppliers based in Bangladesh, Cambodia, Indonesia, Hong Kong and the Philippines, before narrowing down the list to 42 companies.
7. Eight companies added to group that feature in the Forbes 2000 from various industries and that have significant: 1. Employees at company installations or outlets; or 2. Suppliers based in Bangladesh, Cambodia, Indonesia, Hong Kong and the Philippines. These companies were 3M, Philips, VF Corporation, Gap, Maersk, Carrefour, Li & Fung, Mondelez International.

Company	Business Sector	Sales (USD M) 2014	Employees	Supply chain workers Est	HQ Country	Region
3M	General industrials	31,821	89,800	2,000,000	USA	USA
Amazon	General retailers	89,000	154,100	1,000,000	USA	USA
Apple	Technology hardware & equipment	182,795	98,000	2,300,000	USA	USA
Carrefour	Food & drug retailers	101,200	381,227	3,300,000	France	Europe
Cisco Systems	Technology hardware & equipment	48,100	74,042	421,000	USA	USA
Coca-Cola Company	Beverages	46,052	129,200	5,700,000	USA	USA
Compass Group	Travel & leisure	27,647	514,718	1,750,000	UK	Europe
Deutsche Post DHL Group	Industrial transportation	68,476	488,824	401,000	Germany	Europe
FedEx	Industrial transportation	45,567	166,000	209,000	USA	USA
G4S	Private security	11,300	623,000	124,600	UK	Europe
Gap Inc	General retailers	16,400	150,000	1,000,000	USA	USA
General Electric	General industrials	148,589	305,000	7,500,000	USA	USA
H&M	General retailers	20,298	132,000	1,600,000	Sweden	Europe
Hewlett-Packard	Technology hardware & equipment	111,454	302,000	661,400	USA	USA
Hitachi	Electronic & electrical equipment	93,181	320,725	1,300,000	Japan	Asia
Hon Hai Precision Industry (Foxconn)	Electronic & electrical equipment	133,178	1,290,000	510,000	Taiwan	Asia
IBM	Software & computer services	92,793	425,000	1,700,000	USA	USA
Ikea	General retailers	32,400	147,000	1,656,200	Sweden	Europe
Inditex	General retailers	22,539	137,000	1,776,650	Spain	Europe

*Companies marked in bold are reviewed with a company profile.

Company	Business Sector	Sales (USD M) 2014	Employees	Supply chain workers Est	HQ Country	Region
Intel	Technology hardware & equipment	55,870	106,700	1,600,000	USA	USA
ISS	Services	13,200	510,968	200,000	Denmark	Europe
Johnson & Johnson	Pharmaceuticals & biotechnology	74,331	126,500	5,000,000	USA	USA
Li & Fung	Trading Company	19,300	26,000	3,750,000	Hong Kong	Asia
L'Oréal	Personal Goods	27,245	78,611	537,500	France	Europe
McDonald's	Food and Beverage	27,441	420,000	2,802,500	USA	USA
Moller-Maersk	Industrial transportation	43,627	89,207	5,500,000	Denmark	Europe
Mondelez International	Food producers	34,244	104,000	1,500,000	USA	USA
Nestlé	Food producers	92,165	339,000	4,100,000	Switzerland	Europe
Nike	Personal goods	27,799	48,000	2,500,000	USA	USA
Panasonic	Leisure goods	74,967	271,789	750,000	Japan	Asia
PepsiCo	Beverages	66,683	271,000	6,000,000	USA	USA
Philips	General industrials	25,866	105,365	1,000,000	Netherlands	Europe
Procter & Gamble	Household goods	83,062	118,000	8,000,000	USA	USA
Randstad Holding NV	Business and personal services	22,900	28,720	600,000	Netherlands	Europe
Samsung Electronics	Leisure goods	188,476	286,284	1,500,000	South Korea	Asia
Seven & I	General retailers	55,304	148,594	370,000	Japan	Asia
Siemens	General industrials	90,808	343,000	4,500,000	Germany	Europe
Sodexo SA	Business and personal services	24,500	419,317	4,000,000	France	Europe
Sony	Consumer electronics	75,265	140,900	750,000	Japan	Asia
Starbucks corporation	Food and beverage	16,448	191,000	845,000	USA	USA
Target	General retailers	72,618	347,000	1,600,000	USA	USA
Tesco	Food & drug retailers	106,461	510,444	2,100,000	UK	Europe
The Walt Disney Company	Media	48,813	180,000	1,450,000	USA	USA
Unilever	Personal goods	58,568	173,000	7,600,000	Netherlands	Europe
United Parcel Service	Industrial transportation	58,232	435,000	100,000	USA	USA
VF	Personal goods	12,282	59,000	1,312,500	USA	USA
Wal-Mart	General retailers	485,651	2,200,000	10,000,000	USA	USA
Woolworth's	Food and drug retailers	57,502	198,000	408,500	Australia	Asia
be Yue Yuen Industrials / Pou Chen Corporation	Personal Goods	7,839	413,000	unknown	Taiwan	Asia
Yum Brands	Travel & leisure	13,279	537,000	1,265,000	USA	USA

*Companies marked in bold are reviewed with a company profile.

End notes

- i ITUC Global Rights Index 2015
- ii <http://www.investopedia.com>
- iii Value of company revenue compared with GDP of country
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- v <http://www.bfmtv.com/politique/les-5-enseignes-francaises-de-grande-distribution-accusees-d-evasion-fiscale-400634.html>
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- xv Vertically integrated business. <http://www.yueyuen.com/index.php/en/about-us-2/intro/553-corporate-profile>
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