

## Micro-Distribution Centers (MDCs)

## Human Rights Assessment Tool



## Global Workplace Rights



If you have questions about human rights or related issues, contact the Global Workplace Rights Department at [humanrights@coca-cola.com](mailto:humanrights@coca-cola.com)

## Why Conduct a Human Rights Due Diligence Assessment?

The Company's success is built on high standards of quality, integrity and excellence. We are committed to being a valued member of the communities in which we operate. Our Human Rights Statement, Workplace Rights Policy and Supplier Guiding Principles confirm the Company's commitment to respecting the human rights of our employees, those in our supply chain and in the community.

There is an increasing expectation from our customers and from the public that we will demonstrate our respect for human rights across our value chain. This expectation includes understanding the possible human rights impacts of our business relationships and actions, including agriculture, plant siting, production and product distribution.

Each step in our value chain has different risks and challenges that may vary regionally. By conducting a human rights assessment at the outset, we can identify and mitigate human rights risks upfront. If an issue is identified, community engagement should be at the heart of any mitigation strategy.

More information is available at: <http://www.coca-colacompany.com/our-company/human-workplace-rights>

Classified - Internal use

## How Do I Use This Assessment Tool?

The purpose of this Assessment is to identify the potential human rights-related risk as the result of MDC activities. The Assessment questions will require you to identify:

- ✓ Low risk activities
- ▲ High risk activities

A low risk identification means that there is a low human rights-related risk with respect to that activity and further action may not be necessary or that a limited and manageable response action may mitigate or eliminate the risk. A high risk, on the other hand, suggests that further inquiry or action may be needed in order to mitigate potential human rights-related risk. In the case of an identified risk, one or more of the following actions could be taken:

- ☑ Perform the action suggested in the assessment question.
- 📖 Obtain further information about the subject matter before determining next steps.
- 👤 Contact internal subject matter experts (SME) (e.g., Global Workplace Rights, Legal, Environmental, etc.) for further guidance on addressing the situation.
- ↔ Engage MDC in activity

**This human rights self-assessment tool focuses on the principal indicators of potential human rights impact. The questions are not exhaustive and local conditions may require examination and remediation of additional factors.**






## Micro-Distribution Centers

The Micro Distribution Center (MDC) model helps service small-scale retail outlets located in dense urban areas where truck delivery is not efficient and where smaller, more frequent deliveries are required. MDCs have created jobs, promoted entrepreneurship and strengthened local economies. By 2011, more than 2,800 small distribution businesses had been formed, creating direct employment for more than 13,000 people in East Africa.

This model has provided an opportunity for many entrepreneurs to become business owners and to, in turn, hire other workers. Despite the small scale of many of these workplaces it is important to uphold the values of The Coca-Cola Company and to respect human and workplace rights. This checklist is intended to help MDC operators support positive work environments and mitigate risks associated with the safety and wellbeing of their workforce. For example, respecting work hour restrictions helps ensure the workforce can remain satisfied and productive; maintaining a clean workplace helps protect workers and the product.

For greater detail on the implementation of Supplier Guiding Principles, please visit: <http://www.coca-colacompany.com/our-company/supplier-guiding-principles>

## The Human Rights Due Diligence Assessment

**KEY:**  Low risk activity  High risk activity  Perform Action  Obtain further info  Contact SME  Engage MDC

### Business and Employee Records

1. Are records kept for permanent and commissioned workers (payroll, timecards, age documentation, training records)?

YES  NO   

2. Does MDC managers verify the age of workers and communicate age restrictions for assistants?

YES  NO    

### Wages and Hours of Work

*Respecting wage and hour laws help ensure workers remain motivated and productive*

3. Are minimum wage laws respected with respect to all workers? Are permanent and commissioned workers paid the same for regular and overtime work?

YES  NO   

4. Do workers get paid for all time worked (offloading, reconciling sales, etc.)? Are mandated social benefits provided (social security, workers' compensation)?

YES  NO    

5. Does MDC refrain from deducting worker wages for lost product (accidents/breakages) or otherwise causing workers to be indebted?

YES  NO    

6. Do workers receive pay slips clearly stating hours worked and wages earned?

YES  NO    

7. Are statutory hours of work, overtime and rest day requirements complied with?

YES  NO   

### Health and Safety:

*Maintaining a safe and healthy workplace protects workers as well as the product*

8. Do workers receive health and safety training and functional personal protective equipment (reflective vests, safety shoes, gloves for sorting, etc.)?

YES  NO    



9. Is safety equipment functional and safe (brakes, handles, reflectors, etc.)?

YES  NO    

10. Are workers' loads within weight limits?

YES  NO    




11. Are first aid kits available and stocked?

YES  NO 




12. Is the MDC prepared for a fire or other emergency?

YES  NO    

13. Are cases stacked to acceptable height to avoid falling? Are aisles clear?

YES  NO   

14. Are containers properly ventilated?

YES  NO   

### Other Potential Issues

15. Does the MDC prohibit verbal or physical abuse and harassment?

YES  NO    

16. Do workers have a mechanism to express grievances?

YES  NO    