

Asset Owner Child & Forced Labor Due Diligence Question Bank

September 9, 2025

This question bank is designed as a supplement to the one-pager to assist the investment team in evaluating and monitoring General Partners (GPs) with heightened risk of child labor & forced labor within their investment portfolios. Please feel free to select the supplementary question(s) that are most relevant to your situation.

Risk Evaluation

1. **Industry Risk:** What proportion of the Firm's portfolio companies operate in food/meat processing, apparel and other manufacturing, and other industries prone to child and forced labor practices?
2. **Labor Risk:** What proportion of the Firm's portfolio companies utilize a high degree of temporary work force, either obtained directly or through staffing agencies?
3. **Documentation risks:** What proportion of the Firm's portfolio companies utilize e-Verify as part of their background screening of staff (full time, temporary and sourced from staffing agencies)?
 - a. What other processes and/or systems are in place for background screening?

Pre-Acquisition Diligence: GP-Level

4. **Pre-Acquisition:** What is the Firm's screening, due diligence, and risk management processes prior to making an investment, to protect against child labor & forced labor violations?

Post-Acquisition Monitoring: GP-Level

5. **Post-Acquisition:** Describe the Firm's processes, if any, to monitor and verify the portfolio companies and supply chains, post-acquisition. If applicable, are portfolio companies typically members of organizations such as the Fair Labor Association?
6. **Compliance:** How are portfolio companies' policies (e.g., Compliance Manual or Code of Conduct/Code of Ethics) supervised, monitored and enforced? What is the process for periodic reviews and updates?

7. **Whistleblowers:** Describe the Firm's policies and protections for whistleblowers.
8. **External Vendors:** Does the Firm work with any external vendors to monitor and manage child labor & forced labor violation risk? Do the services of these external vendors apply to suppliers?
9. **Audits:** What role do audits play in verification of suppliers and sub-suppliers sourcing and labor practices? What steps does that company take to address the limitations of auditing in identifying child and forced labor?

Post-Acquisition Monitoring: Portfolio Company-Level

10. **Tracking:** What existing systems do portfolio companies rely on to track their efforts to prevent and address child labor & forced labor impacts?
 - a. Is tracking based on appropriate qualitative and quantitative indicators (e.g., indicators derived from ILO child labor conventions, developed by the company, an industry association, an MSCI) or in a reporting framework?
11. **Risk Assessment:** Do portfolio companies have a process in place to identify and assess risks and impacts related to the minimum age policy & forced labor policy within the company's operations and value chain?
12. **Age Monitoring:** Do portfolio companies have a process in place for monitoring, reporting and managing cases where children below the minimum age are discovered? And where cases of forced labor are discovered?

Employees

13. **Employee Training:** Do portfolio companies have any policies or hold any employee training related to child labor & forced labor to increase awareness? (i.e. detection, reporting, whistle blowing, etc.)
 - a. Identify how the policies are communicated to employees and any training employees receive related to the policies.

Violations

14. **Reporting:** Provide context into how violations of the Firm's policies are reported and managed.

- a. How does the Firm communicate with LPAC and Limited Partners about any compliance or other issues that regulatory bodies (such as the SEC) identify during an examination?
15. **Compliance:** Has the Firm had any compliance issues related to labor practices? If so, please describe whether they have resolved been remediated and whether the Firm is currently in compliance.
16. **Violations:** Have any of the portfolio companies or properties (where the Firm had a significant or controlling interest) within the Fund family ever been under investigation for violation of child/forced labor laws?
- a. Describe any situation in which a portfolio company or property (where the Firm had a significant or controlling interest) within the Fund family has been under investigation for violation of child/forced labor laws.
17. **Severity:** If child labor or forced labor is discovered in your portfolio or supply chain, gauge its severity
- a. Scale: how grave is the impact (e.g., is it a worst form of child labor)?
 - b. Scope: what is the number of children/workers affected?
 - c. Remediability: can the affected children/workers be restored to a situation they were in before they were harmed?
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Support

18. **Responsible Investing (“RI”) Reporting:** Does the Firm have child labor or other labor-related SDG targets as part of the Firm or Fund's Responsible Investing reporting?
- a. Describe how the Firm incorporates children-related considerations into Responsible Investing and impact assessments, as well as any other organizational risk assessments, as applicable.
 - b. Describe how the Firm incorporates forced labor-related considerations into RI and impact assessments, as well as any other organizational risk assessments, as applicable.
19. **Stakeholder Communication:** In what ways does the Firm communicate with stakeholders, including potentially affected stakeholders and their representatives, about its efforts regarding child labor & forced labor?
20. **Broader Support:** Do portfolio companies within the Fund family take specific actions to support the broader community, industry, and national and international efforts to eliminate child labor & forced labor?