

Woolworths Ltd.

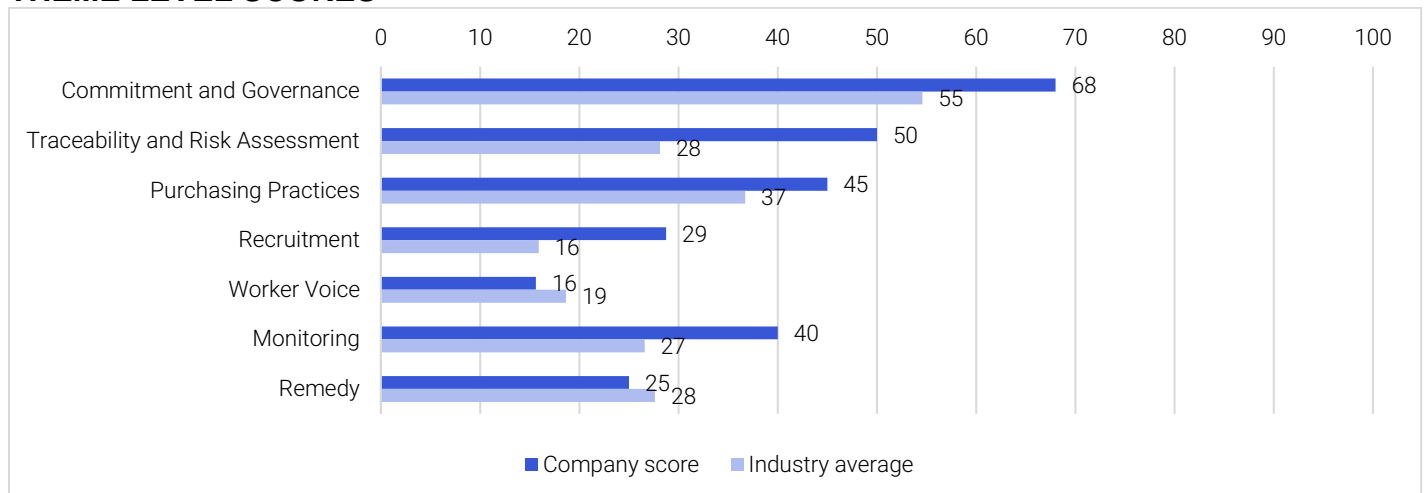
TICKER
 ASX:WOW

MARKET CAPITALIZATION
 US\$28 billion

HEADQUARTERS
 Australia

COMPLIANCE
UK Modern Slavery Act: [Not applicable](#)
California Transparency in Supply Chains Act: [Not applicable](#)
COMMITMENTS
[Yes](#)
OVERALL RANKING
10 out of 38
OVERALL SCORE
39 out of 100
SUMMARY

Woolworths Ltd. (Woolworths), a food retailer headquartered in Australia, ranks tenth out of 38 companies, disclosing more information on its forced labor policies and practices than its peers on all themes except worker voice and remedy. Notably, the company commits to undertaking a risk assessment across all levels of its supply chains and to reviewing the effectiveness of grievance mechanisms available to supply chain workers. KnowTheChain identified one allegation of forced labor in the company's supply chains. The company provided a public response to the allegation noting that it will launch an investigation with the supplier and consult with NGO partners, but it did not disclose remedy outcomes for affected workers. The company has an opportunity to improve its performance and disclosure on the themes of commitment and governance, worker voice, and remedy.

THEME LEVEL SCORES


LEADING PRACTICES

None.

NOTABLE FINDINGS

Stakeholder Engagement: Woolworths discloses that, in December 2017, it began working with the National Union of Workers and "other interested stakeholders" to identify and address human rights risks in fresh food supply chains in Australia. It also discloses that it is a participant in the Bali Process Business Forum, an initiative in which business leaders advise governments on how to prevent and combat human trafficking and related abuses. Woolworths further discloses that it appeared before the Joint Standing Committee on Foreign Affairs and Trade of the Australian government to support the introduction of a robust Modern Slavery Act in Australia. The company is part of the Australian Business Pledge against Forced Labour and a related Retail & Supplier Roundtable and, as part of this latter group, commits to working collaboratively with its suppliers and with other stakeholders to eradicate forced labor from its supply chains. As part of the pledge, it also states it has initiated a series of Responsible Sourcing Retail Roundtables on sourcing and human rights topics. The first of these was held in March 2018 and covered overseas migrant workers in Australia and the Australian Modern Slavery Act.

Freedom of Association: Woolworths discloses that it is committed to working towards supporting workers in its supply chains to be "educated about their workplace rights, including their right to join a labour union of their choice". It states that it works "collaboratively with the National Union of Workers (NuW) and other industry partners" to develop a mutually agreed labor hiring scheme for its Australian fresh food supply chains. Agreement on this scheme will include the above-mentioned worker education.

Monitoring: Woolworths states it has a compliance audit program in place for factories making its brand products. It discloses an ethical audit checklist, which includes an in-depth analysis of wages, working hours, and workforce characteristics, and advises auditors to visit production, warehouse, accommodation, and child care areas. The company states that it uses third-party audit bodies and discloses a list of the companies that it has pre-approved, as well as a list of requirements which audit firms must fulfill in order to be approved for its ethical sourcing audits.

OPPORTUNITIES FOR IMPROVEMENT

Commitment and Governance: The company may consider establishing training programs to ensure that relevant decision-makers within the company and its supply chains are aware of the risks related to human trafficking and forced labor and are effectively implementing the company's policies and standards.

Worker Voice: The company is encouraged to ensure that a formal mechanism to report grievances to an impartial entity regarding labor conditions in the company's supply chains is available and communicated to its suppliers' workers and relevant stakeholders, such as worker organizations or labor NGOs. The company may further consider ensuring that its suppliers' workers trust the mechanism by involving workers or an independent third party in the design or performance of the mechanism. In addition, the company is encouraged to work with relevant stakeholders to engage with and educate workers in its supply chains on their labor rights.

Remedy: While the company states that it has in place a process for responding to violations against its ethical sourcing policy, the company may consider disclosing details on this process, such as timeframes, engagement with affected stakeholders, or approval procedures. To demonstrate to stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to suppliers' workers.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)