

Coles Group Ltd.

TICKER
ASX:COL

MARKET CAPITALIZATION
US\$12 billion

HEADQUARTERS
Australia

DISCLOSURES

UK Modern Slavery Act: Not applicable

TARGETS
None

California Transparency in Supply Chains Act: Not applicable

OVERALL RANKING

8 out of 43

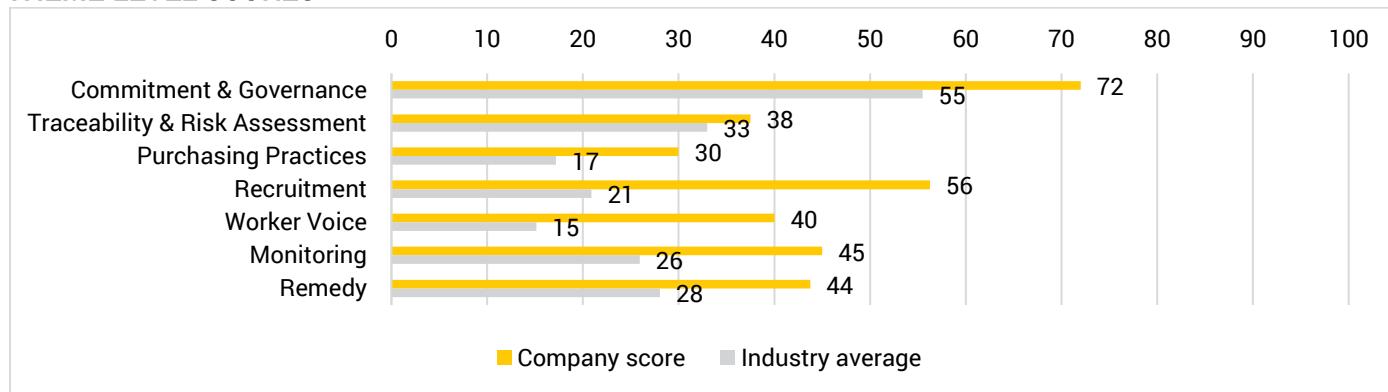
OVERALL SCORE

46 out of 100

SUMMARY

Coles Group Ltd. (Coles), one of Australia's largest supermarkets,¹ ranks 8th out of 43 companies, disclosing more information on its forced labor policies and practices than its peers across all themes. The company's score is based on its stronger performance on the themes of Commitment & Governance and Recruitment. KnowTheChain identified one allegation of forced labor in the company's supply chains. Coles disclosed that it shared its review of the supplier in question with the Fair Work Ombudsman, asked that the supplier assess its subcontracting practices, and offered training to the supplier. However, the company does not disclose engagement with affected stakeholders nor remedy outcomes for workers. The company has an opportunity to improve on the themes of Traceability & Risk Assessment, Purchasing Practices, and Remedy.

THEME-LEVEL SCORES



Research conducted through February 2020 or through May 2020, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

KEY DATA POINTS**SUPPLIER LIST**

No

NO-FEE POLICYYes ([Employer Pays Principle](#))**SUPPORTS FREEDOM OF ASSOCIATION**

Yes

REMEDY FOR SUPPLY CHAINS WORKERS

No

HIGH-RISK COMMODITIESCattle, coffee, fish, and others²**ADDRESSES FORCED LABOR RISKS RELATED TO THIRD-PARTY PRODUCTS**

No

LEADING PRACTICES

None.

NOTABLE FINDINGS

Management and Accountability: The company discloses that its ethical sourcing policy, which prohibits forced labor in its supply chains, is overseen by its human rights steering committee, including staff from responsible sourcing, procurement, legal, and corporate affairs. It states the group meets monthly to discuss human rights issues in its supply chains. It reports that day-to-day management sits with its ethical sourcing team, which is responsible for “identifying human rights risks, conducting and reviewing supplier audits, remediation of non-conformances through corrective action plans and tailored processes, as well as building capacity throughout the supply base and training suppliers and team members on human rights risks and practical mitigation strategies.”

Recruitment: Coles discloses a policy prohibiting worker-paid recruitment fees that includes the Employer Pays Principle, stating that all recruitment-related costs should be borne by the employer. It lists fees that workers should not have to pay for as part of the recruitment process. The company also states that the labor agencies used by its suppliers should be audited to ensure that they are not charging recruitment-related fees and that such audits should include interviews with workers.

Worker Voice: Coles reports that, in 2019, it formed the Ethical Supply Chain Accord with three of Australia’s largest worker unions. The group focuses on labor hire organizations and farming activities in Australia, and it meets regularly to discuss the investigation of complaints and to hear from workers. In addition, it reports working with the United Workers Union to host a farm worker education session, which it states involved directly engaging with workers on their rights and on freedom of association.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: The company is encouraged to disclose the names and addresses of its first-tier suppliers and information on its suppliers’ workforce. While the company provides some information on its supply chain risk assessment, it is encouraged to present further details and disclose forced labor and human trafficking risks in different tiers of its supply chains.



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Purchasing Practices: The company is encouraged to adopt responsible purchasing practices (such as prompt payment) and provide procurement incentives (such as price premiums) to its first-tier suppliers to encourage or reward good labor practices.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of human trafficking and forced labor and disclosing details on this process, such as timeframes and engagement with affected stakeholders, responsible parties, 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 its suppliers' workers.

ENGAGED WITH KNOWTHECHAIN

Yes ([Provided Additional Disclosure](#)).

¹ Statista (20 May 2020), "[Supermarkets and grocery retail in Australia - Statistics & Facts](#)."

² The US Department of Labor lists these commodities as commodities that may be produced using forced labor. US Department of Labor (20 September 2018), "[List of Goods Produced by Child Labor or Forced Labor](#)."