

Woolworths Group Ltd.

TICKER
ASX:WOW

MARKET CAPITALIZATION
US\$27 billion

HEADQUARTERS
Australia

DISCLOSURES
UK Modern Slavery Act: Not applicable

TARGETS
Yes

California Transparency in Supply Chains Act: Not applicable

OVERALL RANKING

6 out of 43

([2018 Rank](#): 10 out of 38)

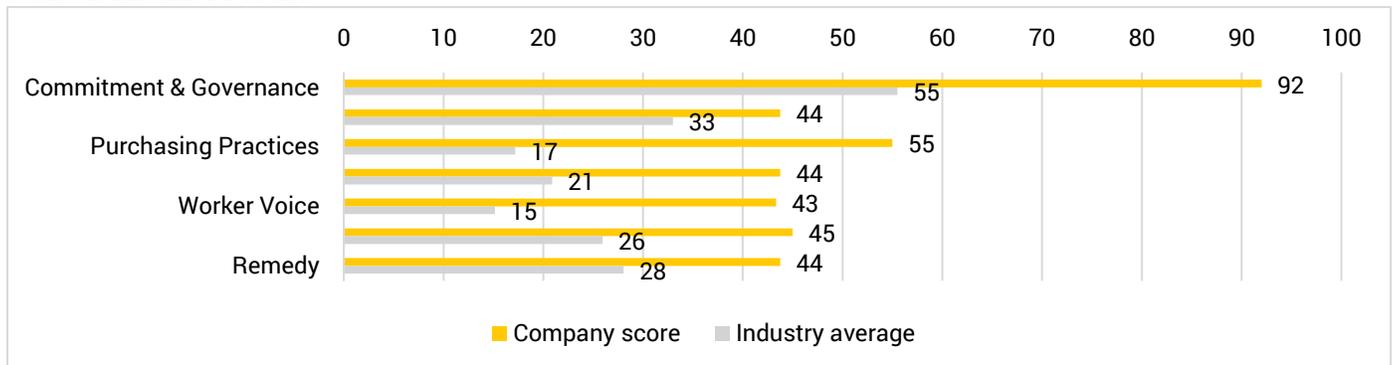
OVERALL SCORE

52 out of 100

SUMMARY

Woolworths Group Ltd. (Woolworths), one of Australia’s largest supermarkets,¹ ranks 6th out of 43 companies, disclosing more information on its forced labor policies and practices than its peers across all themes. Since 2018, the company’s score has improved by 13 points. This is because it began implementing training for its staff and suppliers, and it disclosed responsible purchasing practices, details on how it supports responsible recruitment in its supply chains, a grievance mechanism for its suppliers’ workers (including data on use of the mechanism), audit findings on forced labor, and more information on its corrective action process. Notably, the company has the highest scores in the sector on the themes of Commitment & Governance and Purchasing Practices. KnowTheChain identified one allegation of forced labor in the company’s supply chains; 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 Recruitment, Worker Voice, 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 POLICY

Yes

SUPPORTS FREEDOM OF ASSOCIATION

Yes

REMEDY FOR SUPPLY CHAIN WORKERS

Yes

HIGH-RISK COMMODITIES

 Cattle, coffee, tomatoes, and others²
ADDRESSES FORCED LABOR RISKS RELATED TO THIRD-PARTY PRODUCTS

No

LEADING PRACTICES

Training: Woolworths reports that its produce team has attended two briefings on responsible sourcing, the first of which included a worker who had been in debt bondage on an Australian farm who shared his experience. The second briefing was delivered by an expert on recruitment who trained staff on “labour hire for migrant workers and indicators of forced labour in labour hire arrangements.”

Remedy: Woolworths discloses remedy provided to supply chain workers, stating that it has “facilitated AUD\$198,720 (USD144,519) in repayments by labour contractors to 35 workers that had been underpaid.”

NOTABLE FINDINGS

Purchasing Practices: The company discloses that its staff who manage supplier relationships and purchase orders have been trained on responsible purchasing practices, which it states helps them understand how their purchasing behaviors may influence supply chains and increase the risks of non-compliances with its responsible sourcing standards. It also states that during Covid-19, it ensured that payment terms for certain small suppliers would not exceed 14 days.

Responsible Recruitment: Woolworths reports that it has been coordinating retail roundtables on responsible recruitment that brought together “more than 30 retail peers, business associations, NGOs and third-party organisations.” It states that two roundtables focused on temporary labor in the horticulture supply chain took place in Australia, and one occurred in Hong Kong, focused on “transparency, wages and working hours in Asian supply chains.”

Monitoring: The company discloses a breakdown of the percentage of its suppliers that use each approved audit program. In addition, the company discloses conducting site visits, which may be announced, semi-announced, or unannounced. It states these visits focus on worker facilities, wages, benefits, working hours, training, and grievance mechanisms, and have been used in higher-risk regions (Queensland, Victoria, and Western Australia) among suppliers of berries, bananas, and brassica. It also reports that after hearing reports from migrant workers about the misuse of piece-rate payments and fees for travel and accommodation, it began conducting unannounced audits.

OPPORTUNITIES FOR IMPROVEMENT

Recruitment: While the company has a policy that states that workers should not pay to work, it may consider requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require that such fees be paid by the employer ([Employer Pays Principle](#)) and, where such fees have been paid by its suppliers' workers, to ensure that they are reimbursed to the workers.

Worker Voice: While the company discloses regularly engaging with the National Union of Workers and listening to migrant workers, the company is encouraged to work with relevant stakeholders to engage with and educate workers across its supply chains on their labor rights. Further, to ensure positive outcomes for workers, the company may consider disclosing evidence of the positive impact of worker engagement in its supply chains and entering into a global framework agreement that covers its supply chains and/or an enforceable supply chain labor rights agreement with trade unions or worker organizations.

Remedy: While the company discloses some information on its process to ensure that remedy is provided to workers in its supply chains in cases of human trafficking and forced labor, it is encouraged to disclose further details on this process, such as timeframes and engagement with affected stakeholders. 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, including in cases of specific allegations.

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.](#)"