

Best Buy Co. Inc. (Best Buy)

TICKER
 BBY

MARKET CAPITALIZATION
 US\$26.3 billion

HEADQUARTERS
 United States

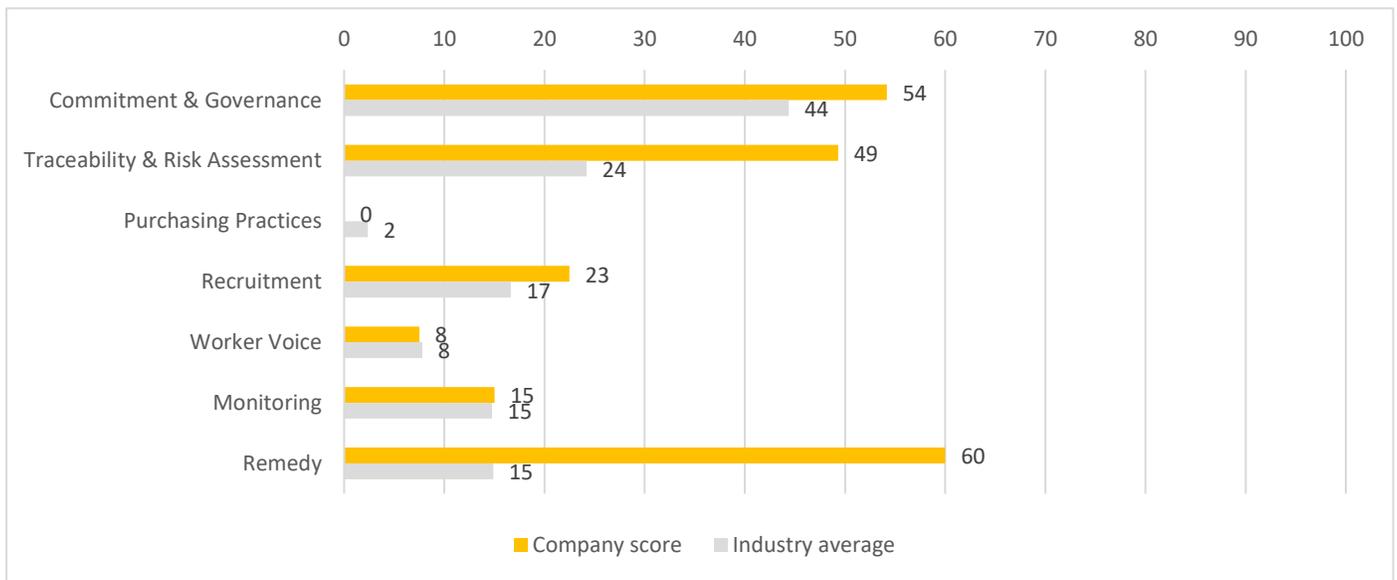
DISCLOSURES
UK Modern Slavery Act: Not applicable

Australia Modern Slavery Act:
 Not applicable

[California Transparency in Supply Chains Act:](#) Yes

OVERALL RANKING
12 out of 60

(2020 Rank: 10 out of 49)

OVERALL SCORE
33 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
SUPPLIER LIST

Yes

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

Yes

HIGH-RISK SOURCING COUNTRIES
 China

SUMMARY

Best Buy Co. Inc. (Best Buy), a US-based retailer, ranks 12th out of 60 companies. Since 2020, the company improved on the themes of Monitoring and Remedy, disclosing additional examples of remedy outcomes for workers and the use of off-site worker interviews as part of its monitoring process. However, the company did not demonstrate improvements across other themes. The company performed particularly poorly on the themes of Purchasing Practices and Worker Voice. As such, the company's rank has dropped 2 places since 2020.² The company's score is based on its stronger performance on the themes of Commitment & Governance and Remedy. The company is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, and Worker Voice.

LEADING PRACTICES

Recruitment-Related Fees: Best Buy reports that it engaged with two factories that moved production from China to Taiwan and Thailand. It reports that it was aware of an elevated risk to foreign migrant workers at these locations, and supported them with the recruitment process. Their "proactive engagement with factories" and the setting of clear requirements regarding recruitment fees, resulted in 294 workers from Vietnam and 156 workers from Myanmar being reimbursed, totaling more than [US]\$72,000. The company additionally reports that it found through an audit that several hundred workers in Cambodia had paid fees to work at a factory in Thailand and engaged a labour rights consultancy to interview workers and develop a remediation plan, to which the factory committed.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Recruitment: The company discloses detailed examples of remediation of fees to workers, and a policy that prohibits worker-paid fees in its supply chains. The company is encouraged to disclose how it ensures the implementation of this policy through the prevention of fees in its supply chains: such as through mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. The company may also consider providing details of how it supports responsible recruitment in its supply chains (for example, by sharing due diligence findings on recruitment fees with peers or by creating demand for responsible recruitment agencies). The company is further encouraged to disclose information on the recruitment agencies used by its suppliers.

Worker Voice: To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's [2022 ICT benchmark findings report](#). Research conducted through June 2022 or through September 2022, 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](#).

² KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. See [here](#) for more information.