

# Coles Group (Coles)

**TICKER**  
COL

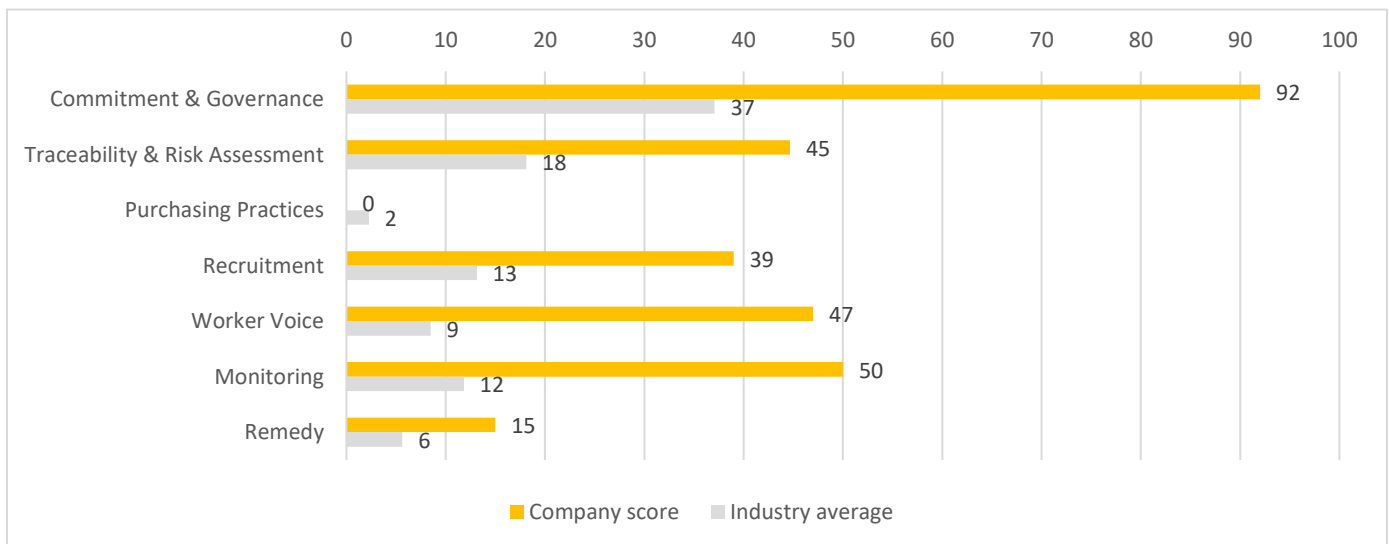
**MARKET CAPITALIZATION**  
US\$16.6 billion

**HEADQUARTERS**  
Australia

**DISCLOSURES**
UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery Act: [Yes](#)
**OVERALL RANKING**
**4 out of 60**
[2020 Rank:](#) 8 out of 43

**OVERALL SCORE**
**46 out of 100**
**THEME-LEVEL SCORES**

**KEY DATA POINTS**
**FIRST-TIER SUPPLIER LIST**
 No

**RISK ASSESSMENT**
 Yes

**ENGAGED WITH KNOWTHECHAIN<sup>1</sup>**
 Yes

**NO-FEE POLICY**
 Yes (Employer Pays Principle)

**REMEDY FOR SUPPLY CHAIN WORKERS**
 No

**HIGH-RISK COMMODITIES<sup>2</sup>**
 Cocoa, fish, and shrimp

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## SUMMARY

Coles Group (Coles), one of Australia's largest supermarkets,<sup>3</sup> ranks 4 out of 60 companies. Compared to 2020, the company improved its rank by four places. This is because the company began disclosing a strong level of detail on its human rights risk assessment as well as forced labour risks identified in different tiers of its supply chains, stronger detail on board oversight of forced labour issues in its supply chains, and training on its supply chain standards addressing forced labour for growers in its horticultural supply chains. It also disclosed information on its grievance process flow and process for responding to reported complaints or violations. Notably, the company has the highest score on the themes of Commitment & Governance and Worker Voice.

The company is encouraged to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Purchasing Practices, and Remedy.

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## LEADING PRACTICES

**Management & Accountability:** Coles reports that the board of directors actively oversaw its response to modern slavery risks through quarterly reports and briefings on the performance and progress of the Ethical Sourcing Program. The company states the board report includes complaints and investigations received through grievance channels, updates on social compliance audits, program performance and activities related to modern slavery reporting.

**Grievance Mechanism:** Coles discloses two grievance mechanisms, each of which are clearly signposted for their intended users: one for supply chain workers, and one for "other affected stakeholders." Both include a phone number and an email address. The company discloses data on the supplier-related complaints received, including how they were reported, the nature of the complaint, and the outcome.

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## OPPORTUNITIES FOR IMPROVEMENT

**Traceability & Risk Assessment:** While the company discloses information on the sourcing countries of raw materials at high risk of forced labour, including fresh produce, seafood, and beef, the company is encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of its first-tier suppliers (either across high-risk commodities or across all first-tier suppliers), and the names and locations of below-first-tier suppliers.

**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.

**Remedy:** While the company provides information on its process for responding to grievances submitted in relation to its supply chains, to demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to workers in its food and beverage supply chains.

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<sup>1</sup> Research conducted through January 2023 or through April 2023, 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](#).

<sup>2</sup> For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 [food & beverage benchmark findings report](#).

<sup>3</sup> Statista, "[Market share of grocery retailers in Australia in financial year 2022](#)." Accessed 20 June 2023.