

Woolworths Group Limited (Woolworths)

TICKER
WOW

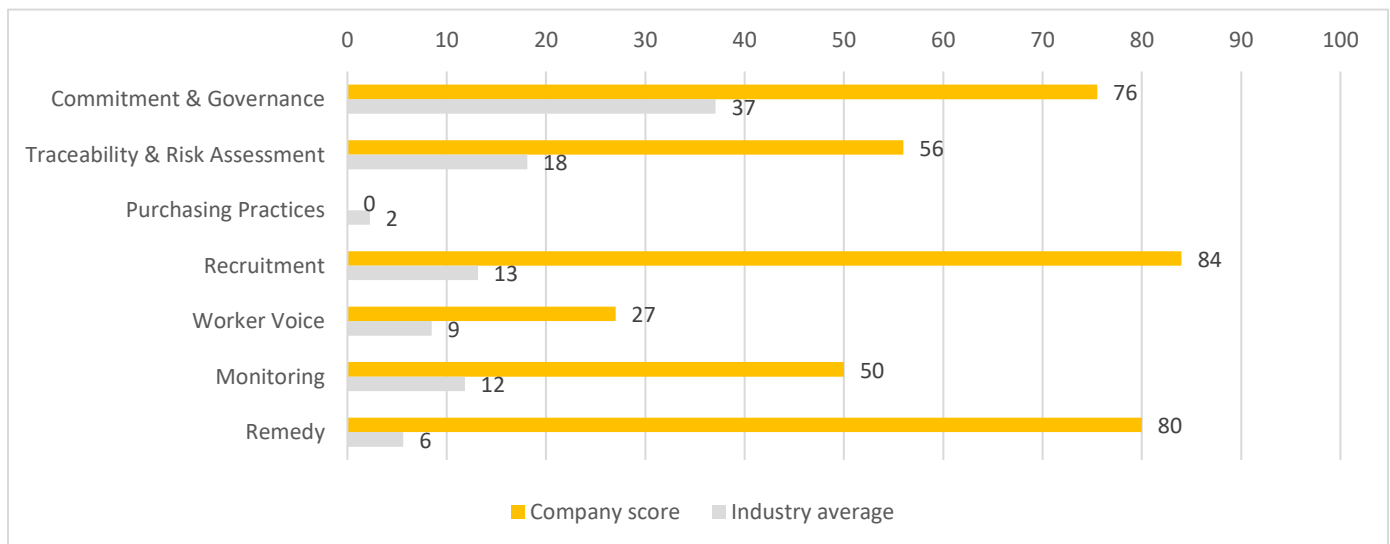
MARKET CAPITALIZATION
US\$29.4 billion

HEADQUARTERS
Australia

DISCLOSURES
UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery Act: [Yes](#)
OVERALL RANKING
1 out of 60
[2020 Rank:](#) 6 out of 43

OVERALL SCORE
56 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST
 No

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹


Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

Yes

HIGH-RISK COMMODITIES²
 Coffee, palm oil, shrimp and others

SUMMARY

Woolworths Group Limited (Woolworths), Australia's biggest supermarket retailer,³ ranks first out of 60 companies. Compared to 2020, the company improved its rank by five places. This is because the company began disclosing a strong level of detail on forced labour risks identified across its supply chains, strengthened its supply chain policies to align with the Employer Pays Principle, as well as disclosing information on how it is ensuring the implementation of this policy and tracing labour providers used in its Australian horticulture supply chains. It disclosed multiple remedy outcomes for workers in its supply chains, including the remediation of worker-paid recruitment fees. The company also disclosed a Collaboration Protocol and Memorandum of Understanding with unions in Australia focused on its horticultural supply chains. Notably, the company has the highest score on the theme of Recruitment. The company has an opportunity to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Purchasing Practices, and Worker Voice.

LEADING PRACTICES

Risk Assessment: The company outlines a detailed and ongoing human rights risk assessment process for its supply chains including the sources used to identify risks and stakeholders engaged, including non-governmental organisations (NGOs) in key sourcing countries and the United Workers Union. Woolworths discloses detail on the modern slavery risks it has identified in different tiers of its supply chains, and states it is focused on risks beyond first tier. It discloses high-risk sourcing countries and high-risk commodities including Australian horticulture (berries, cherries, grapes, stone fruit, citrus, tomatoes, cucumber and brassica) and risks in lower tiers of its supply chains including in seafood and "bulk dry commodities such as rice, cocoa, and dried fruit and nuts."

Recruitment: Woolworths describes steps taken to ensure the implementation of its policy requiring suppliers to pay for the costs of worker recruitment. The company discloses a timebound rollout of the policy in Thailand and Malaysia, which requires suppliers to establish an understanding of the costs associated with migrant worker recruitment across the labour supply chain. Woolworths also reports a process for tracing labour providers used by first- and second-tier suppliers in its Australian horticultural supply chains, and discloses the outcomes of this process. Woolworths describes ongoing remediation to more than 200 migrant workers in a process informed by a Malaysian NGO and labour rights consultancies.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: While the company discloses information on the sourcing countries of raw materials at high risk of forced labour, the company is encouraged to disclose 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 [ring-fencing](#) labour costs from price negotiations and integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: While the company discloses engagements with unions including a Collaboration Protocol with the United Workers Union and a MoU with the Retail Supply Chain Alliance, the company is encouraged to disclose of how it improved freedom of association and/or collective bargaining for its suppliers' workers in different supply chain contexts. Additionally, it may disclose the percentage of suppliers' workers covered by collective bargaining agreements. While the company discloses information on grievances reported by workers in other product supply chains, the company may consider disclosing data about the practical operation of its grievance mechanisms in relation to its food and beverage supply chains, such as the number of grievances filed, addressed, and resolved.

¹ 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](#).

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

³ Statista (May 2023), "[Market share of grocery retailers in Australia in financial year 2022](#)." Accessed 15 June 2023.