

Woolworths Holdings Ltd. (Woolworths)

TICKER JSE:WHL MARKET CAPITALISATION US\$3.17 billion HEADQUARTERS South Africa

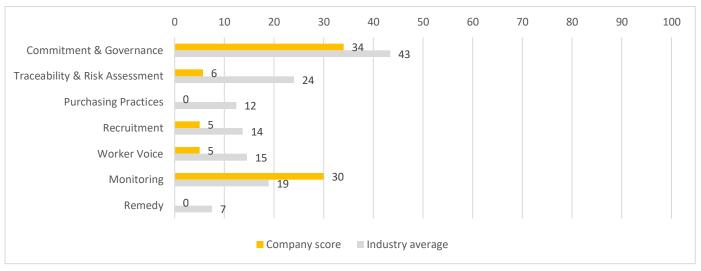
DISCLOSURES

<u>UK Modern Slavery Act</u>: Not applicable California Transparency in Supply Chains Act: Not applicable Australia Modern Slavery Act: Yes

overall ranking **42** OUt Of **65**

overall score **11** OUt Of **100**

THEME-LEVEL SCORES



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST Yes (limited)

RISK ASSESSMENT

No

DATA ON PURCHASING PRACTICES

ENGAGED WITH KNOWTHECHAIN² Yes

NO-FEE POLICY

Yes

REMEDY FOR SUPPLY CHAIN WORKERS

HIGH-RISK RAW MATERIALS¹

Cashmere, cotton, leather, wool, and others



SUMMARY

Woolworths Holdings Ltd. (Woolworths), a South African retailer which owns brands including Country Road Group, ranks joint 42nd out of 65 companies. The company's score is based on its disclosure of a supplier code of conduct which prohibits forced labour, addresses the ILO core labour standards, and prohibits the charging of recruitment fees to workers; a process for monitoring compliance with the code as well as some information on its audit findings; a partial supplier list; and a grievance mechanism for suppliers' workers. The company discloses that its subsidiary Country Road Group is signatory to the International Accord for Health & Safety in the Textile and Garment Industry and states that Woolworths may become signatory in the near future. Notably, Woolworths is the highest-scoring of the three South African companies benchmarked. While the company scores higher than average on the theme of Monitoring, it scores lower than average across all other themes. The company has an opportunity to improve its performance and disclosure on themes such as Traceability & Risk Assessment, Purchasing Practices, and Remedy.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: The company discloses a partial factory list which includes the names and addresses of suppliers. It also discloses one cotton-sourcing country. The company is encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of all its first-tier suppliers, the names and locations of below-first-tier suppliers, and the countries from which it sources raw materials at high risk of forced labour. The company is encouraged to assess and disclose forced labour risks across different tiers of its supply chains and disclose how it engages with relevant stakeholders including workers, unions, and civil society organisations to address forced labour risks identified.

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, and disclose quantitative data evidencing the implementation of responsible purchasing practices. 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 <u>responsible buying practices in its contracts</u> with suppliers, to ensure that the responsibility for respecting human rights is shared.

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

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark <u>findings report</u>.

² Research conducted through June 2023 or through September 2023, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre <u>website</u>.