

2025-26 BENCHMARK METHODOLOGY

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The KnowTheChain methodology is based on the UN Guiding Principles on Business and Human Rights and covers policy commitments, due diligence, and remedy. The methodology uses the ILO core labour standards (which cover the human rights that the ILO has declared to be fundamental rights at work: freedom of association, the right to collective bargaining, the right to a safe and healthy working environment, and the elimination of forced labour, child labour, and discrimination) as a baseline standard. The methodology has been developed through consultation with a wide range of stakeholders and a review of other benchmarks, frameworks, and guidelines such as the OECD Due Diligence Guidance for Responsible Business Conduct.

Commitment and Governance			
8.18%	1: Supplier Code of Conduct and Capacity Building The company has a supplier code of conduct that requires suppliers throughout its supply chains to respect the ILO core labour standards, including the elimination of forced labour. The company takes steps to ensure that suppliers in different tiers of its supply chains are aware of risks related to forced labour and are effectively implementing the company's policies. Sources: UNGP 16, OECD 1.1, GRI 3-3	33.3%	The company: (1) has a supplier code of conduct that requires suppliers to respect the ILO core labour standards, which include the elimination of forced labour; and requires suppliers to cascade/implement standards that are in line with the company's supplier code of conduct; and
		66.6%	(2) engages in capacity building to enable its suppliers to cascade its supply chain policies that address forced labour to their own supply chains and/or trains suppliers below the first tier on such policies, and provides additional detail on the content, frequency, and/or participants in the capacity building.
8.18%	2: Management and Accountability The company has established clear responsibilities and accountability for the implementation of its supply chain policies that address forced labour, both within the company and at the board level. Sources: UNGP 16, OECD 1.2, GRI 2-24	33.3%	The company: (1) has a committee, team, program, or officer responsible for the implementation of its supply chain policies that address forced labour; and discloses how incentives for staff (e.g. bonuses; part of employee performance reviews) are tied to improvements in working conditions in supply chains;
		33.3%	(2) discloses how it trains relevant decision-makers within the company on risks and policies that address forced labour, including employees responsible for procurement; and
		33.3%	(3) has tasked a board member or board committee with oversight of its supply chain policies that address forced labour, and describes how the experiences of affected workers or relevant stakeholders (such as civil society, unions, and workers or their representatives) informed board discussions.

Traceability and Risk Assessment

8.18%	3: Traceability and Supply Chain Transparency The company demonstrates an understanding of where its supply chains are located by publicly disclosing the names and addresses of its first-tier suppliers, the names and locations of its below-first-tier suppliers, and the sourcing countries of raw materials at high risk of forced labour. Sources: OECD 2.2c	33.3%	The company discloses: (1) the names and addresses of first-tier suppliers;
		33.3%	(2) the names and locations of its below-first-tier suppliers (this does not include raw material suppliers); and
		33.3%	(3) the sourcing countries of at least three raw materials at high risk of forced labour.
8.18%	4: Risk Assessment The company has a process to assess forced labour risks, discloses forced labour risks identified in different tiers of its supply chains, and discloses how it works with workers and other stakeholders to address the risks identified. Sources: UNGP 17 and 18, OECD 2.1 and 2.2, GRI 409-1, GRI 2-29	25%	The company discloses: (1) details on how it conducts human rights supply chain risk or impact assessments that include forced labour risks or assessments that focus specifically on forced labour risks, including through engaging with relevant stakeholders (such as workers or their representatives, unions, and civil society) in countries in which its suppliers operate;
		37.5%	(2) details on forced labour risks identified in different tiers of its supply chains; and
		37.5%	(3) examples of the steps taken to address forced labour risks identified in its risk assessment, in consultation with relevant stakeholders (such as workers or their representatives, unions, and civil society) .
8.18%	5: Data on Supply Chain Risks The company demonstrates an understanding of the rightsholders in its supply chains, including the first-tier and below, by disclosing several data points on its supply chain workforce. In addition, as payment of a living wage can lessen vulnerability to forced labour risks, the company demonstrates an understanding of the payment of living wages in its supply chains. Sources: UNGP 17	33.3%	The company discloses: (1) the percentage or number of supply chain workers who are women;
		33.3%	(2) the percentage or number of supply chain workers who are migrant workers; and
		33.3%	(3) the percentage or number of supply chain workers that are being paid a living wage.

Purchasing Practices

8.18%	6: Purchasing Practices The company has adopted responsible purchasing practices in the first tier of its supply chains, which it demonstrates through disclosing quantitative data points. The company also integrates a shared responsibility approach to human rights due diligence into contracts with its suppliers. Sources: UNGP 16	33.3%	The company: (1) adopts contracts with suppliers which embed a shared responsibility approach to human rights due diligence with associated responsibilities for both the buyer and the supplier, including clauses which commit the buyer to responsible purchasing practices that do not undermine human rights (see KnowTheChain’s Reporting Guidance for further detail);
		33.3%	(2) describes how it has adopted responsible purchasing practices in the first tier of its supply chains, which includes planning and forecasting, and takes steps to ensure that pricing includes the full cost of production including a living wage/ income (see KnowTheChain’s Reporting Guidance for further detail); and
		33.3%	(3) discloses two quantitative data points demonstrating that it has responsible purchasing practices in place that address the risk of forced labour.

Recruitment

8.18%	7: Recruitment Fees and Related Costs The company requires that no worker in its supply chains should pay for a job—the costs of recruitment (i.e., recruitment fees and related costs) should be borne not by the worker but by the employer (“Employer Pays Principle”). If it discovers that fees have been paid by workers in its supply chains, the company provides evidence that fees have been repaid to workers. The company discloses how it works to prevent worker payment of recruitment-related fees in different supply chain contexts. Sources: UNGP 15 and 22, OECD 6.1	20%	The company: (1) in alignment with the ILO definition of recruitment fees and related costs, requires that no worker in its supply chains should pay for a job—the costs of recruitment-related fees should be borne not by the worker but by the employer (“Employer Pays Principle”);
		50%	(2) provides detail on the implementation of the Employer Pays Principle in its supply chains by demonstrating how it works to prevent the charging of fees to supply chain workers in different supply chain contexts; and
		30%	(3) in the event that it discovers that fees have been paid by workers in its supply chains, provides evidence of re-payment of recruitment-related fees to workers. The company describes how it engages with affected workers in the remediation process.

8.18%	8: Responsible Recruitment The company maps its labour supply chains and discloses information on the labour recruiters used by its suppliers. Further, it provides details of how it supports responsible recruitment in its supply chains. Sources: UNGP 17, OECD 2.2	50%	The company: (1) discloses information on the labour recruiters used by its suppliers in sending and receiving countries;
		50%	(2) provides details of how it supports responsible recruitment in its supply chains (e.g., by collaborating with relevant stakeholders to engage policy makers to strengthen recruitment standards).

Enabling Workers' Rights

8.18%	9: Freedom of Association To support collective worker empowerment, the company works with local or global trade unions to support freedom of association in its supply chains. It enters into a global framework agreement that covers its supply chains and/or an enforceable supply chain labour rights agreement with trade unions or worker organisations Sources: OECD 6.2c	33.3%	The company: (1) works with independent local or global trade unions and/or other legitimate worker representatives to improve freedom of association in its supply chains;
		33.3%	(2) discloses that it is party to a global framework agreement that covers its supply chains and/or an enforceable supply chain labour rights agreement with trade unions or worker organisations;
		33.3%	(3) discloses the percentage of supply chains covered by collective bargaining agreements.

8.18%	10: Grievance Mechanism The company takes steps to ensure a formal mechanism to report a grievance to an impartial entity regarding labour conditions in the company's supply chains is available and communicated to its suppliers' workers and their legitimate representatives. The company ensures that the mechanism is effective across its supply chains. Sources: UNGP 29 and 31, OECD 6.2, GRI 2-25	20%	The company: (1) takes steps to ensure a formal mechanism to report a grievance to an impartial entity regarding labour conditions in the company's supply chains is available and communicated to its suppliers' workers and their legitimate representatives across supply chain tiers; and
		40%	(2) discloses data about the practical operation of the mechanism, including the number of grievances filed, addressed, and resolved; and
		40%	(3) takes steps to ensure that its suppliers' workers or their legitimate representatives are involved in the design and/or performance of the mechanism, to ensure that the workers trust the mechanism.

Monitoring

8.18%	<p>11: Monitoring</p> <p>The company discloses information on its monitoring methodology and the findings of its monitoring processes, including details regarding any violations revealed across supply chain tiers. The company uses worker-driven monitoring (i.e., monitoring undertaken by independent organisations, such as local worker-led organisations, unions, or local civil society partners) to ensure full identification of labor rights violations by those who are on the ground, all year round.</p> <p>Sources: UNGP 20</p>	20%	<p>The company discloses:</p> <p>(1) the percentage of suppliers monitored for the implementation of its supply chain policies addressing forced labour; against a methodology that includes worker interviews, reviews of relevant documentation, and on-site visits to associated production facilities, including unannounced assessments. (See KnowTheChain’s Reporting Guidance for the full criteria.)</p>
		40%	<p>(2) the findings of monitoring reports, including details regarding any violations revealed in relation to forced labour and indicators of forced labour, across supply chain tiers; and</p>
		40%	<p>(3) the use of worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers’ rights and priorities)</p>

Remedy

10%	<p>12: Remedy Programmes and Response to Allegations</p> <p>The company has a process to provide remedy to workers in its supply chains in cases of forced labour and discloses examples of outcomes of its remedy process for its suppliers’ workers.</p> <p>If one or more allegations regarding forced labour in the company’s supply chains have been identified, the company engages in a dialogue with the stakeholders reportedly affected in the allegation and takes steps to ensure the provision of remedy that is satisfactory to the victims or groups representing the victims.</p> <p>Sources: UNGP 15 and 22, OECD 6.1</p>	20% [15% where allegation is found]	<p>The company discloses:</p> <p>7.2 A(1) a process for responding to potential complaints, grievances and/or reported violations of policies that address forced labour and how it engages affected stakeholders as part of this process; and</p>
		80% [25% where allegation is found]	<p>A(2) at least two examples of outcomes of its remedy process in practice, covering different supply chain contexts, for its suppliers’ workers;</p>
		20%	<p>In addition, where an allegation is identified:</p> <p>The company discloses:</p> <p>B1(1) that it engages in a dialogue with the stakeholders reportedly affected in the allegation(s);</p>
		20%	<p>B1(2) outcomes of the remedy process in the case of the allegation(s)</p>
		20%	<p>B1(3) evidence that remedy(ies) are satisfactory to the victims or groups representing the victims.</p>
		30%	<p>Where an allegation is identified, but the company denies the allegation:</p> <p>B2(1) a description of what actions it would take to prevent and remediate the alleged impacts and;</p>
		30%	<p>B2(2) that it engages in a dialogue with the stakeholders reportedly affected in the allegation or requires its supplier(s) to do so.</p>

GLOSSARY

Forced labour

According to the International Labour Organization (ILO) Forced Labour Convention, 1930 (No. 29), forced or compulsory labour is: “all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.” The ILO further notes that: “forced labour can be understood as work that is performed involuntarily and under the menace of any penalty. It refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as manipulated debt, retention of identity papers, or threats of denunciation to immigration authorities.

ILO core labour standards

Fundamental rights at work are set out in and are often referred to as the ILO core labour standards and cover: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; and (d) the elimination of discrimination in respect of employment and occupation. (See ILO Declaration on the Fundamental Rights and Principles at Work).

Suppliers/supply chains

“Supply chains” and “suppliers” refer to all the supply chains that are directly related to the company’s creation of products. Where no further specification is provided, companies should report as a minimum on policies and practices applicable to all of their first-tier suppliers. Additional reporting on below-the-first-tier suppliers, including raw material suppliers, is welcome.

First tier of supply chains/first-tier suppliers

Suppliers with whom the company has direct contractual relationships.

Supply chain tiers

Refers to the distance between a company and its supplier and indicates that there can be several different business relationships that link a company and a below-the-first-tier supplier. For example, a company may have first-tier manufacturing suppliers, which source

from below-the-first-tier suppliers, which in turn source from raw material suppliers.

Labour recruiters

As per the IOM definition, refers to both public employment services and to private employment agencies and all other intermediaries or subagents that offer labour recruitment and placement services. Labour recruiters can take many forms, whether for profit or non-profit, or operating within or outside legal and regulatory frameworks

Different supply chain contexts

This term is used to evaluate if a company is taking action beyond a one-off pilot project and can provide examples of implementation that refer to different sourcing countries, raw materials, or tiers of its supply chains.

Workers

The term is used to describe workers in a company’s supply chains, as opposed to workers contracted or subcontracted to work for the company itself.

Migrant workers

Migrant worker” is defined as one of the following:

- A person who is to be engaged, is engaged or has been engaged in a remunerated activity in a State of which he or she is not a national;
- A person who is to be engaged, is engaged, or has been engaged in a remunerated activity in a state which was originally not their country of nationality or usual residence, but now is;
- A person who is to be engaged, is engaged, or has been engaged in a remunerated activity in an area of a country that is not their place of usual residence, including if they are a national of that country;
- A refugee or asylum seeker who is to be engaged, is engaged, or has been engaged in a remunerated activity in a State of which they are not a national; or,
- A person who is not considered as a national by any State under the operation of its law (a “stateless

person”), who is to be engaged, is engaged or has been engaged in a remunerated activity in a State that is not their country of usual residence.

Legitimate representatives

Legitimate representatives are those that the affected or potentially affected workers have asked to represent them. They can include (but are not limited to) community representatives, legal representatives and trade unions, community-based organisations, and civil society organisations.

Stakeholders

Any individual or organisation that may affect or be affected by a company’s actions and decisions. In the UN Guiding Principles on Business & Human Rights (the UN Guiding Principles) the primary focus is on affected or potentially affected stakeholders, meaning individuals whose human rights have been or may be affected by a company’s operations, products, or services. Other particularly relevant stakeholders in the context of the UN Guiding Principles are the legitimate representatives of potentially affected stakeholders, including trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on human rights.