

KnowTheChain Benchmark Reporting Guidance

This document provides reporting guidance for companies assessed against the 2025-26 KnowTheChain [benchmark methodology](#). It includes guidance for the criteria assessed under each indicator, and the process followed where KnowTheChain identifies a potential lack of disclosure. It further includes frequently asked questions. The document is applicable across all the sectors benchmarked by KnowTheChain, and any sectoral differences in approaches to scoring are marked throughout the document.

Contents

Our process	2
What information will be taken into account?.....	2
Reporting guidance for the KnowTheChain benchmark indicators	3
Scoring approach	3
Methodology structure	3
Glossary	4
Commitment and Governance	5
Indicator 1: Supplier Code of Conduct and Capacity Building	5
Indicator 2: Management and Accountability	7
Traceability and Risk Assessment.....	9
Indicator 3: Traceability and Supply Chain Transparency	9
Indicator 4: Risk Assessment	11
Indicator 5: Data on Supply Chain Risks	13
Purchasing Practices.....	14
Indicator 6: Purchasing Practices	14
Recruitment.....	17
Indicator 7: Recruitment Fees and Related Costs	17
Indicator 8: Responsible Recruitment	20
Enabling Workers’ Rights	21
Indicator 9: Freedom of Association	21
Indicator 10: Grievance Mechanism.....	23
Monitoring	25
Indicator 11: Monitoring	25
Remedy	28
Indicator 12: Remedy	28
Non-scored research	29
Regulatory reporting requirements.....	29
Frequently asked questions (FAQs)	30

Why do you revise the methodology, and what are the key focuses of the methodology? . 30

As a forced labour benchmark, why do you go beyond forced labour and include the ILO core labour standards in the assessment of some indicators? 30

Why are forced labour allegations included in the benchmark, how are they collected, and how can companies respond?..... 31

Why do you focus only on supply chains? 32

Why are some companies included in more than one benchmark? 32

Our process

KnowTheChain will undertake a review of your company’s website in the initial research period. Once the initial benchmark research is complete, we will reach out to your company to share our initial findings. Companies will have a two-month window in which to review the initial research. This is intended to give companies the opportunity to a) point out any existing information which is potentially missing; and b) provide additional disclosure.

Any additional disclosure must be public in order to be included in the benchmark. As such, companies have the option to publish additional disclosure on [our website](#).

Where additional disclosure is provided, our benchmark research will be updated to reflect any relevant new information.

The final research will be shared with companies prior to the benchmark publication.

What information will be taken into account?

1. KnowTheChain only assesses **publicly available information** on a company’s website. Exceptions are:
 - Responses to forced labour allegations published on third-party sites.
 - Additional disclosure that links to specific parts of third-party websites that speak to a company’s own activities (as opposed to the activities of an initiative that do not specify the company’s involvement).

2. Only information that is a **maximum of three years old** will be taken into account. The timing for each sector depends on the date when benchmark research begins. For example, for the ICT sector research begins in June 2024, and as such information older than June 2021 will be taken into account. For more information on benchmark timelines, please see [here](#).
 - Where a company provides regularly updated documents such as Annual Reports, Sustainability Reports, or statements made under modern slavery reporting requirements, **only the most recent document will be reviewed**. If relevant information is available in an earlier report, companies may point to relevant pages from older sustainability or annual reports via the additional disclosure process.
 - Where a document is published within the research timeframe but refers to a company’s activities that occurred prior to the research period – such as a supplier training undertaken in 2019 – this will not be taken into account.
 - Additional disclosure provided by companies that have been previously assessed by KnowTheChain will be taken into account for the 2022-23 benchmarks only.

Additional disclosure submitted for the previous benchmarks (i.e. 2021 or 2018) now falls out of scope.

- Policies that are more than three years old *will* be taken into account.
3. Only **English language information** will be assessed.
- However, forced labour allegations may be taken from languages other than English.
 - KnowTheChain’s rationale is that we assess large global companies that should make relevant information for their global stakeholders available in English.

Reporting guidance for the KnowTheChain benchmark indicators

Scoring approach

All 12 indicators are weighted equally, with the exception of the Remedy indicator, which is weighted slightly higher than the other 11 indicators at 10%, as opposed to 8.18%.

Indicator elements are weighted differently depending on whether they focus on a policy, implementation of a policy or process, or outcomes for workers. All indicator elements will be scored out of 100. You can find more information on the weighting of indicators and indicator elements on our website [here](#).

Partial points are available across all indicator elements. Depending on the element, credit may be given at 50, 75, and 100%.

Methodology structure

Themes	Weight	Indicators
1. Commitment and Governance	8.18%	1. Supplier Code of Conduct and Capacity Building
	8.18%	2. Management and Accountability
2. Traceability and Risk Assessment	8.18%	3. Traceability and Supply Chain Transparency
	8.18%	4. Risk Assessment
	8.18%	5. Data on Supply Chain Risks
3. Purchasing Practices	8.18%	6. Purchasing Practices
4. Recruitment	8.18%	7. Recruitment Fees and Related Costs
	8.18%	8. Responsible Recruitment
5. Enabling Workers’ Rights	8.18%	9. Freedom of Association
	8.18%	10. Grievance Mechanisms
6. Monitoring	8.18%	11. Monitoring
7. Remedy	10%	12. Remedy and Response to Allegations

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; (d) the elimination of discrimination in respect of employment and occupation; and (e) a safe and healthy working environment. (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. This could include for example spinning mills in the apparel and footwear sector, or component suppliers in the electronics sector.
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: <ul style="list-style-type: none"> • 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;

	<ul style="list-style-type: none"> • 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.

Commitment and Governance

Indicator 1: Supplier Code of Conduct and Capacity Building

Supplier Code of Conduct and Capacity Building	<p>1.1 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</p> <p>1.2 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, or participants in the capacity building.</p>
--	---

Alignment with international standards

- [UNGP 16](#): The UN Guiding Principles outline the responsibility of companies to express their commitment to respect human rights through a publicly available policy that is communicated both internally and externally.

- [OECD 1.1](#): The OECD Guidelines outline companies' responsibilities to publish policies articulating their commitment to responsible business conduct and the OECD standards, as well as their plans for implementing due diligence into their own operations and supply chains.
- [GRI 3-3](#): The GRI Standards outline the responsibility of companies to detail their actual and potential human rights impacts and publish policies and commitments in relation to these topics.

Reporting Guidance:

Element 1

- **50 points**: The company has a supplier code of conduct that includes forced labour only, without addressing other ILO core labour standards in accordance with international standards.
- **75 points**: The company has a supplier code that incorporates all five ILO core labour rights (OR the company does not address all ILO core labour standards but includes a requirement to cascade standards to the next tier of suppliers)
- **100 points**: For full points the supplier code addresses all five ILO core labour standards and should require first-tier suppliers to take steps to ensure that their own suppliers implement standards that are in line with the company's supply chain policies addressing forced labour.

Example: Hewlett Packard Enterprise's [Supplier Code of Conduct](#) addresses all five ILO core labour standards (forced labour, child labour, discrimination, freedom of association and collective bargaining, and a safe and healthy working environment) and states "Suppliers shall require their next tier Suppliers to acknowledge and implement the HPE Code and flow down the requirements of the HPE Code down to their sub-tier Suppliers."

Element 2

This element is intended to capture how the company ensures its supply chain expectations are cascaded through its supply chains: either through capacity-building of first tier suppliers, or directly training suppliers below the first-tier on such policies.

- **50 points**: The company discloses capacity building or training for second-tier suppliers in a limited supply chain context only, or discloses limited details. OR, the company discloses training or capacity building on the supplier code addressing forced labour/forced labour risks for first-tier suppliers, without specifying that capacity building efforts focus on enabling suppliers to cascade the standards to their own suppliers.
- **75 points**: The company discloses capacity building or training for lower tiers, but does not disclose detail. OR, the company discloses detail on the content, frequency, or participants in the training for first-tier suppliers.
- **100 points**: The company discloses training for lower-tier suppliers or capacity building for first-tier suppliers (developing and strengthening the ability of suppliers to manage labour standards in their own supply chains) on forced labour across supply chain contexts. The company provides additional detail on the training: this include information on who has been trained, how frequently the training is carried out, and/or the topics of the training as they relate to forced labour.

In addition, demonstrating how the effectiveness of the capacity building is measured and the outcomes it has resulted in is considered to be leading practice.

Examples: Intel discloses that it has continued its project for “supplier accountability” and has reached over 135 suppliers at tier 2 level. It states it has required that 50 of its suppliers work with three of their own major suppliers to assess and address their risks of forced labour. It states that this has “resulted in numerous positive changes made by Tier 2 suppliers to their staffing and recruiting policies and closer engagement and expectation setting with their recruiting agents.”

Lululemon discloses it has carried out eight trainings on high risk or local issues and discloses that in Taiwan, it trained 18 second-tier suppliers “on how to cascade our [Vendor Code of Ethics] requirements to their subcontractors, and how to address specific location-based risks, including foreign migrant worker rights.”

Indicator 2: Management and Accountability

Management and Accountability	<p>2.1 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;</p> <p>2.2 discloses how it trains relevant decision-makers within the company on risks and policies that address forced labour, including employees responsible for procurement; and</p> <p>2.3 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.</p>
-------------------------------	---

Alignment with international standards

- [UNGP 16](#): The UN Guiding Principles outline the responsibility of companies to ensure that their policies are approved at the most senior level of the organisation, informed by relevant internal and external expertise, and reflected in the operational policies and procedures of the organisation.
- [OECD 1.2](#): The OECD Guidelines outline companies’ responsibilities in relation to embedding policies on responsible business conduct into the organisation’s oversight bodies and management systems so that they are implemented throughout their structure, including developing training and incentives in line with these policies.
- [GRI 2-24](#): The GRI Standards outline how companies are required to describe how they embed each of their policy commitments for responsible business conduct across different levels within the organisation, into organisational strategies, policies, and procedures and provide training on implementing commitments.

Reporting Guidance:

Element 1

- **50 points:** The company discloses information on who is responsible for the implementation of supply chain policies on forced labour, but discloses limited details.

- **75 points:** Substantial and clear details on the responsibility and managerial structure relevant to forced labour in supply chains.
- **100 points:** The company meets the criteria for the 75 point threshold and discloses incentives for staff which are tied to improvements in working conditions in supply chains.

Please note: Credit will not be given for information on teams responsible for “sustainability” or “ESG” only, without further clarity as to whether this includes the day-to-day implementation of the supplier code of conduct or other supply chain policies and programmes addressing forced labour. Since “ESG” and “sustainability” are both very broad terms which can encompass a vast range of topics, it is not sufficiently clear that this includes forced labour in supply chains.

Example: HPE reports that its Social and Environmental Responsibility (SER) team is responsible for “establishing and coordinating the policies, processes, and programs governing HPE’s approach to human rights and ethical conduct in the supply chain.” It states that the SER team is comprised of five people and is led by its Vice President of Anti-Corruption & SER, reports to its Chief Ethics and Compliance Officer and works with social and environmental colleagues on its Corporate Affairs team “to enforce our policies and commitments relating to the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the principles set forth in the International Labour Organization (ILO) eight core conventions.” It additionally states that the SER team provides support and guidance to global sourcing teams, as well as indirect procurement to implement and manage its policies and processes for human rights in the supply chain.

Element 2

- **50 points:** The company discloses that relevant decision makers are trained on forced labour policies and risks.
- **75 points:** The company discloses that relevant decision makers are trained on forced labour **supply chain** policies and risks.
- **100 points:** Training must include employees responsible for procurement.

Element 3

- **50 points:** the company discloses board oversight of forced labour supply chain policies.
- **75 points:** the company discloses details on who at board-level is responsible for forced labour supply chain policies, how often the board is updated, topics that have been discussed, or outcomes (what changed based on feedback from the board).
- **100 points:** In addition to meeting the criteria for partial points the company describes how the experience of affected workers or relevant stakeholders informed board discussions.

Best practice would be for this to be embedded in the relevant committee Charter.

Please note: Credit will not be given for board oversight of “sustainability” or “ESG” topics, without further clarity as to whether this includes the supplier code of conduct or other supply chain policies and programmes addressing forced labour. Since “ESG” and “sustainability” are both very broad terms which can encompass a vast range of topics, it is not sufficiently clear that this includes forced labour in supply chains.

Traceability and Risk Assessment

Indicator 3: Traceability and Supply Chain Transparency

Traceability and Supply Chain Transparency	The company discloses: 3.1 The names and addresses of first-tier suppliers; 3.2 The names and locations of below-first-tier suppliers (this does not include raw material suppliers); and 3.3 The sourcing countries of at least three raw materials at high risk of forced labour.
--	--

Alignment with international standards

- [OECD 2.2c](#): The OECD Guidelines outline companies' responsibility to obtain information on suppliers below the first tier and to establish processes to assess the risks of lower-tier suppliers.

Reporting Guidance:

Element 1 (applicable to ICT and Apparel & Footwear)

- **50 points**: The company discloses the names (but not addresses) first-tier suppliers.
- **100 points**: The company discloses the names and addresses of all first-tier suppliers (or the majority of the company's spend, for example more than 80%).

Examples: Asos discloses a factory list which it states cover tiers 1 to 3 of production, and 100% of Asos's brand production. The list includes names, addresses, supply chain tier, number of workers, and percentage of men and women. It discloses it sources from 27 countries in total from first to third tier.

HP discloses a first tier supplier list including names, addresses, number of workers per supplier, and product type representing 95% of its procurement expenditures for materials, manufacturing, and assembly.

Sectoral distinction for the Food & Beverage sector:

As benchmarked Food & Beverage companies typically source several high-risk commodities, full credit is achieved when a company demonstrates tracing and transparency for at least three high-risk commodities.

- **50 points**: The company discloses the names of suppliers (not addresses) for multiple commodities, or a list of the names and addresses of first-tier suppliers (all or majority, more than 80%) for one commodity only.
- **75 points**: The company discloses the names and addresses of first-tier suppliers for two high-risk commodities.
- **100 points**: The company discloses the names and addresses of all first-tier suppliers (or the majority of the company's spend, for example more than 80%) for three high-risk commodities.

Example: Tesco discloses a list of first-tier suppliers of its own-branded products across a range of product categories, including meat and poultry, fruit and vegetables, bakery products,

dairy, coffee and tea. The list is complete for these product categories and includes names, addresses, and number of workers.

Element 2 (applicable to ICT and Apparel & Footwear)

This element focuses on the supply chains between first-tier manufacturing and raw material sourcing, such as component suppliers or smelters in ICT, or spinning mills in Apparel & Footwear.

- **50 points:** The company discloses the names of suppliers beyond first-tier for a limited supply chain context.
- **100 points:** The company discloses this information for a majority of below first tier suppliers (e.g. majority of second-tier suppliers).

Example: JD Sports' supplier list includes second-tier suppliers, which the company states are fully mapped, and includes the names and addresses of tier 3 and 4 suppliers (which the company states are partially mapped). 137 third-tier suppliers are included in the list, and 127 fourth-tier suppliers.

Sectoral distinction for the Food & Beverage sector:

As benchmarked Food & Beverage companies typically source several high-risk commodities, full credit is achieved when a company demonstrates tracing and transparency efforts which apply to at least three high-risk commodities.

- **50 points:** The company discloses a second-tier supplier list for only one high-risk commodity (e.g. palm oil mills).
- **75 points:** The company discloses the names and locations of below-first-tier suppliers of two high-risk commodities.
- **100 points:** The company discloses this information for at least three high-risk commodities.

Element 3

KnowTheChain will evaluate a company's disclosure of sourcing countries of raw materials with known forced labour risks. Sources will include the [US Department of Labor's list of Goods Produced by Forced Labor](#) and [Verité's Responsible Sourcing Tool](#). High-risk raw materials may include, but is not limited to, the following:

- ICT: e.g. gold, tin, tungsten, tantalum
- Food & Beverage: e.g. cattle, fish, tea, tomatoes/tomato products, shrimp, sugarcane
- Apparel & Footwear: e.g. cotton, rubber, leather

KnowTheChain encourages companies to identify all additional raw materials at high risk of forced labour.

- **50 points:** The company discloses the sourcing countries of only one commodity, or incomplete information across several high-risk raw materials, OR the company discloses efforts to trace raw materials for at least two high-risk commodities.
- **75 points:** The company discloses the full list of sourcing countries for two high-risk commodities.
- **100 points:** The company discloses full lists of sourcing countries for a minimum of three high-risk raw materials.

Examples: Puma discloses that “99% of the cotton originates from Brazil, Australia, USA, Bangladesh and Ivory Coast” and that “the leather used in PUMA footwear originates from the USA (44%), Argentina (24.4%), China (13.2%) Australia (7.4%), France (4.4%), Uruguay (2.5%), Paraguay (1.9%), Italy (1.5%), Columbia (0.7%) and Brazil (0.3%)”.

Woolworths states “the majority of behind the counter seafood sold in Woolworths Supermarkets is fished in Australia and New Zealand.” It reports “96% of Woolworth’s fresh fruit and vegetables are sourced in Australia.” The company details particular fresh produce that it has identified as high risk. It also states “100 percent of the fresh meat sold at Woolworths supermarkets is produced in Australia.” Woolworths further discloses the sourcing countries of more than 90% of each of the following key raw materials:

- Palm oil - Malaysia and Indonesia
- Soya - Australia and China
- Sugar ("as a product") - Australia
- Tea - Indonesia, Australia, China and India

Indicator 4: Risk Assessment

Risk Assessment	<p>4.1 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 civil society, unions, and workers or their representatives) in countries in which its suppliers operate;</p> <p>4.2 details on forced labour risks identified in different tiers of its supply chains; and</p> <p>4.3 examples of the steps taken to address forced labour risks identified in its risk assessment, in consultation with relevant stakeholders (such as civil society, unions, and workers or their representatives).</p>
-----------------	--

Alignment with international standards

- [UNGP 17 and 18:](#)
 - The UN Guiding Principles outline the responsibility of companies to identify, prevent, mitigate and account for how they address their adverse human rights impacts through carrying out human rights due diligence.
 - The UN Guiding Principles state that companies should identify and assess human rights risks and impacts while drawing on internal and/ or external human rights knowledge and involving meaningful consultation with relevant stakeholders and potentially affected groups.
- [OECD 2.1 and 2.2:](#)
 - The OECD Guidelines state that companies are required to carry out a broad scoping exercise across its supply chains assessing which risks are most likely to be present and are most significant.
 - The OECD Guidelines state that based on the significant areas of risks identified in a company’s broad scoping exercise, companies are required to carry out increasingly in-depth assessments of prioritised areas to identify and assess specific actual and potential adverse impacts.

- [GRI 409-1 and 2-29](#):
 - The GRI Standards require companies to report information on operations and suppliers considered to have significant risks of forced labour and the measures taken by the company in addressing forced labour risks.
 - The GRI Standards require each company to describe its approach to engaging with stakeholders and how the company seeks to ensure meaningful engagement with stakeholders.

Reporting Guidance:

Element 1

- **50 points:** The company disclose how it conducts a human rights risk assessment on its supply chains, with reference to some sources and types of risks assessed, but does not provide a detailed description of the sources used and stakeholders it has engaged with as part of the process.
- **75 points:** The company discloses a strong level of detail on sources used and risks assessed, but does not disclose engaging with relevant stakeholders.
- **100 points:** The company discloses detail on its human rights risk assessment, including assessment of forced labour risks in its supply chains, and describes the sources used and relevant stakeholders consulted.

Examples:

- HPE discloses detail on the different sources used as part of its supply chain risk assessment. HPE states that it engages with a broad range of stakeholders on “geographic risks, labor trends, and environmental risks.” It states this includes industry groups, suppliers, governments, investors, nongovernmental organisations and human rights groups. HPE specifies that it has engaged directly on forced labour issues with NGOs including Verite, Migrant Forum in Asia, International Organization for Migration, Our Journey, Institute for Human Rights and Business, Freedom Fund, Coalition to Abolish Slaving and Human Trafficking, Save the Children, UNICEF and the OECD. The company states that its risk assessment process also involves information from its supplier monitoring program, and worker engagement. It further discloses that it uses research, reports, government indices, self-assessment questionnaires and Verite’s Cumulus tool (to assess how suppliers work with recruitment agencies). It states that its supplier risk calculator considers supplier, facility, product, and country risk. The company notes that it pays attention to the following indicators – “employment of vulnerable worker groups, the use of third party agents in the recruitment or management of workers, and supplier operations in geographic areas with potential for elevated risks of forced labor, bonded labor, and human trafficking.”

Element 2

- **50 points:** The company discloses information on forced labour risks identified in one supply chain tier only (or references risks in multiple tiers without providing any detail on their location/tier or influence on the company’s own supply chains).
- **100 points:** The company provides details on forced labour risks identified in at least two different tiers in its supply chains.

Example: Primark identifies risks of forced labour for migrant workers, including young women, in spinning mills and factories in South India; workers in North Korea; in China “in the production of goods across multiple sectors and industries” and in the Xinjiang Uyghur Autonomous Region; and undocumented workers in Turkey. The company further cites risks of overtime in Moroccan garment factories, finding that “workers were not being paid overtime premiums and on a monthly basis due to a conflicting interpretation of Moroccan labour law.” Primark discloses it has identified workers hired through agencies and labour providers in the UK and Western Europe as particularly at risk for forced labour in production, logistics providers, warehouses and recyclers. It further discloses assessments into specific recruitment practices in India found some isolated issues such as “third-party recruitment agents charging new recruits for a job in the factory, and factories deducting pay from existing workers who recommended new workers who then left the factory before a certain period.”

Element 3

Following risk identification and disclosure, this element seeks to understand how companies follow up on the risks identified and describe the steps taken to address risks, in consultation with relevant stakeholders. As such, KnowTheChain would expect to see a connection between the risks disclosed under 4.2 and the steps taken under 4.3.

- **50 points:** The company provides specific examples of steps it has taken to address an identified forced labour risk, but does not provide detail, or fails to describe how relevant stakeholders such as workers or their representatives have been as part of the process.
 - **Note:** Audits would not be considered a step taken to address an identified forced labour risk here. Monitoring is captured under indicator 11. Please see below for examples of company disclosure that have met the criteria for this indicator.
- **100 points:** The company clearly outlines its approach to addressing one or more specific forced labour risks identified in its supply chains; including engagement with relevant stakeholders.

Examples:

Primark discloses that “recognising the specific vulnerabilities of Syrian refugees in the supply chain” in Turkey, it strengthened its partnership with local NGO United Work in 2022. It states United Work delivered training to Syrian refugees employed in garment factories including on workers’ rights and duties, basic labour law, and safety in the workplace. It states an additional key focus of the partnership is on helping Syrian refugees obtain work permits.

Walmart reports engaging the IOM to better understand the scope and scale of migrant labour in Thailand and Malaysia. It states that to “build the leadership capacity of suppliers’ facilities and their recruiters on ethical recruitment and migrant worker protection, the project delivered training to increase awareness of responsible recruitment practices and effective actions to improve the recruitment process of migrant workers and decrease the risk of workers’ exploitation.” It states training was delivered to 100 suppliers and 90 recruiters in Indonesia, Nepal, Malaysia, Cambodia, Thailand, Bangladesh and Myanmar.

Indicator 5: Data on Supply Chain Risks

Data on Supply Chain Risks	5.1 the percentage or number of supply chain workers who are women;
----------------------------	---

5.2 the percentage or number of supply chain workers who are migrant workers; and
5.3 the percentage or number of supply chain workers that are being paid a living wage.

Alignment with international standards

- [UNGP 17](#): The UN Guiding Principles outline the responsibility of companies to identify, prevent, mitigate and account for how they address their adverse human rights impacts through carrying out human rights due diligence.

Reporting Guidance:

Element 1

- **50 points:** The company discloses data for a limited supply chain context only (e.g. for one supplier country, or one commodity or product type).
- **75 points:** The company discloses the number/percentage for first-tier suppliers.
- **100 points:** In addition to meeting the criteria for partial points, the company discloses data for its workforce below the first tier of its supply chains.

Example: Asics' global factory list includes the percentage of women workers at each supplier facility (first tier and some second tier, comprising 90% of global production annually).

Element 2

- **50 points:** The company discloses data for a limited supply chain context only (e.g. for one supplier country, or one commodity or product type).
- **75 points:** The company discloses the number/percentage for first-tier suppliers.
- **100 points:** In addition to meeting the criteria for partial points, the company discloses data for its workforce below the first tier of its supply chains.

Element 3

- **50 points:** The company discloses conducting analysis on wage contexts with the aim of implementing a living wage or fair compensation plan.
- **75 points:** The company meets the criteria for 50 points and discloses data for a limited supply chain context only (e.g. for one supplier country, or one commodity or product type).
- **100 points:** The company discloses aggregate data for the first tier of its supply chains, or preferably, detailed living wage data per country for first-tier suppliers.

Purchasing Practices

Indicator 6: Purchasing Practices

Purchasing Practices

6.1 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

6.2 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; and
6.3 discloses two quantitative data points demonstrating that it has responsible purchasing practices in place that address the risk of forced labour.

Alignment with international standards

- [UNGP 17](#): The UN Guiding Principles outline the requirement that companies embed their responsibility to respect human rights through a statement of policy that is reflected in operational policies and procedures necessary to embed it throughout the company.

Reporting Guidance:

Element 1

Under this indicator, KnowTheChain is assessing whether the company adopts a “shared responsibility” approach to human rights due diligence. The Responsible Contracting Project (RCP), with its Responsible Contracting Toolkit comprising the Model Contract Clauses 2.0 (the MCCs) and the Responsible Buyer Code of Conduct, promotes an alternative approach to traditional contracting which makes the supplier solely responsible for upholding the buying company’s human rights standards in the supply chain. In its place, the RCP Toolkit introduces a model of contracting referred to as “shared responsibility” or “due diligence-aligned” contracting. The MCCs also integrate human rights remediation into supply contracts by ensuring that, should harms occur, both companies are contractually responsible for working together to provide remedy to victims, in proportion to their contribution to the harm. This addresses a major shortcoming of traditional contract remedies, where the non-breaching contractual party (often the buying company) is remedied instead of the victims.

The company’s contractual framework could be aligned with the MCCs to incorporate some of the below example clauses.

The company adopts a shared responsibility approach to human rights due diligence via its contracts by incorporating, for example, one or more of the following clauses:

- a) Human rights remediation clauses that prioritise remediation over traditional contract remedies for breaches that implicate human rights;
- b) Engaging in ongoing dialogue with suppliers throughout the course of the contract to ensure that buyers’ requirements, including changed orders, do not undermine human rights;
- c) Collaborating with suppliers to agree on a timeline to ensure that orders will not trigger excessive working hours or unauthorised and unregulated sub-contracting, ensuring that suppliers can perform under the contract while meeting the company’s own human rights standards.

- **50 points:** The company discloses that it has adopted a shared responsibility approach to human rights due diligence which is embedded into contracts with supplier.

- **100 points:** The company discloses the contract language used for at least two such clauses (i.e. disclosure of the contract/excerpt from the contract terms).

Element 2

Researchers will assess:

- Whether the company discloses collaborative planning and forecasting practices, adopted in order to ensure stable order volumes and promote good working conditions for suppliers' workers (i.e. sudden changes in workload do not result in a reliance on temporary workers or excessive overtime)
- Whether the company discloses that it provides accurate and regular forecasting to suppliers
- Whether the company discloses that it has adopted, or is working to adopt, pricing which covers the full costs of production and the types of costing/pricing mechanisms it uses to ensure the pricing is sufficient.
- Whether it discloses that it has adopted pricing which takes into account the cost of a living wage or income.
- Whether labour costs are protected during pricing negotiations (i.e. labour costs are ringfenced), or other pricing mechanisms are used to ensure labour costs are met (e.g. the use of price premiums).
- Whether the company focuses on ensuring long-term contracts with suppliers – in order to ensure stability in working conditions, and in support of achieving living wage or income goals.

Partial points will be given where the company discloses some information relating to either planning, forecasting, or pricing which covers the full costs of production/addresses labour costs in particular.

All three elements (re planning, forecasting, and pricing) must be addressed for full points. It should in particular be clear how labour costs are factored into (and protected within) pricing. Please note it is not necessary for companies to have achieved the payment of a living wage/living income in order to receive full points under this indicator, since the indicator is framed to capture how the company “takes steps to ensure.”

For further resources on responsible purchasing practices as they pertain to different sectors, please see, for example:

- Ethical Trading Initiative, “[Common framework for responsible purchasing practices in food.](#)”
- Better Buying, “[Five principles of responsible purchasing.](#)”

Element 3

- **50 points:** The company provides one data point only, or the company provides several data points but they are not of relevance to all (or majority of) first-tier suppliers.
- **100 points:** The company discloses two different data points which address responsible purchasing practices.

Examples of quantitative data points include:

- the minimum or average lead time provided to suppliers;
- percentage of orders changed after an order is placed;
- % of orders for which wages and other labour costs (such as wages increases) are isolated/ring-fenced
- length of supplier contracts (not relationships);
- percentage of suppliers paid in full within 60 days of delivery.

Example: Corning states that “97% of small disadvantaged suppliers are paid in 60 days or less.” It also states that the average length of its contracts is two years, and that 15% of all orders are changed after an order is placed.

H&M discloses that on average suppliers get paid 15 days after they submit an invoice and hand over goods. It also reports that 99% of its apparel orders are processed using its costing calculation process whereby labour costs are itemised.

Recruitment

Indicator 7: Recruitment Fees and Related Costs

Recruitment-Related Fees	7.1 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"); 7.2 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 7.3 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.
--------------------------	--

Alignment with international standards

- [UNGP 15 and 22](#):
 - The UN Guiding Principles outline the responsibility of companies to have policies and processes in place to meet their responsibility to respect human rights. This should include a human rights due diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights and processes to remedy adverse human rights impacts which they cause or to which they contribute.
 - It is the responsibility of companies where they identify that they have caused or contributed to adverse impacts, that they provide for and cooperate in their remediation.
- [OECD 6.1](#): The OECD Guidelines state that when a company identifies that it has caused or contributed to actual adverse impacts, it is required to address such impacts by providing for or cooperating in the remediation of such impacts.

Reporting Guidance

Definition: For details on the ILO's definition of recruitment fees and related costs, see ILO (2019) – "[General principles and operational guidelines for fair recruitment and Definition of recruitment fees and related costs.](#)"

Element 1

- **50 points:** The company discloses a policy that prohibits the charging of recruitment fees without explaining who should bear the costs.
- **100 points:** The company discloses a policy that embeds the Employer Pays Principle, stating that the employer and not the worker is responsible for bearing the costs of recruitment, OR discloses a policy that prohibits worker-paid recruitment fees and specifies that workers must be repaid where fees have been charged (thereby implying that the employer is responsible for the costs).
- **75 points:** A company's score will be capped if it is unable to demonstrate any implementation efforts (i.e. if it does not receive any credit under element 2).

Points may also be capped where a policy imposes limitations which mean it is not adequately aligned with the ILO definition of recruitment fees and related costs.

Example: Unilever's Responsible Partner Policy states that workers must not be required to pay a fee in connection with obtaining employment to the employer or any agency involved in the recruitment process. Additionally, it states employers are responsible for the payment of all fees and expenses in connection with a worker obtaining employment or incurred in connection to the worker performing their duties, and where fees are paid by workers they must be reimbursed.

Element 2

The company discloses how it is proactively ensuring the **implementation** of the Employer Pays Principle and describes working to **prevent** the charging of fees to supply chain workers. Evidence demonstrating preventative efforts may include a combination of the following:

- Understanding recruitment channels: Can the company demonstrate that it understands where workers are coming from, and what practices labour recruiters have in place?
- Mapping costs of fees: Can the company demonstrate that it understands the amount of fees workers have paid in different migration corridors?
- Specialised audits and verification of employer payment: Can the company demonstrate that it is undertaking in-depth audits or other monitoring processes that demonstrate that workers did not have to pay fees, and that the employer has paid fees directly? As part of this, can the company list relevant documents that have been checked (such as contractual relationships with recruiters, letters regarding worker visa, etc.)?
 - Does the company disclose the percentage of first-tier suppliers which directly, verifiably, and timely paid the recruitment fees and related costs associated with recruiting migrant workers directly to labour recruiters?
- Evidence of payment of fees by suppliers: Can the company demonstrate that suppliers have paid recruitment-related fees to labour agencies upfront, such as through receipts?

Crucially, this indicator is designed to measure whether companies are verifying the implementation of Employer Pays by ensuring that employers are paying fees to labour recruiters in advance, placing the burden of payment on the employer and not on the worker.

Scoring approach:

- **50 points:** The company describes preventative efforts in a limited supply chain context, or has taken limited steps to ensure employers are paying fees directly to labour recruiters.
- **100 points:** The company demonstrates comprehensive preventative efforts across supply chain contexts (tiers and/or locations).

Examples of preventative steps taken:

- Lululemon states it begins by asking suppliers to map all foreign migrant workers in the facility including sending countries and recruitment channels. It states it then interviews workers with Verite, as well as recruitment agencies in the sending and receiving countries - which it states allows it to gain a better understanding of recruitment paths. It reports it also engaged with the Taiwan Direct Hiring Office to understand hiring channels further. Lululemon discloses the practices that some of its suppliers are using in relation to no-fee requirements. It states that one supplier has a system to hire migrant workers from Indonesia through a direct hiring channel without using overseas labour agents which could reduce 70% of recruitment costs; another supplier is using Vietnam and Thailand facilities to provide local recruitment services and therefore reducing costs charged by overseas labor agents; and another is using direct hiring for overseas recruitment while partnering with a Taiwanese labour agent.
- Cisco states that it has worked with suppliers to develop models to ensure that employers pay healthcare providers for health examinations to remove the need for workers to be reimbursed.
- Apple states that it conducts specialised debt-bonded labour audits in high risk environments “including high-risk labor migration corridors and in areas where employment of [foreign contract workers] typically occurs.” It discloses that specialised assessments were conducted in Japan, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Vietnam, and the United Arab Emirates in 2021. It states that these assessments seek to identify whether fees were paid by foreign contract workers at any point during their recruitment. The company reports that each audit includes verification of documents from suppliers and labour agents, as well as interviews with labour agencies and workers. Apple discloses that workers selection for interview is based on “countries of origin, labor agencies on-boarding dates, work positions, work shifts, and gender.”

Element 3

The company provides evidence that workers have been remediated where fees have been charged contrary to the company’s policy. The company discloses data on fees reimbursed.

- **50 points:** The company discloses remedy provided in one supply chain context only, OR the company provides an aggregate figure of the amount of fees repaid across suppliers in a particular year (without providing further detail)
- **75 points:** The company discloses remedy across supply chain contexts (tiers and/or locations)

- **100 points:** In addition to meeting the criteria for partial points, the company describes how it has engaged with affected workers or their representatives in this process.

For guidance on the repayment of recruitment fees and related costs, see Impactt’s [Principles and Guidelines for the Repayment of Migrant Worker Recruitment Fees and Related Costs](#).

Examples:

STMicroelectronics discloses that six suppliers reimbursed fees to workers totalling US\$167,500 in 2020/2021. The company also discloses a table showing the amount of fees paid back in 2020 and 2021 (USD 29.8 and 137.6), the number of workers impacted respectively (22 and 42), and the number of suppliers involved (3 and 4).

HPE reports a finding of five workers at a supplier manufacturing facility based in Malaysia that paid fees “including medical, immigration security clearance, orientation, and agency fees back in their home country of Nepal.” The company states that the supplier then identified further instances of recruitment charges and agreed to repay all migrants from Nepal “regardless of whether they reported fees or had evidence.” HPE discloses that the supplier openly engaged with the company, “quickly refining and improving its reimbursement program, ensuring worker voice and consultation into the reimbursement plan, provided evidence that workers were fully reimbursed within three months of HPE discovering the finding.” It states the supplier also worked with HPE to survey workers across the whole company and found “high rates” of understanding of the no-fee policy and satisfaction with the reimbursement program. The company additionally reports working with four suppliers to repay USD half a million to workers that paid fees to agencies and reports that all suppliers have been graduated from its reimbursement program.

Indicator 8: Responsible Recruitment

Responsible Recruitment	8.1 discloses information on the labour recruiters used by its suppliers in sending and receiving countries; and 8.2 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).
-------------------------	--

Alignment with international standards

- UNGP 17: The UN Guiding Principles state that in order to identify, prevent, mitigate and account for how they address their adverse human rights impacts, companies should carry out due diligence.
- [OECD 2.2](#): The OECD Guidelines outline the responsibility of companies to carry out increasingly in-depth assessments of their prioritised risks in order to identify and assess actual and potential adverse impacts.

Reporting Guidance:

Element 1

This indicator element assesses whether companies can provide evidence of their due diligence processes for their labour supply chains, including whether they are tracing/mapping and disclosing the labour recruiters used in their supply chains.

- **50 points:** The company describes its process for mapping the labour recruiters used in its supply chains.
- **100 points:** The company discloses the names of labour recruiters used in its supply chains or comprehensive information on labour agencies in its supply chains. The mapping process has included labour recruiters in both sending and receiving countries.

Example: Apple discloses identifying 1,182 labour agencies supporting 482 supplier facilities in 32 countries. The company has required requiring prospective suppliers in India, Malaysia, South Korea, Taiwan, and Thailand to undergo labour agency mapping and responsible recruitment training as part of its supplier selection process.

Woolworths reports that it collects information from “supplier sites and their growers including the name, licence number or scheme to which the [labour hire providers] adhered.” As such the company has a process for tracing labour agencies used by suppliers in Australian horticulture. It states that 257 labour hire providers have been identified in 2021, 130 of which met the company's requirements. The company states it “engaged 35 suppliers whose grower responses had been incomplete, to verify the status of the remaining 127 LHPs.” As such, the number verified increased to 178. On its website, Woolworths discloses a list of licensed agencies that can be used under its approved programs.

Element 2

Information provided may include: providing supplier training on ethical recruitment; using responsible recruitment agencies; supporting the development of ethical recruitment schemes; sharing due diligence findings on recruitment issues; engaging policy makers to improve standards for labour recruiters.

- **50 points:** The company provides limited information only.
- **75 points:** The company provides detail (e.g. detailed efforts in a particular high-risk context, or multiple initiatives across supply chain contexts) but does not disclose engagement with relevant stakeholders.
- **100 points:** The company outlines a detailed approach and discloses engagement with relevant stakeholders.

Example: Amazon discloses that it partnered with the International Organisation for Migration (IOM) CREST program on recruitment practices in Japan, as risks were identified to migrant workers through the Technical Intern Training Program, including the charging of recruitment fees. It states that in partnership with CREST it conducted research on the legal frameworks governing migrant workers in Japan, and the challenges faced by migrant workers. It states that it is using this research to develop a region-specific education program for its suppliers on migrant worker vulnerabilities in Japan and states that this will support “suppliers in identifying, assessing, and mitigating specific risks to migrant workers, including worker-paid recruitment fees.”

Enabling Workers’ Rights

Indicator 9: Freedom of Association

Freedom of Association	9.1 works with independent local or global trade unions and/or other legitimate worker representatives to improve freedom of association in its supply chains;
------------------------	--

9.2 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; and 9.3 discloses the percentage of supply chains covered by collective bargaining agreements.

Alignment with international standards

[OECD 6.2c](#): The OECD Guidelines require companies to engage with workers' representatives and trade unions to establish a process through which they can raise complaints to the company which may be through grievance mechanisms created through collective agreements or Global Framework Agreements.

Reporting Guidance:

Element 1

- **50 points:** The company provides an example of union engagement in one supply chain context only.
- **75 points:** The company provides at least two concrete outcomes, beyond activities such as training, to demonstrate that they engaged with unions or other legitimate worker representatives to improve freedom of association.
- **100 points:** The company provides an example of union engagement beyond the first tier.

This indicator is designed to capture engagements with unions that strengthen or support workers' right to freedom of association and collective bargaining. However, in some cases, partial points may be awarded for other union engagements which focus on improving specific conditions for workers – for example, the [Employment Injury Scheme](#) in Bangladesh which focuses on the provision of social insurance for garment workers.

Example: Tesco states that it has launched a new strategic partnership with the IUF, through a memorandum of understanding, that will focus on “how women in global food supply chains can benefit from effective grievance mechanisms, freedom of association and trade union representation.” It states this will initially focus on key supply chains including bananas, tea, and meat.

Tesco discloses that in partnership with COLSIBA (Coordinating body of Latin American Banana and Agro-Industrial Unions) it has supported an increase in women's participation as worker representatives, “and specifically in national trade unions and collective bargaining forums in Latin America through labour rights education.”

In addition, Tesco states that in its banana supply chain it is “in regular dialogue with union representatives at the Ethical Trading Initiative, alongside representatives from the International Trade Union Confederation (ITUC), International Union of Food (IUF) and Trades Union Congress (TUC).”

Element 2

“Global Framework Agreements” (GFAs) are non-binding agreement between trade unions and multinational companies, which are put in place to ensure workers' core labour rights – including the right to freedom of association and collective bargaining – are respected, across

a company's operations and including in countries where there are lower local standards. See here for a [list of IndustriALL's GFAs](#). Enforceable labour rights agreements are legally binding and commitments form a contractual obligation. Examples include the [Fair Food Program](#) and the [Dindigul Agreement](#).

- **50 points:** The company is part of an agreement that relates to a specific topic or a specific supply chain context only.
- **100 points:** The company discloses an agreement that covers its first-tier suppliers.

Example:

Element 3

- **50 points:** The company provides data for a limited supply chain context only or provides aggregate data.
- **100 points:** The company provides a detailed breakdown for first-tier supply chains.

Indicator 10: Grievance Mechanism

Grievance Mechanism	10.1 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 10.2 discloses data about the practical operation of the mechanism, including the number of grievances filed, addressed, and resolved; and 10.3 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.
---------------------	---

Alignment with international standards

- [UNGP 29 and 31](#):
 - The UN Guiding Principles set out the responsibility of companies to establish or participate in effective grievance mechanisms at an operational-level for affected stakeholders.
 - In order to ensure that grievance mechanisms are effective, companies should ensure that they are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue.
- [OECD 6.2](#): The OECD Guidelines state that companies should provide for or cooperate with legitimate grievance mechanisms through which affected stakeholders can raise complaints and seek to have them remedied.
- [GRI 2-25](#): The GRI Standards state that companies are required to describe the processes by which they provide for or cooperate in the remediation of negative impacts identified, how affected stakeholders are involved in the design, review, and operation of these mechanisms, and how they track the effectiveness of the grievance mechanisms.

Reporting Guidance:

Element 1

Researchers will assess whether:

- The mechanism is publicly available (and can therefore be accessed by external stakeholders)
- The mechanism is clearly intended for supply chain workers (and their representatives) to use
- The mechanism is clearly designed to receive grievances related to human rights. A mechanism specifically designed to cover other topics will need to make clear to stakeholders that it can be used for human rights grievances as well.
- The company outlines how the mechanism is communicated to suppliers' workers.

For full points: A grievance mechanism must be available to workers at first tier and below the first tier of the company's supply chains. A mechanism would also be available to workers' legitimate representatives. This must include proactive communication of the mechanism to workers at first tier and beyond the first tier so that they are reasonably made aware of its existence. The mechanism is set up to receive complaints related to human rights.

What doesn't count:

- Mechanisms such as:
 - whistleblowing or corruption hotlines
 - those which are clearly intended for the company's own employees to use.

The OHCHR has published an [interpretive guide](#) to access to remedy in cases of business-related human rights abuse, which describes the difference between a whistleblowing hotline and an operational-level grievance mechanism (see page 49). It notes, in particular, that whistleblowing hotlines are designed to "align with corporate policies and codes of conduct, rather than addressing the salient human rights risks identified through human rights due diligence processes."

- Where the company does not disclose an operational or third-party grievance mechanism, but only discloses a policy requirement for suppliers to establish grievance mechanisms for their workers. Unless this is accompanied by information on how this policy requirement has been implemented by suppliers and verified by the company, this requirement alone will not be sufficient for credit.

Note: Credit may be limited if it is unclear how suppliers' workers are made aware of the existence of a mechanism, or if there is conflicting information regarding the stakeholder types who can access the mechanism.

Element 2

- **50 points:** A company reports the usage of a grievance mechanism for suppliers' workers related to one sourcing context only (or provides limited detail).
- **75 points:** The company discloses comprehensive data demonstrating the use of the mechanism by suppliers' workers, including information on the types of grievances reported.

- **100 points:** The company meets the criteria for 75 points and includes data on the **resolution** of grievances. This may include examples of how particular grievances were investigated and resolved to the satisfaction of workers.

Element 3

This element may refer, for example, to grievances raised through national monitoring committees that include worker representatives.

- **50 points:** The company discloses such a mechanism for a limited supply chain context only.

Examples:

Asos reports it launched the Just Good Work app in Mauritius where among accessing information about their rights, workers can report grievances that go directly to the Migrant Resource Centre and CTSP. The CTSP is local trade union Confederation des Travailleurs des Secteurs Publique et Privé, affiliated to IndustriALL. The Migrant Resource Centre is run by CTSP and Anti-Slavery International. The company states CTSP has trained workers in Mauritius on how to use the app.

H&M’s global framework agreement (GFA) includes national monitoring committees in six production countries, which include representation from unions IndustriALL and IFMetall. The GFA states that the national monitoring committee may intervene to resolve an issue upon request or where it is not resolved through “workplace negotiation.”

Monitoring

Indicator 11: Monitoring

Monitoring	<p>11.1 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> <p>11.2 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> <p>11.3 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>
------------	---

Alignment with international standards

- [UNGP 20](#): The UN Guiding Principles state that in order to verify whether adverse human rights impacts are being addressed, companies should track the effectiveness of their response by using appropriate qualitative and quantitative indicators, and drawing on feedback from groups including affected stakeholders.

Reporting Guidance:

Element 1

Researchers will assess whether companies outline a methodology which includes:

- A review of relevant documentation, such as payslips
- On-site visits to associated production facilities (including worker accommodation where it exists)
- Interviews with workers (without management present)
- The use of off-site worker interviews
- The use of unannounced assessments
- Conducting assessments of suppliers beyond the first-tier of its supply chains.

In addition, researchers will assess the scope of the processes used by checking disclosure for:

- The proportion of first-tier suppliers monitored to the specific methodology disclosed
- The proportion of beyond first-tier suppliers monitored, where relevant
- The proportion of audits or assessments which are fully unannounced
- The proportion of worker interviews which are conducted off-site.

Scoring approach

25 points: The company discloses a baseline monitoring methodology that includes a review of relevant documentation, on-site visits to associated production facilities, and confidential interviews with workers. It is clear what percentage of first-tier suppliers are assessed against this methodology.

Thereafter, 25 points will be added cumulatively based on disclosure of the following factors:

- Audits are unannounced (and the % of unannounced audits is clear – please note 0% would not be sufficient)
- Methodologies include off-site worker interviews (and the % of audits including off-site interviews is clear – please note 0% would not be sufficient)
- Monitoring efforts extend beyond the first tier of the supply chain (and the scope of this effort is clear).

Companies must meet all the above criteria in order to receive a full score on this indicator.

Relevant credit may be available for companies that disclose the use of certain audit methodologies, where the scope/percentage of suppliers monitored against those methodologies is clear:

Audit methodology	Credit for KnowTheChain benchmark
amforiBSCI (formerly BSCI)	○ 11.1 - 25 points
Fair Food Program	○ 11.1 – 25 points (or 50 depending on scope of suppliers included)
Fair Labor Association	○ 11.1 – 25 points
SA8000	○ 11.1 - 25 points
SMETA	○ 11.1 - 25 points
RBA VAP	○ 11.1 - 25 points
RBA SVAP	○ 11.1 - 25 points

Element 2

- **50 points:** The company discloses information on its findings at first-tier suppliers (beyond high-level statistics – providing insight on the types of violations found and/or in which supply chain locations)
- **75 points:** The company discloses strong detail on the findings of monitoring efforts.
- **100 points:** For full points the company discloses the findings of monitoring efforts beyond the first-tier of its supply chains (e.g. monitoring conducted at second-tier suppliers)

Example: Woolworths states it has seen a general decrease in critical audit findings and an increase in moderate findings. Woolworths reports identifying 17 zero tolerance findings across 12 sites in its supply chains. The company states that there was an increase in Malaysia from two to four forced labour indicators identified (between 2021 and 2022). It also discloses five findings at Australian horticulture and meat suppliers (within horticulture suppliers findings included insufficient management systems for oversight of labour providers, excessive working hours and incorrect application of wages payments). It states in China, two findings were identified relating to “production or storage areas connecting directly to the worker dormitories, which is a breach of local regulation and poses a fire safety risk.” In South Africa, it states there were two findings of “indirect workers at one supplier site either being paid below the minimum wage or having wages deducted for disciplinary measures.” In New Zealand, the company states 59% of produce suppliers have been audited resulting in 44 minor, 15 moderate and one critical finding.

Element 3

“Worker-driven monitoring” is monitoring that is undertaken by workers, worker-led organisations, unions, or trusted local civil society organisations. These groups or organisations are on the ground every day—as opposed to auditors who may come in for an audit once a year—see labour conditions first-hand and can monitor for sustainable change (as opposed to conditions worsening again once the auditors are gone).

- **50 points:** The company discloses the use of worker-driven monitoring but gives only limited information.
- **100 points:** The company discloses detail on its use of worker-driven monitoring in its supply chains.

Examples: See also [WSR Concept Brief: Monitoring](#)

Fair Food Program

Workers employed at Fair Food Program farms learn about their rights through multiple educational mechanisms, including interactive sessions led by CIW’s Worker Education Committee, whose members are former and current farmworkers themselves and are paid for participation. The training equips all workers with the knowledge they need to identify and safely report abuses and dangers in the workplace without fear. The FFP provides farm workers with access to a complaint mechanism. Complaints are investigated and resolved by the Fair Food Standard Council, and, whenever possible, complaint resolutions include an educational component, consisting of meetings with relevant supervisors and crews, so that all workers on the farm can see that complaints are heard and resolved without retaliation.

Remedy

Indicator 12: Remedy

Remedy Programmes	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 A(2) at least two examples of outcomes of its remedy process in practice, covering different supply chain contexts, for its suppliers' workers
-------------------	---

Alignment with international standards

- [UNGP 15 and 22](#):
 - The UN Guiding Principles outline the responsibility of companies to have policies and processes in place to enable the remediation of any adverse human rights impacts which they cause or contribute to.
 - Where companies identify that they have caused or contributed to adverse impacts, they have a responsibility to provide for or cooperate in their remediation.
- The OECD Guidelines state that when a company identifies that it has caused or contributed to adverse impacts, they are required to address such impacts by providing for or cooperating in their remediation.

Reporting Guidance:

Element 1

- **50 points**: The company provides information on how it responds to potential complaints and/or reported violations of its policies addressing forced labour, including internal responsibility, timeframes for engagement and approval procedures.
- **100 points**: In addition to disclosing information on its remedy process the company describes how it engages affected stakeholders in this process.

Element 2

- **50 points**: Only one example is provided, OR the company provides multiple examples but they a) lack detail or b) focus on policy changes only. Changes to policy alone must be supported by evidence that the revised policy has led to tangible changes for workers in practice.
- **75 points**: Detail is provided on at least two examples of remedy outcomes.
- **100 points**: One example covers remedy supported below the first-tier of companies' supply chains.

In addition, where an allegation is identified in a company's supply chains:

B1 Response to Allegations	B1(1) that it engages in a dialogue with the stakeholders reportedly affected in the allegation(s); B1(2) outcomes of the remedy process in the case of the allegation(s); and
----------------------------	---

B1(3) evidence that remedy(ies) are satisfactory to the victims or groups representing the victims.

Where there is more than one allegation regarding a company's supply chains, KnowTheChain will evaluate a company's disclosure against the B1 indicator elements for each allegation. The company will receive the average of the scores for each indicator.

Reporting guidance:

In situations where due diligence and traditional remedy are not possible, and as such businesses should consider responsible exit, alternative criteria will be taken into account in assessing the response to allegations. This may include, but is not limited to:

- Timebound targets for stopping sourcing (directly or indirectly)
- The level of supply chain transparency disclosed by a company (and whether they have traced to the relevant supply chain tier in the allegation)
- Engagement with groups representing rightsholders, as opposed to the rightsholders themselves
- Financial contributions to groups representing rightsholders
- Enhanced due diligence measures targeted towards the particular risk

Where the allegation is identified in the company's supply chains, but denied by the company:

B2 Response to Allegations to B2(1) a description of what actions it would take to prevent and remediate the alleged impacts; and B2(2) as part of this process, it would engage with affected stakeholders and their representatives.

Reporting guidance:

Please note that the description of actions the company would have taken in these scenarios should address the specific context or scenario which was outlined in the allegation. Very high-level or general information about the process for responding to reported violations is already captured under indicator 12 A1.

Non-scored research

Regulatory reporting requirements

UK Modern Slavery Act (UK MSA)

(1) Where applicable, the company discloses at least one statement under the UK MSA.

KnowTheChain will evaluate whether a company is required to report under the UK Modern Slavery Act (see the UK government's website for details, [here](#) and [here](#)). If so, KnowTheChain will search for the company's latest statement and let the company know in case we have not found such a statement.

California Transparency in Supply Chains Act (CTSCA)

(1) Where applicable, the company publishes a disclosure under the California Transparency in Supply Chains Act.

KnowTheChain will evaluate whether a company is required to report under the California Transparency in Supply Chains Act (see the [State of California Department of Justice website](#) for details). If so, KnowTheChain will search for the company's latest disclosure, and let the company know in case we have not found such a disclosure.

Australia Modern Slavery Act (MSA)

(1) Where applicable, the company discloses at least one statement under the Australia MSA.

KnowTheChain will evaluate whether a company is required to report under the Australia Modern Slavery Act. If so, KnowTheChain will search for the company's latest statement, and let the company know in case we have not found such a statement.

Frequently asked questions (FAQs)

Why do you revise the methodology, and what are the key focuses of the methodology?

KnowTheChain revises the benchmark methodology between benchmark cycles to take into account evolving stakeholder expectations, regulation, good practices, and industry trends, as well as to continue aligning where possible with other relevant benchmarks. The 2025-26 benchmark methodology comprised only minor changes which were made to better align indicator language with existing scoring criteria, and with international standards. The key focuses of the methodology include:

- An enhanced focus on implementation of processes, as well as outcomes for workers.
- The weighting of indicators gives increased credit for disclosure demonstrating implementation and outcomes for workers.
- Stakeholder engagement is integrated throughout the methodology (and is focused on the engagement of workers, unions and other worker representatives, and expert civil society organisations).
- Action on lower tiers is measured throughout the methodology to assess where companies are conducting due diligence beyond the first tier of their supply chains.

As a forced labour benchmark, why do you go beyond forced labour and include the ILO core labour standards in the assessment of some indicators?

Forced labour and other labour rights violations are interrelated. Forced labour occurs on a spectrum of abuse that often stems from exploitative purchasing practices, recruitment

practices (including worker-paid recruitment fees) and a lack of worker power. Groups such as migrant workers are often discriminated against, and may receive lower wages than local workers. This may develop into a situation of forced labour, for example where wages are withheld or not paid over a prolonged period of time. The right to freedom of association and collective bargaining enables workers to use their collective power to bargain for decent working conditions and challenge exploitation. As such it is an enabling right that, where it can be fully exercised by workers, can prevent or uncover severe exploitation.

Why are forced labour allegations included in the benchmark, how are they collected, and how can companies respond?

KnowTheChain aims to look beyond corporate disclosure, and therefore looks at how companies respond to actual impacts on the ground and engage with impacted stakeholders. Since 2018, the KnowTheChain benchmarks include an assessment of how companies respond to and provide remedy for allegations of forced labour in their supply chains.

KnowTheChain undertakes a comprehensive English language web research for allegations. In alignment with the Corporate Human Rights Benchmark, KnowTheChain will only include allegations which meet the following criteria:

- Recent allegations: In alignment with the Corporate Human Rights Benchmark, allegations must have occurred three years from the start of the KnowTheChain research period. Allegations of impacts that have taken place more than three years prior to the research period may be included if renewed allegations arise in connection with the original allegation (for example, about a failure to provide remedy), or if the allegation is particularly severe.
- Publicly available allegations from credible external sources, such as print media, NGOs, news sites, governmental agencies, commentaries, and social media.
- Allegations which provide enough detail to link the company to the allegation (i.e. it must have been established that the supplier who is involved in the allegation supplies to the company in question, as opposed to the company sourcing from a region or country where the allegation occurred).
- Only allegations regarding the benchmark's product category will be covered, i.e., the apparel and footwear benchmark only covers allegations regarding apparel and footwear products, and does not cover allegations relating to food, or other products and services.

Where KnowTheChain has identified one or more allegation(s) of forced labour that meets its criteria for inclusion in the benchmark, KnowTheChain will share the details of the allegations with the company. Further, KnowTheChain's assessment will include any information we could locate in the public domain regarding a response and/or remedy provided related to the allegation, and invite the company to disclose how it addressed the alleged incident and provided remedy to the victims.

KnowTheChain focuses on sectors where forced labour risks are high, and therefore operates under the assumption that forced labour is likely occurring in the supply chains of all the large global companies benchmarked. A company with one or more public allegations will still be able to receive full points, if for each allegation it publicly discloses that it engaged in a dialogue with the stakeholders reportedly affected in the allegation(s), and that it provided remedy to the satisfaction of victims. Similarly, where a company denies an allegation, it can receive full points by disclosing a public response to each aspect of the allegation, by

describing actions it would take to prevent and remediate such alleged impacts, and by engaging with affected stakeholders. Further, where KnowTheChain has not identified any allegations of forced labour, to receive full points, a company must report on its remedy programs and provide examples of remedy provided for violations of labour rights.

Why do you focus only on supply chains?

KnowTheChain focuses on supply chains, as due to a lack of visibility and direct oversight, this is where forced labour risks tend to be highest.

However, KnowTheChain recognises that its benchmarks cover both companies where most or all manufacturing takes place in supply chains, and companies where significant manufacturing takes place in their own operations. KnowTheChain will assess and indicate on a company's scorecard whether a company has significant own operations, and, where relevant, link to the findings from the Corporate Human Rights Benchmark. The intention is to provide stakeholders reviewing the information with a clear picture of a company's business model.

Why are some companies included in more than one benchmark?

Some of the companies evaluated in KnowTheChain's benchmarks have significant revenues from several product types and hence are included in three sector benchmarks. This is aligned with the [Corporate Human Rights Benchmark](#), which evaluates companies such as Amazon and Walmart under several product categories.

While KnowTheChain's indicators are largely similar across sectors, in some instances, KnowTheChain requires companies to provide sector-specific information. For example, forced labour risks in electronics manufacturing differ from risks in tomato sourcing. The benchmark methodology intends to cover how companies assess and address these sector-specific risks.

To receive full points in each sector benchmark, a company needs to disclose the sector-specific information on some indicators, those looking at outcomes and examples of implementation. For policy and process indicators, a company typically can either disclose information that applies across all suppliers, i.e., across different sectors, or disclose sector-specific information.