
2026

Food and beverage

BENCHMARK REPORT



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EXECUTIVE SUMMARY

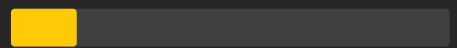
The 2026 KnowTheChain food and beverage benchmark exposes an industry woefully ill-equipped for the rapidly intensifying human, legal, regulatory and financial consequences of forced labour in global supply chains. Companies scored an **average of 15/100**, a decline from 2023 and a clear signal of widespread apathy. Nearly half of all benchmarked companies failed to score even 10/100.

Six companies – **Coles, Hershey, Smucker, Tesco, Unilever** and **Woolworths** – jostled for position at the top of the benchmark, and while among them pockets of better practice emerge, even these leaders fall short of the transformational action needed to eradicate systemic and entrenched forced labour risks from global supply chains.

Across the board, companies are neglecting the most critical elements of human rights due diligence: worker-centric monitoring, meaningful remedy, responsible purchasing practices and genuine engagement with affected rights holders. Only one in five companies disclosed any example of direct engagement with workers, their legitimate representatives such as trade unions or other civil society labour rights groups.

This systemic disengagement not only leaves workers dangerously unprotected, but also exposes companies to enforcement actions, import bans, litigation and escalating reputational damage.

15/100



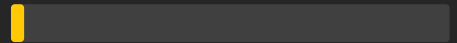
average company score

47% of companies



scored under 10/100 across themes

3/100



average company score on responsible purchasing practices

24% of companies



disclosed any engagement with affected rights holders or their representatives to address forced labour risks

Context: a sector under pressure and under scrutiny

The food and beverage sector provides direct employment to millions, plays a critical role in ensuring food security, and is therefore an essential part of the transition towards sustainable food systems. Currently, its dependence on complex, geographically diverse and notoriously opaque supply chains, however, both enables and conceals the most egregious forms of labour exploitation. The reliance on several commodities at high risk of forced labour, coupled with a concentration of market power downstream exposes business to forced labour at all levels: from agriculture and fishing, to processing, packaging and retail. At the same time, global instability is amplifying risk and threatening food security: from climate-exacerbated weather events to geopolitical volatility, workers who toil in global supply chains are encountering increased vulnerability.

The cost of inaction for workers

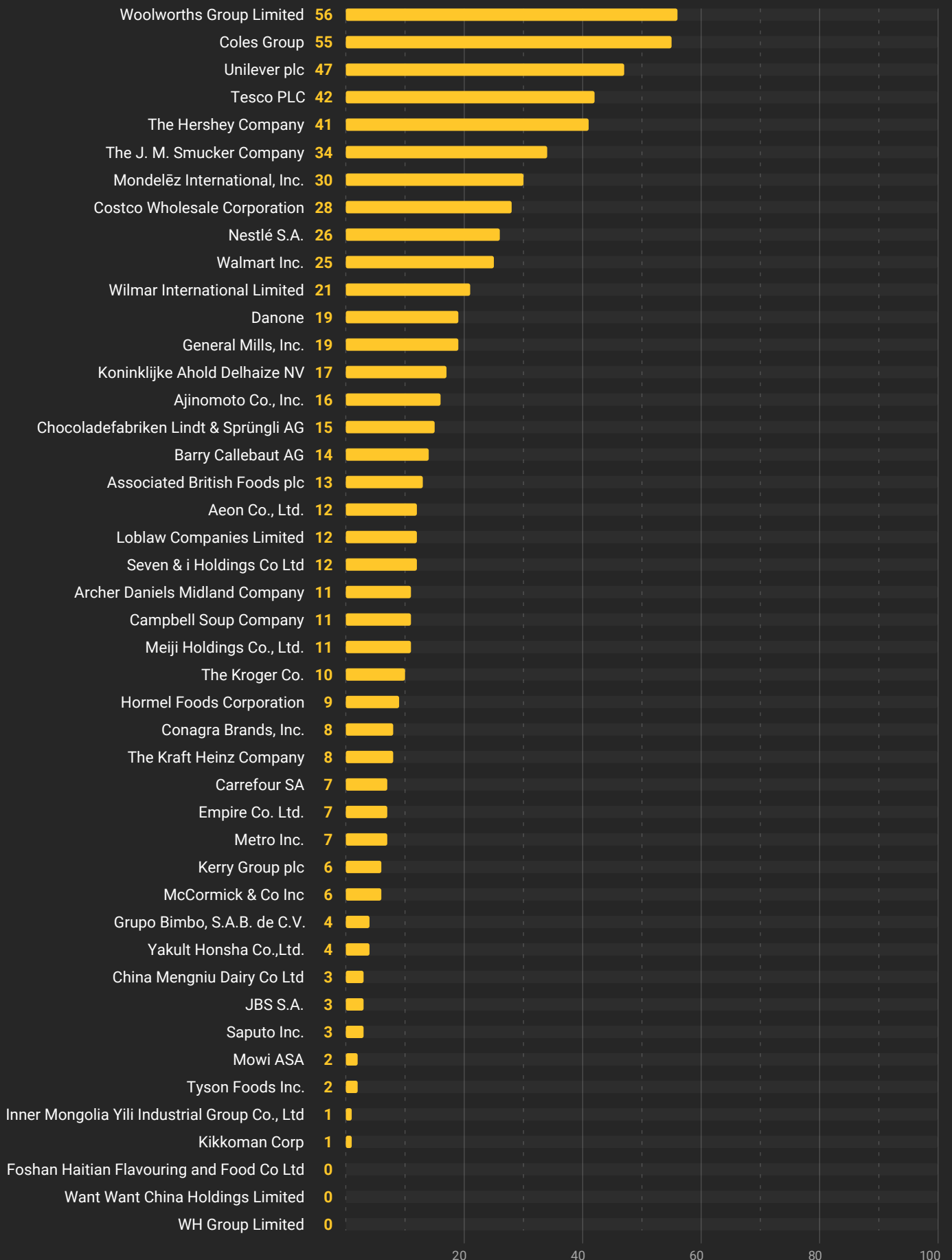
To understand how corporate failures translate into real-world harm, KnowTheChain partnered with Articulation of Rural Employees of the State of Minas Gerais (ADERE-MG) to investigate conditions on Brazilian coffee plantations. Indicators of forced labour were found in every interview conducted. Workers described abusive recruitment practices, degrading living conditions and a near total lack of transparency about who buys the coffee they harvest – making remedy virtually impossible. While some plantations were sanctioned by Brazilian labour authorities during the 2025 harvest, many more instances of forced labour and exploitation go undetected and unremedied owing to a lack of enforcement resources and brand inaction.

Call to action

Amid global instability, governments worldwide – from Colombia and Thailand to South Korea and the European Union (EU) – are rolling out mandatory human rights due diligence laws with real penalties for noncompliance. Furthermore, civil society and regulators are increasingly using import bans, litigation and public exposure to hold companies accountable.

The results of this year's benchmark highlight that food companies have significant distance to cover to ensure the shift towards sustainable practices is not built on exploitation of workers, or extractive practices for communities. In short, to ensure a truly just transition. The message is unequivocal: companies can no longer externalise human rights harms without consequences and must move due diligence processes beyond office desks and into the fields, fisheries and factories they rely on. Only by moving from paper promises to binding, rights holder-informed actions can this industry – which has the potential to catalyse improvements for millions of workers worldwide – start to respond effectively and with integrity to the very real risk of forced labour impacting the people powering its supply chains.

Food and beverage benchmark: 2026 ranking





KEY FINDINGS

15/100: average overall score across food and beverage companies' efforts to address forced labour in supply chains:

- | 47% of companies scored under 10/100 across themes;
- | Only two companies – Australian retailers Coles and Woolworths – scored above 50%.

Previously best-scoring industry leaders maintained their position at the top of the benchmark:

- | Woolworths led the benchmark in both 2023 and 2026;
- | The same six companies – Coles, Hershey, Smucker, Tesco, Unilever, Woolworths – jostled for position at the top for the second cycle running;
- | Mondelez and Costco rose significantly from their 2023 rankings to reach the top 10.

Efforts that would address systemic drivers of worker vulnerability and exploitation in practice scored very poorly:

- | Monitoring conditions for supply chain workers in practice (7/100);
- | Enabling workers' rights through fostering freedom of association (6/100);
- | Implementing remedy processes and remediation in response to reported risks (5/100);
- | Fostering responsible purchasing practices (3/100).

Across all benchmark themes, only 24% of companies disclosed any engagement with affected rights holders or their representatives to address forced labour risks.

Companies headquartered in jurisdictions with mandatory due diligence and disclosure requirements on forced labour, and import bans, benchmarked higher than those that were not:

- | Companies headquartered in Australia (56/100), Europe (19/100) and USA/Canada (15/100) far outperformed companies headquartered in Latin America (4/100) and Asia (7/100).

Brazil investigation: key insights from workers

To understand how gaps in company policy and practice manifest in conditions for workers at the bottom of global supply chains KnowTheChain partnered with Articulation of Rural Employees of the State of Minas Gerais (ADERE-MG) to investigate working conditions on Brazilian coffee plantations.

Between May and October 2025, interviews with 24 workers across nine plantations revealed possible forced labour situations:

Indicators of forced labour were reported in all **24 interviews**, representing possible forced labour conditions across recruitment, living conditions and working conditions;

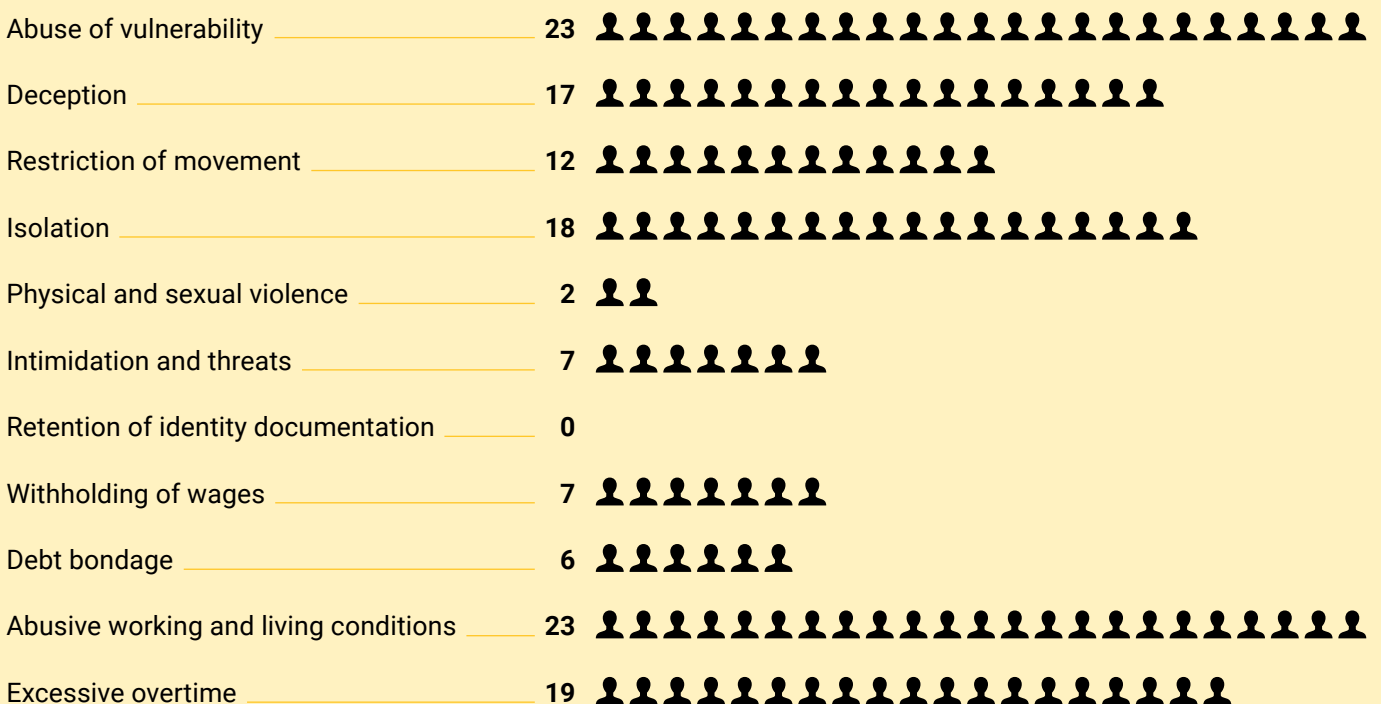
On average, each worker reported experiencing **five indicators** of forced labour.

Most workers did not know which co-operatives were buying the coffee they harvested, nor which supply chains their labour was benefitting:

Two workers were afraid to name employers for their own safety; only 16 workers could name the plantation they worked on;

Nine workers named co-operatives they believed were buying from their employer but only three could do so with certainty.

INTERNATIONAL LABOUR ORGANIZATION (ILO) INDICATORS OF FORCED LABOUR PRESENT ON MINAS GERAIS COFFEE PLANTATIONS





RECOMMENDATIONS

Stakeholder engagement

Conduct human rights risk assessment that includes consultation with relevant stakeholders and affected rights holders to identify actual and potential adverse human rights impacts and forced labour risks throughout supply chains;

Implement a process for responding to forced labour risks and adverse impacts that is rights-respecting and includes insights from affected rights holders;

Strengthen internal governance processes to integrate and act on findings from impact assessments, improving the company's ability to respond when risks to both human rights and supply chains arise;

Undertake robust worker-centric supply chain monitoring that includes worker interviews, visits to production facilities and accommodation, and unannounced assessments.

Traceability, supply chain transparency and risk assessment

Disclose supply chain data including: the names and locations of first-tier suppliers and sourcing countries for commodities at high risk of forced labour;

Collect and disclose at least aggregate data on supply chain workforces, including proportions of women and migrant workers;

Conduct and disclose methodologies for human rights impact assessments, including sources used and stakeholders consulted in the process, to identify and address forced labour risks throughout supply chains.

Responsible recruitment

Implement policies and mitigate risks specific to migrant workers including full alignment with the Employer Pays Principle, verification of reimbursement, and initiatives that prevent fee-charging to workers during recruitment.

Freedom of association

Beyond commitments to respect freedom of association and incorporating such clauses into supplier codes of conduct, companies should engage practically with independent local or global unions to facilitate freedom of association along supply chains and to ensure workers are able to organise and bargain collectively. This may include entering into **Global Framework Agreements** if proposed by relevant affiliates.

Access to remedy and remedy outcomes

Implement governance procedures and accountability mechanisms to address potential and actual adverse human rights impacts that violate company policies related to forced labour;

Design and implement effective, impartial grievance mechanisms, allowing supply chain workers to raise concerns with the company, and communicate the existence of the mechanism directly with supply chain workers;

Publicly communicate and disclose data on the number of grievances reported and resolved to the satisfaction of rights holders.

Purchasing practices

Adopt and disclose efforts to further responsible procurement decisions in supply chains, including transparency on planning, forecasting, and ensuring payment terms incorporate the full cost of production for suppliers.





CHANGING CONTEXTS AND FORCED LABOUR IN AGRIFOOD SUPPLY CHAINS

With nearly **1.3 billion people** working in agrifood systems globally, the industry remains the largest worldwide, providing crucial livelihoods and building supply chains vital for global development. It is therefore a catalyst not just of a sustainable food system, but of a transition to a greener economy that is fair, inclusive and supportive of rightsholders. At the same time, agrifood value chains are major carbon emitters and deeply vulnerable to supply chain shocks including the **climate crisis itself**, conflict and trade upheaval. Sustainable systems change for the industry could substantially improve millions of lives with safe, secure and dignified work, but extractive models continue to perpetuate ecological and social harm.

Market forces

Agrifood is an industry characterised by high levels of **market concentration** and **price volatility**, exacerbated by **financial speculation**. Globally, a relatively small number of retailers, traders and processors in consumer countries exercise **high purchasing power**, and **aggressive pricing strategies** over a multitude of **smallholder** and **peasant** farmers in **producer** countries, with the **opacity** of supply chains and **producer indebtedness** contributing to sustained **exploitation**. Retailers and traders are increasingly dictating **production processes**, **technologies** and working conditions. Rising **input costs** in sectors such as **seeds** and **pesticides** lock producers into skewed value chains that **disproportionately benefit** retailers headquartered in established economic regions.

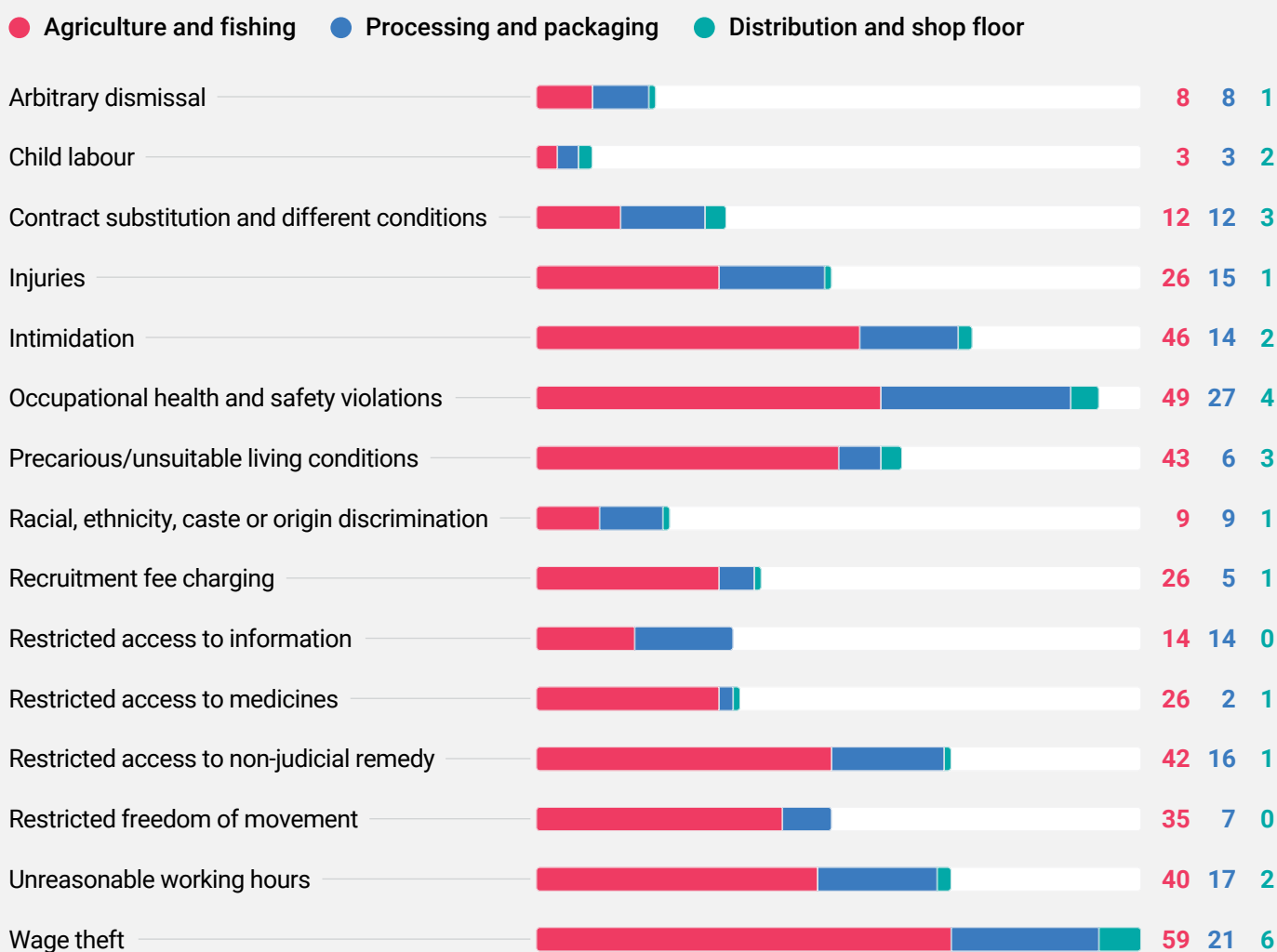
Forced labour has become **big business** under such **pressured conditions**. In 2024, the ILO calculated illicit global profits from forced labour of **USD236 billion**, up **USD64 billion** over a decade, with the world's agricultural workers alone generating an estimated **USD5 billion**. Documented abuse disproportionately impacts the most vulnerable supply chain workers: from debt bondage among **Dalit women** in the peeling sheds of Andhra Pradesh to **trafficking in the Brazilian supply chains of coffee giants**. As profits **grow**, workers powering agricultural supply chains are exposed to new and entrenched drivers of forced labour, chief among them **climate breakdown** and **exclusion** from the right to organise.

Increased workforce vulnerability: caught between climate breakdown and borders

Across industries, the climate crisis is reshaping workforces and uprooting farming communities. By 2050, a projected **63 million people** are expected to be displaced across South Asia, **17.1 million people** within Latin America and **86 million people** across Sub-Saharan Africa by climate-exacerbated weather events and destroyed livelihoods.

Simultaneously, the increased dependency of several Global North countries – such as the **USA**, **South Korea** and **Australia** – on low-paid, temporary labour for their agrifood industries has driven an expansion of temporary visa schemes, themselves found to heighten risks by **tying workers to employers and jobs**, and denying them **statutory protections**. Piecemeal, ineffective or **aggressive rollbacks** to state enforcement of migrant workers’ rights – such as those currently overseen by the US administration – in these **supply chains** is particularly exposing. Taken together, structural and contextual risks make the agrifood industry one of the **most dangerous** for migrant workers globally.

AGRIFOOD SUPPLY CHAINS: TOP REPORTED RISKS BY VALUE CHAIN SUB-SECTOR



Data recorded by the [BHRC Migrant Workers Allegations Database](#), January - December 2025)

Other vulnerable groups and those with limited labour choices including women, refugee and impoverished workers are often overrepresented along food value chains or play a critical role in the labour force. While a vital livelihood source, many agriculture, fishing and food processing jobs, which are often precarious, undignified and offer low earnings potential, lock workers into exploitative conditions with no ability to access their fundamental rights at work or social protections.

Supply chain disruption

In recent years, climate-exacerbated weather events in food producing regions, including drought in Zimbabwe, flooding in Brazil, solar storms in the USA and low water levels in the Panama Canal have increased costs for production, processing and shipping across the food value chain. Further, conflict, geopolitical and geoeconomic uncertainty are exacerbating both forced labour risks and food insecurity. Russia's 2022 invasion of Ukraine led to sharp and sustained price increases for energy, corn and wheat which contributed significantly to global inflation, off the back of commodity speculation. Throughout 2025, vacillating efforts by the US administration to attract investment and protect US industries by placing tariffs on major agrifood export countries further increased prices for key commodities.

Business cannot continue as normal

At present, the industry is failing to centre supply chain workers in due diligence processes, with a widespread reliance on third-party audits, certification schemes and industry-funded multistakeholder initiatives that detract from meaningful rights holder engagement.

But governments across the globe are waking up to the risks posed by such top-down, compliance-based models: states, from Colombia to Thailand and South Korea to the EU, are drafting or implementing human rights due diligence laws carrying penalties for businesses failing to ensure supply chains free from human rights abuses. Civil society actors, too, are finding novel ways to bring legal, reputational and financial costs to bear on food and beverage businesses profiting from the proceeds of forced labour.

Import bans on goods produced with forced labour – from seafood to coffee – and the development of legal precedents to empower workers to bring transnational claims in businesses' home countries are unquestionably having material impact across the sector. These legal and regulatory developments serve to change the calculus of risk for companies and their boards, signalling that adverse human rights impacts can no longer be externalised. Tellingly, KnowTheChain benchmarked companies were more likely to score higher across themes if they were headquartered in jurisdictions with such laws.

Key sourcing context: coffee sourcing from Brazil

Brazil is the largest global producer of coffee, supplying one third of the global output to over 120 countries with 70% of exports going to the ten largest buyers, including the USA, Germany, Italy and Japan. Approximately half of the coffee produced nation-wide originates from Minas Gerais state, including 65% of Brazil's total Arabica output. The coffee sector employs around 300,000 workers directly, and up to 8.4 million indirectly, contributing significantly to economic growth and sustaining countless livelihoods. These benefits are not, however, shared equitably along the supply chain. Workers at the production end, including migrants from across Minas Gerais and other Brazilian states, toil in highly precarious and exploitative conditions. Meanwhile, value is primarily concentrated downstream, with roasters and retailers accounting for around one fifth respectively of the overall value chain. These actors – often based in the Global North – stand accused of complacency and an overreliance on voluntary reporting schemes which fail to detect labour abuse and can be circumvented by unscrupulous employers.

Both coffee employers and the region of Minas Gerais are overrepresented in the Dirty List – a public registry of employers found to have used slave-like conditions. Between 2020 and 2025, Minas Gerais accounted for 33 (the highest number of) violations, while coffee cultivation accounted for nine, the third most represented economic activity after cattle farming and domestic services. For the KnowTheChain benchmarked companies, these trends should be deeply concerning: 64% disclose sourcing coffee, with several reliant on Brazilian supply chains.

INVESTIGATION

To understand how gaps in company policy and practice manifest in conditions for workers at the bottom of global supply chains, KnowTheChain partnered with Articulation of Rural Employees of the State of Minas Gerais (ADERE-MG) to investigate working conditions on Brazilian coffee plantations. For reasons of worker safety, KnowTheChain has not named the employers, plantations or co-operatives identified through the interviews.

A total of 24 workers participated in semi-structured interviews between May and October 2025 covering: recruitment processes, wages and working hours, accommodation, discrimination, health and safety, freedom of association, and access to redress. The workers were employed on at least eight plantations which sold coffee to at least six co-operatives. Most workers were male, aged between 20 and 50, and were migrant labourers including 13 from Minas Gerais itself. On average, each interviewee reported five indicators of forced labour; 21 workers reported experiencing three or more indicators of forced labour with almost every worker describing bearing costs related to abuse of vulnerability, abusive working and living conditions, and excessive overtime. These areas are explored in greater detail below alongside analysis of company performance.

During the 2025 coffee harvest, labour inspectors found workers subject to degrading working and living conditions and restrictions on their freedom, two of the criteria defining slave labour under the Brazil Labour Code. In response, Cooxupé, Brazil's largest co-operative, banned five growers.



2026 BENCHMARK ANALYSIS

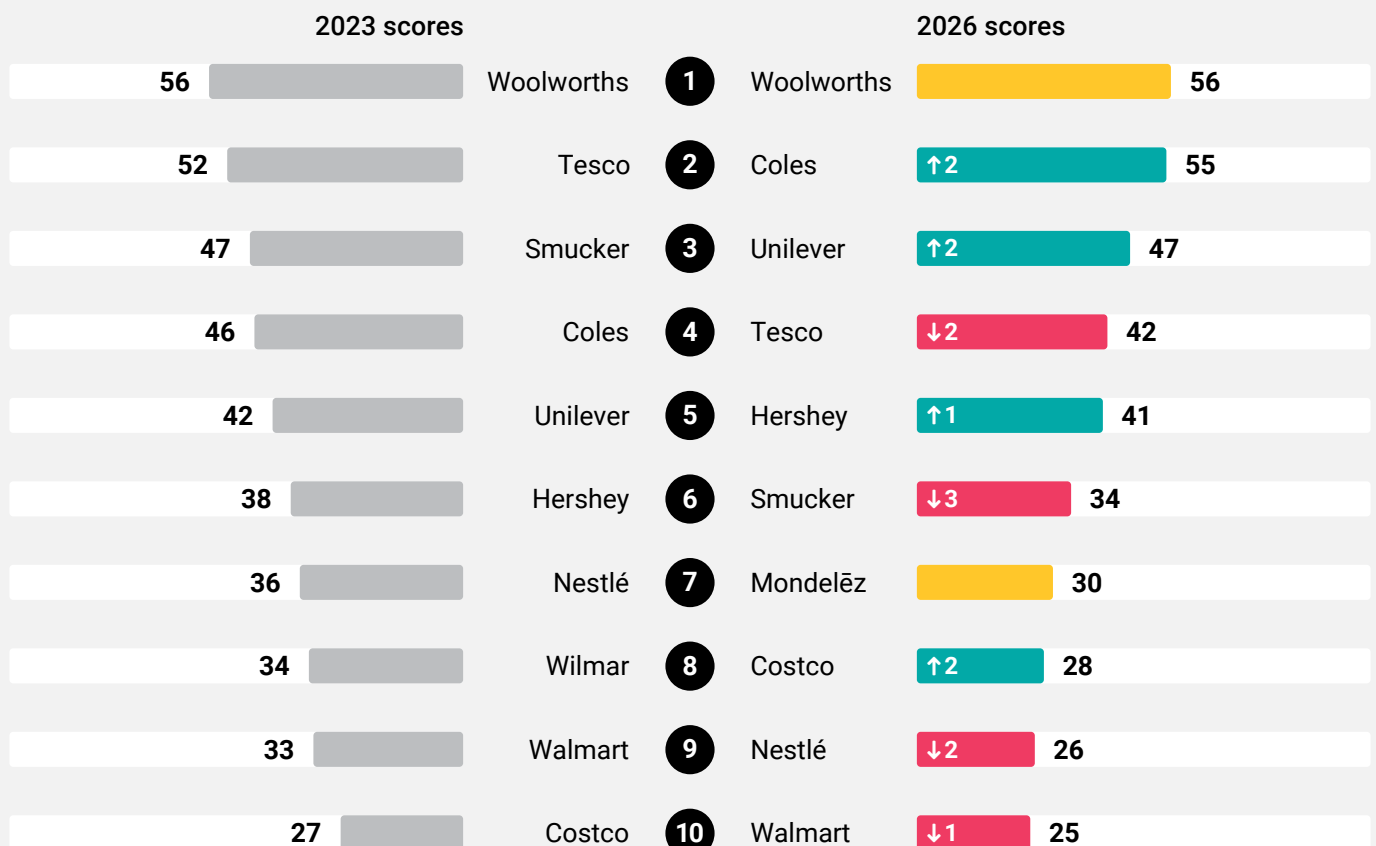
At a glance

In 2026, the KnowTheChain Food and Beverage benchmark remains topped by a cluster of leading companies, with the six highest-ranked companies – **Coles, Hershey, Smucker, Tesco, Unilever** and **Woolworths** – jostling for pole position in both 2023 and 2025. The gap between the very highest performing companies and their peers, however, remains significant: Australia-headquartered food retailers **Woolworths** (56/100) and **Coles** (55/100) were the only companies scoring above 50 and twice as highly as **Nestlé** (26/100) and **Walmart** (25/100) – ranked 9th and 10th respectively.

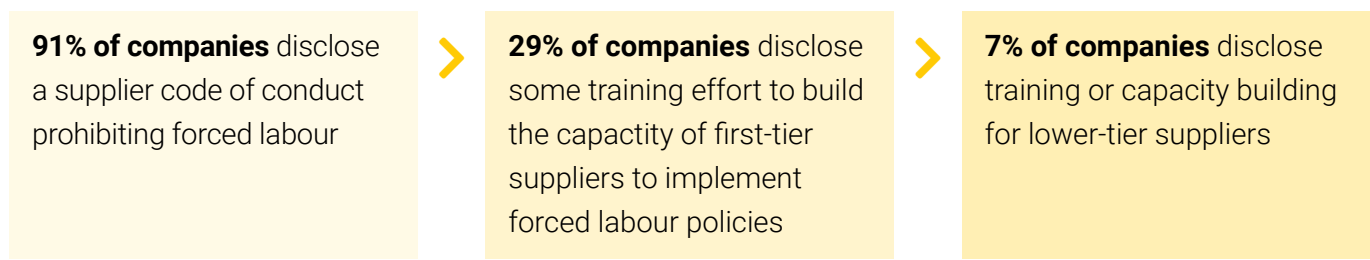
Overall, the average score remains staggeringly low at only 15/100. Just 53% of benchmarked companies scored above 10/100, while three companies – China-headquartered **Foshan Haitian** and **Want Want**, and Hong Kong-headquartered **WH Group** – disclosed no relevant information at all on efforts to address forced labour in supply chains. Two companies – Chinese **Inner Mongolia Yili** and Japanese **Kikkoman** – scored just 1/100.

Seven companies – **Tesco** (42/100), **Smucker** (34/100), **Nestlé** (26/100), **Walmart** (25/100), **Wilmar** (21/100), **AB Foods** (13/100) and **Aeon** (12/100) – saw score drops of 10% or more from their 2023 assessment, but five companies – **Coles** (55/100), **Unilever** (47/100), **Mondelēz** (30/100), **Ahold Delhaize** (17/100) and **Loblaw** (12/100) – increased their scores by 5-10%. For **Loblaw**, notably scoring just 5/100 in 2023, this increase is significant.

SCORE CHANGES 2023-2026

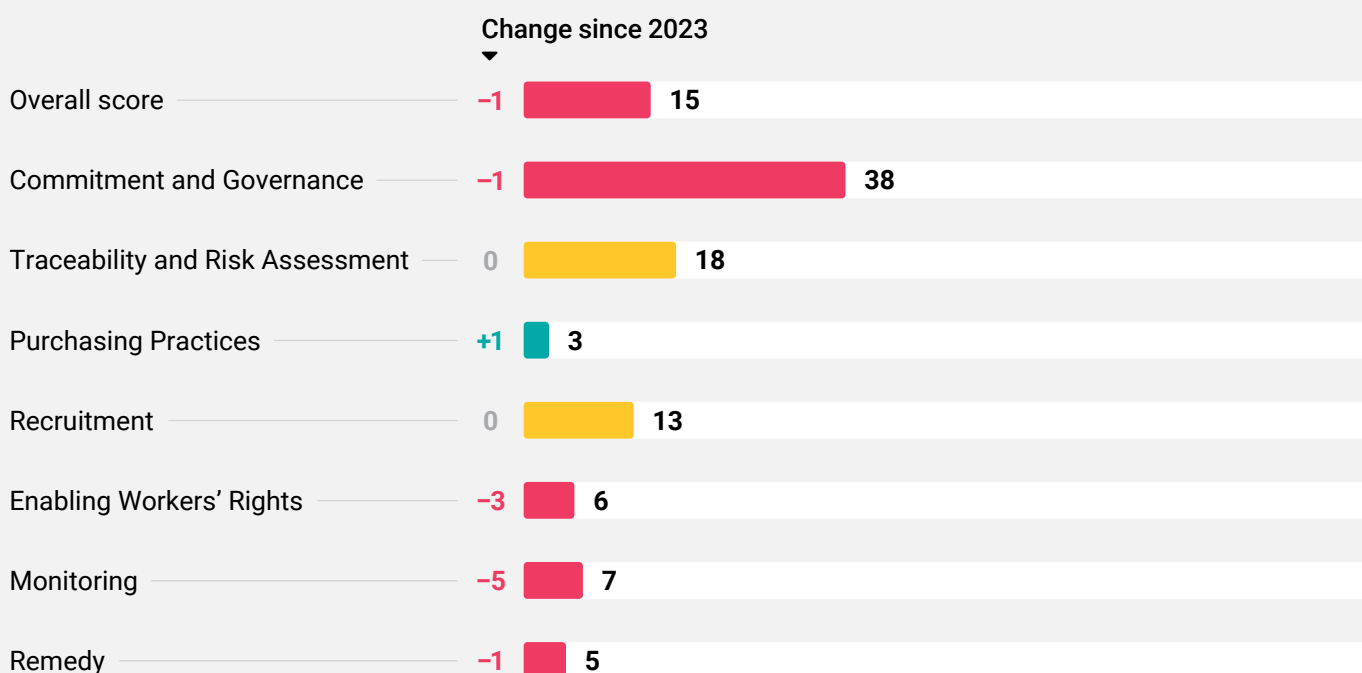


Reflecting findings of the KnowTheChain ICT and apparel and footwear benchmarks, food and beverage companies continued to score highest on the theme of Commitment and Governance, with Traceability and Risk Assessment, and Recruitment the second and third highest scoring themes. While almost every company (91%) now has a supplier code of conduct prohibiting forced labour, there remains a lack of transparency around internal accountability structures and supply chain capacity building that would enable policies to be effective. Only 40% of companies disclosed board oversight of forced labour policies and practices, though only **Coles** disclosed detail on how the experience of affected workers or other relevant stakeholders informed board discussions. This tone from the top is not only important to ensure accountable leadership in this area but is already required under mandatory human rights due diligence (HRDD) laws from Germany to Norway and the EU. For the second benchmark running **Unilever** was the only company to disclose comprehensive information on financial incentives tied to the company's performance against sustainability goals, including specifically in relation to improvements in supply chain working conditions.



Despite these improvements, score drops in three of the four remaining benchmark themes – Enabling Workers’ Rights, Monitoring and Remedy – indicate the industry is still failing to implement improvements in practice. Scores reflect adherence to policy commitments without evidence of implementation, stakeholder engagement, or examples of tangible changes or positive outcomes for workers, which would achieve the highest scores.

STALLING PROGRESS

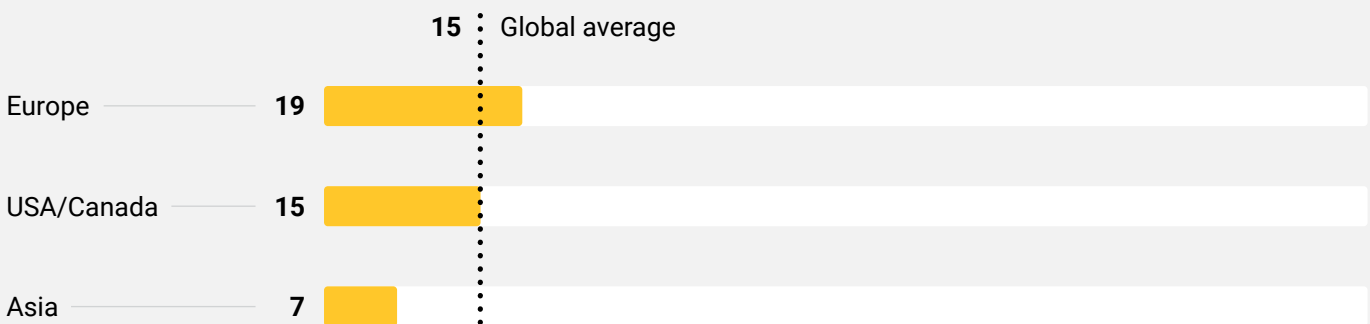


Findings by region

Most benchmarked companies were headquartered in the USA and Canada (18 companies total; four companies headquartered in Canada and 14 headquartered in the USA), Asia (12 companies), and Europe (11 companies). Better scores among Australian, European and American/Canadian companies can be partially attributed to a greater emphasis on forced labour **reporting** and **governance** in jurisdictions with more advanced legislation including Australia, the USA, Canada and across the EU. With a combined average score of 7/100, the 12 Asian companies benchmarked lag well behind the global average (15/100) and could face increasing disadvantage in accessing markets now geared towards more, not less transparency on salient human rights issues.

The benchmark also included two Australian retailers, one Mexican (**Grupo Bimbo**) and one Brazilian (**JBS**) packaged foods company, which are excluded from the analysis of regional performance as they are less representative. The performance of Australia-headquartered **Woolworths** (56/100) and **Coles** (55/100) on efforts to address forced labour far outstripped those of European (averaging 19/100) and American/Canadian companies (15/100). Meanwhile Brazil's **JBS** (3/100) once again failed to make any demonstrable improvements to its due diligence process in respect of forced labour.

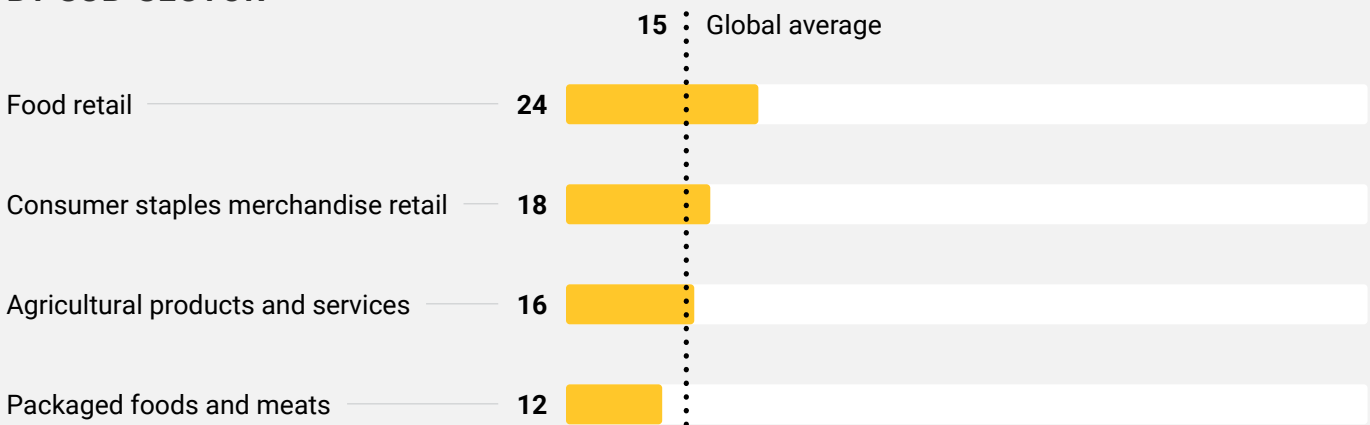
2026 INDUSTRY AVERAGE BY COMPANY HQ REGION



Findings by sub-sector

The 2026 benchmark included two companies providing agricultural products and services, four companies in consumer staples merchandise retail, nine companies in food retail (supermarkets) and 30 companies in the packaged foods and meats industry. Supermarkets continued the established trend, performing best on average (24/1000), while packaged foods and meats performed the worst (12/100).

2026 INDUSTRY AVERAGE BY SUB-SECTOR



Traceability and risk assessment

18/100 AVERAGE SCORE



- | Benchmarked companies disclosed, on average, sourcing **eight high-risk commodities**
- | **89% of companies** failed to disclose any identifying information on first-tier suppliers
- | **64% of companies** disclosed some detail on conducting a human rights risk or impact assessment

Mapping supply chains and workforce risks, and conducting human rights risk assessments is a crucial first step in identifying actual and potential impacts within supply chains. This process is particularly vital in industries like food and beverage, where sourcing and production span geographically diverse regions and contexts, relying on workforces at high risk of forced labour. Detecting forced labour is frustrated owing to opacity at all levels – agriculture, production, processing and packaging – worsening companies’ ability to assess and mitigate risks arising from those sourcing relationships.

SUPPLIER TRANSPARENCY

Q What do companies need to know?

- ▶ The agrifood value chain relies on multiple high-risk commodities globally, making it impossible for companies to avoid exposure to adverse human rights risks and impacts.
- ▶ Supply chain transparency, at least to the first tier, is a foundational principle of responsible sourcing to understand where products originate, how they are made and who is involved.

Benchmarked companies disclosed sourcing on average eight high-risk commodities – as defined by the [US Department of Labor](#) – including beans and cattle products (sourced by 84% of companies respectively), palm oil (sourced by 82% of companies), and cocoa and coffee (64% respectively).

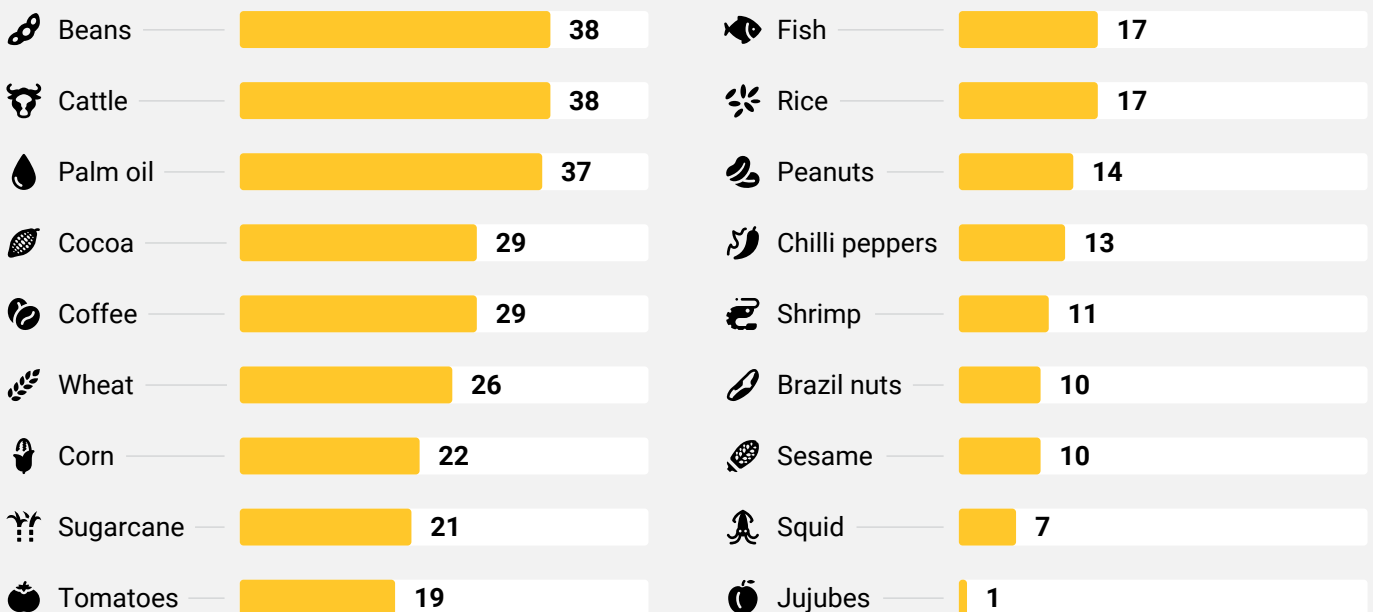
Nevertheless, when it came to the tracing and transparency of commodity sourcing, benchmarked companies scored disappointingly low, with notable variation across regions and sub-sectors in relation to geographic locations of suppliers, supply chain workforces, and efforts to conduct forced labour risk assessments:

Only **11% of companies** disclosed even partial first-tier supplier lists; a disappointingly low rate of transparency compared with the [ICT](#) (27%) and apparel and footwear (52%) sector;

Only **24% of companies** disclosed some information related to sourcing of one high-risk commodity below the first tier. **Hershey** and **Nestlé** were the only companies disclosing sourcing data for more commodities; and,

49% of companies disclosed some data on sourcing countries for raw materials such as sugarcane, palm oil and cocoa. However, only six companies disclosed data relating to three or more raw materials.

BENCHMARKED COMPANIES DISCLOSING SOURCING HIGH-RISK COMMODITIES



SUPPLY CHAIN WORKFORCE RISKS

Q What do companies need to know?

- ▶ Understanding profiles of supply chain workers is crucial for employers, buyers and retailers to mitigate potential harm, particularly concerning gender and migration status.

Data regarding benchmarked companies' supply chain workforces were largely absent, with little to no information disclosed on who is powering global supply chains. While evidence suggests migrant workers are three times more likely to be subject to forced labour conditions and women face specific, gendered risks in agrifood:

93% of companies disclosed no data at all on the proportion or number of supply chain workers who are migrants;

89% of companies disclosed no data at all on the number or proportion of female workers in their supply chains;

Only eight companies disclosed conducting partial analysis on wage contexts with the aim of implementing a living wage or fair compensation plan. For **Coles, Hershey, Ahold Delhaize** and **Barry Callebaut** this was the first time doing so; **Smucker** disclosed data on the percentage coverage of its first-tier supply chain being paid a living wage, though notably data was self-disclosed during Sedex Members Ethical Trade Audits of its first-tier supplier facilities, offering limited insight;

Only two companies – **Ahold Delhaize** and **Smucker** – disclosed any data on the percentage of their supply chains covered by collective bargaining agreements, which again originated from audits or related to only a limited supply chain context.

Given the make-up of workforce across different sub-sectors of food value chains, the significant contribution of both migrant workers and women to the labour force and the specific risks those demographics face, such an omission across the industry is troubling.



Spotlight on Brazil

Of the 24 interviewed workers, most were **migrants** – either from another state in Brazil or from within Minas Gerais, and most were new to the employing farm or the coffee harvest entirely. Most often, workers said a lack of work opportunity back home, including poor wages had driven them to migrate. Coupled with increasingly difficult conditions (which workers themselves attributed to changing climate conditions) such as excessive rain, flooding and drought, workers were clearly under significant financial hardship even before arriving. The investigative team were also aware of several workers who had to sell land after their livelihoods deteriorated and to finance their migration.

Most workers **lacked information on their employers** and which co-operatives harvested beans were being sold to, and two were afraid to name employers.

Contrasted with the lack of transparent sourcing data disclosed by benchmarked companies, these findings should be of serious concern. Workers who do not know who their employers are or who their labour is profiting – so-called hidden workforces – face increased vulnerability, proven higher risk of forced labour and limited recourse to remedy.

Further, all workers were employed precariously: three were explicitly employed informally and two-thirds (19 of 24) employed on contracts lasting two to five months. Of the 18 workers asked about contracts, 14 did not have one. Such **precarious and informal employment arrangements** should be a serious red flag for any coffee buyer.



HUMAN RIGHTS RISK ASSESSMENT

Q What do companies need to know?

- ▶ Risk assessment is core to human rights due diligence, typically identifying potential exposure to forced labour arising from a company's structure, purchasing decisions, location, and supplier base.
- ▶ It may be global, national and/or local in scope; better practice includes undertaking a global approach alongside disclosing data specific to certain high-risk commodities and geographies.
- ▶ This should go beyond tick-box auditing processes to monitor supply chain aspects known to represent a higher risk of forced labour.

Positively, **almost two-thirds of benchmarked companies (64%) disclosed detail on how they conduct human rights supply chain risk or impact assessments**, including specifically on forced labour risks. While some companies – **Empire, Hormel** and **Metro** – disclosed more detailed data than in previous years, overall progress at industry level appears to have stalled and there remains a significant gap between those companies undertaking risk assessments at all and those disclosing meaningful insight on forced labour risks identified across supply chain tiers (at tier two or below) as a result (22%). Detail on companies' approaches to human rights risk assessments varied considerably, with some disclosing only basic consultation with global indices and others reporting on approaches to assess risk specific to business units or commodities, as well as the criteria against which risk was assessed.

Ajinomoto, for example, discloses information relating to specific commodities and geographies including: sugarcane molasses in Indonesia and coffee sourced from Vietnam in 2023; and Malaysian palm oil and Thai farmed shrimp in 2024. The company disclosed full human rights impact assessments or due diligence reports for each of these contexts, including detail on which third party undertook the assessment, sources used, and forced labour risks assessed and identified at multiple tiers of the supply chain.

Similarly, while **49% of companies identified at least some forced labour risks to workers** at first tier or direct suppliers through their risk assessment process, the quality of information varied widely. Nine companies improved their overall disclosure in this area, most notably Costco and Lindt, which joined several other companies – **Ajinomoto, Coles, Mondelēz, Tesco, Hershey, Smucker, Unilever** and **Woolworths** – in disclosing risks identified below the first tier of their supply chains.

Lindt, for example, found the severity and prevalence of its salient human rights issues tended to be greater in its indirect (tier 2+) supply chain, and in the sourcing and processing of goods and services, such as raw materials. It also disclosed that forced labour risks arose due to seasonal spikes in demand, where workers hired through labour hire agreements in production and packaging operations can be at higher risk of modern slavery.

Meanwhile, **Nestlé, Danone, Barry Callebaut, AB Foods, Kerry Group** and **Wilmar** regressed, disclosing less detail on identified forced labour risks than in 2023. Given the risk of forced labour is greater at lower tiers, it is concerning that most companies still lack processes to identify risks beyond the first tier.

Spotlight on Brazil: Forced labour risks on coffee plantations

Indicators of forced labour were reported in all 24 interviews, across recruitment, living conditions and working conditions on all nine farms. On average, workers reported experiencing five indicators of forced labour.

ABUSIVE WORKING CONDITIONS

Rather than salaried pay, **every worker was paid piecemeal** according to volume of coffee picked. Workers reported pay averaging BRL25-30 per 60l coffee picked, totaling up to BRL300 (USD55) per day. Further, workers described the pressure to complete a certain number of measures to earn sufficient wages and witnessed colleagues being reprimanded for not working hard enough.

“ He showed me a very good, strong, beautiful coffee, and said that the worst picker there could pick 10 measures a day. And in fact, 10 is the best you can get, and not even every day. Some people do two or three measures a day.”

The **intensity of the work** was compounded by the **lack of paid holidays** or rest during the working day; most workers had unpaid Sundays off, while three workers said they had no rest day. Nineteen workers described **total number of working hours above the legal maximum for the week: averaging 59** and ranging between 44 (the legal maximum over six days per week) and 91 hours at the most extreme.

“ We would arrive at the farm at half past five, six in the morning, and get home after dark, and the lights were already on because it was nighttime. I think I worked more than 12 hours a day... We didn't have much time for lunch, because we worked on a production basis, so we had to eat quickly and get back to work to earn some money.”



ABUSIVE LIVING CONDITIONS AND ISOLATION

Most workers (19) reported living in employer-provided accommodation, usually housing of multiple occupancy – up to 28 people – and sharing only one bathroom. For some workers, living conditions were dirty, pest-infested and unsanitary. For others, expenses such as electricity and gas were not included, or they had to equip kitchens themselves.

Twelve of 20 workers asked were concerned about unsafe accommodation; one-third of workers asked said they had access to personal, lockable storage, kitchen or laundry facilities, but even these were limited, broken or insecure. All workers had to provide their own bedding, and nine of 11 workers asked reported that at least some workers in their accommodation were forced to sleep on the floor.

Workers were often physically **isolated**, either in the accommodation or on the plantation. Five of 20 workers asked were concerned transportation taken to work was unsafe, and workers described unpaid commuting time of up to two hours each way. While 23 workers did have access to a personal phone, 18 workers either did not have reliable internet access or had to provide it themselves. The isolation meant that while no employer physically restrained workers from leaving accommodation, other conditions impeded them leaving. ADERE-MG observed such isolation worsened worker trust in public institutions.

“By the time we got home from work, it was already dark. We only had time to wash the dishes, prepare food for the next day, and sleep so we could get up early the next morning. Everything was very rushed. We also had Sundays off, which we used to do laundry and buy anything we needed in town. So it wasn't that easy because there were twenty-five people in the group, and only one means of transportation that could fit five people, and it had many structural and engine defects. And since we only had Sundays to go shopping, and we were three separate groups, we divided the car seats to that it would cover all three houses, so it wasn't easy to go out.”

Despite significant evidence of such issues associated with workers' accommodation, ADERE-MG found labour inspectors and monitoring efforts focused primarily on conditions on plantations, missing a significant risk factor for exploitation.



Purchasing practices

3/100 AVERAGE SCORE

Q What do companies need to know?

- ▶ Procurement decisions can **mitigate or exacerbate forced labour risks** and are critical to human rights due diligence; communication and alignment between buying and sustainability teams are vital to deliver on forced labour objectives.
- ▶ Decisions to shorten lead times, fluctuate order volumes, increase payment terms, and cancel placed orders, undermine suppliers' ability to provide decent work and can provoke exploitative practices.

Company disclosure, particularly on quantitative datapoints, is still woefully inadequate – purchasing practices remains among the lowest scoring themes of the KnowTheChain sector benchmarks.

91% food and beverage companies failed to disclose any information on how they adopt responsible purchasing practices, such as offering fair contracts, transparent decision-making and realistic production timelines, in the first tier of their supply chains.

In a rare example of better practice, **Coles** disclosed undertaking an assessment of its purchasing practices to inform its work on living wages. It discloses a “Cost Price Alteration Policy”, detailing its procedure for considering requests suppliers may make. Among assessment criteria is whether the cost alterations are required to respond to *“Labour cost alterations, to the extent that they have been implemented by [the supplier] to meet the requirements of the Coles Ethical Sourcing Policy and any applicable laws.”*

Five companies – **Barry Callebaut, Coles, Tesco, Unilever** and **Woolworths** – disclosed at least one quantitative datapoint related to their purchasing practices such as payment terms or contract lengths, however, examples were not explicitly linked to improved labour rights outcomes in the supply chain, suggesting that commercial decisions and sustainability strategies are still working at cross purposes.

For the second benchmark running, **no companies** disclosed adopting a **“shared responsibility” approach** to supplier contracting whereby buyers recognise that responsibility for human rights due diligence – and liability for harm – should be shared. In the context of such opacity, the patterns of systemic abuse revealed in Brazil's coffee plantations are unsurprising: where responsible procurement is not a priority, conditions resulting in excessive overtime, poverty wages and a preference for precarious working arrangements will inevitably flourish.

Monitoring

7/100 AVERAGE SCORE

Q What do companies need to know?

- ▶ Conventional social auditing programmes are now perceived as unreliable in identifying evolving forced labour violations; a baseline methodology should include review of relevant documentation, on-site visits and confidential interviews with workers.
- ▶ Any monitoring regime should be commensurate with the complexity of supply chains and extent of the company's exposure to forced labour risks.
- ▶ The most effective monitoring programmes cover lower tiers of supply chains, where violations are both more likely and more challenging to detect.

Most benchmarked companies disclosed high-level information, indicating supplier audits were being undertaken, however:

Just **11% of companies** disclosed quantitative data on the scope of the audit programme in practice, enabling a deeper understanding of whether and how risks were being assessed across supply chain contexts;

Only **22% of companies** disclosed some detail on the forced labour risks identified through monitoring processes, which include violations of working hours, wages, and health and safety, and recruitment-fee charges. Further, disclosure was often available only in aggregate, without reference to supply chain contexts, geographies or workers affected. Only **Coles** and **Woolworths** disclosed findings from monitoring reports in relation to forced labour violations found at lower tiers.



Spotlight on Brazil

Asked whether anyone had ever visited their place of work or accommodation to investigate how they were treated, responses revealed a shocking level of neglect whereby neither employer nor workers expected scrutiny and abuse could flourish unchecked. Concerningly, no worker confirmed the presence of any kind of workplace forum on their plantation to raise concerns. A total of 12 workers had been visited by an external stakeholder either in the workplace or in accommodation but only two had been asked about working conditions prior to being interviewed by ADERE-MG; for example, one worker's plantation was visited by *"a company that provides safety and health services on the farm... but they didn't talk to the workers, they only talked to the manager."*

The ADERE-MG team were also clear certification schemes covering the farms they visited were failing to protect workers in practice or document their full experience. On paper, investigators observed it was rare to find, for example, unregistered workers or no bathrooms available to workers on a certified farm, however, this reflected shortcomings in the compliance process rather than reality. While bathrooms were recorded as available for workers, for example, these were unusable or did not have water plumbed into them.

Timing was another issue; investigators often observed that certifiers' auditors arrived to conduct inspections prior to the start of the harvest. Workers interviewed at this point in the agricultural cycle were far more likely to be regularised and permanent employees. Irregular migrant workers, who presented with heightened vulnerability, did not arrive on certified plantations until after inspections had deemed them up to standard.



Responsible recruitment and migrant workers

13/100 AVERAGE SCORE

- | **71% of companies** failed to disclose efforts to support responsible recruitment in supply chains
- | **89% of companies** failed to disclose information on labour recruiters servicing their supply chains
- | **22% of companies** disclosed a policy aligning with the Employer Pays Principle
- | **91% of companies** failed to disclose data on fee remediation

Widespread use of labour suppliers in food value chains is driven by the need to fill labour shortages; increased specialisation, particularly in production; and seasonal demand. This trend should therefore be met with human rights due diligence intended to assess and respond specifically to risks for migrant workers. In particular, the longstanding practice of charging fees to workers to secure work has pernicious and detrimental effects, not just on individuals but also their families, communities, and whole economies for which remittances contribute significantly to gross domestic product. The incidence of recruitment fee-charging in BHRC's own tracking of migrant worker abuse is one in every four cases.



RESPONSIBLE RECRUITMENT AND DUE DILIGENCE

Q What do companies need to know?

- ▶ Human rights due diligence efforts should cover labour supply chains, including efforts such as tracing and mapping recruiters and labour agencies.
- ▶ Such efforts will equip the company with an understanding of labour migration corridors and recruitment processes and agencies used, to better assess risks posed to workers in particular contexts.

Most companies (89%) failed to disclose any information on the labour recruiters used by their suppliers in either migrant workers' countries of origin or countries of destination, suggesting a limited ability to prevent and mitigate risks to migrant workers. Just five companies – **Aeon, Coles, Costco, Smucker** and **Woolworths** – described a process for mapping the labour recruiters used in their supply chains and only **Woolworths** and **Smucker** disclosed the names of labour recruiters.

Beyond transparency, more companies (29%) disclosed some details on how they supported responsible recruitment in their supply chains; in leading practice, **Hershey** and **Unilever** disclosed participating in a specialist supplier capability programme in collaboration with AIM-Progress and administered by NGO Embode:

The **Ganapati Responsible Recruitment Project** was developed and made accessible to these companies through their membership of the AIM-Progress Responsible Recruitment Working Group. Five Malaysia-based suppliers for **Hershey** and two **Unilever** suppliers in Malaysia and Thailand participated in capacity-building projects led by Embode. These focused on responsible recruitment, hiring management systems and grievance mechanisms.

Suppliers were supported to design action plans addressing non-compliances; **Hershey**, for example stated that *“one supplier completed their corrective action plans which prioritized training their Human Resource team on legal requirements for foreign employment, developing pre- and post-arrival training for workers, and ensuring compliance with Malaysian labour laws regarding working hours and breaks.”*

For **Unilever** suppliers, this addressed areas such as a lack of formal commitment to the Employer Pays Principle, uncertainty regarding fees paid by workers, job ads which did not specify no fee-payment, workers not having contracts in their primary language, and a lack of clarity on buyer and supplier roles in remediation.

Hershey reported expanding the work into a second phase for three Malaysian suppliers with additional prioritised corrective action plans, as well as initiating a first phase for a Malaysian-based supplier and Thailand-based licensee.

Spotlight on Brazil

When interviewed on finding work in the coffee harvest this year, workers' answers varied, with most saying they were recruited through a middleman – a “gato” – or that they learned of the job opportunity through word of mouth. Three people were directly hired and six said a fellow worker had played a role in connecting them either with the gato or directly with the farm. **Deception** and the manipulation of workers' vulnerability during the recruitment process was rife, with workers saying several aspects of the job were kept from them:

In particular, supervisors promised the weight and quality of coffee beans would be plentiful, yet nine workers said the quality of the coffee and harvest were much worse than they had expected.

Seventeen workers said they had to **pay for essential materials and tools themselves**, including personal protective equipment and machinery.

Seven workers said the quality of their accommodation was worse than expected, including that there were unexpected salary deductions for accommodation or that they had to furnish it themselves.



RECRUITMENT FEES AND RELATED COSTS

Q What do companies need to know?

- ▶ The primary international standards on fair recruitment are the **Employer Pays Principle** – which specifies no worker should pay for a job and the costs of recruitment borne by the employer – and the **ILO guidelines** on definition of recruitment fees and related costs
- ▶ While discovered costs should be reimbursed to workers, systemic eradication of recruitment fee-charging depends on a preventative model whereby workers do not pay fees or become indebted in the first instance.

56% of companies disclosed a policy prohibiting fee-charging to migrant workers



22% of companies fully align with the Employer Pays Principle



11% of companies disclosed implementation the Employer Principle

At least 56% of companies disclosed a policy prohibiting fee-charging to migrant workers, lagging woefully behind the ICT (90%) and apparel and footwear (65%) sectors. For the first time this included **Mondelēz, General Mills, Ahold Delhaize, Ajinomoto, Carrefour** and **Tyson**. Only ten companies disclosed a policy which aligned fully with the Employer Pays Principle, a stipulation that the employer should bear the costs of recruitment, and very few companies disclosed verifying costs were indeed covered by employers.

Only five companies – **Nestlé, Tesco, Smucker, Unilever** and **Woolworths** – disclosed how they proactively implement the Employer Pays Principle. Typical approaches to end the burden of recruitment fee-charging have focused on reimbursement; these companies instead demonstrated how they worked to prevent the fee-charging to supply chain workers upfront. While only representing a small portion of the industry – and often lacking detail or limited to specific supply chain contexts – these efforts should be welcomed as better practice leading to a model where workers are never left out-of-pocket and made vulnerable in the first place.

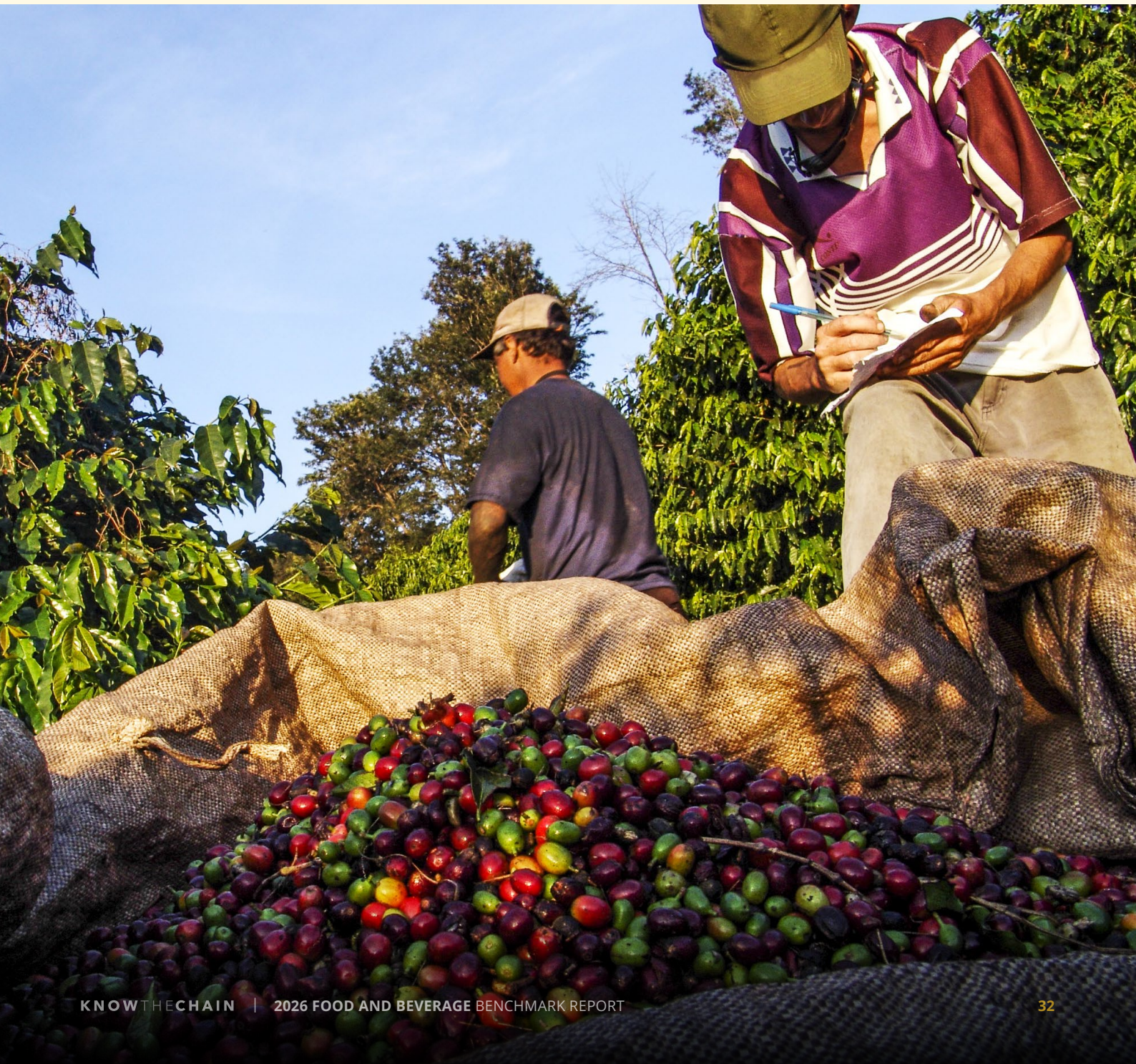
Woolworths was the only company to link mapping recruitment corridors and costs to a **change in purchasing practices**: mapping of labour suppliers and recruitment agencies in both origin and destination countries (and during transit) should be undertaken expressly to inform costs calculated by the supplier. In practice, this means the final cost to the recruiter covers the full costs of recruitment. Further, Woolworths requires suppliers to monitor the practices of labour providers by reviewing workers' payslips, establishing a process for worker feedback, monitoring recruiter-provided accommodation, and reviewing how labour recruiters verify fee non-payment in origin countries.

Only four companies – **Coles, Tesco, Unilever** and **Woolworths** – disclosed fee-remediation data relating to cases where fees were charged to supply chain workers. These varied from an Australian recruitment agency (**Coles**) to an ice cream supplier in Malaysia and spice and soup supplier in North America (**Unilever**), to an Australian meat supplier (**Woolworths**). **The majority (91%) of companies failed to disclose any efforts at all to remediate fee-charging** and only Woolworths disclosed how it engaged with affected workers or worker representatives during the process.

Spotlight on Brazil

Nineteen workers described bearing recruitment-related costs such as for transport, subsistence and buying their own equipment; all these workers were migrants, while no locally recruited workers paid such costs.

Amounts ranged between BRL450-2,300 (USD80-432), a significant burden in contrast to workers' average daily wage of BRL300 (USD55). One third of workers said they had taken out loans to cover costs and described situations of debt bondage. Three workers took loans from their boss or gato. One worker said the loan amounted to BRL1,000 (USD184) and they had taken it from their boss; another worker said the loan was deducted from wages. Four workers borrowed money from family, including one worker who borrowed BRL1,500 (USD278) from their daughter. Just four workers said they had been reimbursed costs, and for three workers this only happened after enforcement by the labour authority.



Employer Pays Principle survey: recruitment fee-charging is not being met by brand action

KnowTheChain requested benchmarked companies respond to a survey on how they were implementing the Employer Pays Principle in practice, including by providing verifiable evidence of preventative (rather than retrospective) efforts. Just nine companies responded to the survey, compared to 13 ICT benchmarked responders in 2025. Survey responses reveal commitments are simply not accompanied by action:

Companies pointed to the mere existence of policies or audits – which themselves require documented evidence of fee-charging in the form of worker receipts and invoices – as evidence of implementation. Given that workers frequently do not have such proof, as shown in the experience of coffee harvesters interviewed in Minas Gerais, Brazil, this is inadequate.

Only **four companies** said they conduct worker interviews to verify processes and commitments, either to ensure fee-prohibition or to verify repayment of charged fees to workers – essential to due diligence.

No company described how recruitment costs are factored into pricing negotiations with suppliers, although one company said its commercial team is piloting a tool to ring-fence labour costing into “true cost of goods”. most companies (eight) also failed to confirm they would cover the costs of recruitment-related fees for suppliers’ workers if a supplier could not.

One company disclosed labour recruiter mapping for its suppliers, but it did not disclose the percentage of suppliers that have undertaken this mapping, while two companies outlined some detail on how they ensure suppliers prohibit labour agencies from charging fees to workers.

Further, survey responses suggest brands are shifting the burden of repayment onto suppliers without factoring recruitment costs into pricing processes during negotiation and are failing to commit to covering costs when suppliers cannot.



Enabling workers' rights

6/100 AVERAGE SCORE



93% of benchmarked companies failed to disclose engaging with trade unions

49% of companies failed to disclose an available grievance mechanism, even for direct suppliers' workers; only 18% companies disclosed data on the mechanism's usage

Freedom of association and collective bargaining are essential to redress fundamental power imbalances in global supply chains and sorely lacking across agrifood supply chains. As a key enabling right, freedom of association ensures workers can freely organise in the workplace, join independent unions, defend common interests and formally negotiate for better conditions along their supply chains. When workers are so empowered, companies should expect grievances to be raised and identify patterns of abuse and malpractice. The availability of effective grievance mechanisms for supply chain workers is a vital part of worker-led due diligence models.



FREEDOM OF ASSOCIATION

Q What do companies need to know?

- ▶ The fundamental right to join a trade union, the right to organise and the right to collective bargaining are guaranteed by ILO Core Conventions 87 and 98.
- ▶ The absence of trade union engagement undermines the efficacy of due diligence measures to identify salient forced labour risks, effectively monitor supply chains, and remediate abuse in a timely and rights-respecting manner.
- ▶ Human rights risk mapping should include collective bargaining coverage as a key indicator of labour rights risks.

In 2026, engagement with independent trade unions, whether at the local or global level is still the exception rather than the rule, with 93% of benchmarked companies not disclosing a single example of union engagement for the previous three years. Of those who did describe union engagement covering food supply chains, both **Coles** and **Woolworths** partner with the Shop, Distributive and Allied Employees Association, the Transport Workers Union and the Australian Workers Union to deliver worker education events and engagement for workers respectively. Neither of these examples, however, had the stated aim of improving access to freedom of association across the supply chain.

Tesco was the only company to disclose engaging with trade unions explicitly to build the ability of supply chain workers to bargain collectively. Working alongside NGO Banana Link and the Dutch Sustainable Trade Initiative, Tesco disclosed capacity building for trade unions in Côte d'Ivoire's banana sector which resulted in the creation of its first "national banana trade union federation", with support from the IUF, a global union. Tesco reports the work led to the creation of a "government-led revision process of the minimum-wage-fixing system", and that in February 2024, "senior representatives of the trade unions and producing companies agreed to create a national collective bargaining framework for Cote d'Ivoire as the vehicle to negotiate remuneration improvements towards Living Wages".

Further, only **two companies** (4%) – **Danone** and **Unilever** – disclosed being party to a Global Framework Agreement and/or an enforceable labour rights agreement covering its supply chains. This is compared with 28% of apparel and footwear companies, demonstrating a lack of commitment to freedom of association in practice.

Unilever holds a Memorandum of Understanding with the IUF and IndustriAll Global Union, which recognises the unions as "*internationally representative bodies of unionized workers within its worldwide operations;*" it "*is committed to ensuring that throughout Unilever's worldwide operations workers can freely exercise their internationally recognized rights and in particular their rights to union membership and collective bargaining without fear of retaliation, repression or any other form of discrimination.*" The commitment is explicitly extended to the company's suppliers and their subcontractors, but it is unclear how much of its supply chain is in scope.

Spotlight on Brazil

In Brazil, while freedom of association and collective bargaining are legally permitted, significant structural challenges including the high incidence of precarity and informalisation for workers mean rates of union density are low. Further, ADERE-MG criticised trade unions in the country politically:

“ Our trade union movement is broken politically, morally, ideologically, financially. It’s a trade union movement that, as I see it, should be reassessed. And at the same time. If it’s the case, we have to hear from workers how it has to be rebuilt because, mostly it has lost its way.”

Workers demonstrated low rates of awareness, trust or membership of trade unions: only nine workers said they understood these concepts, but this was extremely limited. Workers believed that unions were for asking for information, making a grievance or intended for people with “formal employment contracts” only, for example. A total of 18 workers described barriers to engaging in freedom of association, ranging from long working hours during the harvest to fears of reprisal from “the boss”.

However, despite the absence of formal organising in the sector, and the lack of grievance or remedy mechanisms, the interviews revealed important manifestations of worker power, including instances of work stoppages and strike action, though negotiations with employers and gatos had mixed results. Most frequently these were in response to low coffee pricing, with five workers saying their boss had declined to raise prices and five others saying improvements had occurred, including in response to strikes. For most workers who complained about the price of coffee, employers replied simply that they could leave if they were not happy.



GRIEVANCE MECHANISM

Q What do companies need to know?

- ▶ The UN Guiding Principles on Business and Human Rights establishes **eight effectiveness criteria** for grievance mechanisms: legitimacy, accessibility, predictability, equitability, transparency, rights-compatibility, a source of continuous learning, and based on stakeholder engagement and dialogue.
- ▶ Beyond hotlines, they ensure complaints can be reported to an impartial entity and are explicitly established to receive human rights complaints concerning supply chains workers – not only those within the company’s own operations.

In 2026, the benchmark also assessed whether such mechanisms were communicated to workers, resulting in reduced credit for 67% of companies who disclosed maintaining such a grievance mechanism in 2023, but did not disclose communication. While 51% of companies disclosed making a formal mechanism available to supply chain workers, either directly or via their legitimate representatives, only four – **Coles, Tesco, Walmart** and **Woolworths** – disclosed how the mechanism was communicated in practice, even to workers at direct suppliers:

Coles was the only company to disclose its two grievance mechanisms were available to workers below the first tier of its supply chains, and proactively communicated to those workers to make them reasonably aware of their existence. STOPLine was available to *“stakeholders across [Coles’s] supply chain”, including “employees of contractors and suppliers” and “any other affected stakeholders including community members,”* and a Wages and Conditions Hotline was designed for supply chain workers to report unfair labour practices or other human rights and employment concerns. Worker Education events are delivered in partnership with Australian trade unions representing agricultural workers to inform them of the mechanism. Coles states the events provide opportunity to raise grievances, posters at the events advertise the existence of the grievance mechanism, and workers are supplied with business cards.



Worse still, 82% of companies failed to disclose any data about the practical operation of the mechanism including the number of grievances reported and resolved and the timelines of resolution. Trends related to reported issues or in specific supply chain contexts is essential, not only to demonstrate the effectiveness of a mechanism, but also to garner and sustain trust from workers and their representatives. Disappointingly, **only eight companies disclosed any information on how the mechanism had been practically used by workers**. Further, this information varied immensely in quality and quantity, from some companies disclosing only that their mechanism had been used in at least one context, to others disclosing data on the types of reported grievances and better performing companies including data on their resolution.

Costco disclosed receiving 13 human rights-related grievances from supply chain workers in 2023 and 12 in 2024, mostly through its Ethics Point hotline; grievances received in 2024 concerned *“potential violations of our Supplier Code of Conduct, employee health and safety, wage and hour, poor working conditions, the alleged hiring of undocumented workers, poor treatment of workers by management, and the involvement of prison labor.”* The company confirmed some grievances were substantiated and remedies included *“payment of severance owed to workers, safety improvements made to facilities in order to improve working conditions, and additional training for facility management.”* However, Costco does not disclose data on the number of workers affected nor how supply chain workers or their representatives were engaged to investigate grievances and determine appropriate remedies. Costco discloses limited information regarding relevant supply chain contexts.

Woolworths disclosed investigating 73 grievances raised by supply chain workers in FY2024 (a 59% increase since 2023), including 30 alleged breaches of its Responsible Sourcing Policy or Standards. The company disaggregates data by business unit categories receiving grievances – including 45% in horticulture – and whether grievances were open/closed. Topics included underpayments, bullying and harassment, poor working conditions, physical abuse, deceptive recruitment and child labour. These last two included potential incidents of modern slavery. Disclosed remediation included *“repayment of money withheld or underpaid; clearly communicating to our suppliers, and their subcontractors, our expectations under our RS Standards; and, with complainants’ consent, referral of some matters for further investigation by Woolworths’ direct supplier.”* Regarding horticulture specifically, Woolworths disclosed an increase compared to the previous year and states this might relate to operational pressures on suppliers, the high-risk nature of the horticultural sector, or increased engagement and outreach to workers through the distribution of Speak Up posters and participation in biannual worker forums.

Spotlight on Brazil

At most, workers described having access to their employer or to the gato to raise a grievance, but none described an established impartial grievance mechanism, process or policy at their plantation. Among those who had raised grievances, one worker said they had complained to a human resources representative, another to a trade union. Asked how they could raise complaints, 13 workers said they could access some kind of “hotline”, but it was often unclear who this would connect them with.

Investigators observed there were consequences for workers who spoke up about their conditions:

“ There are some co-operatives that have a list of the names. Those people that have already gone to justice and have denounced their employers, and they go through this list. And those workers that have actually complained and demanded their human rights, they are no longer employed. For those who live in the farm, the housing is really poor, like the houses are painted, but inside there are gutters.”

The informality, lack of independence and the absence of worker knowledge on grievance mechanisms are highly problematic. Communications channels supposedly made available by international coffee buyers simply are not reaching those they are intended to serve, and call into question companies’ claims of providing effective and appropriate avenues for redress for workers experiencing harm.



Access to remedy

5/100 AVERAGE SCORE



Q What do companies need to know?

- ▶ Given the ubiquity of forced labour risks and potential exposure for food supply chains, due diligence efforts should begin with an assumption that labour rights violations likely exist in any large multinational's supply chains.
- ▶ To demonstrate that remedy processes work in practice, and in line with transparency best practice, companies should be able to disclose concrete examples of remedy outcomes to workers.
- ▶ Remedy processes that do not involve rights holders undermine worker trust and legitimacy and are detrimental to positive remedy outcomes.

76% of companies failed to disclose a remedy process for violations of forced labour standards

91% of companies failed to disclose an example of remedy to supply chain workers in practice

33% of companies were linked to 36 allegations of forced labour in their supply chains; no company described remedy outcomes or rightsholder engagement in their response

However, 76% of benchmarked companies failed to disclose a remedy process for potential and actual complaints, grievances, and/or reported violations of policies that address supply chain forced labour issues. While eleven companies disclosed at least some detail on such a process, only four – **Coles**, **Tesco**, **Unilever** and **Woolworths** – provided any data on remedy outcomes for supply chain workers:

Coles disclosed aggregate data on reported violations across multiple tiers of its tea supply chain after suppliers confirmed some media-reported allegations pertained to them. Coles said it confirmed resolution by cross-validating information across suppliers and audits. On one site where sexual harassment was confirmed, “enhanced welfare structures” were implemented, the “welfare team” expanded, free private counselling and “psychosocial support” was offered, contractor management was “strengthened” and a campaign launched to build awareness of the whistleblowing hotline.

Unilever uncovered recruitment fee-charging at one supplier, resulting in repayments totalling USD692,514 by the end of 2024. In another example from 2023, suppliers repaid more than GBP200,000 to workers from Nepal, Myanmar and Laos across four sites in Malaysia and Thailand. Unilever supported by commissioning third-party worker interviews to understand the effectiveness and significance of the remedy for workers, finding recipients did not necessarily understand how reimbursement was calculated or even what it was for in the first place. In the 2024 case, however, most workers said they would find the money helpful for a range of reasons including building homes, repaying loans, supporting families and funding children's education.

Spotlight on Brazil

Throughout the 2025 coffee harvest, the Brazilian labour inspectorate undertook parallel raids and inspections of workers' working and living conditions: over 100 workers were rescued from situations identified as modern slavery. Four workers said they had been reimbursed costs related to recruitment including transport costs, including three for whom this was enforced by the labour authority. Three workers were provided with beds only after intervention from the labour authority.

Tellingly, most workers said they would never go back to the coffee harvest again in Minas Gerais and explicitly described their working conditions as "slavery":

"I would never go back. Because there's nothing there, you just have to work. Because you don't get a salary, they don't know how much you're going to get paid. There are a lot of bills to pay, like accommodation, food, the coffee picking machine, gas. You leave home to see if you can get something to pay your debts, you get here and you fall further into debt, so it's not worth it."

During questioning by labour inspectors, workers experiences varied greatly – from those afforded privacy, security and the comfort of denouncing their employer without fear of retaliation, to those interviewed within sight of the employer or gato. The relief of being interviewed by federal police and labour inspectors was apparent:

"When the ministry went there, I felt safe, and so did my colleagues. Then the boss became very quiet, he seemed like a saint, not like the guy who was always talking about beating me up."

Nevertheless, investigators reported that workers wanted to share their stories and that despite adversity, manifestations of worker power prevailed: workers *"organized themselves to protect us and protect them, to make sure we could conduct our interviews, and safely."*



ALLEGATIONS ANALYSIS

Alongside analysis of company policy and practice, the KnowTheChain benchmark also incorporates an assessment of companies' response to publicly reported allegations of abuse linked to their supply chains. Between 2022-2025, a total of 15 companies were linked to 36 allegations of abuse in their supply chains – most often at raw commodity level and during the processing of raw foodstuffs. Abuse was alleged to occur on sites as varied as coffee plantations and fruit farms, shrimp, fish and tomato processing plants, and in geographies as varied as Brazil, China, the Dominican Republic, India, Indonesia, Kenya, and the UK.

KnowTheChain also credits companies' response to reported allegations of abuse, including whether the company engages in a dialogue with affected rightsholders, and reports on remedy outcomes. **Concerningly, not one company scored under any of these indicators.** While companies frequently confirmed they were investigating or reiterated their policy commitments to responsible sourcing standards or compliance, the absence of any concrete outcomes across such diverse contexts demonstrates that lack of action for the industry is, alarmingly, still the norm.

Stakeholder engagement: a cross-cutting theme

Only **24% of companies** disclosed any engagement with affected stakeholders or their representatives to address forced labour risks, implement participatory-design approaches or administer remedy.

Q What do companies need to know?

- ▶ Stakeholder engagement – whereby rightsholders affected by business activities can shape outcomes and participate in the design of interventions – is integral to meaningful, human rights-respecting due diligence.
- ▶ This goes beyond consultation to two-way, ongoing dialogue designed to incorporate input into decision-making actively, especially from vulnerable groups, through actions and improved conditions.
- ▶ Examples of companies using tools, resources and datasets provided by civil society organisations, NGOs and trade unions, should not be mistaken for participatory engagement.



CONSULTING RIGHTSHOLDERS

Across the benchmark, stakeholder engagement is assessed to identify companies committed to best practice, including engagement with affected supply chain workers or their legitimate representatives.

Addressing forced labour risks: Just five companies – **Coles, Mondelēz, Tesco, Hershey** and **Unilever** – clearly outlined how they had consulted with relevant stakeholders including civil society, unions and workers and/or their representatives to address the forced labour risks identified through their risk or impact assessment process.

Recruitment: Just three companies – **Mondelēz, Nestlé** and **Woolworths** – disclosed how they were engaging with relevant stakeholders to uphold efforts to recruit responsibly throughout their supply chains.

Mondelēz disclosed participating in the Consumer Goods Forum’s ‘People Positive Palm Project’ which aims to address and prevent the charging of recruitment fees and is supported by NGO the Remedy Project, multi-stakeholder initiative Fair Labor Association (FLA) and the International Organization for Migration (IOM). This included capacity building for both direct and indirect Malaysia-based suppliers and recruitment agencies focused on forced labour risks, remediation of fee-charging and integrating worker experience into risk assessments. No company disclosed detail on engaging either directly with affected workers or their representatives during recruitment fee-remediation to supply chain workers.

Grievance mechanisms: Only two companies – **Coles** and **Tesco** – disclosed any detail on how supply chains workers or their representatives were involved in the design and/or performance of a grievance mechanism.

Coles disclosed several examples of feedback from tier-two supply chain workers at one of its horticulture supplier sites. Workers informed the company it should bold the words ‘anonymous’ and ‘confidential’ on the grievance portal, clarify the term ‘Translation Service is available’ with ‘multiple languages available’, and that most workers would prefer to use a QR code to access it. The company acted on each point in response as well as creating a “formal Investigation Protocol so there is a documented process to follow to ensure adequate steps are being taken for each grievance raised”.

Monitoring: **Coles** and **Walmart** were the only two companies to disclose using worker-driven monitoring – whereby workers and representatives are given a formal, integral role to create, monitor and enforce programmes to improve working conditions in supply chains from the bottom up.

Walmart is a member of the Fair Food Program, a programme which covers farmworkers in the USA who are paid a premium to ensure a living wage.

Remedy: Just one company – **Wilmar** – disclosed any information on how it engages affected stakeholders as part of its process for responding to complaints, grievances or reported violations of forced labour policies.

APPENDIX 1: COMPANY SELECTION

KnowTheChain assesses companies in sectors in which forced labour risks have been widely documented. It reviews the largest global companies in these sectors, as these companies have a large supply chain workforce as well as significant leverage (and therefore may have the potential for both the greatest negative impact on workers and the ability to significantly improve supply chain working conditions). Due to its focus on (listed equity) investors, KnowTheChain assesses publicly listed companies only. The 45 food and beverage companies included in the assessment were selected using primary criteria: companies must be publicly listed and are selected on the basis of their size (market capitalisation) and the percentage of revenues derived from own-branded products. In addition, for the 2025-26 benchmarks, company selection also took into account additional considerations to ensure regional or sub-industry representation. The initial company selection took place in 2024, including a review of the companies' market capitalisation. Two of the companies in KnowTheChain's benchmarks have significant revenues from several product types and are, therefore, included in more than one sector benchmark (Amazon and Walmart).

➔ **For this report, KnowTheChain has assessed 45 companies against its benchmark methodology – the company list, their engagement levels and their additional disclosure can be found [here](#).**

APPENDIX 2: BENCHMARK METHODOLOGY

➔ **View the KnowTheChain 2025-26 benchmark methodology and accompanying reporting guidance [here](#).**

Research was conducted from March to June 2025, or to September 2025 where companies provided additional disclosure or links. KnowTheChain contacted all the benchmarked companies in June 2024, inviting them to join introductory webinars. Where needed, KnowTheChain followed up via phone and in local languages to ensure that the companies had received the communication. The majority of the companies (87%) confirmed a contact person for communication to KnowTheChain. Benchmarked companies were given the opportunity to review the initial research findings and disclose additional information over two months (July to August 2025). In addition to English language information on each company's website, KnowTheChain evaluated additional public disclosure provided by 53% of the companies. One further company sent links to existing or newly added disclosure on their websites.

ABOUT KNOWTHECHAIN

KnowTheChain – a programme of the Business and Human Rights Centre – is a resource for business and investors to identify and address forced labour and labour rights abuses within their supply chains. It benchmarks current corporate practices, develops insights, and provides practical resources with the aim of informing investor decision-making and changing corporate approaches to the identification, prevention and remedy of forced labour conditions.

Humanity United is a foundation dedicated to bringing new approaches to global problems that have long been considered intractable. It builds and supports efforts to change the systems that contribute to problems like human trafficking, mass atrocities, and violent conflict. Humanity United is part of The Omidyar Group, a diverse collection of organisations, each guided by its own approach, but united by a common desire to catalyse social impact.

KnowTheChain would like to acknowledge the work of **Articulation of Rural Employees of the State of Minas Gerais** (ADERE-MG), for their hard work and dedication in gathering testimony from workers employed in the 2025 coffee harvest in Minas Gerais. ADERE-MG is a rural workers' union which works to document cases of abuse, mostly in Brazil's agrifood sector. It also participates in transnational legislative efforts to hold companies accountable for supply chain abuse, including filing complaints, alongside allies, under the OECD Guidelines, the US Customs and Border Protection and the German Supply Chain Act.