

**Company Name** Shoprite Holdings  
**Industry** Agricultural Products (Supply Chain and Own Operations)  
**UNGP Core Score (\*)** 2.0 out of 26

Score	Out of	For indicators
<b>Governance and Policy Commitments</b>		
0	2	A.1.1 Commitment to respect human rights
0	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
<b>Embedding respect and Human Rights Due Diligence</b>		
Embedding respect		
0	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
<b>Remedies and Grievance Mechanisms</b>		
1	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
<b>2.0</b>	<b>26</b>	

(\*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: General HRs commitment: The Company states that the Social and Ethics Committee is responsible for monitoring and overseeing its adherence to all laws and prevailing codes of best practice that specifically relate to sustainability. In the global arena, these include the principles of the United Nations Global Compact, which relate to human rights, labour, the environment and the fight against corruption and the International Labour Organization Protocol on decent work, working conditions, employment relationships and the educational development of employees. However, there is no clear commitment to those rights and the list of rights are not comprehensive. [Sustainability report 2019, 06/2019: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a>]</li> <li>• Not met: UNGC principles 1 &amp; 2: The Company mentions in the Sustainability Reports regarding its compliance with the UN Global Compact, however, there are no formal commitments disclosed in public. [Sustainability report 2019, 06/2019: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a>]</li> <li>• Not met: UDHR</li> <li>• Not met: International Bill of Rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: UNGPs</li> <li>• Not met: OECD</li> </ul>
A.1.2	Commitment to respect the human rights of workers	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: ILO Core: The Company states in its Sustainability Report that it respects the right of employees to join a trade union and engages in collective bargaining. In addition, the Company states 'Our people enjoy freedom of association and the right to join trade unions'. However, this is not a clear commitment to freedom of association and the Company does not disclose a commitment to prevent forced labour or child labour. [Sustainability report 2019, 06/2019: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a>]</li> <li>• Not met: UNGC principles 3-6</li> <li>• Not met: Explicitly list All four ILO for AG suppliers</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Explicit commitment to All four ILO Core</li> <li>• Not met: Respect H&amp;S of workers</li> <li>• Not met: H&amp;S applies to AG suppliers</li> </ul>
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to stakeholder engagement: The Company states that 'by regularly engaging the primary stakeholders, we ensure open lines of communication and stay abreast of potential risks and opportunities. The Group is committed to creating long-term, ethical and collaborative relationships, which are essential to our viability as a successful business. We continue to explore effective channels for engaging our stakeholders and integrating their feedback to identify material issues, risks and opportunities facing the Group'. The Company categorised stakeholders into seven groups: employees, trade unions, communities, regulators, suppliers, shareholders and financiers, and Customers. [Sustainability report 2019, 06/2019: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a>]</li> <li>• Met: Regular stakeholder engagement: The Company states that it engages in respectful, constructive and open dialogue with trade unions. It engages through regular meetings, correspondence and representation on various internal committees. Unions are concerned about wages, work scheduling practices for full-time and part-time employees, transportation, and late trading hours. The Company proactively engages with unions to discuss these concerns and aims to negotiate one-to three-year sustainable wage agreements. In 2018, the Company</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			signed a two-year wage agreement with SACCAWU, its primary union relationship in South Africa, which acknowledged the need for flexible work conditions. [Sustainability report 2019, 06/2019: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a> ] Score 2 <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Commits to remedy</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with AG suppliers to remedy impacts</li> </ul>

## Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Commits to ILO core conventions</li> <li>• Not met: Senior responsibility for HR: The Company states that it appointed a Group Sustainability manager in February 2019 to coordinate sustainability across the business. This position reports directly to the Chief Business Officer and the Social and Ethics Committee. However, it is not clear whether the manager is in charge of human rights issues within the Company. [Sustainability report 2019, 06/2019: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Day-to-day responsibility</li> <li>• Not met: Day-to-day responsibility for AG in supply chain</li> </ul>
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Identifying risks in own operations</li> <li>• Not met: Identifying risks in AG suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Ongoing global risk identification</li> <li>• Not met: In consultation with stakeholders</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> <li>• Not met: Explains use of HRIAs or ESIA (inc HR)</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Salient risk assessment (and context)</li> <li>• Not met: Public disclosure of salient risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Action Plans to mitigate risks</li> <li>• Not met: Including in AG supply chain</li> <li>• Not met: Example of Actions decided</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: System to check if Actions are effective</li> <li>• Not met: Lessons learnt from checking effectiveness</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Comms plan re identifying risks</li> <li>• Not met: Comms plan re assessing risks</li> <li>• Not met: Comms plan re action plans for risks</li> <li>• Not met: Comms plan re reviewing action plans</li> <li>• Not met: Including AG suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

## Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Channel accessible to all workers: The Company states that it has a grievance procedure in place to ensure that employee complaints are dealt with quickly and transparently. A confidential hotline and suggestions boxes are in place to receive grievances or request work-related information. Line managers regularly receive training on how to equitably deal with grievances and disciplinary matters. [Sustainability report 2019, 06/2019: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Number grievances filed, addressed or resolved: The Company reports the number of incidents of suspected unethical behaviour reported (129) and the number of disciplinary action, dismissals, resignations and/ or criminal charges presented as a result of this reports (18). However there is no further information about the issues reported, in order to identify which ones were related to human rights. [Integrated Report 2018, 09/2018: <a href="http://shopriteholdings.co.za">shopriteholdings.co.za</a>]</li> <li>• Not met: Channel is available in all appropriate languages</li> <li>• Not met: Expect AG supplier to have equivalent grievance systems</li> <li>• Not met: Opens own system to AG supplier workers</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Grievance mechanism for community</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages</li> <li>• Not met: Expects AG supplier to have community grievance systems</li> <li>• Not met: AG supplier communities use global system</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found.

### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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