

Company Name Yili Group
Industry Agricultural Products (Supply Chain and Own Operations)
UNGP Core Score (*) 1.5 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
1	2	A.1.1 Commitment to respect human rights
0.5	2	A.1.2 Commitment to respect the human rights of workers
0	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
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
Remedies and Grievance Mechanisms		
0	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
1.5	26	

(*) 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	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"> • Not met: General HRs commitment • Met: UNGC principles 1 & 2: 'Yili is the first member of the United Nations Global Compact from the Chinese food industry'. [Social Responsibility Report, 07/2019: image.yili.com] • Not met: UDHR • Not met: International Bill of Rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: ILO Core • Not met: UNGC principles 3-6: The Company discloses that its 'social responsibility management, actions and other related expressions refer to the "10 Principles" of the United Nations Global Compact'. However, this statement does not describe a real commitment to respect the 10 principles of UNGC. [Social Responsibility Report, 07/2019: image.yili.com] • Not met: Explicitly list All four ILO for AG suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core • Met: Respect H&S of workers: Yili discloses that 'provides good compensation and welfare to enable employees and the Company to develop together, protects the health and safety of employees, and cares for the life of employees'. [Social Responsibility Report, 07/2019: image.yili.com] • Not met: H&S applies to AG suppliers
A.1.4	Commitment to engage with stakeholders	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"> • Not met: Commits to stakeholder engagement • Not met: Regular stakeholder engagement <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	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"> • Not met: Commits to remedy <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AG suppliers to remedy impacts

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	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions • Not met: Senior responsibility for HR <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for AG in supply chain

Indicator Code	Indicator name	Score (out of 2)	Explanation
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"> • Not met: Identifying risks in own operations • Not met: Identifying risks in AG suppliers Score 2 <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
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"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
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"> • Not met: Action Plans to mitigate risks • Not met: Including in AG supply chain • Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
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"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
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"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AG suppliers Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

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	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Channel accessible to all workers Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • Not met: Expect AG supplier to have equivalent grievance systems • Not met: Opens own system to AG supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Grievance mechanism for community Score 2 <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects AG supplier to have community grievance systems • Not met: AG supplier communities use global system

Indicator Code	Indicator name	Score (out of 2)	Explanation
	individuals and communities		
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"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

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		<ul style="list-style-type: none"> • Headline: WOIPFG's report names companies linked to forced labor at prisons, labor camps, and detention centers in China • Area: Forced Labour- prison • Story: A report by WOIPFG found that Falun Dafa practitioners were coerced into the production of forced labour products in the Chinese Communist Parties prison camps - Yili was one of the organisations who benefited from this labour without providing any form of compensation. Between 2008 and 2009, Hebei Province Women's Forced Labor Camp detainees undertook the work of putting handles on boxes for milk products for Yili Group. The detainees were forced to work inside the prison, with cheap pay and excessive working hours. • Sources: [WOIPFG - 03/04/2018: upholdjustice.org][Minghui.org - 12/06/2012: en.minghui.org]
E(1).1	The Company has responded publicly to the allegation	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Public response available: CHRB could not find the evidence of the Company's response in public regarding this case. Score 2 <ul style="list-style-type: none"> • Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company states that "Yili adheres to the laws and regulations in the recruitment and labor use, and requires each applicant to provide his/her original and copies of ID cards. Both child labor and forced labor are strictly prohibited." [Social Responsibility Report, 2017: image.yili.com] • Not met: Policies apply to the type of business relationships involved: It is not clear if the policy also applies to the Company's business partners. Score 2 <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question: CHRB could not find evidence of the Company's measures to prohibit restriction on workers' movement or finance.
E(1).3	The Company has taken appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: CHRB did not find the evidence of the Company's engagement with affected stakeholders. • Not met: Encourages linked business to engage affected stakeholders: CHRB could not find the evidence of the Company's encouraging its business partners to engage with the affected stakeholders. • Not met: Provides remedies to affected stakeholders: CHRB did not find evidence of the Company providing remedies. • Not met: Has reviewed management systems to prevent recurrence: CHRB did not find evidence of the Company reviewing the system followed by the case. Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders: CHRB did not find evidence of the Company improving the system or engaging with stakeholders followed by the case.

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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