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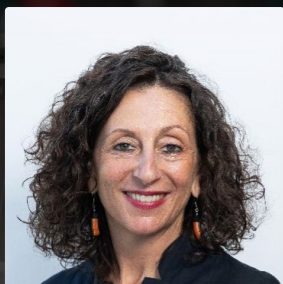
# 2023

# Apparel & Footwear

INVESTOR BRIEFING

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“ KnowTheChain’s benchmark reports are an invaluable resource for investors navigating corporate dialogue and engagement, guiding investors as they prepare for discussions with portfolio companies. As importantly, the KnowTheChain team has been instrumental in helping investors prioritise key engagement topics – including freedom of association, responsible purchasing practices and worker-centred remediation – balancing the need to praise companies for progress in certain areas and push them to do more in others.



**Chavi Keeney Nana**

Director, Equitable Global Supply Chains, Interfaith Centre for Corporate Responsibility (ICCR)

KnowTheChain’s 2023 Apparel & Footwear Benchmark offers investors in-depth analysis of company exposure to forced labour risk, and therefore firms’ readiness to meet growing regulatory requirements and shifting consumer expectations. This investor briefing is complementary to the KnowTheChain [benchmark report](#) and seeks to highlight gaps and provide insights on apparel and footwear company practice for public equity investors evaluating the increasingly financially material forced labour risk in their investments.

**With an average score of just 21/100** for 65 companies, the 2023 Apparel & Footwear Benchmark demonstrates that in the face of conflict, the climate crisis and economic instability exacerbating the risk of forced labour, company policy and practice is falling short. They remain largely reactive to human rights violations, rather than evidencing robust, embedded human rights and environmental due diligence practices designed to prevent them. This is further highlighted by the fact that **over 20% of companies posted scores of 5/100 or less** and routinely failed to provide and disclose remedy to those whose rights have been violated: an indictment in a sector in which human rights violations are consistently uncovered.

Importantly, however, this benchmark also highlights better practice is possible. The highest scoring company, **Lululemon (63/100)**, disclosed markedly stronger human rights due diligence efforts to address forced labour risks in its supply chains. The company has outperformed the SPDR® S&P® Retail ETF over the past three years<sup>1</sup> and in 2023 experienced double-digit growth in net revenue and gross profit compared with the same period a year ago. As such, it demonstrates that a corporate strategy which embeds human rights due diligence does not have to come at the cost of long-term sustainable growth or investor returns.

**Puma (58/100)** and **Adidas (55/100)** rounded out the top three performers in the benchmark. While these latter companies’ equities have underperformed companies like **Nike (48/100)** – number six in this year’s benchmark – over the past three years,<sup>2</sup> their higher scores suggest stronger operational practices and business resilience which may be beneficial to forward-looking long-term growth and returns.

<sup>1</sup> SPDR® S&P® Retail ETF. Performance period ending 27th November 2023.

<sup>2</sup> Ibid.



Nevertheless, scores in this benchmark call into question the sector's preparedness and long-term resilience in an environment where the ability to demonstrate proper risk assessment and mitigation measures will be mandatory. The [EU's Corporate Sustainability Due Diligence Directive](#) (CSDDD) is a case in point, with human rights and environmental due diligence, supply chain transparency and modern slavery regulations, as well as import bans emerging in a range of other jurisdictions globally.

Material risks from poor performance on human and labour rights also appear to be growing: worker protest, civil litigation and state-led investigations into human rights practices should be red flags for investors, as they can undermine a company's top line and margin

by impacting its ability to secure a steady supply of products. A "business as usual" approach by apparel and footwear companies is not only damaging for vulnerable workers, but may be increasingly financially unsustainable for companies.

Investors have a critical role to play in researching and engaging with companies on key elements of corporate human rights due diligence: supply chain tracing, risk assessment, worker voice and remedy. These elements should be accompanied by robust public disclosure as a mechanism for effective accountability and regulatory compliance. Companies that don't take these steps or are unable to do so because of business model limitations may be exposed to greater risk of supply chain, financial and stock price volatility in the future.

## Key findings

**Companies seem ill-prepared for existing and upcoming legislation** which requires them to know and show their supply chain risks. A concerning disparity exists between the number of companies sourcing high-risk raw materials for their apparel and footwear products<sup>3</sup> and those demonstrating they know where these raw materials are sourced from and disclose the identified risks. For example, while 98% of companies produce cotton garments, only 15% of them disclose even partial detail on sourcing countries, putting them at risk of enforcement action from forced labour bans such as the Uyghur Forced Labour Prevention Act and emerging human rights due diligence legislation.

**Lack of stakeholder engagement and poor performance on Worker Voice (15/100) by benchmarked companies compromises workers as well as increasing exposure to operational and legal risks.** Only 22% of companies disclose engaging with unions to support freedom of association in their supply chains.

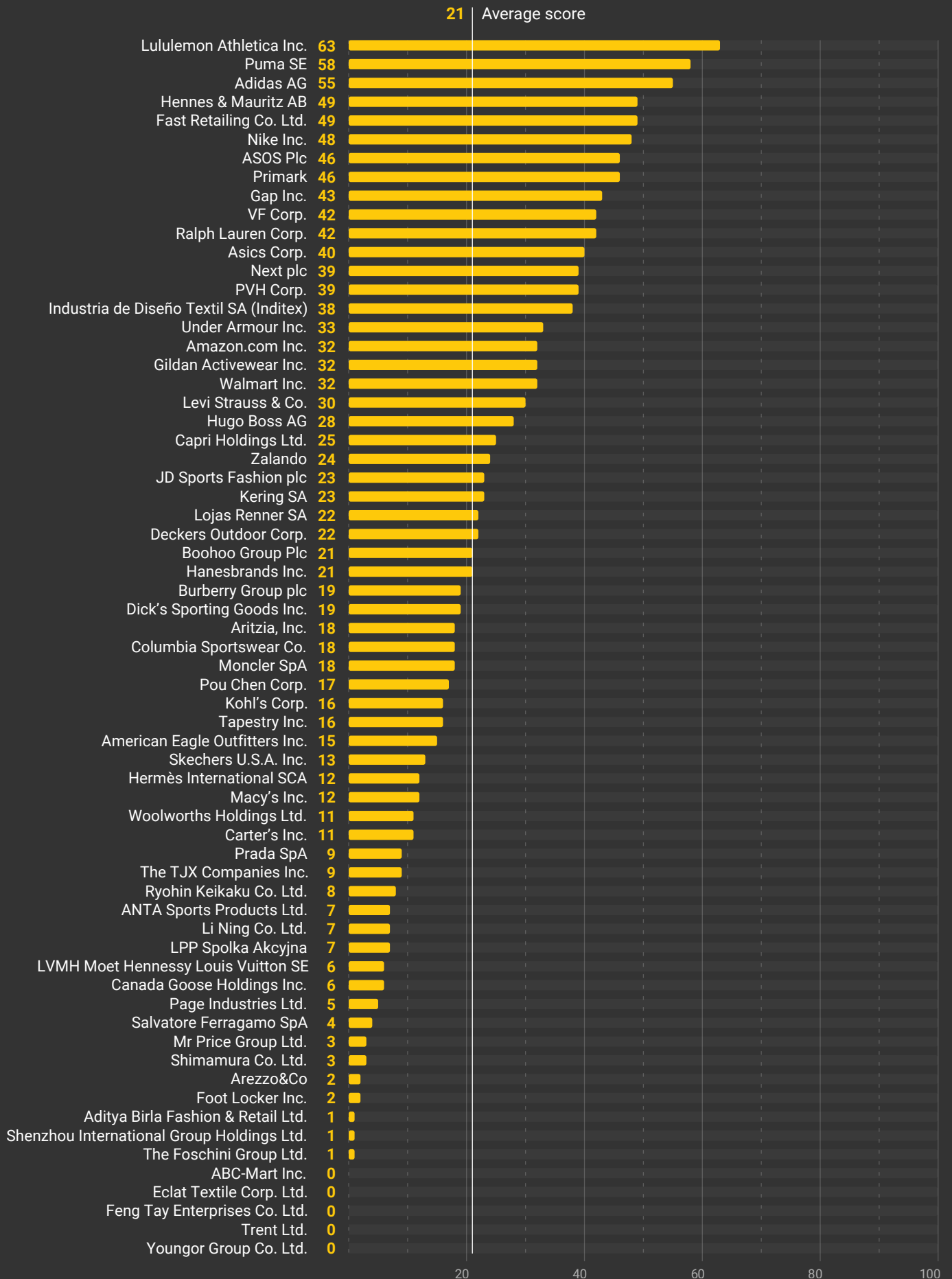
**Companies' purchasing practices and sustainability commitments seem misaligned.** Companies score poorly on the theme of **Purchasing Practices** (12/100), which have the most known [impacts on working time, contracts, HR and compensation](#). This represents a threat to even the most robust human rights due diligence approach where these practices make it impossible for suppliers to comply with human rights standards.

Despite longstanding and public grievances surrounding wage theft and violations to freedom of association in the sector, companies are not disclosing remedy outcomes for workers. **Remedy** is the lowest scoring theme in the benchmark (7/100) – reflecting a serious gap in the effectiveness of the sector's human rights due diligence programmes.

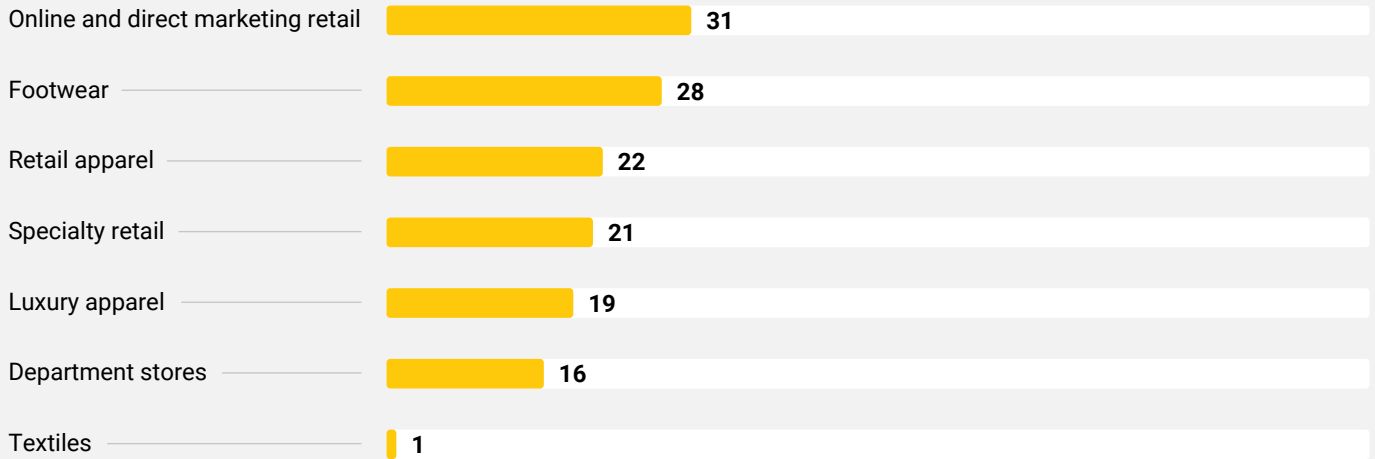
There is a **widening gulf between leaders and laggards** in the sector. With revisions to KnowTheChain methodology focusing on the implementation of policy and outcomes for workers, only three companies scored above 50/100 (**Lululemon, Puma** and **Adidas**), while the average company in the sector scored just 21/100. Regionally, certain Asian companies have made progress, driven by Japanese (**Fast Retailing** and **Asics**) and Chinese (**ANTA**) company improvements. Nevertheless, with over 20% of companies scoring less than 5/100, significant improvement is required for a majority of the sector.

<sup>3</sup> "High risk" materials are those listed by the US Department of Labour and those identified in the public reporting and through consultation with expert organisations in the sector. See US Department of Labour (2022), "[List of goods produced by child labour or forced labour](#)." Accessed 5 November 2023.

# Apparel & Footwear Benchmark: 2023 Ranking



## AVERAGE SUBINDUSTRY SCORES



## Apparel & footwear supply chains: human & environmental costs

The global apparel and footwear industry is one of the biggest in the world, generating **US\$1.53 trillion in global revenues** in 2022 and employing over **60 million workers** in the textiles, clothing, leather and footwear industries in Asia alone. As a sector heavily reliant on both natural and human resources, its potential for human and environmental harms is enormous: estimates suggest the fashion industry is responsible for a fifth of the **300 million tons of plastic** produced globally each year and accounts for up to 10% of **global CO<sub>2</sub> output**.

Furthermore, processes like spinning, dyeing, sewing and weaving are highly labour intensive. The sector has long been characterised by precarious employment, poor working conditions and lack of collective bargaining agreements. These concerns are amplified by the fact the majority of the work is done by **women (nearly 60% worldwide)** and migrant workers, who receive disproportionately lower wages, often insufficient to meet basic needs. These underlying conditions mean exploitation and labour abuse – including discrimination, unpaid wages, forced overtime, debt bondage and forced labour – is rampant.

Forced labour is defined by the ILO as “situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as manipulated debt, retention of identity papers or threats of denunciation to immigration authorities.”

These impacts have led to increasing litigation, regulation and local labour (i.e. supply) disruptions, which put laggards at a disadvantage. They have also provided the impetus to leading companies’, who are attempting to improve long-standing, damaging industry practices. These factors are material for investors.

### LEGISLATION AND MATERIAL RISKS:

The legal, operational, financial and reputational repercussions of forced labour and labour rights issues for a business can be profound. These range from financial penalties and fines to the loss of public trust and social licence to operate. Operational risks resulting from disruptions to supply – production delays, inventory loss and faulty goods – affect a business’ bottom line and damage reputation.

### IMPORT BANS:

As part of the **Uyghur Forced Labour Prevention Act** (UFLPA), the US Customs and Border Protection has **seized nearly 1,000 apparel, footwear and textile shipments** totalling US\$43 million, of which 556 (57%) were denied entry. The impact of the legislation is clear, as data suggests that both **Asian countries** and the US are diversifying their textile imports away from China, **with reports** Xinjiang’s US exports were down 90% in February 2023, eight months after the law came into effect. **Canada, Mexico** and the **EU** are also developing similar regulations to ban goods produced with child and forced labour.

## MANDATORY HUMAN RIGHTS DUE DILIGENCE AND SUPPLY CHAIN TRANSPARENCY:

These tools are accompanied by the emergence of human rights due diligence legislation in various jurisdictions including [Canada](#), under [Germany](#) and [Norway's Transparency Acts](#), in [South Korea](#), [New Zealand](#), and as part of the EU's [CSDDD](#). [Investigations](#) into forced labour are also being carried out by the Canadian Ombudsman, which has investigated, among others, the Canadian entities of **Ralph Lauren, Walmart, Hugo Boss, Zara (Inditex)** and **Nike**, for alleged Uyghur forced labour in their supply chains. In Germany, two cases have now been filed under the Supply Chain Due Diligence Act for companies' failure to conduct due diligence on their supply chains and endangering workers. If found guilty these companies, including **Amazon** and **Ikea**, could be issued fines of up to two percent of their average worldwide annual sales. Australia is introducing [regulation designed to tackle migrant worker exploitation](#) specifically.

## LITIGATION RISK:

Companies are increasingly facing litigation for labour violations in their supply chains: from workers themselves relating to corporate failure to provide safe working conditions; civil society organisations for deceptive marketing claims regarding their labour practices; and even from companies' own shareholders. [Uniqlo and Inditex are facing legal challenges](#) in France for alleged Uyghur forced labour in their supply chains. In December 2022, Burmese migrant workers [filed a lawsuit](#) against **Tesco** for allegedly trapping them in "effective forced labour" at a Thai garment factory which was a former supplier to Tesco. **G-Star Raw** has been [ordered to pay damages](#) worth €16 million for cancelled orders to a Vietnamese supplier, which in turn had halted production and reportedly dismissed its staff. Italian NGO, Italian-Burmana Insieme [has filed a complaint with the OECD NCP](#) against Italian brands **OVS** and **Moschino** for remaining in Myanmar despite deteriorating labour conditions. Shareholders are also allegedly [suing Boohoo](#) for losses incurred on foot of modern slavery revelations in 2020.

## OPERATIONAL RISK:

Apparel sector strikes and protests over pay, working conditions and the right to organise in jurisdictions from [Cambodia](#), to [Pakistan](#) and the [UK](#) are creating supply chain disruptions. In the past month, some 150 factories near Dhaka, Bangladesh's capital and industrial hub, have closed, reopened and then closed again in response to the growing strife, which began over workers' protests over inadequate minimum wage increases.

For the fourth year in a row **Amazon** workers and supply chain workers, including members of the garment workers' union Sommilito Garments Sramik Federation in Bangladesh, [took to the streets](#) to demand the company uphold the right to freedom of association and to sign the [International Accord on Fire and Building Safety](#).





## Benchmark analysis

The following sections outline KnowTheChain's key findings on company performance across three key areas of due diligence:

- | Risk assessment and high-risk commodity sourcing
- | Risk prevention: Worker voice and purchasing practices
- | Remedy: Access to remedy and remedy outcomes

### Risk assessment

#### GAP REMAINS BETWEEN KNOWING AND SHOWING RISK:

At the core of human rights due diligence is the process of understanding and identifying human rights risks present in business operations. These risks are inherent in every business, and are heightened when operating in countries where there is weak rule of law, poor protection of labour rights, conflict or economic turbulence. Ongoing economic instability including fluctuating demand and job loss, the impact of the climate crisis, and conflict mean forced labour risks are increasing globally.

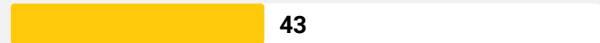
KnowTheChain's data found a surprising disparity between those companies which use high-risk raw materials in their apparel and footwear products, and those which demonstrate they know where these raw materials are sourced from and disclose the identified risks.

**42% of the companies benchmarked disclosed no relevant supplier or sourcing data.** This includes US brands **American Eagle, Foot Locker, Kohl's, Skechers** and **TJX**.

Despite companies sourcing, on average, four raw materials at high risk of forced labour – including cotton, leather and rubber – **only one fifth (20%)** of companies disclosed some detail about the sourcing countries of high-risk raw materials, or tracing efforts across their supply chains. **No company** disclosed full lists of sourcing countries for three or more raw materials designated high risk for forced labour.

### AVERAGE THEME SCORES

Commitment & Governance



Traceability & Risk assessment



Purchasing practices



Recruitment



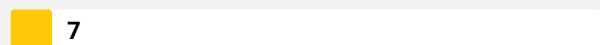
Worker Voice



Monitoring



Remedy



Despite increasing legislation and import bans creating an environment in which companies are expected to demonstrate transparency around their suppliers and product sourcing, KnowTheChain data revealed **only around half of companies (55%) disclosed how they carry out a human rights risk assessment on their supply chains**. This drops to a **mere 8% for companies which disclosed detail on forced labour risks identified across the tiers of their supply chains** (evidence of a more robust risk assessment process, which goes beyond direct suppliers). Among those which failed to disclose information on how their risk assessment is carried out are European companies **LPP** and **Prada**, as well as American footwear retailers **Foot Locker** and **Skechers**.

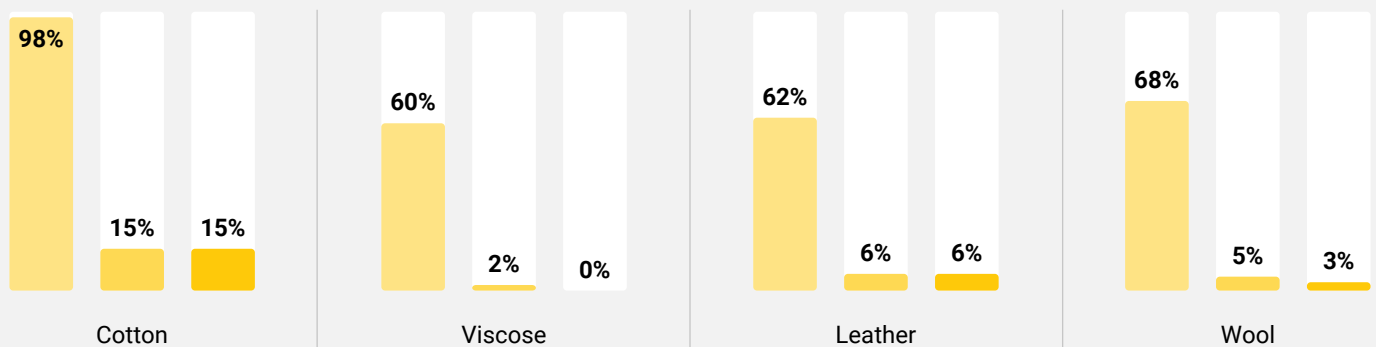
This lack of transparency raises important questions as to firms' ability to demonstrate compliance with legislation requiring companies to understand where their products originate, including the Uyghur Forced

Labour Prevention Act (UFLPA). In July 2020, the US Customs and Border Protection (CBP) **banned disposable gloves** made by Top Glove on the grounds it had sufficient evidence to indicate the company used forced labour in its production. The ban, which has since been lifted, resulted in severe financial loss for the company: a **share price drop of 40%**, a decrease in glove production and a delay in its anticipated listing on the Hong Kong stock exchange.

Among companies showing better practice was **VF**, which disclosed risks related to the recruitment of migrant workers and disclosed launching a targeted programme for first- and second-tier supplier facilities in Jordan, Thailand and Taiwan to mitigate risks to this cohort of workers. It also disclosed its highest-risk raw materials and associated sourcing countries including cotton, leather and rubber, and risks of poor working conditions, health and safety, and inadequate standards of living in the "outermost" tiers of its synthetics supply chain.

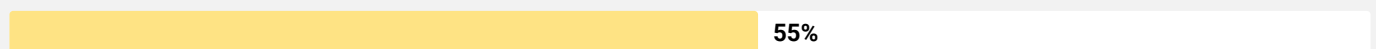
## HIGH-RISK SOURCING

- Sourcing raw material
- Disclosed some sourcing countries of raw material
- Disclosed forced labour risks associated with raw material



## RISK ASSESSMENT AND DISCLOSURE

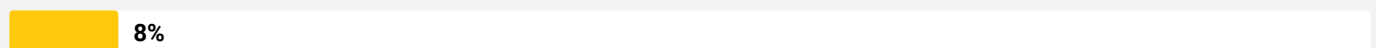
Companies that disclosed a human rights risk assessment on their supply chains



Companies that disclosed forced labour risks identified



Companies that disclosed details on forced labour risks identified across supply chain tiers





## Risk prevention

### PREVENTION IS BETTER THAN CURE, BUT KEY ACTIONS ARE MISSING

The distinguishing feature of human rights due diligence is that its effectiveness and credibility depend on the perspectives of affected stakeholders, including workers, unions, communities, and human rights and environmental defenders. This is particularly important in an environment where labour laws are weakened, and there has been a crackdown on labour organising in sourcing locations like [Bangladesh](#), [Cambodia](#), [India](#), [Indonesia](#) and [Sri Lanka](#). The consequence of these restrictions is to increase the precarity of already vulnerable workforces, augmenting exposure to exploitative practices and poor working conditions.

By signing a [Global Framework Agreement](#), a multinational company accepts responsibility to protect and respect fundamental workers' rights, in particular the right to organise and bargain collectively, and to exercise due diligence concerning the impact of its operations on human rights in its production facilities and along its supply chain.

**Enforceable labour rights agreements** go one step further, legally binding the parties to the agreement and holding brands to account where conditions are not met.

Despite stakeholder engagement being a requirement under the European Parliament's proposal for the EU CSDDD, this element was largely absent from companies' risk assessment processes: **only 5% of companies (Asos, Primark and VF)** clearly outlined how engagement with stakeholders such as workers, civil society organisations or unions informed their risk assessment process.

**Companies also performed poorly on Worker Voice<sup>4</sup> (15/100)**, indicating a failure to recognise workers as key stakeholders whose rights are routinely impacted by corporate practices. Union engagement acts as a preventative measure to safeguard workers but can also foster benefits associated with an [empowered workforce](#). Despite this, very few brands (22%) demonstrated union engagement to support freedom of association in their supply chains. Just 28% have signed up to Global Framework Agreements or enforceable labour rights agreements, which provide a framework for worker dialogue and collective bargaining.

By providing an effective mechanism for worker-driven monitoring, collective bargaining agreements can also reduce operational risks, like health and safety incidents, and [increase productivity](#), worker engagement and supply chain resilience.

<sup>4</sup> Worker Voice measures engagement with independent unions, participation in enforceable labour rights and/or Global Framework Agreements, collective bargaining coverage and effectiveness of grievance mechanisms.

% of signatory brands	Agreement	Type
3%	<a href="#">Freedom of Association Protocol</a> in Indonesia	Legally non-binding
5%	<a href="#">Dindigul Agreement</a> in Tamil Nadu, India ("The Dindigul Agreement to End Gender-Based Violence and Harassment")	Legally binding
9%	<a href="#">Action Collaboration Transformation</a> (ACT)	Resulting collective agreements legally binding
23%	<a href="#">International Accord for Health and Safety</a>	Legally binding
2%	<a href="#">Gender Justice Lesotho Agreement</a> ("Agreements to Prevent and Combat Gender-Based Violence and Harassment in Lesotho")	Legally binding
5%	Other	Not determined

## PURCHASING PRACTICES:

Even the most robust human rights due diligence approach will be undermined by a failure to ensure purchasing practices are not exacerbating poor working conditions in supply chains and making it difficult or impossible for suppliers to comply with human rights standards. Yet, despite commitments to do so, buyers are not incentivised to incorporate sustainability in their determination of the right supplier, nor to pay the true cost of production. A [recent report by NYU Stern](#) found that since the pandemic, buyers have continued to push for excessive discounts – even after order prices are confirmed or production has commenced. There is evidence they have also abused “open costing”<sup>5</sup> methods (originally designed to improve transparency around the true cost of garment production), which has forced some factory owners to accept offers below the cost of production.

KnowTheChain findings bear this out. Only five companies (8%) (**Fast Retailing, Inditex, Moncler, Nike** and **Puma**) clearly demonstrated incentives for staff that were tied to improvements in supply chain working conditions, while less than half of companies (48%) disclosed that they trained procurement staff or relevant decision-makers on forced labour risks in supply chains.

While the majority of companies (89%) disclosed a supplier code of conduct that prohibits forced labour, purchasing behaviour would appear to make it difficult to ensure adherence to these codes in practice.

**Purchasing practices is the second lowest scoring theme of the benchmark (12/100).** More than half (52%) of companies benchmarked did not disclose the adoption of responsible purchasing practice including how they plan, forecast or ringfence labour costs during price negotiations; each scored zero on this theme. These include US retailers **Amazon** and **Walmart**, luxury brands such as **Hermès, LVMH** and **Ralph Lauren**, and household names including **Boohoo, Macy’s** and **Foot Locker**. Concerningly, at least two companies had increased their payment terms during the Covid-19 pandemic (**Gap** from 45 to 90 days and **VF** from 45 to 60 days) and neither reported reverting to fairer payment terms post-pandemic.

A recent investigation into **Boohoo** reported that it cut its average lead times from [10 to six weeks](#) and introduced a 5% price cut for every week a supplier’s order was late. This suggests that company purchasing practices are at best misaligned with their sustainability commitments and at worst actively undermining them.

<sup>5</sup> “Open costing” methods require that suppliers share a detailed cost accounting of their production process with buyers. For more information, see NYU Stern (April 2023), [“A broken partnership: how clothing brands exploit suppliers and harm workers – and what can be done about it.”](#)





## Remedy

### ABSENCE OF REMEDY, DESPITE ENDEMIC VIOLATIONS

Access to effective remedy is a core component of the UN Guiding Principles on Business and Human Rights (UNGPs). The position adopted by the European Parliament on the EU CSDDD also codifies that the design and operation of grievance mechanisms must be informed by workers, their representatives and those most vulnerable to harm. Despite these clear responsibilities, **remedy was the lowest scoring theme in the benchmark (7/100)**.

While 60% of companies reported a grievance mechanism clearly open to supply chain workers, only 23% of companies disclosed data on the use of mechanisms by workers or their representatives – offering limited insight into the effectiveness of these grievance mechanisms.

Despite allegations of forced labour identified in the supply chains of almost half the benchmarked companies, only 22% disclosed an example of **remedy outcomes** for workers in their supply chains. Concerningly, only 8% of companies (**Lululemon, Puma, PVH, Ralph Lauren** and **Under Armour**) reported examples of fee remediation in their supply chains.<sup>6</sup> While four of those companies (**Lululemon, Puma, PVH** and **Ralph Lauren**), have disclosed new instances of fee remediation since 2021, it is notable that five companies which, in the face of NGO investigations, previously disclosed examples of fee remediation have failed to disclose such examples more recently (**Adidas, Asics, Burberry, Nike** and **Primark**). This suggests such remediation may be more likely to occur in response to stakeholder pressure arising from public allegations or external investigations, rather than a robust, ongoing no-fee programme.<sup>7</sup>

6 Two additional companies (**Burberry** and **H&M**) made reference to instances of fee charging in their supply chains but provided no detail on where they took place, the number of workers affected, or how they were remediated.

7 Some of the instances of recruitment fee remediation from the 2021 benchmark were in direct response to major investigations by Transparenem in Malaysia in [2019](#) and [2020](#).

8 Nike denies the sourcing relationship with Violet Apparel. For more information see Business & Human Rights Resource Centre (20 October 2023), "[Nike's Response](#)." Accessed 10 December 2023.

**Lululemon** was the only company which disclosed an example of remedy beyond the first tier of its supply chains (repayment of hiring fees and travel costs to workers at a second-tier facility). It was also the only company to report it checked with workers whether they were satisfied with remediation provided. The lack of similar action by other benchmarked companies suggests widespread failure to integrate workers at all stages of human rights due diligence processes in the sector.

An estimated US\$71 million is still owed to workers as a result of wage and severance theft committed during the Covid-19 pandemic. The failure to remedy such grievances has resulted in damage to brand reputation, provoked worker and shareholder backlash and compromised brands' social licence to operate. In 2022, worker protests in 38 cities demanded an end to wage theft and violations of freedom of association at **Adidas** supplier factories and stores. **Nike** is also under fire from shareholders and campaign groups amid allegations of unpaid wages and benefits to workers, totalling US\$2.2million, accrued by a supplier during the pandemic.<sup>8</sup>





## Investor recommendations

These findings highlight that the apparel and footwear industries are primarily reactive in identifying and addressing labour and related operational risks in supply chains – acting when a problem surfaces. As noted above, the majority of companies demonstrate neither robust identification nor mitigation efforts, while remedy for victims of labour abuses remains elusive. Efforts to level the playing field with regulation, litigation and actions by local labour movements are driving progress, increasing reputational and financial risk for laggards which will need to internalise the previously externalised costs associated with human rights abuses. To better manage these risks, investors are encouraged to take several steps:

### IMPROVE BUSINESS AND OPERATIONAL RESILIENCE THROUGH ENGAGEMENT

Industry analysts and portfolio managers should begin by engaging their companies on the regulations and practices noted above, using the KTC benchmark as a guideline of company performance. Potential questions to ask companies include:

Do you provide suppliers with forecasts of buying plans for the coming season or year to allow for proper labour staffing and management?

Do you agree to long term contracts and/or repeat orders with suppliers?

How are your buyers incentivised (e.g. solely on sales and merchandise margin)? Are human rights factors specifically and clearly embedded into buyer incentives in any way?

What quantitative metrics does your management team rely upon to evaluate supplier performance on human rights or labour practices?

Stewardship teams may also consider revising internal due diligence procedures to ensure appropriate human rights risk management in the changing regulatory environment, while also ensuring deep-dive research for high-risk areas are identified, and where salient and severe abuse appears likely.

These teams should also consider adopting a stewardship policy and voting guidelines which specifically call for respect for labour rights, as defined by ILO conventions with no tolerance of forced labour. Engagement priorities should include expectations on improved disclosure and effective due diligence, particularly related to worker voice, risk assessments, risk mitigation plans, and access to remedy and remedy outcomes for workers.

Ultimately, industry analysts, portfolio managers and stewardship teams will want to work collaboratively to build an engagement strategy that is well-resourced and based on open and honest dialogue and clear objectives, focused on effecting positive change. They should commit to escalation for persistent non-improvement through collaborative investor statements, voting against directors where appropriate.



## PROMOTE MORE RESPONSIBLE PRACTICES AMONG COMPANIES

Regulation and other factors are creating increasing risk for laggards – and at the same time, opportunity for better performers. After engaging, an investor may choose to adjust their discount rate or valuation to account for performance in this area, just as they would for differing growth or management quality expectations.

Furthermore, investors who conduct downside scenario analysis may choose to include lower growth rates or higher costs for laggards to ensure a more complete financial view of the risks associated with potential future supply chain disruptions.

## SUPPORT AND COLLABORATE WITH CIVIL SOCIETY AND INVESTOR COALITIONS TO IMPROVE CORPORATE PERFORMANCE

Sign up to investor statements that re-iterate the risks and need for human rights and decent work, like that from the [Investor Alliance for Human Rights and KnowTheChain](#).

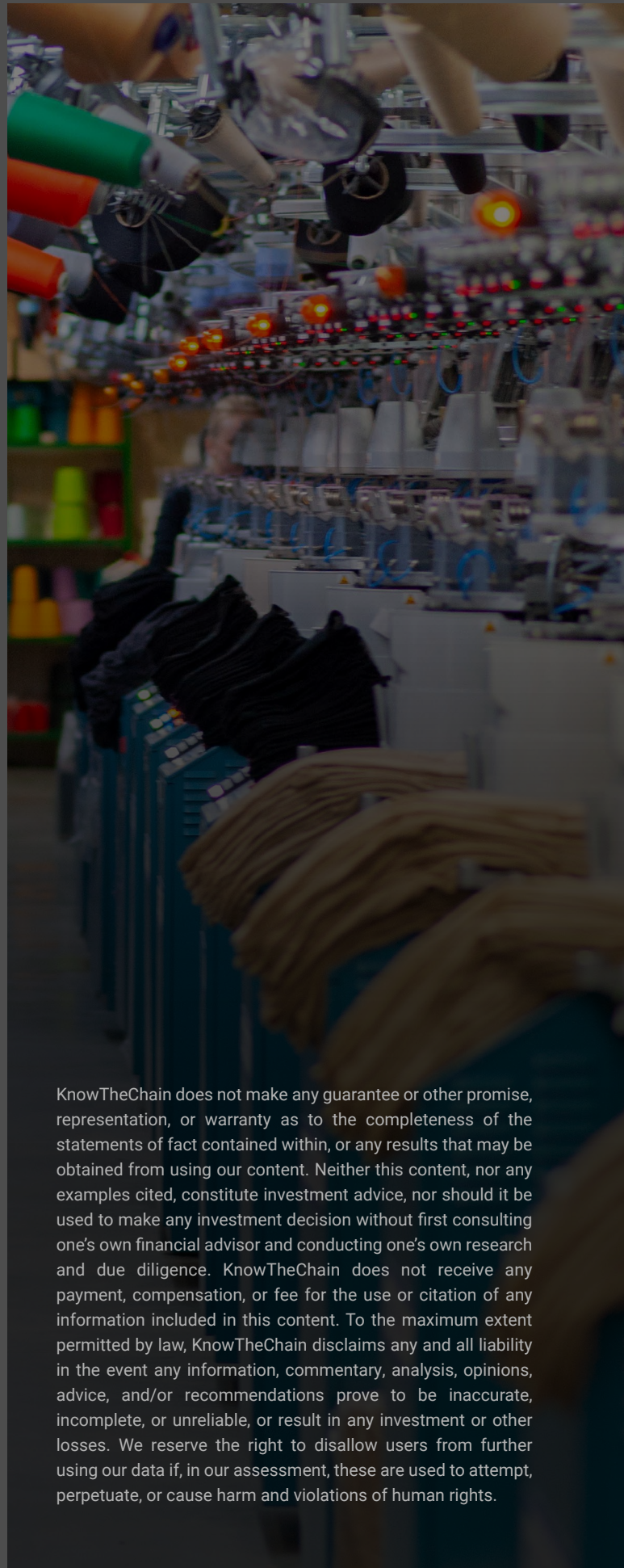
Join collaborative engagements including: CCLA's "[Find it, Fix it, Prevent it](#)", Rathbones' "[Votes against Slavery](#)", the [Investor Alliance against Slavery and Trafficking APAC](#), and the [ICCR/ KTC collaborative engagement](#) on the apparel and footwear sector.

Join the Committee on Workers' Capital [Labour Rights Investor Network](#).

Consider publicly supporting mandatory human rights and environmental due diligence, increased sustainability disclosure regulations and alignment of frameworks to more efficiently drive consistency across these industries.

## SHARE YOUR LEARNINGS AND FEEDBACK WITH KNOWTHECHAIN

The knowledge investors offer regarding business model differences, industry trends and other factors are valuable to the KnowtheChain team. We welcome [feedback on our results and process](#) so we can work together with you and other investors to drive meaningful corporate action on the increasingly impactful topic of human and labour rights in corporate supply chains.



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