



Behind the Barcodes Investor Statement

We, the undersigned investors, recognize that sourcing practices in food and agriculture supply chains can present material business and human rights risk for supermarkets that may affect long-term shareholder value. In line with the UN Guiding Principles on Business and Human Rights, businesses, including investors, have a duty to respect human rights, and investors can implement this responsibility through human rights due diligence and risk assessment.

Consumer behavior in the grocery segment has been changing dramatically, and with it, the supermarket landscape. Increased demand for low-cost and high-convenience grocery products from alternative retailers has challenged middle-market grocers, creating a heated acquisition environment for large food retailers to consolidate. This consolidation is concentrating buying power in the hands of a few large food retailers and their major suppliers. As the cost of producing food continues to rise, this increased pricing power results in human rights abuses, poor working conditions, discrimination against women, and a declining share of value captured by producers.

We recognize that this business model is unsustainable. Due to a lack of transparency on the part of supermarkets, it is difficult to fully evaluate the risks and opportunities presented by supermarkets' supply chain practices. Poor management of supply chain risks can lead to operational disruptions, regulatory breaches, and headline risk, and the inequality resulting from these practices threatens global growth and stability. Supermarkets with strong sustainability standards may be less vulnerable to these business disruptions and have more resilient supply chains. They will also be well-positioned to capitalize on increasing consumer demand for sustainably-sourced products.

We welcome Oxfam's efforts to improve transparency and accountability within the sector. Oxfam's Behind the Barcodes campaign evaluates the supply chain sourcing policies of 16 of the largest and fastest-growing supermarkets in the US, UK, the Netherlands, and Germany in comparison with their peers. We are asking the companies to:

- **Improve transparency in the sourcing of food**
- **Know, show and act on the risk of human rights violations faced by women and men in supermarket supply chains**
- **Guarantee safe working conditions and equal opportunities for women**
- **Fairly share the revenues in the food industry with the women and men who produce our food**

The campaign has developed a scorecard to analyze company policies in four areas that are critical to sustainable and equitable sourcing: transparency, workers, small-scale producers, and women. As we continue to review supermarket sourcing policies as a key input in our analysis of the sector, we will explore tools like the Behind the Barcodes scorecard to assess companies' management of these issues.

We commit to supporting the Behind the Barcodes campaign in the following ways:

- **Engage companies on supply chain transparency and human and labor rights issues covered by the Oxfam scorecard.** This can include dialogues, roundtables, investor statements, collaborative engagement, and resolutions when appropriate. If applicable, work collaboratively with other investors to call on companies to adopt higher human rights and sourcing standards in their supply chains.
- **Assess the impact of companies on economic and gender inequality when evaluating company ESG performance.** Explore ways to incorporate company commitments to the UNGPs and the UN Women's Empowerment Principles into company dialogues as appropriate.
- **Signal that human rights risk management and transparent sourcing policies are evidence of strong corporate governance.** Clarify that active monitoring and management of human rights-related impacts, including in one's own suppliers, are aspects of strong corporate governance.

We encourage other investors to join us in signing this statement.

Signatories as of Septmeber 2019

Aberdeen Standards Investments
Adrian Dominican Sisters, Portfolio Advisory Board
As You Sow
Augustinians
Boston Common Asset Management
Boston Trust Walden
Catholic Health Initiatives
Conference for Corporate Responsibility Indiana and Michigan
Congregation of Sisters of St. Agnes
Congregation of St. Joseph
Dana Investment Advisors
Daughters of Charity, Province of St. Louise
Dignity Health
Domini Impact Investments LLC
Dominican Sisters – Grand Rapids
Dominican Sisters of San Rafael
Eden Tree Investment Management
Epic Capital Wealth Management
Everence and the Praxis Mutual Funds
FSPA
GES International
HEOS
Hermes Investment Management
Interfaith Center on Corporate Responsibility
JLens
Maryknoll Sisters
Maryland Province of the Society of Jesus
Mennonite Education Agency
Mercy Investment Services, Inc.
Midwest Coalition Responsible Investment
Mirova
NM Investment Partners
NorthStar Asset Management, Inc.
Northwest Coalition for Responsible Investment
Office of Corporate Responsible Investing – The Capuchin Franciscan Province of St. Joseph
Priests of the Sacred Heart, US Province
Region VI Coalition for Responsible Investment
Religious of the Sacred Heart of Mary NWP
School Sisters of St. Francis
Seventh Generation Interfaith
Sisters of Charity of New York
Sisters of St. Francis of Philadelphia
Sisters of St. Joseph of Orange

Sisters of the Good Shepherd
Sisters of the Holy Names of Jesus and Mary
Sisters of the Presentation of Aberdeen SD
Skye Advisors
Trillium Asset Management
Trinity Health
Tri-State Coalition for Responsible Investment
USA Northeast Province of the Society of Jesus
Zevin Asset Management

Total number of signatories: 50

Total AUM: Over \$3.1 trillion

Oxfam acknowledges and appreciates the collaboration of the Oxfam Behind the Barcodes Investor Advisory Committee in crafting this statement: Lauren Compere (Boston Common Asset Management), Elly Irving (Schroders), Nadira Narine (ICCR), Pat Zerega (Mercy Investment Services), and others.