WRAP Statement Accompanying the OECD Alignment Assessment of WRAP's Certification Program with OECD Due Diligence Standards

Worldwide Responsible Accredited Production (WRAP) values the work of the OECD and strongly agrees that due diligence is a critical foundation of responsible global supply chains.

WRAP appreciated the opportunity to participate in the OECD's assessment of alignment with due diligence standards. We engaged in good faith and in the spirit of transparency—an approach we actively promote throughout the supply chain. As a well-established program with a reputation for being practical and effective, WRAP has previously gone through assessments by other rating organizations and has been recognized by the German government's Green Button initiative, as well as being rated as "highly recommended" by Siegelklarheit.

While this OECD assessment concludes that WRAP is "not aligned," that characterization is misleading. Effective due diligence is a multifaceted process, and WRAP has never claimed to address every aspect of it. Our focus is facility-level social compliance certification—an essential component of a robust due diligence framework, but not the framework in its entirety. The OECD assessed WRAP against a broader set of criteria that extends beyond the specific scope of our program. As a result, it is unsurprising that WRAP was not found to be fully aligned across the entire assessment. However, when looking at the portions of the report that correspond directly to WRAP's area of expertise, a strong degree of alignment is evident.

The OECD report appropriately notes that certain elements were excluded from its assessment. But the remaining elements were evaluated through a lens that does not fully reflect the realities of the entities WRAP works with. While the OECD guidelines apply to all enterprises regardless of their position within a supply chain, the framework presupposes multinational enterprises with broad visibility, resources, and control across multiple tiers of the supply chain. References in the OECD standards to "enterprises" typically assume a level of scale, capacity, and influence that cannot reasonably be applied to a single facility. Although WRAP operates globally, its work is centered on individual manufacturing facilities, often small- or medium-sized enterprises operating in developing markets. In multiple instances, the OECD's assessment does not appropriately account for this.

A simple, but telling, example is cited in the box below.

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The WRAP program solely focuses on certification of individual production facilities. As such, WRAP was the only organization of its kind to participate in the exercise. Most practitioners consider the OECD framework as ultimately designed to evaluate due diligence from a buyer-led, supply chain-wide perspective, where responsibility for identifying and addressing risks rests primarily with multinational enterprises. Other organizations assessed alongside WRAP operate largely brand-based models, making them inherently well-suited to this framework. By contrast, WRAP's facility-focused model presents a fundamental mismatch in scope and expectations.

Context Matters

> **Criterion #1.17 of the assessment is: *"the initiative requires the enterprise to make the policy publicly available"*, and the report finds WRAP *"not aligned"* with this requirement.**

In the context of the work WRAP does, this finding is unreasonable.

WRAP requires all facilities to make their policies available to their workforce and to publish them on-site. Since they are privately-owned, most of the facilities that WRAP works with do not have a public-facing presence (e.g., no website, no public reporting platform). As a certification program, we cannot require an applicant to do something that is not possible. We validate that they are making their policy available to their public. Therefore, for OECD to find that WRAP as an initiative is *"not aligned"* with #1.17 is not an accurate reflection of the reality of the situation.

We readily acknowledge that there are opportunities to strengthen our program and certainly welcome the insights we gleaned from this exercise that support our continuous improvement. Importantly, WRAP's longstanding global impact demonstrates how well it lines up with the practical intent of OECD due diligence guidance.

While we greatly appreciate the value of the OECD's six pillar framework as a holistic approach to due diligence, using it to measure WRAP's effectiveness or contribution to the supply chain is ultimately a mismatch. WRAP is not designed to address every aspect of due diligence across global supply chains. In this context, the way OECD assessed WRAP is akin to measuring a ferry boat by the standards of a cruise ship—both are valuable, but they are built for different purposes. The OECD evaluation framework risks conflating two distinct governance models—enterprise due diligence and facility certification—resulting in an assessment lens that may systematically undervalue facility-based initiatives.

In closing, WRAP is grateful for the OECD's leadership in advancing responsible business conduct and for the opportunity to contribute to this important initiative. We share a common goal of strengthening due diligence practices across global supply chains and appreciate OECD's recognition that WRAP plays a vital role in advancing due diligence at the facility level, "where implementation is often both most immediate and most challenging."

We look forward to continued engagement with the OECD and other stakeholders to better align our complementary approaches, ensuring that enterprise-level frameworks and facility-based programs work in tandem to facilitate effective due diligence and drive meaningful and practical improvements for workers and businesses worldwide.