

Walmart Inc.

TICKER
NYSE:WMT

MARKET CAPITALIZATION
US\$316 billion

HEADQUARTERS
United States

DISCLOSURES
UK Modern Slavery Act: Yes
California Transparency in Supply Chains Act: Yes

TARGETS
Yes

OVERALL RANKING

4 out of 43

([2018 Rank](#): 6 out of 38)

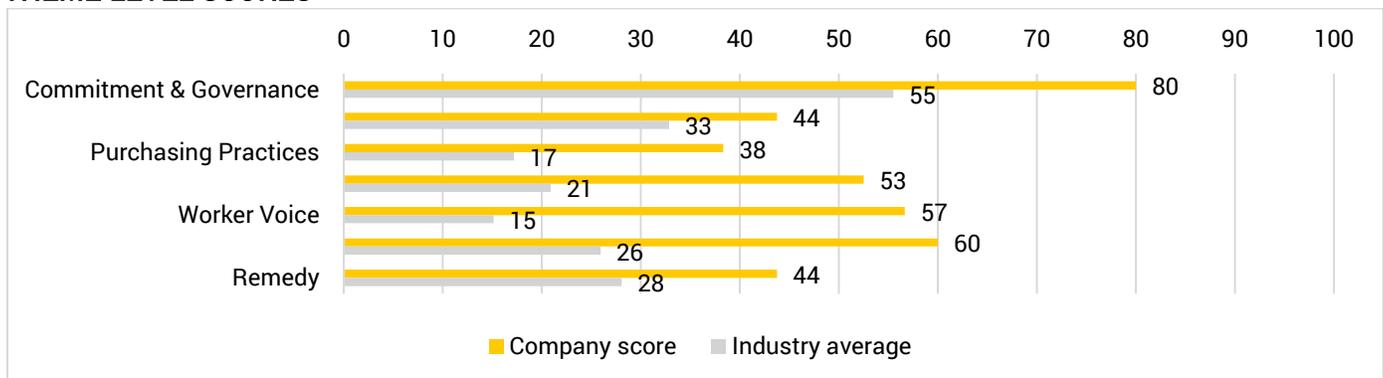
OVERALL SCORE

54 out of 100

SUMMARY

Walmart Inc. (Walmart), the world's largest retailer,¹ ranks 4th out of 43 companies, disclosing more information on its forced labor policies and practices than its peers across all themes. Since 2018, the company's rank has improved from 6th to 4th. This is because the company began disclosing detail on its human rights risk assessment process, further examples of stakeholder engagement on forced labor, and training for sourcing staff on responsible buying practices. Walmart's score is based on its stronger performance on the themes of Commitment & Governance, Worker Voice, and Monitoring. Notably, the company is one of the two highest-scoring US companies in the benchmark and the second highest-scoring company on the theme of Worker Voice. KnowTheChain identified one allegation of forced labor in the company's supply chains; the company does not disclose engagement with affected stakeholders nor remedy outcomes for workers. The company has an opportunity to improve on the themes of Traceability & Risk Assessment, Remedy, and Worker Voice, despite its high relative score on the latter.

THEME-LEVEL SCORES



Research conducted through February 2020 or through May 2020, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

KEY DATA POINTS
SUPPLIER LIST

No

NO-FEE POLICY

 Yes ([Employer Pays Principle](#))

SUPPORTS FREEDOM OF ASSOCIATION

Yes

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK COMMODITIES

 Fish, tomatoes, wheat, and others²
ADDRESSES FORCED LABOR RISKS RELATED TO THIRD-PARTY PRODUCTS

No

LEADING PRACTICES

Purchasing Practices: The company discloses that its merchants and sourcing associates are trained on how their decisions could influence working conditions in their supply chains, including forced labor. It states that more than 3,300 staff received training on responsible buying practices in 2019.

Responsible Recruitment: Walmart has published a statement of principles on responsible recruitment in global supply chains, which states that it expects suppliers to adopt and enforce the Employer Pays Principle throughout their supply chains, including cascading it to labor agents and brokers. The statement specifically states that labor agents who adhere to the Employer Pays Principle should be used to increase demand for agents that use responsible recruitment.

Grievance Mechanism: In addition to its own hotline that is available to all stakeholders, Walmart reports that it has joined the Issara Institute, which operates a migrant worker hotline. In addition, it reports that the Issara Institute has developed an app called “Golden Dreams” for Burmese migrant workers in Thailand to report concerns, submit feedback on recruiters and employers, and share information on workers’ rights. The company is also a member of the Fair Food Program, which provides suppliers’ farmworkers with access to a complaints process.

NOTABLE FINDINGS

Training: Walmart discloses that its responsible sourcing team conducts training and onboarding sessions for suppliers covering its responsible sourcing program topics. In addition, Walmart states that it hosted training for suppliers on worker voice and responsible recruitment, for example during a Thai shrimp supplier orientation in Bangkok.

Stakeholder Engagement: Walmart reports that it is a member (and sits on the board) of the Seafood Task Force, a multi-stakeholder initiative that addresses the risks of forced labor in Thai seafood supply chains. It reports that its responsible sourcing team has participated in multiple sub-groups of the Task Force and has supported the development of training for shrimp farmers in Thailand. Walmart also discloses that it has engaged with government organizations in the Philippines, Thailand, Vietnam, and the Marshall Islands to discuss the protection of migrant workers and recruitment and labor standards as part of its efforts to address forced labor risks on tuna vessels.

Risk Assessment: The company states that its responsible sourcing team conducts a supply chain risk assessment annually, including an analysis of country risk and commodity and product risks. It reports that assessments include expert and local information, the company's data, and reports from the media and NGOs. The company also states that its responsible sourcing associates have "joined seafood merchants and sourcing associates on buying trips and facility visits to India, Indonesia, Vietnam, and Thailand" to understand seafood supply chain risks. Walmart reports taking action to mitigate the risks of forced labor in produce in Mexico and the US, tuna processed in Thailand, and shrimp in Thailand.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: To demonstrate a strong understanding of its supply chains, the company may consider disclosing the names and addresses of its first-tier suppliers, the countries of its below-first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor, and information on its suppliers' workforce.

Recruitment: To support collective worker empowerment, the company is encouraged to work with its suppliers to improve their practices regarding freedom of association and collective bargaining, and with local or global trade unions to support freedom of association in its supply chains. Where there are regulatory constraints on freedom of association, the company may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing.

Remedy: While the company discloses some information on its process to ensure that remedy is provided to workers in its supply chains in cases of human trafficking and forced labor, it is encouraged to disclose further details on this process, such as timeframes and engagement with affected stakeholders. To demonstrate to stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy it has provided to its suppliers' workers, including with respect to specific allegations in its supply chains.

ENGAGED WITH KNOWTHECHAIN

No.

¹ Forbes (13 May 2020), "[The World's Largest Retailers 2020. Walmart, Amazon Increase Their Lead Ahead Of The Pack.](#)"

² US Department of Labor lists these commodities as commodities that may be produced using forced labor. US Department of Labor (20 September 2018), "[List of Goods Produced by Child Labor or Forced Labor.](#)"