

Kerry Group plc

TICKER
LON:KYGA

MARKET CAPITALIZATION
US\$18 billion

HEADQUARTERS
Ireland

DISCLOSURES
UK Modern Slavery Act: Yes

TARGETS
None

California Transparency in Supply Chains Act: Yes

OVERALL RANKING

15 out of 43

(2018 Rank: 28 out of 38)

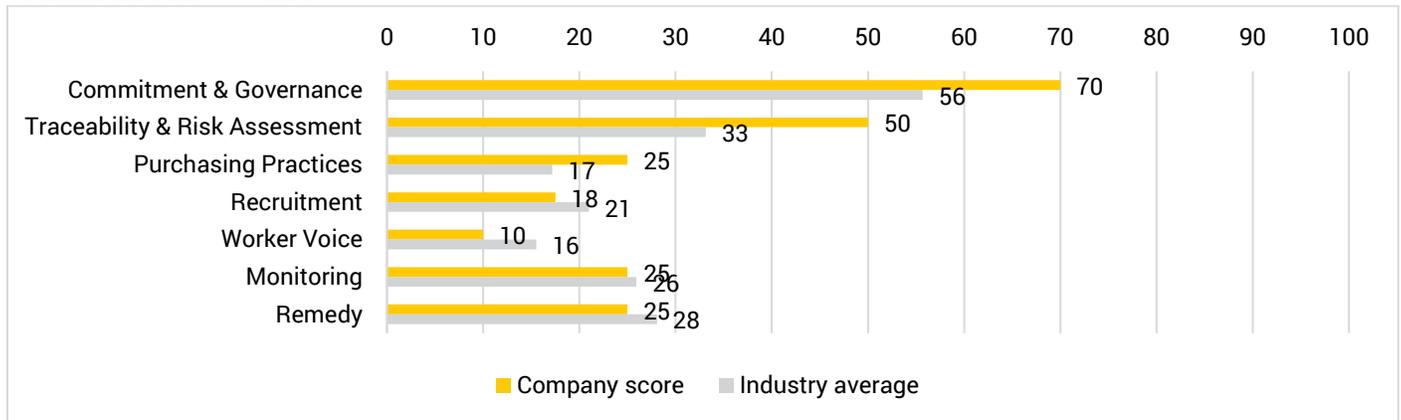
OVERALL SCORE

32 out of 100

SUMMARY

Kerry Group plc (Kerry), an Irish company that provides taste and nutrition solutions and foods such as dairy, meat, pastries, and ready meals, ranks 15th out of 43 companies, disclosing about the same amount of information on its forced labor policies and practices as its peers. Since 2018, Kerry's score has improved by 15 points because the company updated its supplier code of conduct to prohibit worker-paid recruitment fees and passport retention, requires that its supply chain workers are made aware of the terms and conditions before starting employment, and has its suppliers ensure that their labor providers adhere to the ILO core labor standards. It further improved by disclosing active participation in a multi-stakeholder initiative on forced labor and implementing a risk assessment that incorporates forced labor risks and disclosing the risks identified. The company has an opportunity to improve on the themes of Recruitment, Worker Voice, and Remedy.

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**

Yes (palm oil only)

NO-FEE POLICY

Yes

SUPPORTS FREEDOM OF ASSOCIATION

No

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK COMMODITIESCattle (dairy), palm oil, wheat, and others¹

LEADING PRACTICES

None.

NOTABLE FINDINGS

Commitment & Governance: Kerry discloses that its Sustainability Council is responsible for the implementation and monitoring of its supply chain policies and reports to its board at least annually. It discloses providing mandatory training for management and procurement employees on its code of conduct, which addresses forced labor. It also states that it engages with higher-risk suppliers to meet its supplier requirements and works at the farm level to improve working conditions.

Risk Assessment: Kerry states that it adopts a risk-based approach to monitoring compliance so that it can focus on suppliers with a higher risk of forced labor. It reports that it carries out a risk assessment using internal and external resources, including SEDEX and tools from the Food Network for Ethical Trade and the US Department of Labor, to assess geographic and commodity-specific risks.

Corrective Action Plan: Kerry states that where violations of its policies arise, it engages with the suppliers and looks for routes to address the concerns. It reports that it works with affected suppliers to agree on corrective action plans and verifies that the plans are implemented within agreed timeframes. It states that if a supplier fails to engage or take action, it may terminate the supplier relationship.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To enforce its expectations with its suppliers, Kerry may consider integrating its supply chain standards addressing forced labor and human trafficking into contracts with its suppliers and providing procurement incentives (such as price premiums or longer-term contracts) to its first-tier suppliers to encourage or reward good labor practices.

Recruitment: To avoid the exploitation of migrant workers in its supply chains, the company is encouraged to ensure that employment and/or recruitment agencies used in its supply chains are monitored and to provide details of how it supports ethical recruitment in its supply chains (for example by using ethical recruitment agencies or supporting the development of ethical recruitment schemes).

Worker Voice: Kerry is encouraged to work with relevant stakeholders to engage with and educate workers, which may include worker-to-worker education initiatives on labor rights in its supply chains. It is also 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.

ENGAGED WITH KNOWTHECHAIN

Yes ([Provided Additional Disclosure](#)).

¹ The 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](#)."