

The Kraft Heinz Company

TICKER

NasdaqGS:KHC

MARKET CAPITALIZATION

US\$74 billion

HEADQUARTERS

United States

COMPLIANCE

UK Modern Slavery Act: [Disclosure available, but not compliant](#)

California Transparency in Supply Chains Act: [Yes](#)

COMMITMENTS

[None](#)

OVERALL RANKING

22 out of 38

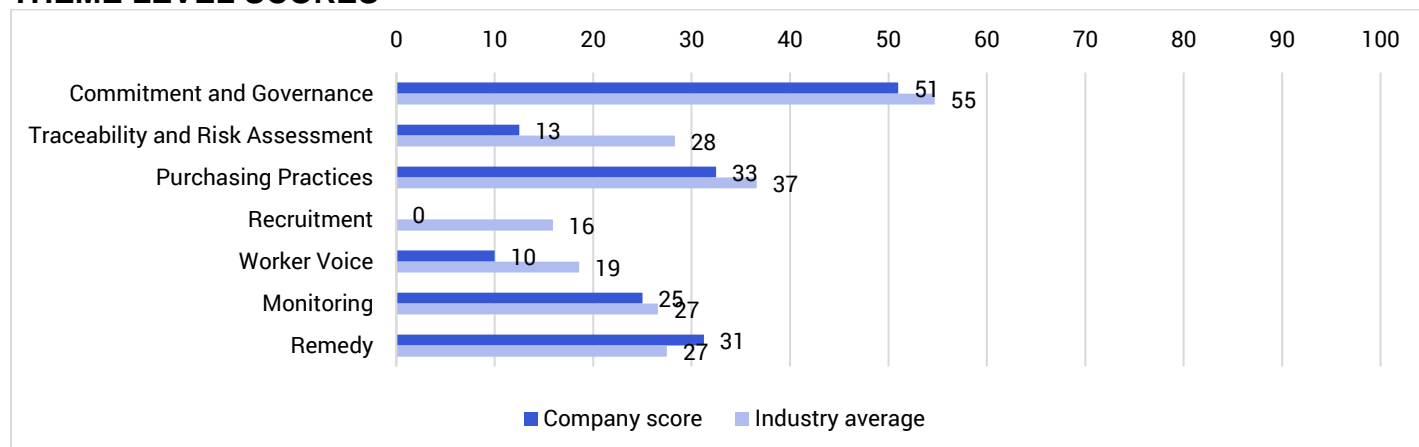
(2016: 18 out of 20)

OVERALL SCORE

23 out of 100

SUMMARY

The Kraft Heinz Company (Kraft Heinz), a US-based food and beverage company whose products include condiments and sauces, cheese and dairy, meals, meats, and coffee, ranks 22nd out of 38 companies. The company discloses less information on its forced labor policies and practices than its peers on all themes except remedy. Kraft Foods and Heinz merged in 2015, and limited sustainability disclosure was available for the new entity in 2016. Compared to 2016, Kraft Heinz improved its score by 14 points by disclosing its supplier code of conduct, a managerial structure for implementing this code, a list of the palm oil mills used in its supply chains, and details on its audit and corrective action plan processes. The company's performance is based on information disclosed on all themes except recruitment. The company is encouraged to improve its performance and disclosure on the themes of commitment and governance, traceability and risk assessment, and recruitment.

THEME LEVEL SCORES


Research conducted through March 2018, or through June 2018 where companies provided additional disclosure or links. For more information, see the full dataset [here](#).

LEADING PRACTICES

None.

NOTABLE FINDINGS

Management and Accountability: Kraft Heinz discloses that its Chief Procurement Officer, in partnership with the Senior Vice President of Corporate and Government Affairs, is responsible for all supply chain policies, including those related to human rights. It also discloses a staff member and a cross-departmental committee which are responsible for implementing and overseeing compliance with its palm oil policy. The company states that its Board of Directors "helps establish and oversee our global CSR objectives and framework, including matters related to our supply chain and human rights statements". It also states that board members "review all significant policies, processes and commitments, and receive frequent updates on progress against key performance indicators".

Audit Process: Kraft Heinz discloses that suppliers must allow it to monitor compliance with the Supplier Guiding Principles, including by on-site inspections, which may be conducted by third parties. It further notes that audits include non-scheduled visits, a review of documents, and worker interviews.

Corrective Action Plans: Kraft Heinz discloses that responses to non-compliances may include corrective action plans, stop-work notices, warning letters or contract termination. To follow up on the implementation of corrective action plans, the company states that it engages in "monitoring activities based on the nature of the non-compliance. This could include on-site inspections." Kraft Heinz states that if a supplier fails to resolve issues identified during an audit, it may terminate the business relationship.

OPPORTUNITIES FOR IMPROVEMENT

Commitment and Governance: The company is encouraged to engage with relevant stakeholders on human trafficking and forced labor. This includes engagement with policy makers, worker rights organizations, or local NGOs in countries in which its suppliers operate, as well as active participation in one or more relevant multi-stakeholder or industry initiatives.

Traceability and Risk Assessment: The company is encouraged to assess and disclose forced labor and human trafficking risks in different tiers of its supply chains. The company is further encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of its first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor and human trafficking, and information on its suppliers' workforce.

Recruitment: To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, the company may consider requiring recruitment agencies used by its suppliers to uphold workers' rights and ensuring that workers in its supply chains are not charged fees during any recruitment-related process. The company is also encouraged to ensure recruitment agencies used by its suppliers are audited, and to work with suppliers to guarantee migrant workers' rights are respected (e.g., to ensure workers' passports or other personal documents are not retained).

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)