

Hormel Foods Corp.

TICKER
NYSE:HRL

MARKET CAPITALIZATION
US\$18 billion

HEADQUARTERS
United States

COMPLIANCE

UK Modern Slavery Act: [Not applicable](#)

California Transparency in Supply Chains Act: [Disclosure available, but not compliant](#)

COMMITMENTS

[None](#)

OVERALL RANKING

33 out of 38

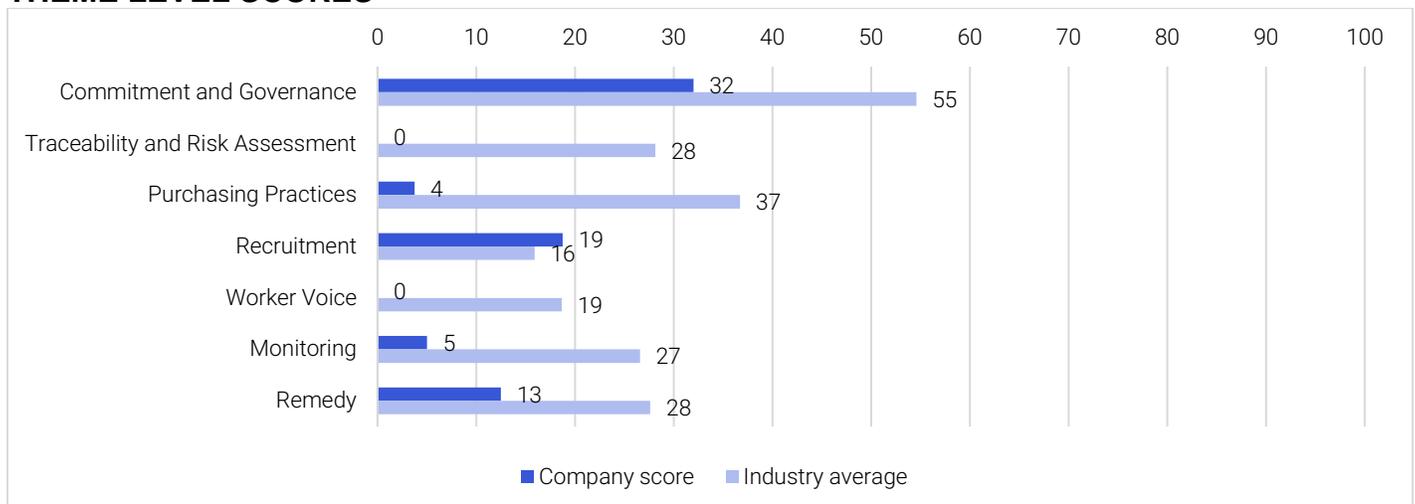
OVERALL SCORE

10 out of 100

SUMMARY

Hormel Foods Corp. (Hormel Foods), a US-based producer of meat and food products (including, for example, tortillas, sugar, and drinks) ranks 33rd out of 38 companies, disclosing significantly less information on its forced labor policies and practices than its peers on all themes except recruitment. It does not disclose any information on the themes of traceability and risk assessment, and worker voice, but scores higher than average of the theme of recruitment. The company is encouraged to improve its performance and disclosure on the themes of traceability and risk assessment, purchasing practices, and worker voice and to adopt good practices across commodities beyond palm oil.

THEME LEVEL SCORES



LEADING PRACTICES

None.

NOTABLE FINDINGS

Training: Hormel Foods discloses that its supplier code of conduct, which covers the prohibition of forced labor, is incorporated into the training of employees and managers with supply chain management and procurement responsibility. The company further states that it conducted more than 7,000 hours of human rights training of its employees in 2016.

Recruitment: Hormel Foods' supplier code of conduct states that workers should not be charged fees associated with recruitment or employment "including when using the services of private recruitment, a labor broker or employment agent or performing recruitment activities directly". The code further states that workers must be provided with a "written contract in their language stating in a truthful, clear manner their rights and responsibilities", and that workers' identification or personal documents must not be withheld by suppliers.

Monitoring: Hormel Foods states that it reviews its supply chain partners to assess compliance with its supplier code of conduct, and that, in 2016, it assessed 41 suppliers on environmental and social risks. The company discloses that, while it typically does not conduct unannounced audits, it may do so if it believes a supplier is not compliant.

OPPORTUNITIES FOR IMPROVEMENT

Traceability and Risk Assessment: The company discloses some steps taken to trace its palm oil supply chains. To demonstrate a strong understanding of its supply chains across commodities, the company may also consider disclosing the names and addresses of first-tier suppliers, the countries of below-first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor, and information on its suppliers' workforce. The company is further encouraged to assess forced labor risks across its supply chains and disclose the risks identified.

Purchasing Practices: To address forced labor and human trafficking risks in its supply chains, the company is encouraged to integrate supply chain standards that include forced labor in its supplier contracts and to cascade such standards throughout its supply chains. The company may further consider assessing risks of forced labor at potential suppliers before entering into any contracts with them and adopting purchasing practices that decrease risks of forced labor and human trafficking (such as improving forecasting alignment or providing longer-term contracts to suppliers with good labor practices), including responsible raw material sourcing beyond palm oil.

Worker Voice: To prevent and address forced labor and human trafficking risks in its supply chains, the company may consider ensuring that a formal and effective mechanism to report grievances regarding labor conditions is available and communicated to its suppliers' workers and relevant stakeholders, such as worker organizations or labor NGOs. Further, the company is encouraged to take steps to ensure that workers in its supply chains are educated on their rights and are able to exercise their right to freedom of association.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[No.](#)