

Inner Mongolia Yili Industrial Group Co. Ltd.

TICKER
SHSE:600887

MARKET CAPITALIZATION
US\$25 billion

HEADQUARTERS
China

COMPLIANCE

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

California Transparency in Supply Chains Act: [Not applicable](#)

COMMITMENTS

[None](#)

OVERALL RANKING

36 out of 38

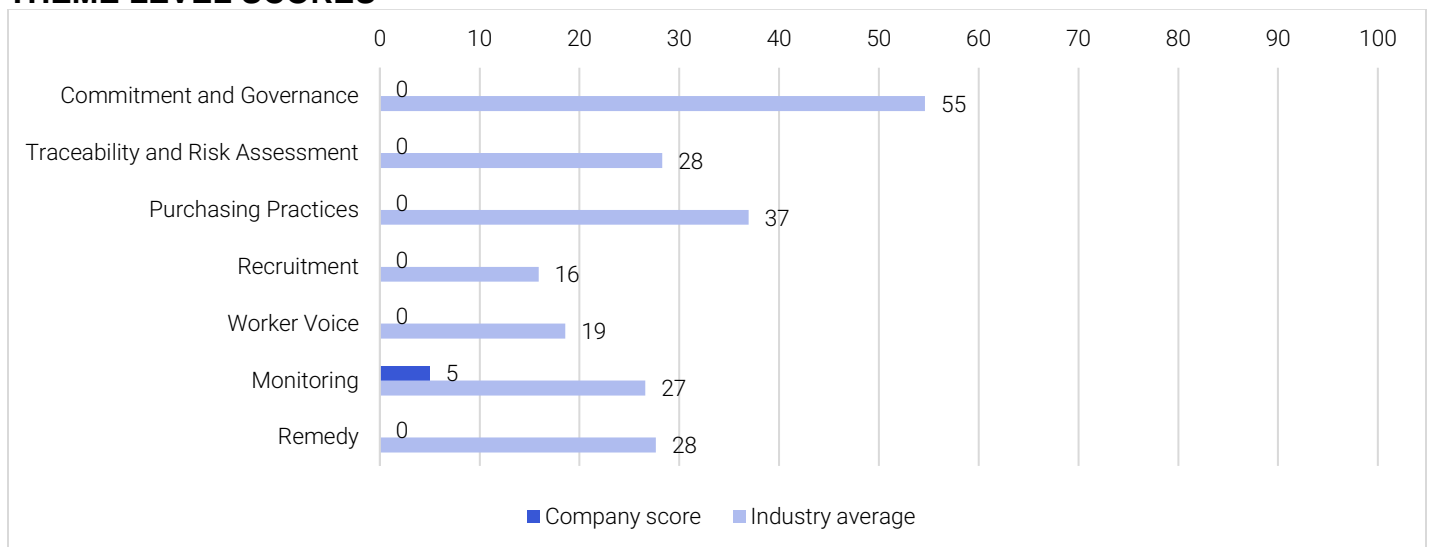
OVERALL SCORE

1 out of 100

SUMMARY

Inner Mongolia Yili Industrial Group Co. Ltd. (Yili), the largest Asian dairy company, ranks 36th out of 38 companies and discloses significantly less on its forced labor policies and practices than its peers. The company's score is based on the limited disclosure the company provides on the theme of monitoring. It does not disclose information on any other theme. 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



LEADING PRACTICES

None.

NOTABLE FINDINGS

Monitoring: Yili states that it has established "regulations on Audits of Supplier Qualification and Compliance [...] to guide the compliance and procurement risk management audits in 12 items referring to all suppliers across the value chain", and that it "urges its suppliers to fulfill their social responsibilities by applying the 'zero tolerance policy' on child labor across the supply chain". It reports that, during onsite audits in 2016, no cases of child labor could be identified.

OPPORTUNITIES FOR IMPROVEMENT

Commitment and Governance: The company is encouraged to develop and disclose a supplier code of conduct that includes all four rights outlined in the ILO Declaration on Fundamental Principles and Rights at Work, including the prohibition of forced labor and human trafficking. While the company discloses chairman is "decision-making on issues concerning CSR", the company is encouraged that the company establish responsibilities and accountability for the implementation of such a standard and train its internal staff and suppliers on this standard.

Traceability and 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 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.

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

[No.](#)