

Walmart Inc.

TICKER

NYSE:WMT

MARKET CAPITALIZATION

US\$260 billion

HEADQUARTERS

United States

COMPLIANCE

UK Modern Slavery Act: [Statement of subsidiary available, but not compliant](#)

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

COMMITMENTS[Yes](#)

OVERALL RANKING**6 out of 38**

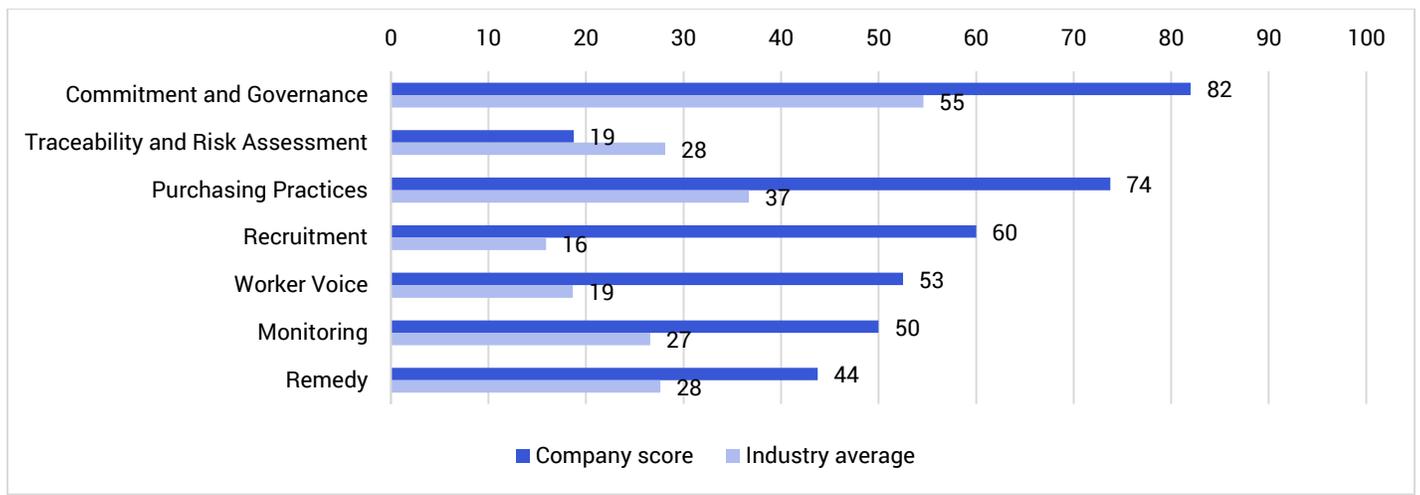
OVERALL SCORE**54 out of 100**

SUMMARY

Walmart Inc. (Walmart), the world's largest retailer¹, ranks sixth out of 38 companies, disclosing more information on its forced labor policies and practices than its peers on all themes except traceability and risk assessment. Notably, on the theme of purchasing practices, the company's score is twice as high as that of its peers. Further, the company directly engages with workers in different commodity supply chains. KnowTheChain identified two allegations of forced labor in the company's supply chains. The company provided a public response to one of the allegations but did not disclose outcomes for workers of the remedy process in the case of the allegations. The company has an opportunity to improve its performance and disclosure on the themes of traceability and risk assessment, worker voice, and remedy.

THEME LEVEL SCORES

¹ According to Forbes Global 2000 list. See Forbes (6 June 2018) – [Walmart, Amazon Top World's Largest Retail Companies](#).



LEADING PRACTICES

Purchasing Practices: Walmart discloses that it is a member of the Coalition of Immokalee Workers' (CIW) Fair Food Program, a partnership among tomato, strawberry, and green pepper farmers, farmworkers, and retail food companies. The program includes legally binding agreements between CIW and participating buyers and ensures a premium paid to workers.

Worker Voice: Walmart discloses that cross-functional teams from Walmart "including merchants, responsible sourcing managers, sustainability specialists and giving program officers, interviewed fishermen on tuna boats in Southeast Asia, spoke with tomato farmers in fields and greenhouses, heard from smallholders and ranchers near the forests of Brazil, and held working sessions with small producers in Mexico, among others, in similar on-site visits". It states that these "eat what you cook" visits are used to listen to workers "at the far end of the chain".

NOTABLE FINDINGS

Training: Walmart discloses that its responsible sourcing team is training the company's merchandisers, buyers, and sourcing managers on how their decisions can impact suppliers' working conditions. The company discloses that it has provided training to suppliers of Thai shrimp, with a view to helping them monitor and improve labor conditions in their supply chains. More broadly, the company states that it is working with suppliers in higher-risk categories to reinforce its standards. Walmart states that it has a Responsible Sourcing Academy Training Portal which allows suppliers to access training resources, best practice guidance, and educational materials. At present, this includes social compliance training such as dormitory and canteen standards, training on corrective action of potential violations, and e-learning modules on indicators of forced labor.

Stakeholder Engagement: Walmart discloses that since 2015, it has engaged with the government of Thailand on the issue of trafficking and forced labor in the seafood industry, to "clarify our expectations which include strengthening legal frameworks, industry oversight and law enforcement, and encouraging the prosecution of those involved in human trafficking". The company also discloses membership in several collaborations, including the Leadership Group for Responsible Recruitment, the Issara Institute (an initiative focused on strengthening worker voice in Thai shrimp supply chains), the Responsible Labor Initiative, and the CIW Fair Food Program. It also sits on the governing board of the Seafood Task Force, a representative of its responsible sourcing team sit on the Consumer Goods Forum's Social Sustainability Committee.

Recruitment: Walmart's supplier code of conduct prohibits worker-paid recruitment fees as well as passport retention, and requires suppliers to provide migrant workers with employment contract in their native language prior to departure from their home country. As a member of the Leadership Group for Responsible Recruitment and as such as is required to map supply chains for recruitment risk, to audit recruitment agencies in its supply chains, and to brief suppliers and offer guidance and training for hiring managers on the Employer Pays Principle.

OPPORTUNITIES FOR IMPROVEMENT

Traceability: Walmart has tracing efforts for some commodities in place. To better demonstrate a strong understanding of its supply chains, the company may 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.

Worker Voice: To support collective worker empowerment, the company is encouraged to work with suppliers to improve their practices in relation to freedom of association and collective bargaining and to work 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 a corrective action plan process for its suppliers, it is encouraged to disclose a summary or an example of its corrective action process in practice. Further, it is encouraged to provide further detail on its process for responding to the complaints and/or reported violations of policies and standards, such as timelines and engagement with affected stakeholders. Regarding forced labor allegations identified in the company's supply chains, the company may consider disclosing a public response to the allegations. The response should cover each aspect of each allegation, outcomes of the remedy process in response to the allegations, and evidence that the remedies are satisfactory to the victims or groups representing the victims.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)