

JBS SA

TICKER BSP:JBSS3 MARKET CAPITALIZATION US\$10 billion HEADQUARTERS Brazil

TARGETS

None

DISCLOSURES <u>UK Modern Slavery Act</u>: Yes California Transparency in Supply Chains Act: No

OVERALL RANKING

32 out of **43**

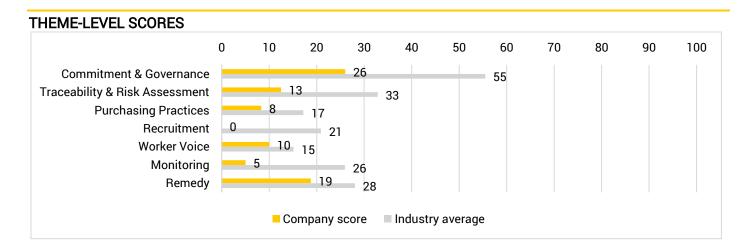
(2018 Rank: 30 out of 38)

OVERALL SCORE

12 out of 100

SUMMARY

JBS SA (JBS), the world's largest meat company,¹ ranks 32nd out of 43 companies and discloses significantly less information on its forced labor policies and practices than its peers. Since 2018, the company does not seem to have taken additional steps to strengthen its performance and disclosure and no longer discloses information on the internal management and board oversight of its forced labor policies. As the benchmark methodology requires companies to keep up with evolving stakeholder expectations and emerging good practices, the company's score has decreased by four points. JBS' score is based on its disclosure of a supplier code of conduct prohibiting forced labor, staff training on forced labor, a grievance mechanism, and a monitoring and corrective action process. The company is encouraged to improve on the themes of Commitment & Governance, Recruitment, and Worker Voice.



Research conducted through February 2020 or through May 2020, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre <u>website</u>.



KEY DATA POINTS

SUPPLIER LIST No	NO-FEE POLICY No
SUPPORTS FREEDOM OF ASSOCIATION	REMEDY FOR SUPPLY CHAIN WORKERS
HIGH-RISK COMMODITIES Cattle, soybeans, corn, and others ²	

LEADING PRACTICES None.

NOTABLE FINDINGS

Supply Chain Standards: The company discloses a business associate code of conduct, which prohibits forced labor and which it states is mandatory for its suppliers.

Risk Assessment: The company reports that it analyzes 80,000 cattle suppliers in Brazil using satellite imaging and information from government organizations. The assessment process identifies whether or not farms will meet social and environmental criteria, including forced labor.

Grievance Mechanism: The company discloses a hotline with publicly available contact details. It reports that the hotline was launched at the same time as its supply chain standards to ensure that partners "are aware of the standards of conduct" the company expects.

OPPORTUNITIES FOR IMPROVEMENT

Commitment & Governance: The company is encouraged to establish and disclose a managerial structure with clear responsibilities and accountability for the implementation of its supply chain policies and programs relevant to human trafficking and forced labor, both within the company and at the board level.

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 confirm that recruitment agencies used by its suppliers are audited and to work with suppliers to ensure that migrant workers' rights are respected (e.g., to confirm workers' passports or other personal documents are not retained).

Worker Voice: To support collective worker empowerment, the company is 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

Informal (i.e., engaged outside the formal three-month engagement period).

¹ Reuters (13 August 2020), "Brazil's JBS, world's top meat-packer, posts better-than-expected results."

² 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."