

Food & Beverage Benchmark COMPANY SCORECARD 2023

Kellogg Company (Kellogg's)

TICKER K **MARKET CAPITALIZATION**

US\$21.5 billion

HEADQUARTERS

United States

DISCLOSURES

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

Australia Modern Slavery

Act: Yes (Disclosure of

Subsidiary)

OVERALL RANKING

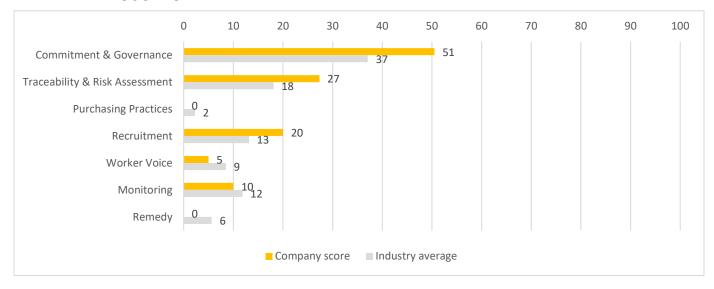
20 out of **60**

2020 Rank: 5 out of 43

OVERALL SCORE

20 out of **100**

THEME-LEVEL SCORES



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST

No

RISK ASSESSMENT

Yes (Limited)

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK COMMODITIES²

Wheat, palm oil, cocoa and others



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SUMMARY

Kellogg Company (Kellogg's), an American food manufacturer, ranks 20 out of 60 companies. Compared to 2020, the company does not seem to have taken steps to strengthen its performance and disclosure on forced labour issues within its supply chain. As such, its score has dropped by 15 places. The company's score is based on its stronger performance on the themes of Commitment & Governance and Traceability & Risk Assessment.

The company has an opportunity to improve its performance and disclosure on the themes of Purchasing Practices, Worker Voice, and Remedy.

LEADING PRACTICES

Disclosure of sourcing countries for high-risk commodities: Kellogg's discloses, through its CDP Forests 2022 Survey, the full lists of sourcing countries for three high-risk commodities: palm oil, cocoa, and soy.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider ring-fencing labour costs such that they are not impacted during pricing negotiations. The company should consider integrating responsible buying practices in its contracts with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: The company is encouraged to disclose data about the practical operation of its grievance mechanism available to supply chain workers, such as the number of grievances filed, addressed, and resolved. Further, the company is encouraged to take steps to ensure that workers in its supply chains are able to exercise their rights to freedom of association and collective bargaining.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

¹ Research conducted through January 2023 or through April 2023, 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>.

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 <u>food & beverage benchmark findings report</u>.