

The Kraft Heinz Company (Kraft Heinz)

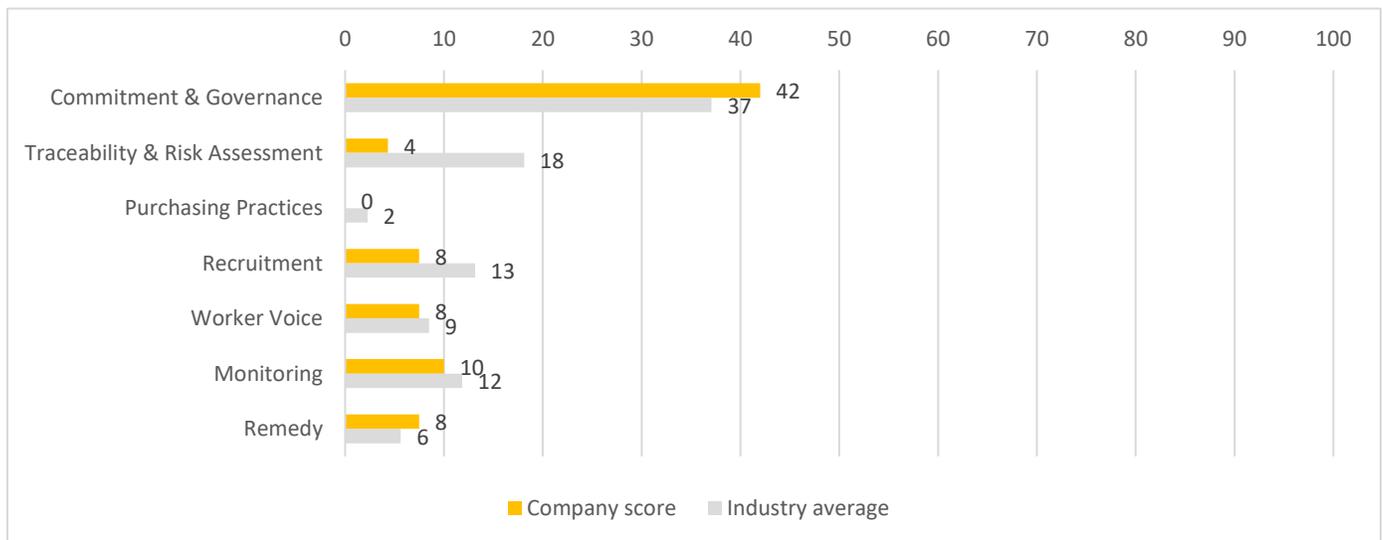
TICKER
KHC

MARKET CAPITALIZATION
US\$40 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
29 out of 60
[2020 Rank:](#) 27 out of 43

OVERALL SCORE
12 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST
 No

RISK ASSESSMENT

Yes (Limited)

ENGAGED WITH KNOWTHECHAIN¹
 No

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS
 No

HIGH-RISK COMMODITIES²
 Palm oil, tomatoes, wheat, and others

SUMMARY

The Kraft Heinz Company (Kraft Heinz), a US company whose products include condiments, sauces, dairy products, meats, and coffee, ranks 28 out of 60 companies. Since 2020, the company strengthened its supplier code of conduct by improving provisions on freedom of association and collective bargaining and discrimination, and incorporating the Employer Pays Principle. However, the company did not improve across other themes. The company performed particularly poorly on themes including Traceability & Risk Assessment and Purchasing Practices. As such, the company's rank has dropped by one place.³ KnowTheChain identified one allegation of forced labour in the company's supply chains. However, the company neither discloses engagement with affected stakeholders, nor remedy outcomes for workers. The company is encouraged to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Purchasing Practices, and Remedy.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: While the company states it carries out human rights risk assessments and discloses the risk categories assessed, the company is encouraged to assess and disclose forced labour risks across different tiers of its supply chains, and disclose how it engages with relevant stakeholders including workers, unions, and civil society organisations to address forced labour risks identified. The company is further encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of its first-tier suppliers (either across high-risk commodities or across all first-tier suppliers), the names and locations of below-first-tier suppliers, and the raw material sourcing countries from which it sources commodities at high risk of forced labour.

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 separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Remedy: While the company provides some information on how it responds to grievances, it is encouraged to disclose details on this process, such as approval procedures 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, including with respect to specific allegations in its supply chains.

¹ Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 [food & beverage benchmark findings report](#).

³ KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. See [here](#) for more information.