

# Keurig Dr Pepper (KDP)

TICKER KDP MARKET CAPITALIZATION US\$53.8 billion HEADQUARTERS United States

DISCLOSURES

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

<u>Australia Modern Slavery</u> <u>Act</u>: Not applicable

90

80

100

OVERALL RANKING

## 15 out of 60

2020 Rank: 17 out of 43

#### **THEME-LEVEL SCORES** 0 10 20 30 40 50 60 70 71 Commitment & Governance 37 37 Traceability & Risk Assessment 18 0 2 **Purchasing Practices** 8 13 Recruitment 5 Worker Voice q <sup>10</sup>12 Monitoring

10

6

Company score Industry average

### **KEY DATA POINTS**

FIRST-TIER SUPPLIER LIST

RISK ASSESSMENT Yes

ENGAGED WITH KNOWTHECHAIN<sup>1</sup> Yes

Remedy

**NO-FEE POLICY** Yes (Employer Pays Principle)

**OVERALL SCORE** 

25 out of 100

REMEDY FOR SUPPLY CHAIN WORKERS

HIGH-RISK COMMODITIES<sup>2</sup> <sup>™</sup> Cocoa, coffee, corn



### SUMMARY

Keurig Dr Pepper (KDP), an American producer of hot and cold beverages, ranks 15 out of 60 companies. Compared to 2020, the company has increased its rank by 2 places. The company's score is based on strong performance and disclosure on the theme of Risk Assessment, where it discloses risks identified across supply chain tiers and how it works with stakeholders to address forced labour risks identified. It also demonstrates strong management and accountability of supply chain policies to address forced labour. The company scores below average on the themes of Recruitment and Worker Voice. The company discloses a robust policy on worker-paid recruitment fees but did not demonstrate how the policy is implemented or how it supports responsible recruitment more generally. Additionally, it did not disclose engaging with unions to improve freedom of association within its supply chains.

The company is encouraged to improve its performance and disclosure on the themes of Traceability, Recruitment and Worker Voice.

#### LEADING PRACTICES None.

#### **OPPORTUNITIES FOR IMPROVEMENT**

**Traceability & Risk Assessment:** While the company discloses the sourcing countries of a number of commodities at high risk of forced labour, including coffee, corn and apple, the company is 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).

**Recruitment:** To avoid the exploitation of migrant workers in its supply chains, the company may also consider providing details of how it supports responsible recruitment in its supply chains (for example, by sharing due diligence findings on recruitment fees with peers or by creating demand for responsible recruitment agencies). The company is further encouraged to disclose information on the recruitment agencies used by its suppliers.

**Worker Voice:** To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations.

<sup>&</sup>lt;sup>1</sup> 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>.

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