# Mead Johnson Nutrition Co.

TICKER: MARKET CAPITALIZATION: HEADQUARTERS:

NASDAQ: MJN US\$ 18 billion United States

## 11 OUT OF 20

## 29 OUT OF 100

## **Company's Overall Ranking**

Company's Overall Score

Mead Johnson Nutrition Co. (Mead Johnson) ranks eleventh on the benchmark, providing average disclosure on its approach to mitigating human trafficking and forced labor risks in its supply chain. The company outlines supplier standards in its Standards of Business Conduct and Ethics for Suppliers, including forced labor, which are included within supplier contracts and cascaded beyond its first-tier suppliers. In addition, Mead Johnson monitors its suppliers to ensure compliance with its supplier standards. To improve its benchmark performance, the company may consider tracing and assessing risk in its supply chain and auditing recruiters that are used in its supply chain. Further, Mead Johnson is encouraged to implement a clear managerial structure to ensure accountability for relevant policies and standards.

#### THEME LEVEL SCORE

42 out of 100
25 out of 100
38 out of 100
0 out of 100
0 out of 100
58 out of 100
38 out of 100

#### **LEADING PRACTICES**

None.

### **NOTABLE FINDINGS**

Supply Chain Standards and Training

Mead Johnson's supply chain standards are outlined in its Standards of Business Conduct and Ethics for Suppliers document, which addresses the four rights articulated in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. The company also addresses forced labor in its Standards of Business Conduct and Ethics and trains all employees annually on this standard.

Purchasing practices

Mead Johnson discloses that all supplier contracts include a clause mandating adherence to its Standards of Business Conduct and Ethics for Suppliers, which explicitly refers to a prohibition of



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forced labor. The company also requires its suppliers to cascade these standards throughout their supply chains, stating that suppliers are required to "communicate the standards to their own suppliers and sub-contractors,"

#### Monitorina

Mead Johnson discloses a supplier monitoring process where it conducts both scheduled and nonscheduled audits of suppliers and reviews relevant documents. The company uses the Sedex Members Ethical Trade Audit Protocol to conduct its independent third-party audits.

#### **OPPORTUNITIES FOR IMPROVEMENT**

## Management and Accountability & Stakeholder Engagement

Mead Johnson is encouraged to disclose clear managerial responsibility and accountability for its policies and standards related to forced labor. The company is also encouraged to engage with trade unions, local NGOs, and/or policy makers in countries in which its suppliers operate and in multistakeholder industries initiatives on human trafficking and forced labor related topics.

#### Traceability and Risk Assessment

Mead Johnson's quality assurance system tracks the ingredients from initial material suppliers through all processing and transport. Mead Johnson is encouraged to disclose further details on whether it traces its full supply chain, including beyond the firs-tier, and to publicly disclose the names and locations of its first-tier suppliers, and some information on suppliers beyond its first-tier suppliers (e.g., name, location, source country).

Mead Johnson is further encouraged to conduct forced labor risk or impact assessments focused on specific commodities, regions, and/or groups in its supply chain and to disclose forced labor risks identified.

#### Recruitment

Mead Johnson may consider developing and disclosing a policy that requires recruiters in its supply chain to uphold workers' rights and requires suppliers to disclose to them the recruiters that they use. The company may also consider prohibiting recruitment fees from being charged to workers in its supply chain and ensuring that such fees be reimbursed in the event that they are discovered to have been charged. Further, Mead Johnson is encouraged to audit recruiters to assess the risks of human trafficking and forced labor.

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Yes.

