

Investor Relations | Smithfield Foods USA, Global Food Company

SMITHFIELD, Va., Nov. 14, 2024 /PRNewswire/ -- Smithfield Foods, Inc., today issued the following statement regarding a settlement with the Minnesota Department of Labor and Industry:

More than a year ago, on April 13, 2023, the Minnesota Department of Labor and Industry (DLI) conducted an on-site inspection of Smithfield's St. James, Minnesota, food production facility. Following this inspection, DLI claimed that Smithfield employed 11 underage individuals at the facility at some point between April 13, 2021 and April 13, 2023, and served Smithfield with a compliance order on July 26, 2023.

Smithfield contested DLI's claims and denies that we knowingly hired anyone under the age of 18 to work in our St. James facility. We have not admitted liability as part of this settlement; however, in the interest of preventing the distraction of prolonged litigation, we have agreed to settle this matter.

Smithfield is committed to maintaining a safe workplace and complying with all applicable employment laws and regulations. We wholeheartedly agree that individuals under the age of 18 have no place working in meatpacking or processing facilities. As a matter of policy, Smithfield Foods, Inc. and its subsidiaries do not employ anyone under the age of 18 to work in any of our processing facilities. Additionally, we require our suppliers, including our third-party sanitation service providers, to follow this policy.

Smithfield screens all individuals we hire through E-Verify, a federal system that validates employment eligibility of U.S. citizens and non-citizens based on records available to the Department of Homeland Security and the Social Security Administration. Unfortunately, E-Verify does not prevent incidences of identity theft or document fraud or detect all such incidences when they occur.

Each of the 11 alleged underage individuals passed the E-Verify system by using false identification. Each used a different name to obtain employment with Smithfield than the name by which DLI identified them to Smithfield.

Because identity theft and fraud are prevalent in the U.S. labor force, Smithfield has taken proactive steps to enforce our policy prohibiting the employment of minors, including:

Consistent and increased communications within the company to reinforce our policy prohibiting the employment of minors, which emphasize that all our employees – especially supervisors – are responsible for enforcing this prohibition and for raising any concerns about underage workers.

Additional signage at our processing facilities with reminders that all employees must be over the age of 18 and stressing the importance of vigilance and reporting any concerns.

Refresher training for all human resources staff on I-9 procedures, detecting identity fraud among job candidates and new hires, and detecting document irregularities and informational inconsistencies that might suggest that a candidate or new hire is under the age of 18.

I-9 audits conducted as part of our internal program of human resources audits.

Visual inspection protocols for all shifts with enhanced visual screening for temporary workers and employees of third-party sanitation contractors. The inspection protocols require, among other things, that temporary and contract sanitation workers be issued a Smithfield ID badge with a photo of the worker only after their identify is confirmed. Our on-site security staff, as well as Smithfield managers, compare workers' faces to the photos on their badge IDs.

Annual Sedex Members Ethical Trade Audit (SMETA) audits, including during third shifts when sanitation contractors are present at the facility.

Continuing to have in place and publicize a Code of Business Conduct and Ethics that prohibits all human rights abuses, including the employment of minors.

Distributed an enhanced policy specifically targeting the prohibition against underage labor and making all employees, particularly supervisors and above, responsible for reporting any violations of that policy.

With our temporary labor agency partners and our sanitation contractors, we have:

Reinforced Smithfield's expectation of full compliance with all work eligibility laws, including maintaining and enforcing a robust system for detecting identity theft and fraud.

Expressed our expectation that all agencies and contractors will use E-Verify.

Advised them of Smithfield's visual inspection protocols.

Reviewed contractor procedures to ensure compliance with work eligibility laws.

Negotiated contractual provisions documenting these expectations.

All of these measures are consistent with the best practices for workforce age verification put forth by the Meat

Institute. Smithfield will continue to follow these practices and will actively seek new safeguards and solutions.

Smithfield's Code of Business Conduct and Ethics and Supplier Code of Conduct may be viewed here.

The Meat Institute's Meat and Poultry Industry Best Practices Workforce Age Verification guidance may be found here.

About Smithfield Foods

Smithfield Foods is an American food company with a leading position in packaged meats and fresh pork products. With a diverse brand portfolio and strong relationships with U.S. farmers and customers, we responsibly meet demand for quality protein around the world.

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For further information: Ray Atkinson, Smithfield Foods, Inc., (757) 576-1383, ratkinson@smithfield.com

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