

Lojas Renner SA

TICKER
BSP:LREN3

MARKET CAPITALIZATION
US\$8 billion

HEADQUARTERS
Brazil

DISCLOSURES

UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

TARGETS

Yes

Lojas Renner SA (Lojas Renner), Brazil’s largest apparel retailer,¹ has taken some steps to address forced labor risks in its supply chains and discloses about the same amount of information as the global sector average. However, department stores such as Marks and Spencer or Next disclose taking stronger steps. Lojas Renner states that it does not have suppliers based in Xinjiang and discloses a full list of its first- and second-tier suppliers. It states that its “main raw material—cotton—follows certifications like Better Cotton Initiative that has stopped sourcing [from the region].” However, it does not disclose any steps it has taken to prevent and address the risks of alleged Uyghur forced labor across its supply chain tiers, including the risks of alleged Uyghur forced labor outside Xinjiang.

STEPS TAKEN TO ADDRESS FORCED LABOR RISKS IN SUPPLY CHAINS



SUPPLY CHAIN TRANSPARENCY

Supplier List Yes
 Information on Supply Chain Workers Yes

HIGH-RISK RAW MATERIALS²

🚩 Cotton and viscose

HIGH-RISK SOURCING COUNTRIES

🚩 Argentina, Brazil, Malaysia, and others

¹ Reuters (25 April 2019), “Brazil retailer Lojas Renner beats quarterly profit estimates.”

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain’s [2021 Apparel and Footwear Benchmark Report](#).

SUBSET OF INDICATORS

	 NOT MET  PARTIALLY MET  MET	Policy / Process	Outcomes
Supplier Code of Conduct and Integration into Supplier Contracts			
Management and Accountability			Not Applicable
Internal Management			
Board Oversight			
Stakeholder Engagement			Not Applicable
Local Stakeholders			
Peers			
Risk Assessment			
Purchasing Practices			
Recruitment Fees			
Freedom of Association			Not Applicable
Working with Unions			
Examples of Improvements			
Grievance Mechanism			
Remedy Programs / Remedy Outcomes and Response to Allegations			

Lojas Renner discloses internal responsibility for supplier assessments that address forced labor risks and board oversight over supplier compliance. It states that it has a human rights due diligence process that assesses forced labor, and that it is participating in a pilot project launched by NGO InPacto to map slave labor risks in Brazil. Further, the company has published the contact details for a publicly available grievance mechanism in its supplier code of conduct. The company does not disclose how it addresses risks in relation to third-party retailing.

Additional steps the company could take include

- requiring that recruitment-related fees are paid by the employer ([Employer Pays Principle](#)) and taking steps to ensure that such fees are reimbursed to the workers;
- working with trade unions to support freedom of association in its supply chains and disclosing examples of how it improved freedom of association for supply chain workers; and
- establishing a process to ensure that remedy is provided to workers in its supply chains in cases of labor rights violations and disclosing examples of remedy outcomes for workers.

COMPANY ENGAGED WITH KNOWTHECHAIN³

Yes ([Provided Additional Disclosure](#)).

³ Research conducted through November 2020 or through February 2021, 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](#).