

Mr Price Group Ltd.

TICKER
JSE:MRP

MARKET CAPITALIZATION
US\$4 billion

HEADQUARTERS
South Africa

DISCLOSURES

UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

TARGETS
None

OVERALL RANKING

31 out of **37**

(2018 Rank: 28 out of 43)

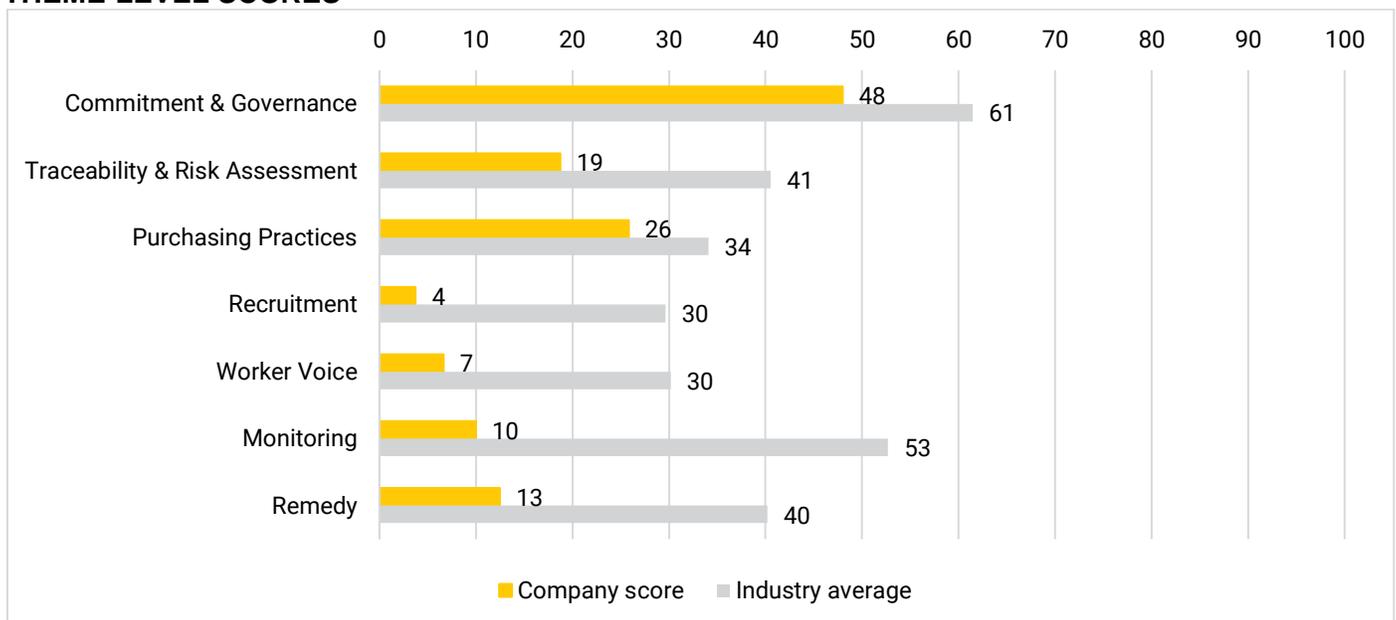
OVERALL SCORE

18 out of **100**

SUMMARY

Mr Price Group Ltd. (Mr Price), one of South Africa’s largest apparel retailers,¹ ranks 31st out of 37 companies and discloses significantly less information on its forced labor policies and practices than its peers. Compared to 2018, Mr Price’s rank decreased by three places as it has taken only limited steps to improve, namely, introducing a due diligence process in its supplier onboarding. Its score decreased by four points due to a strengthened methodology. Mr Price’s score is based on its disclosure of a supplier code of conduct on which it trains suppliers and internal staff and that it integrates into supplier contracts; engaging with initiatives including the Ethical Trading Initiative; having a publicly available grievance mechanism; and a monitoring and corrective action process for suppliers. It does not disclose the steps it has taken to address the risks of alleged Uyghur forced labor across its supply chain tiers. It has an opportunity to improve on the themes of Recruitment, Worker Voice, and Remedy.

THEME-LEVEL SCORES



KEY DATA POINTS**SUPPLIER LIST**

No

IMPROVEMENTS OF FREEDOM OF ASSOCIATION

No

HIGH-RISK RAW MATERIALS²

Cotton, viscose, and wool

DATA ON PURCHASING PRACTICES

No

REMEDY FOR SUPPLY CHAIN WORKERS

No

LEADING PRACTICES

None.

NOTABLE FINDINGS

Supplier Code of Conduct: Mr Price discloses a supplier code of conduct, on which it trains its suppliers, that addresses forced labor, child labor, and discrimination according to international standards.

Traceability & Risk Assessment: Mr Price states that it has mapped 75% of its suppliers and their contracted production sites, aims to increase visibility by mapping 90% of its supply chains, and is making progress on mapping its second-tier suppliers. It also discloses conducting a wage compliance assessment at a sample group of supplier factories in KwaZulu-Natal (representing around 5,200 workers) to identify wage gaps in the industry.

Purchasing Practices: Mr Price discloses having a due diligence process when onboarding suppliers that includes an assessment of decent labor standards. It also discloses prohibiting unauthorized subcontracting, integrating its supplier code of conduct into contracts with suppliers, and working with farmers to help them implement the Better Cotton Initiative standards, which include the promotion of decent work according to the ILO core conventions.

OPPORTUNITIES FOR IMPROVEMENT

Recruitment: To avoid exploitation of migrant workers in its supply chains, Mr Price may consider requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require that such fees are paid by the employer ([Employer Pays Principle](#)). It may also consider steps to ensure that such fees are reimbursed to the workers and/or to provide evidence of payment of recruitment-related fees by suppliers.

Worker Voice: To support collective worker empowerment, Mr Price is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Where there are regulatory constraints on freedom of association, the company may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing. 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.

Remedy: While Mr Price discloses a corrective action process for suppliers, it may also consider designing a procedure to ensure that remedy is provided to its suppliers' workers where such rights have been violated and disclosing details on this process, such as responsible parties, approval procedures, timeframes, 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.

ENGAGED WITH KNOWTHECHAIN³

Informal (i.e., responsive to KnowTheChain but did not take part in the formal engagement/disclosure process).

¹ Oxford Business Group, "[Mr. Price: Retail.](#)" Accessed 28 January 2021.

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

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](#).