# Food and Beverage Benchmark **COMPANY SCORECARD 2020**

### Aeon Co. Ltd.

TICKER MARKET CAPITALIZATION HEADQUARTERS

TKS:8267 US\$18 billion Japan

DISCLOSURES TARGETS

<u>UK Modern Slavery Act</u>: Not applicable Yes

California Transparency in Supply Chains Act: Not applicable

OVERALL RANKING

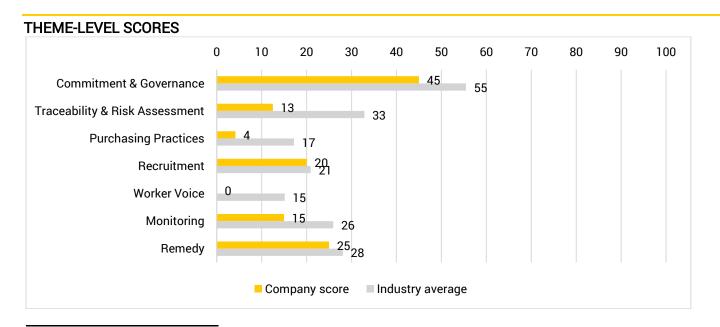
**OVERALL SCORE** 

**31** out of **43** 

**17** out of **100** 

#### **SUMMARY**

Aeon Co. Ltd. (Aeon), a Japanese retail group, ranks 31<sup>st</sup> out of 43 companies and discloses less information on its forced labor policies and practices than its peers. The company's score is based on its disclosure of a supplier code of conduct prohibiting forced labor and worker-paid recruitment fees, human rights training for its staff and suppliers, and a monitoring and corrective action process for suppliers. The company is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, and Worker Voice.



Research conducted through February 2020 or through May 2020, where companies provided additional disclosure or links. For more information, see the full dataset <a href="here">here</a>. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre <a href="website">website</a>.



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### **KEY DATA POINTS**

SUPPLIER LIST

No

SUPPORTS FREEDOM OF ASSOCIATION

No

**HIGH-RISK COMMODITIES** 

Cocoa, coffee, palm oil, and others<sup>1</sup>

**NO-FEE POLICY** 

Yes

REMEDY FOR SUPPLY CHAIN WORKERS

No

ADDRESSES FORCED LABOR RISKS RELATED TO

THIRD-PARTY PRODUCTS

No

#### **LEADING PRACTICES**

None.

#### **NOTABLE FINDINGS**

**Supply Chain Standards**: The company discloses its supplier code of conduct, which prohibits forced labor, and asks its suppliers to integrate the standards of the code into their management systems.

**Recruitment**: The company's supplier code requires that migrant workers are provided with employment terms and conditions in their own language before they leave their home country. It also prohibits the retention of workers' passports and prohibits the charging of "employment" fees.

Corrective Action Plans: The company reports that improvement plans with suppliers are made if audit findings warrant and that auditors will visit supplier facilities six months following a violation to verify that improvements have been implemented.

#### **OPPORTUNITIES FOR IMPROVEMENT**

**Purchasing Practices**: To address forced labor and human trafficking risks in its supply chains, the company is encouraged to integrate supply chain standards that include forced labor in its supplier contracts. The company may further consider assessing the risks of forced labor at potential suppliers before entering into any contracts with them and adopting purchasing practices that decrease risks of forced labor and human trafficking (such as ensuring prompt payment or providing longer-term contracts and price premiums to suppliers with good labor practices).

**Recruitment:** While the company prohibits recruitment fees from being charged to workers, it is encouraged to require that such fees be paid by the employer (<a href="Employer Pays Principle">Employer Pays Principle</a>). Where such fees have been paid by its suppliers' workers, the company is encouraged to ensure that the fees are reimbursed to the workers.



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**Worker Voice**: To prevent and address forced labor and human trafficking risks in its supply chains, the company may consider ensuring that a formal and effective mechanism to report grievances regarding labor conditions is available and communicated to its suppliers' workers and relevant stakeholders such as worker organizations or labor NGOs. Further, the company is encouraged to take steps to ensure that workers in its supply chains are educated on their rights and are able to exercise their right to freedom of association.

#### **ENGAGED WITH KNOWTHECHAIN**

Informal (i.e., engaged outside the formal three-month engagement period).

<sup>&</sup>lt;sup>1</sup> The US Department of Labor lists these commodities as commodities that may be produced using forced labor. US Department of Labor (20 September 2018), "<u>List of Goods Produced by Child Labor or Forced Labor</u>."