Apparel and Footwear Benchmark

COMPANY SCORECARD 2021 - SUBSET INDICATORS

Ryohin Keikaku Co. Ltd.

TICKER MARKET CAPITALIZATION

HEADQUARTERS

TKS:7453

US\$6 billion

Japan

DISCLOSURES

TARGETS

None

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: No

Ryohin Keikaku Co. Ltd. (Muji), one of Japan's largest casualwear brands, ¹ has taken basic steps to address forced labor risks in its supply chains. It discloses less information than the global sector average. Other Japanese apparel and footwear retailers such as Asics or Fast Retailing disclose taking stronger steps. Muji does not disclose any steps it has taken to address the risks of alleged Uyghur forced labor across its supply chain tiers.

STEPS TAKEN TO ADDRESS FORCED LABOR RISKS IN SUPPLY CHAINS

NO STEPS

BASIC STEPS

Muji has taken basic steps to address forced labor risks in its supply chains. It is among 38% of companies in this sector to do so, with 50% of companies having taken stronger steps.

SOME STEPS INTERMEDIATE STEPS ADVANCED STEPS

SUPPLY CHAIN TRANSPARENCY

Supplier List

Information on Supply Chain Workers

No

No

HIGH-RISK RAW MATERIALS²

Cashmere, cotton, silk, and others

HIGH-RISK SOURCING COUNTRIES

China

¹ Financial Times (15 October 2020), "<u>Uniqlo and Muji expect record profits as pandemic boosts Asia online sales.</u>"

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2021 Apparel and Footwear Benchmark Report.



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COMPANY SCORECARD 2021 - SUBSET INDICATORS

SUBSET OF INDICATORS

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

Muji discloses a supplier code of conduct that addresses the ILO core labor standards, states that "workers shall not be required to pay commission fees or deposits in exchange for employment," and requires suppliers to institute a grievance mechanism for workers. It discloses internal responsibility for implementing supply chain policies that address forced labor and states that it carries out human rights due diligence to assess forced labor risks in its supply chains. It does not disclose addressing forced labor risks related to third-party products.

Additional steps the company could take include

- disclosing the names and addresses of suppliers and data points on its suppliers' workforce;
- 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 supply chain workers 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.