

# Aritzia, Inc. (Aritzia)

TICKER TSE:ATZ MARKET CAPITALISATION US\$4.18 billion HEADQUARTERS Canada

Australia Modern Slavery Act: Not applicable

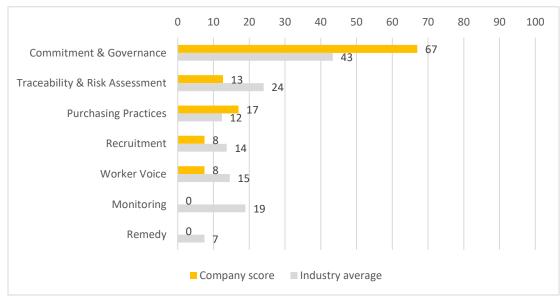
DISCLOSURES

<u>UK Modern Slavery Act</u>: Not applicable <u>California Transparency in Supply Chains Act</u>: <u>Yes</u>

overall ranking **32** OUt Of **65** 

overall score 18 Out Of 100

### THEME-LEVEL SCORES



#### **KEY DATA POINTS**

FIRST-TIER SUPPLIER LIST

RISK ASSESSMENT Yes

DATA ON PURCHASING PRACTICES

ENGAGED WITH KNOWTHECHAIN<sup>2</sup> Yes

**NO-FEE POLICY** Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

#### HIGH-RISK RAW MATERIALS<sup>1</sup>

Cashmere, cotton, leather, viscose, and others



#### SUMMARY

Aritzia, Inc. (Aritzia), a Canadian apparel retailer, ranks joint 32nd out of 65 companies. The company scores higher than average on the theme of Commitment & Governance, disclosing a supplier code of conduct covering all five ILO core labour standards, internal managerial responsibility and board oversight for the implementation of the code, as well as forced labour training for direct suppliers and relevant decisionmakers within the company. It also scores slightly above the average on the theme of Purchasing Practices, disclosing that it solicits feedback on its planning and forecasting practices from suppliers, but not disclosing concrete steps taken to improve its practices. It scores lower than average across other themes and performs particularly poorly on the themes of Monitoring and Remedy, scoring 0.

KnowTheChain identified one allegation of forced labour in the company's supply chains, related to alleged Uyghur forced labour. The company denied the allegation and stated it has not identified a supply chain connection with the suppliers in question. However, the company does not disclose the steps it has taken to address the risks of alleged Uyghur forced labour across raw materials and supply chain tiers. The company has an opportunity to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Monitoring, and Remedy.

## LEADING PRACTICES

None.

#### **OPPORTUNITIES FOR IMPROVEMENT**

**Traceability & Risk Assessment:** The company is encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of its first-tier suppliers (either across high-risk commodities or across all first-tier suppliers), the names and locations of below-first-tier suppliers, and the countries from which it sources raw materials at high risk of forced labour. The company may also consider disclosing further detail on its process to assess human rights risks, such as sources and stakeholders consulted.

**Monitoring:** The company may consider adopting and disclosing a supplier monitoring process to verify that its suppliers are compliant with its supply chain policies. Implementing specific practices, such as interviewing workers and in particular using worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities), may help the company detect forced labour risks in its supply chains. Disclosing information on the results of its monitoring efforts, such as the percentage of suppliers assessed annually and a summary of findings, assures stakeholders that the company has strong monitoring processes in place.

**Remedy:** The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour 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.

<sup>&</sup>lt;sup>1</sup> For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark <u>findings report</u>.

<sup>&</sup>lt;sup>2</sup> Research conducted through June 2023 or through September 2023, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre <u>website</u>.