

LPP SA (LPP)

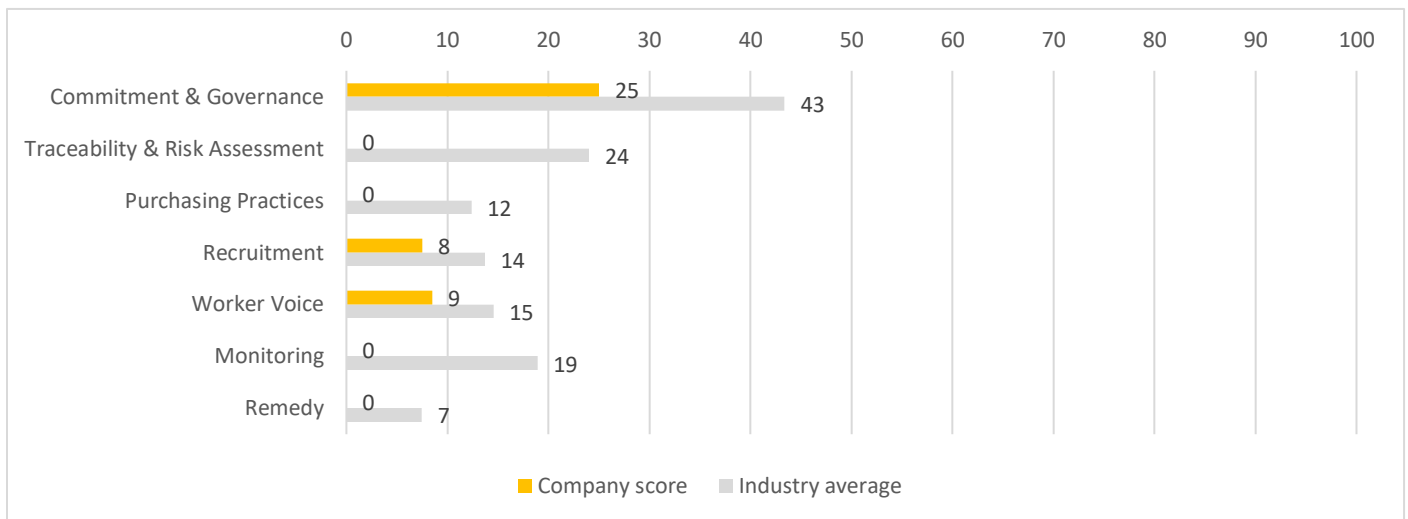
TICKER
WAR:LPP

MARKET CAPITALISATION
US\$3.81 billion

HEADQUARTERS
Poland

DISCLOSURES
UK Modern Slavery Act: [Yes](#)
California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery Act: Not applicable

OVERALL RANKING
47 out of 65
[2021 Performance](#)
OVERALL SCORE
7 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST
 No

RISK ASSESSMENT
 No

DATA ON PURCHASING PRACTICES
 No

ENGAGED WITH KNOWTHECHAIN²
 No

NO-FEE POLICY
 Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS
 No

HIGH-RISK RAW MATERIALS¹
 Cotton, leather, viscose, wool, and others

SUMMARY

LPP SA (LPP), a Polish apparel manufacturer, ranks joint 47th out of 65 companies. Since 2021, the company improved by, among others, disclosing a policy provision requiring suppliers to cover recruitment-related costs in line with the Employer Pays Principle and joining the Pakistan Accord on Health & Safety in the Textile & Garment Industry. The company's score is further based on its disclosure of a supplier code of conduct covering all five ILO core labour standards, internal managerial responsibility for the implementation of its supply chains human rights standards and its signing of the International Accord in Bangladesh. However, the company performed particularly poorly on the themes of Traceability & Risk Assessment, Purchasing Practices, Monitoring, and Remedy, scoring 0. The company has an opportunity to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Purchasing Practices, and Worker Voice.

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 is further encouraged to conduct human rights risk assessments, including forced labour risks, across its supply chains and disclose the risks identified.

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment, and disclose quantitative data evidencing the implementation of responsible purchasing practices. The company may further consider ringfencing labour costs, i.e. separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: The company is encouraged to take steps to ensure that a formal mechanism to report grievances regarding labour conditions in the company's supply chains is available and communicated to its suppliers' workers and relevant stakeholders (e.g., worker organisations or labour NGOs). Further, the company may consider disclosing data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved. To evidence its commitment to improving working conditions in apparel supply chains, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains and to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark [findings report](#).

² Research conducted through June 2023 or through September 2023, 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](#).