

Lojas Renner SA (Lojas Renner)

TICKER
BSP:LREN3

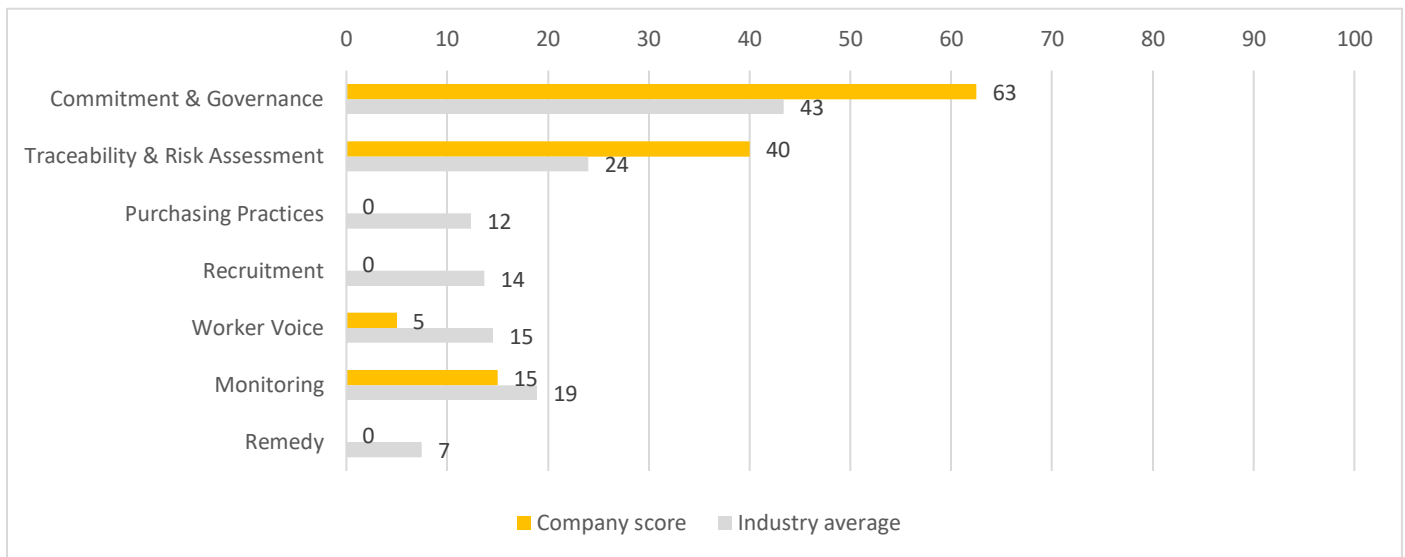
MARKET CAPITALISATION
US\$4.83 billion

HEADQUARTERS
Brazil

DISCLOSURES
UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery Act: Not applicable

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

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST

Yes

RISK ASSESSMENT

Yes

DATA ON PURCHASING PRACTICES
 No

ENGAGED WITH KNOWTHECHAIN²

Yes

NO-FEE POLICY
 No

REMEDY FOR SUPPLY CHAIN WORKERS
 No

HIGH-RISK RAW MATERIALS¹
 Cotton, leather, viscose

SUMMARY

Lojas Renner SA (Lojas Renner), Brazil's largest apparel retailer,³ ranks 26th out of 65 companies. The company's score is based on its stronger performance on the themes of Commitment & Governance and Traceability & Risk Assessment. Notably, Lojas Renner is the second-highest scoring company in the department store subsector and the higher-scoring of the two Brazilian companies in the benchmark. However, it scores lower than average across all other themes and performs particularly poorly on the themes of Purchasing Practices, Recruitment, and Remedy, scoring 0. The company has an opportunity to improve its performance and disclosure on themes such as Purchasing Practices, Recruitment, and Worker Voice.

LEADING PRACTICES

Traceability & Supply Chain Transparency: Lojas Renner discloses a list of 100% of its first- and second-tier suppliers, both on its website and on Open Supply Hub. The list includes names and addresses, process type, and number of workers, as well as a breakdown by gender, number of "foreign" workers, and for some of the companies whether a union or other worker representatives are present at the facility.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to disclose concrete steps it is taking to adopt purchasing practices that decrease the risk of forced labour, such as planning and forecasting, and disclose quantitative data evidencing its progress in the implementation of such responsible purchasing practices. The company may further consider taking steps to ringfence labour costs during pricing negotiations with suppliers. The company should further consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Recruitment: To address the risk of exploitation of migrant workers at the recruitment stage in its supply chains, the company is encouraged to take steps to ensure that workers in its supply chains are not charged fees during any recruitment-related process, such as requiring suppliers to pay all recruitment-related fees incurred by relying on recruitment intermediaries and taking steps to ensure the implementation of this requirement. The company may further consider disclosing the steps taken to ensure that such fees are reimbursed to the workers and/or provide evidence of payment of recruitment-related fees by suppliers. The company is also encouraged to provide details of how it supports responsible recruitment in its supply chains more broadly.

Worker Voice: To support improvements in working conditions, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. 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. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations. To ensure confidence of stakeholders, the company is further encouraged to disclose data on the use of its existing grievance mechanisms by 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](#).

³ Statista (October 2023), "[Leading fashion retail companies in Brazil in 2022, based on net revenue \(in billion Brazilian reais\)](#)".