

# Ralph Lauren Corp. (Ralph Lauren)

TICKER NYS:RL MARKET CAPITALISATION US\$9.40 billion HEADQUARTERS United States

Act: Yes

Australia Modern Slavery

#### DISCLOSURES

UK Modern Slavery Act: Yes

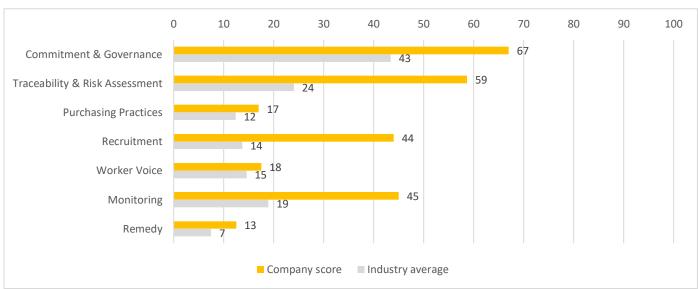
California Transparency in Supply Chains Act: Yes

OVERALL RANKING

## 10 out of 65

2021 Rank: 12 out of 37

#### THEME-LEVEL SCORES



#### **KEY DATA POINTS**

FIRST-TIER SUPPLIER LIST Yes

RISK ASSESSMENT Yes

PURCHASING PRACTICES DATA

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

#### **NO-FEE POLICY**

Yes (Employer Pays Principle)

OVERALL SCORE

42 out of 100

**REMEDY FOR SUPPLY CHAIN WORKERS** Yes (Limited)

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

Cotton, leather, silk, wool, and others



#### SUMMARY

Ralph Lauren Corp. (Ralph Lauren), U.S. mid-luxury and premium apparel company, ranks joint 10<sup>th</sup> out of 65 companies. Compared to 2021, the company improved its rank by two places. This is because, among others, the company disclosed a supplier list accounting for 88% of the first tier of its supply chain, began disclosing some information on forced labour risks identified in its supply chains, data on women and migrant workers its supply chains, and a new example of worker fee remediation, and clarified that its grievance mechanism is open to affected stakeholders. The company's score is based on its stronger performance on the themes of Commitment & Governance and Traceability & Risk Assessment. Notably, Ralph Lauren is among the two highest-scoring companies in the premium & mid-luxury segment. However, with a score of only 42/100, the company continues to have substantial scope for improvement on its prevention and management of forced labour risks.

KnowTheChain identified 2 public allegations of forced labour in the company's supply chains. Concerning the alleged presence of Uyghur forced labour in the company's supply chain, the company denied relationship with the supplier concerned and reports using tracing technology "as a broad auditing tool", albeit not to verify individual shipments. 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 Purchasing Practices, Worker Voice, and Remedy.

#### LEADING PRACTICES None.

#### **OPPORTUNITIES FOR IMPROVEMENT**

**Purchasing Practices:** The company is encouraged to elaborate on its purchasing practices commitments and disclose quantitative data evidencing its progress on the implementation of responsible purchasing practices such as planning and forecasting. The company may further consider 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 further consider integrating <u>responsible buying</u> practices in its contracts with suppliers, to ensure that the responsibility for respecting human rights is shared.

**Worker Voice:** While Ralph Lauren refers to one instance where it has worked with a union in Bangladesh, the company is encouraged to disclose more information on how it works 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. To give stakeholders confidence that it has insight into the state of the right to freedom of association and collective bargaining in its supply chains, the company is also encouraged to disclose the percentage of suppliers' workers on freedom of association and 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.

**Remedy:** The company may consider disclosing its process for ensuring remedy is provided to workers in its supply chains in cases of forced labour, including details 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



### Apparel & Footwear Benchmark COMPANY SCORECARD 2023

further examples of remedy provided to its suppliers' workers, including with respect to specific allegations in its supply chains.

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