Ryohin Keikaku Co. Ltd. (Ryohin Keikaku)

TICKER MARKET CAPITALISATION

TKS:7453 US\$3.84 billion

HEADQUARTERS

Japan

DISCLOSURES

UK Modern Slavery Act: Yes

<u>....</u>.

California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery

Act: Applicability not

determined

OVERALL RANKING

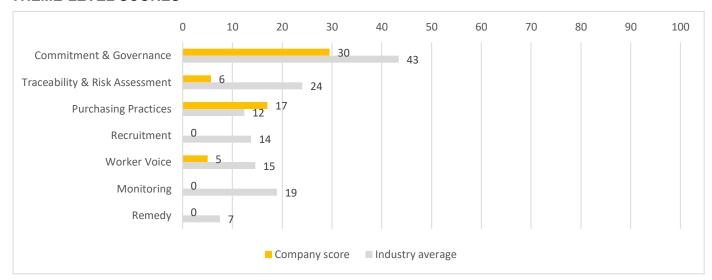
46 out of **65**

2021 Performance

OVERALL SCORE

8 out of 100

THEME-LEVEL SCORES



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST

Yes (Limited)

RISK ASSESSMENT

No

DATA ON PURCHASING PRACTICES

No

ENGAGED WITH KNOWTHECHAIN²

No

NO-FEE POLICY

No

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK RAW MATERIALS¹

Cotton, leather, silk, viscose, and others



Apparel & Footwear Benchmark COMPANY SCORECARD 2023

SUMMARY

Ryohin Keikaku Co. Ltd. (Ryohin Keikaku), a Japanese consumer goods and household retailer, ranks 46th out of 65 companies. The company's score is based on its performance across the themes of Commitment and Governance, Purchasing Practices, Worker Voice and Monitoring. Since 2021, the company began disclosing board oversight of supply chain policies that address forced labour and limited data on first tier suppliers. It does not disclose improvements across other themes.

The company performs above average on the theme of Purchasing Practices, as a result of its partnership with the Better Work programme and by providing limited information about planning processes. It performs particularly poorly on the themes of Recruitment and Remedy. Despite sourcing at least five high risk raw materials, the company does not disclose sourcing countries of these materials, nor does it disclose its methodology for conducting a human rights risk assessment or the risks identified as a result. KnowTheChain identified one allegation of Uyghur forced labour in the company's supply chains. 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 is encouraged to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Recruitment and Remedy.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: While the company reports conducting "enhanced due diligence on primary suppliers" and "producers of raw materials", the company is encouraged to disclose a comprehensive methodology for assessing forced labour risks across supply chain tiers, including the sources used and stakeholders engaged as part of that process. Furthermore, it is encouraged to disclose forced labour risks across different tiers of its supply chains and how it engages with relevant stakeholders including workers, unions, and civil society organisations to address forced labour risks identified.

Recruitment: While the company's Code of Conduct states that "employees shall not be required to pay commission fee or deposits in exchange for employment", to avoid exploitation of migrant workers in its supply chains, the company is encouraged to establish a policy requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require that such fees are paid by the employer ("Employer Pays Principle") and disclose how it ensures the implementation of this through the prevention of fees in its supply chains, such as through: mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. It may also consider steps to ensure that such fees are reimbursed to the workers and/or to provide evidence of payment of recruitment-related fees by suppliers.

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 and their representatives. 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.

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



Apparel & Footwear Benchmark COMPANY SCORECARD 2023

² 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>.