

Shimamura Co. Ltd. (Shimamura)

TICKER
TKS:8227

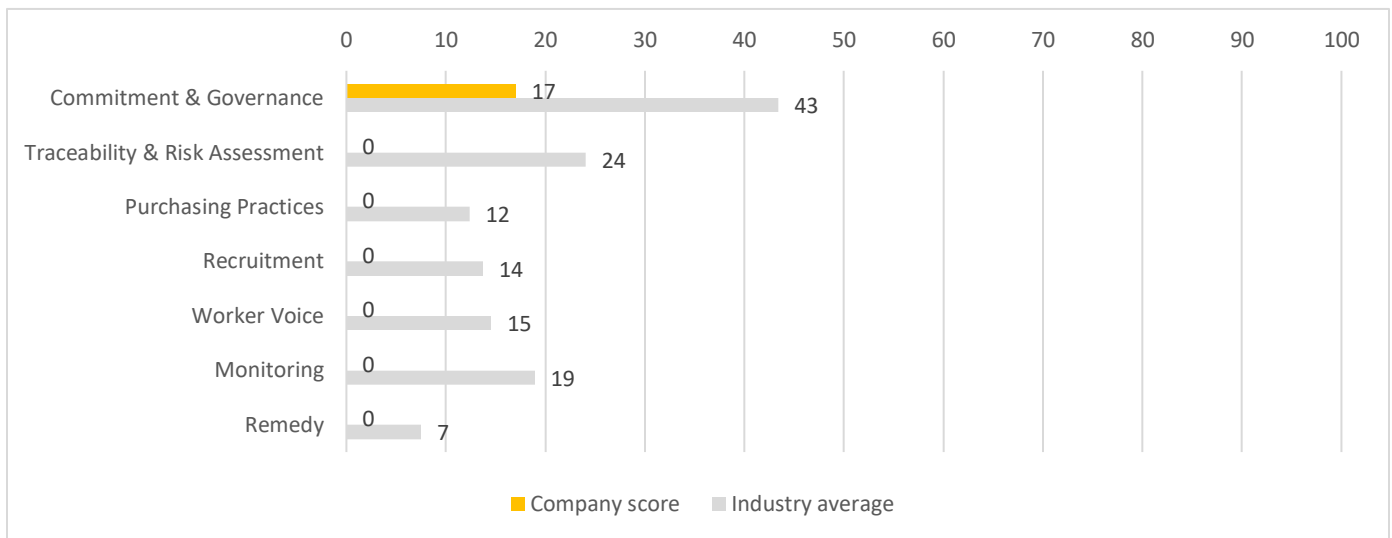
MARKET CAPITALISATION
US\$3.30 billion

HEADQUARTERS
Japan

DISCLOSURES
UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery Act: Not applicable

OVERALL RANKING
54 out of 65
[2021 Performance](#)
OVERALL SCORE
3 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

Informal

NO-FEE POLICY
 No

REMEDY FOR SUPPLY CHAIN WORKERS
 No

HIGH-RISK RAW MATERIALS¹

Not disclosed

SUMMARY

Shimamura Co. Ltd. (Shimamura), one of Japan's biggest apparel companies,³ ranks joint 54th out of 65 companies. Since 2021, the company has disclosed a supplier code of conduct in English which prohibits forced labour, as well as some information on its sustainable procurement team, who have oversight of the supplier code. The company does not seem to have taken additional steps to strengthen its performance and disclosure on forced labour issues within its supply chain. KnowTheChain identified one allegation of forced labour in the company's supply chains, related to alleged Uyghur forced labour. 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 all themes, including Commitment & Governance, Traceability & Risk Assessment, and Recruitment.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Commitment & Governance: While the company discloses a supplier code of conduct that prohibits forced labour, child labour and discrimination, and requires the provision of a safe and healthy working environment, the company is encouraged to strengthen the policy to align with international standards protecting the right to freedom of association and collective bargaining. While the sustainable procurement team appear to have oversight of the supplier code, the company is encouraged to establish and disclose a managerial structure with clear responsibilities and accountability for the implementation of its supply chain policies that address forced labour, and provide for oversight of such policies at the board level.

Traceability & Risk Assessment: To demonstrate a strong understanding of its supply chains, the company may consider disclosing the names and addresses of its first-tier suppliers, the countries in which its below-first-tier suppliers operate, the countries from which it sources raw materials at high risk of forced labour, and data on the demographics of the supply chain workforce (such as the percentage of women and migrant workers). The company is further encouraged to assess forced labour risks across its supply chains and disclose the risks identified.

Recruitment: To address the risk of exploitation of migrant workers through recruitment agencies 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, and to require that such fees be paid by the employer ("Employer Pays Principle"). 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.

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 (September 2023), "[Sales value of the leading domestic companies in the apparel industry in Japan as of 2023](#)." Accessed 5 December 2023.