

KnowTheChain 2023 Apparel & Footwear Benchmark

Additional Disclosure

Company Name: Ralph Lauren Corporation

Date: September 11, 2023

Guidance:

- Please add any additional information you wish to provide under the relevant indicator elements below.
- We welcome examples of leading practices. Unless you are sharing leading practices, please limit the information to indicators for which KnowTheChain could not yet identify sufficient information on your website.
- Note **KnowTheChain has already undertaken a review of your website**. Should you wish to include links to existing disclosure, please specify the page number / section you are referring to.
- Column F in the Scored Research tab of your excel sheet highlights questions to your company where the KnowTheChain team is seeking clarification or further detail on particular points of your company's disclosure.

INDICATOR 1: SUPPLIER CODE OF CONDUCT AND CAPACITY BUILDING

1.1 has a supplier code of conduct that requires suppliers to respect the ILO core labour standards, which include the elimination of forced labour; and requires suppliers to cascade/implement standards that are in line with the company's supplier code of conduct; and

1.2 engages in capacity building to enable its suppliers to cascade its supply chain policies that address forced labour to their own supply chains and/or trains suppliers below the first tier on such policies, and measures the effectiveness of capacity building.

KTC Comment – “The company does not disclose examples of forced labour training for suppliers and does not disclose training designed to build the capacity of suppliers to cascade the standards, or training for below first tier suppliers directly.”

RLC Response – See SAVE Project, “At the mill level, workers and middle management receive training on life skills and a decent working environment.” RLC, 2023, GC&S Report, page 73, https://corporate.ralphlauren.com/on/demandware.static/-/Sites-RalphLauren_Corporate-Library/default/dw67845c51/documents/2023_reports_and_policies/RL-2023-GCSReport.pdf

INDICATOR 2: MANAGEMENT AND ACCOUNTABILITY

2.1 has a committee, team, program, or officer responsible for the implementation of its supply chain policies that address forced labour; and discloses how incentives for staff (e.g. bonuses, part of employee performance reviews) are tied to improvements in working conditions in supply chains;

2.2 discloses how it trains relevant decision-makers within the company on risks and policies that address forced labour; and

KTC Comment – “It is unclear how many/which employees are trained and whether this includes procurement staff.”

RLC Response – “The RLC Global Citizenship team continually works with our internal cross functional teams and suppliers, to educate and train them about the definition of forced labor and modern slavery, areas of risk, red flags, and escalation processes. In 2021, we held online training sessions focused on forced labor risks, for **our Manufacturing and Sourcing staff** in the Asia-Pacific region. Training sessions for staff in the Western Hemisphere, Europe and the Middle East are planned for early 2022.” AUS Modern Slavery Statement 2021, page 4, <https://modernslaveryregister.gov.au/statements/7499/>

“In early 2022, we continued our online training sessions focused on forced labor risks, for **our Manufacturing and Sourcing staff** in the Western Hemisphere, Europe and the Middle East. Additionally, RLC periodically organizes vendor summits wherein we further engage with our suppliers by reiterating our expectations, share learnings and best practices, and foster regular interaction and communication, as we work together to overcome our mutual challenges.” AUS Modern Slavery Statement 2022, page 4, <https://modernslaveryregister.gov.au/statements/10257/> (also linked via our website <https://corporate.ralphlauren.com/transparency-acts>).

2.3 has tasked a board member or board committee with oversight of its supply chain policies that address forced labour, and describes how the experiences of affected workers or relevant stakeholders (such as civil society, unions, and workers or their representatives) informed board discussions.

INDICATOR 3: TRACEABILITY AND SUPPLY CHAIN TRANSPARENCY

- 3.1 the names and addresses of first-tier suppliers;
- 3.2 the names and locations of below-first-tier suppliers (this does not include raw material suppliers); and
- 3.3 the sourcing countries of at least three raw materials at high risk of forced labour.

INDICATOR 4: RISK ASSESSMENT

- 4.1 details on how it conducts human rights supply chain risk or impact assessments that include forced labour risks or assessments that focus specifically on forced labour risks, including through engaging with relevant stakeholders (such as civil society, unions, and workers or their representatives) in countries in which its suppliers operate;
- 4.2 details on forced labour risks identified in different tiers of its supply chains; and
- 4.3 how it has consulted with relevant stakeholders (such as civil society, unions, and workers or their representatives) in steps taken to address the risks identified.

INDICATOR 5: DATA ON SUPPLY CHAIN RISKS

- 5.1 the percentage or number of supply chain workers who are women;

5.2 the percentage or number of supply chain workers who are migrant workers' and

5.3 the percentage or number of supply chain workers that are being paid a living wage.

INDICATOR 6: PURCHASING PRACTICES

6.1 commits to responsible buying practices in its contracts with suppliers;

6.2 describes how it has adopted responsible purchasing practices in the first tier of its supply chains, which includes planning and forecasting, and how it ring-fences labour costs; and

6.3 discloses two quantitative data points demonstrating that it has responsible purchasing practices in place that address the risk of forced labour.

INDICATOR 7: RECRUITMENT-RELATED FEES

7.1 requires that no worker in its supply chains should pay for a job—the costs of recruitment-related fees should be borne not by the worker but by the employer ("Employer Pays Principle");

KTC Comment – "It is unclear why exceptions related to travel and accommodation fees are outlined in the policy. As such not all recruitment fees and related costs are prohibited in the policy."

RLC Response – Please also note our support of the [AAFA/FLA Apparel & Footwear Industry Commitment to Responsible Recruitment](#). We plan to review and update our Foreign Migrant Worker Standards in the coming months.

7.2 provides detail on the implementation of the Employer Pays Principle in its supply chains by demonstrating how it works to prevent the charging of fees to supply chain workers in different supply chain contexts; and

7.3 in the event that it discovers that fees have been paid by workers in its supply chains, provides evidence of re-payment of recruitment-related fees to workers. The company describes how it engages with affected workers in the remediation process.

INDICATOR 8: RESPONSIBLE RECRUITMENT

8.1 discloses information on the recruitment agencies used by its suppliers; and

8.2 provides details of how it supports responsible recruitment in its supply chains (e.g. by collaborating with relevant stakeholders to engage policy makers to strengthen recruitment standards).

INDICATOR 9: FREEDOM OF ASSOCIATION

9.1 works with independent local or global trade unions and/or other legitimate worker representatives to improve freedom of association in its supply chains;

9.2 discloses that it is party to a global framework agreement that covers its supply chains and/or an enforceable supply chain labour rights agreement with trade unions or worker organisations; and

9.3 discloses the percentage of supply chains covered by collective bargaining agreements.

INDICATOR 10: GRIEVANCE MECHANISM

10.1 takes steps to ensure a formal mechanism to report a grievance to an impartial entity regarding labour conditions in the company's supply chains is available to its suppliers' workers and their legitimate representatives across supply chain tiers; and

KTC Comment – “It does not disclose a grievance mechanism for workers beyond the first tier in other supply chain contexts.”

RLC Response – The RL Navex hotline is open across supply chain tiers. It is also hyperlinked in our public human rights policy <https://secure.ethicspoint.eu/domain/media/en/gui/57948/index.html>

10.2 discloses data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved; and

10.3 takes steps to ensure that its suppliers' workers or their legitimate representatives are involved in the design and/or performance of the mechanism, to ensure that the workers trust the mechanism.

KTC Comment – “Not Disclosed”

RLC Response – “We are committed to ensuring that workers have access to effective grievance mechanisms. To that end, we educate managers and workers on the importance of grievance mechanisms, alongside evaluating and improving the effectiveness of our program. For example, in FY22 we assessed our top fabric mills in four countries: China, Taiwan, Vietnam and India. Upon receiving the assessment results, we noticed non-compliance trends across health and safety, record keeping and grievance mechanisms. To remediate these issues, we worked with a local firm to develop training for the mills. The firm conducted a training session, provided management system templates, and offered remote support to complete the templates that would be appropriate for their operations. This collaboration helped our suppliers learn and build a stronger framework and system to support social and labor compliance.” RLC Australian Modern Slavery Statement, 2022, page 5, <https://modernslaveryregister.gov.au/statements/10257/>

“As previously noted, we are committed to continuous improvement and regularly evaluate the effectiveness of our program. For instance, when we did not see high usage from workers on our grievance mechanisms, to address this potential gap, we specifically held sessions with workers to test their ability to scan the QR code and send us messages. We learned that while workers had the ability to access the QR code successfully, they needed more instruction on exactly how to use it. Following these sessions, we received direct messages from workers to which we promptly replied. Most of the messages were requests for additional support on COVID-19 prevention measures, such as more regular cleaning and better communication. We worked with the respective suppliers on each of these cases.” RLC Human Rights Disclosure, pages 2-3, <https://corporate.ralphlauren.com/reports-and-policies>.

INDICATOR 11: MONITORING

11.1 its methodology for monitoring the implementation of its supply chain policies addressing forced labour;

11.2 the findings of monitoring reports, including details regarding any violations revealed in relation to forced labour and indicators of forced labour, across supply chain tiers; and

11.3 the use of worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities).

INDICATOR 12: REMEDY AND RESPONSE TO ALLEGATIONS

A(1) a process for responding to potential complaints and/or reported violations of policies that address forced labour and how it engages affected stakeholders as part of this process; and

KTC Comment – “No further detail is provided on the process for responding to grievances and providing remedy.”

RLC Response – See Global People Practices Fair Treatment Policy, Section F, Discrimination, Harassment and Retaliation Complaint and Investigation Procedure & Guiding Principles, pages 5-7, <https://secure.ethicspoint.eu/domain/media/en/gui/57948/index.html>. (Under Policies Tab)

A(2) at least two examples of outcomes of its remedy process in practice, covering different supply chain contexts, for its suppliers' workers.

In addition, where an allegation is identified in a company's supply chains:

B.1.1 that it engages in a dialogue with the stakeholders reportedly affected in the allegation(s)

KTC Comment – “The company does not disclose engagement with groups representing impacted rightsholders, timebound targets to stop sourcing from the region (including indirectly), or sourcing countries of cotton (see 3.3). The company does not disclose enhanced due diligence programmes to address associated risks such as the presence of labour transfer programmes.”

RLC Response – Please see the Initial Assessment Report about Ralph Lauren by the Canadian Ombudsperson for Responsible Enterprise, August 15, 2023, paras. 3-4, 11-14, 24-27, 43-44, and 46(c), https://core-ombuds.canada.ca/core_ombuds-ocre_ombuds/assets/pdfs/initial-assessment-report_ralph-lauren-en.pdf.

B.1.2 outcomes of the remedy process in the case of the allegation(s); and

B.1.3 evidence that remedy(ies) are satisfactory to the victims or groups representing the victims.

Where an allegation is identified in the company's supply chains, but is denied by the company:

B.2.1 a description of what actions it would take to prevent and remediate the alleged impacts; and

B.2.2 as part of this process, it would engage with affected stakeholders and their representatives.

NON-SCORED RESEARCH

Reporting Legislations

UK Modern Slavery Act: Where applicable, the company discloses at least one statement under the UK Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

California Transparency in Supply Chains Act: Where applicable, the company has a disclosure under the California Transparency in Supply Chains Act.

Yes/No. Please provide link to a publicly available statement.

Australia Modern Slavery Act: Where applicable, the company discloses at least one statement under the Australia Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

High Risk Sourcing

Please indicate whether your company sources any of the below high-risk raw materials. Note where a company does not provide this information, KnowTheChain will review the company's website as well as third party sources to identify relevant information.

- Bamboo
- Cashmere
- Cotton
- Leather (cattle)
- Rubber (natural)
- Silk
- Viscose
- Wool

KTC notes Cotton, Leather, Silk, Viscose, and Wool in the initial research per the RL 2023 GC&S Report, p. 16. Please also note Cashmere per the same page.

Please indicate whether your company sources from any of the below high-risk locations.

- Argentina
- Bangladesh
- Brazil
- China
- Ethiopia
- India
- Malaysia
- Nepal
- North Korea
- Thailand
- Vietnam

RLC Response – Please see our factory disclosure regarding Tier 1, <https://corporate.ralphlauren.com/cs-factory-list.html>; see also RL 2022 GC&S Report, pages 70 – 71, https://corporate.ralphlauren.com/on/demandware.static/-/Sites-RalphLauren_Corporate-Library/default/dw518f20bf/documents/2023_reports_and_policies/2022-RL-GCSReport.pdf. The countries on the factory disclosure list, include Bangladesh, China, India, and Vietnam.