

Company Name FamilyMart Co., Ltd
Industry Agricultural Products (Supply Chain only)
UNGP Core Score (*) 4.5 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
2	2	A.1.1 Commitment to respect human rights
0.5	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
0	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
4.5	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: UNGC principles 1 & 2: The Company signed and announced its participation in The United Nations Global Compact in September 2017 and is still a participant in good standing. [Sustainability Report 2019, 2020: family.co.jp & Collaboration with international society, N/A: family.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> Met: UNGPs: The Company states: ' we support international norms on human rights, including the International Bill of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights (the Ruggie Principles), and OECD Guidelines for Multinational Enterprises, and promote initiatives for respecting human rights.' [Sustainability Report 2019, 2020: family.co.jp]
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: UNGC principles 3-6: The Company is a signatory to the UN Global Compact and announces its participation in the sustainability report and the website. [Collaboration with international society, N/A: family.co.jp] Not met: Explicitly list All four ILO for AG suppliers: The Company's basic policy website includes the 'supply chain CSR code of conduct'. In relation to labour, this code states that 'along with considering for the health and safety of employees and achieving a comfortable working environment, we treat workers without regard to sex, age, nationality and handicap and respect sexual diversity and prohibit discrimination, inhumane treatment and forced labor'. No specific evidence found, however, in relation to child labour, freedom of association and collective bargaining. [Basic Policy, N/A: family.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Explicit commitment to All four ILO Core: Although on the website section 'collaboration with international society' the Company states that it participates in the Global compact and lists its principles, it does not explicitly commit to each of them, including using a document that could be considered a proxy for a formal policy. The Company also states that 'supports international norms on human rights, like the International Labor Organization (ILO)'. However, there is no explicit reference to each of the ILO Core Labor Standards. [Collaboration with international society, N/A: family.co.jp & Sustainability Report 2019, 2020: family.co.jp] Met: Respect H&S of workers: The Company complies 'with laws and social norms and [aims] at a sustainable society together with producers and business partners who take social responsibility, including human rights, workers, health and safety, and global environmental preservation.' [Basic Policy, N/A: family.co.jp] Met: H&S applies to AG suppliers: As previously stated, this policy includes business partners. The Supply Chain Code of Conduct includes references to considering for the health and safety of employees. [Basic Policy, N/A: family.co.jp]
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Regular stakeholder engagement: 'FamilyMart UNY Group aims to contribute to the construction of a sustainable society, and we believe that it is necessary and essential to actively and continuously engage in constructive dialogue and collaboration with all of our stakeholders. Based on this way of thinking, we have established opportunities to directly receive the needs and expectations of all of our stakeholders regarding the responsibility and role that this group should fulfil with respect to society through its business activities.' The Company reports engagement carried out with different stakeholders including

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>employees, NGOs and NPOs, local communities, store staff and franchises. [Stakeholder Engagement, N/A: family.co.jp]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design: The Company describes its revision of material issues. It states: 'After the revision process, the five material issues and the four fundamental keys to support their resolution will be cared by the departments in charge of working with the Sustainability Promotion Department to formulate action plans such as medium- to long-term targets and KPIs. The Society & Environment Committee will oversee the PDCA cycle to continuously enhance our activity'. However, the indicator aims to identify an actual engagement with stakeholders representatives, which is not clear from the information found. [Sustainability Report 2019, 2020: family.co.jp] • Not met: Regular stakeholder design engagement: The Company describes its materiality review and also discloses a chart indicating an overview of stakeholder engagement initiatives. However, there is no evidence indicating a regular engagement. [Sustainability Report 2019, 2020: family.co.jp]
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy: The Company has provided comments to CHRB regarding this indicator. However, evidence was not material. [Sustainability Report 2019, 2020: family.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AG suppliers to remedy impacts

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to ILO core conventions: See indicator A.1.2. The Company is signatory to the UN Global Compact. • Not met: Senior responsibility for HR: The Company discloses: 'FamilyMart's Society & Environment Committee, an advisory body to the President, oversees sustainability initiatives throughout the Group. Chaired by the Director and Senior Managing Officer and administered by the Sustainability Promotion Department, it approves initiative plans and manages progress. However, it is not clear if sustainability initiatives includes human rights. [Sustainability Report 2019, 2020: family.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for AG in supply chain
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations: The Company states that 'we also plan to establish a policy on human rights, identify human rights risks in our business activities, and perform due diligence in order to increase the effectiveness of our human rights initiatives.' However, it is not clear if the company has a process to identify human rights risks. [Sustainability Report 2019, 2020: family.co.jp] • Not met: Identifying risks in AG suppliers: The Company reports: At a time when our business is growing and our supply chains are expanding globally, we must ensure that business activities throughout our supply chains maintain an awareness of social concerns. These include providing safe and reliable products; environmental initiatives that focus on reducing GHGs and waste, preventing environmental pollution, and protecting biodiversity; respecting human rights and labor practices; ensuring employee safety and health; and dealing with the labor shortage in logistics. However, it is not clear how the identification of human rights risks is done. [Sustainability Report 2019, 2020: family.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context): The Company has provided comments to CHRB regarding this indicator. However, evidence was not material to this indicator as no information on salient risks were found. [Sustainability Report 2019, 2020: family.co.jp] • Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks: The Company has provided comments to CHRB regarding this indicator. However, evidence was not material. Information provided refers to supplier selection and it is not clear if the company has an action plan to mitigate risks. • Not met: Including in AG supply chain • Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks: In order to be awarded this indicator, the Company needs to achieve at least 1,5 points in B.2.1 • Not met: Comms plan re assessing risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2 • Not met: Comms plan re action plans for risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.3 • Not met: Comms plan re reviewing action plans • Not met: Including AG suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1 Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Company states: 'In addition, the Company has established systems to rectify and prevent compliance violations. It has established an internal reporting system for the Group, which includes an employee hotline and a supplier helpline.' Moreover, it indicates the 'Use of Employee Hotline and Supplier Helpline in Fiscal 2018', which includes: Suspected fraud, law breaking, or rule violation, Inquiry about labor contract or working hours and Inquiry about workplace conditions, behavior, language, or suspected harassment. [Integrated Report 2019, 22/08/2019: family.co.jp]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> Not met: Number grievances filed, addressed or resolved: The Company provides a table named Use of Employee Hotline and Supplier Helpline in Fiscal 2018 with the number of times the hotline/helpline were used in 2018, it states: 'In fiscal 2018 (March 2018–February 2019), our hotlines received 55 reports. Confirmed violations were addressed with measures to prevent violations or keep them from recurring'. It is divided in Suspected fraud, law breaking, or rule violation, Inquiry about labor contract or working hours and Inquiry about workplace conditions, behavior, language, or suspected harassment. However, it is not clear what was the number of 'confirmed allegations' and/or the number of cases that have been resolved. [Integrated Report 2019, 22/08/2019: family.co.jp & Sustainability Report 2019, 2020: family.co.jp] Not met: Channel is available in all appropriate languages Not met: Expect AG supplier to have equivalent grievance systems Not met: Opens own system to AG supplier workers: The Company states: 'A third-party organization hosts our business partner helpline, which gives advice and takes reports in the event that business partners know or suspect that our employees have committed compliance violations in our procurement activities, etc. This service helps us rapidly discover and correct any issues that come up. In fiscal 2018, there were no calls to the helpline. However, it is not clear whether the channel is open to raise complaints against the suppliers operations. [Sustainability Report 2019, 2020: family.co.jp]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Grievance mechanism for community: The company indicates that it has 'set up internal reporting systems (hotlines) both within and outside our offices in order to provide advice and take reports on legal violations or any action that violates the Group's norms and regulations, including bribery and other corruption, harassment, and human rights violations.' However, it is not clear if this system is accessible to all external individuals and communities. [Sustainability Report 2019, 2020: family.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Describes accessibility and local languages Not met: Expects AG supplier to have community grievance systems Not met: AG supplier communities use global system
C.7	Remedying adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Describes how remedy has been provided: The Company has provided comments to CHRB regarding this indicator. However, evidence was not material. Not met: Says how it would remedy key sector risks <p>Score 2</p> <ul style="list-style-type: none"> Not met: Changes introduced to stop repetition Not met: Approach to learning from incident to prevent future impacts Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found.

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

The Benchmark is made available on the express understanding that it will be used solely for general information purposes. The material contained in the Benchmark should not be construed as relating to accounting, legal, regulatory, tax, research or investment advice and it is not intended to take into account any specific or general investment objectives. The material contained in the Benchmark does not constitute a recommendation to take any action or to buy or sell or otherwise deal with anything or anyone identified or contemplated in the Benchmark. Before acting on anything contained in this material, you should consider whether it is suitable to your particular circumstances and, if necessary, seek professional advice.

The CHRB is part of the World Benchmarking Alliance ('WBA'). The material in the Benchmark has been put together solely according to the CHRB methodology and not any other assessment models in operation within any of the project partners or EIRIS Foundation as provider of the analyst team.

No representation or warranty is given that the material in the Benchmark is accurate, complete or up-to-date. The material in the Benchmark is based on information that we consider correct and any statements, opinions, conclusions or recommendations contained therein are honestly and reasonably held or made at the time of publication. Any opinions expressed are our current opinions as of the date of the publication of the Benchmark only and may change without notice. Any views expressed in the Benchmark only represent the views of WBA, unless otherwise expressly noted.

While the material contained in the Benchmark has been prepared in good faith, neither WBA nor any of its agents, representatives, advisers, affiliates, directors, officers or employees accept any responsibility for or make any representation or warranty (either express or implied) as to the truth, accuracy, reliability or completeness of the information contained in this Benchmark or any other information made available in connection with the Benchmark. Neither WBA nor any of its agents, representatives, advisers, affiliates, directors, officers and employees undertake any obligation to provide the users of the Benchmark with additional information or to update the information contained therein or to correct any inaccuracies which may become apparent (save as to the extent set out in CHRB appeals procedure). To the maximum extent permitted by law any responsibility or liability for the Benchmark or any related material is expressly disclaimed provided that nothing in this disclaimer shall exclude any liability for, or any remedy in respect of, fraud or fraudulent misrepresentation. Any disputes, claims or proceedings this in connection with or arising in relation to this Benchmark will be governed by and construed in accordance with Dutch law and shall be subject to the exclusive jurisdiction of the Courts of Amsterdam.

As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

COPYRIGHT

Our publications and benchmarks are the product of the World Benchmarking Alliance. Our work is licensed under the Creative Commons Attribution-Non Commercial-No Derivatives 4.0 International License. To view a copy of this license, visit creativecommons.org