

Capri Holdings Ltd.

TICKER
 NYS:CPRI

MARKET CAPITALIZATION
 US\$7 billion

HEADQUARTERS
 United Kingdom

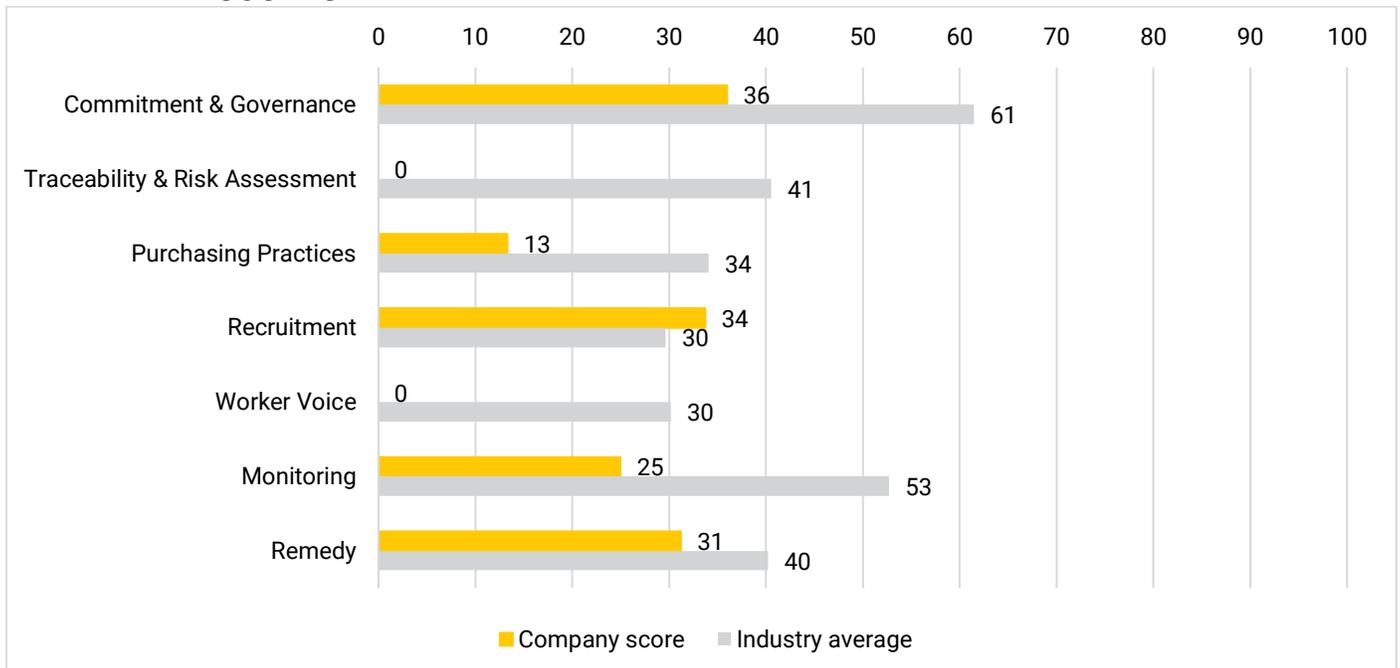
DISCLOSURES
UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

TARGETS
 None

OVERALL RANKING
28 out of **37**
OVERALL SCORE
20 out of **100**
SUMMARY

Capri Holdings Ltd. (Capri), the owner of Versace, Jimmy Choo, and Michael Kors, is the second-largest British luxury brand.¹ It ranks 28th out of 37 companies and discloses significantly less information on its forced labor policies and practices than its peers. Capri's score is based on its disclosure of a supplier code of conduct that prohibits forced labor, which it integrates into supplier contracts. Its code also prohibits unauthorized subcontracting and retaining workers' documents, and it integrates the [Employer Pays Principle](#). Capri discloses that it provides internal training on the forced labor risks in its supply chains and discloses information on its supplier monitoring and corrective action processes. It does not disclose the steps it has taken to address the risks of alleged Uyghur forced labor across its supply chain tiers. It is encouraged to improve on the themes of Commitment & Governance, Traceability & Risk Assessment, and Worker Voice.

THEME-LEVEL SCORES


KEY DATA POINTS**SUPPLIER LIST**

No

IMPROVEMENTS OF FREEDOM OF ASSOCIATION

No

HIGH-RISK RAW MATERIALS²

Cashmere, cotton, silk, and others

DATA ON PURCHASING PRACTICES

No

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK SOURCING COUNTRIES

China

LEADING PRACTICES

None.

NOTABLE FINDINGS

Training: Capri discloses that all employees with direct responsibility for supply chain management must take a course that addresses and promotes awareness of the human trafficking and forced labor risks in its supply chains.

Recruitment Fees: Capri's supplier code incorporates the [Employer Pays Principle](#), which states that suppliers, not workers, are responsible for the payment of recruitment fees.

Corrective Action Plans: Capri discloses that it requires corrective actions to be implemented within set timeframes when monitoring identifies non-compliances with its supplier code. It states that it may verify corrective action implementation through a re-audit and that it supports remediation rather than termination of supplier relationships where this is possible.

OPPORTUNITIES FOR IMPROVEMENT

Commitment & Governance: Capri 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 labor and provide oversight of such policies at the board level. While it provides training internally, it is encouraged to train its suppliers, engage in capacity building, and ensure that suppliers below the first tier receive training on policies that address forced labor. It is further encouraged to engage with relevant stakeholders on forced labor (e.g., policy makers, worker rights organizations, or local NGOs) in countries in which its suppliers operate and to participate actively in one or more pertinent multi-stakeholder or industry initiatives.

Traceability & Risk Assessment: To demonstrate a strong understanding of its supply chains, Capri may consider disclosing the names and addresses of at least its first-tier suppliers, information on its below-first-tier suppliers, the countries from which it sources raw materials at high risk of forced labor, and several data points on its suppliers' workforce. The company is further encouraged to assess forced labor risks across its supply chains and disclose the risks identified.

Worker Voice: To prevent and address forced labor risks in its supply chains, Capri may consider ensuring that a formal and effective mechanism to report grievances regarding labor conditions is available and communicated to its suppliers' workers and relevant stakeholders, such as worker organizations or labor NGOs. Further, it is encouraged to take steps to ensure that workers in its supply

chains are aware of their rights and are able to exercise their rights to freedom of association and collective bargaining.

ENGAGED WITH KNOWTHECHAIN³

No.

¹ Statista (25 November 2020), "[Leading luxury brand revenues originating from the United Kingdom \(UK\) in 2019.](#)"

² For further details on high-risk raw materials and sourcing countries, see [KnowTheChain's 2021 Apparel and Footwear Benchmark Report](#).

³ Research conducted through November 2020 or through February 2021, 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](#).