

# Hugo Boss AG

**TICKER**  
 ETR:BOSS

**MARKET CAPITALIZATION**  
 US\$5 billion

**HEADQUARTERS**  
 Germany

**DISCLOSURES**
UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

**TARGETS**

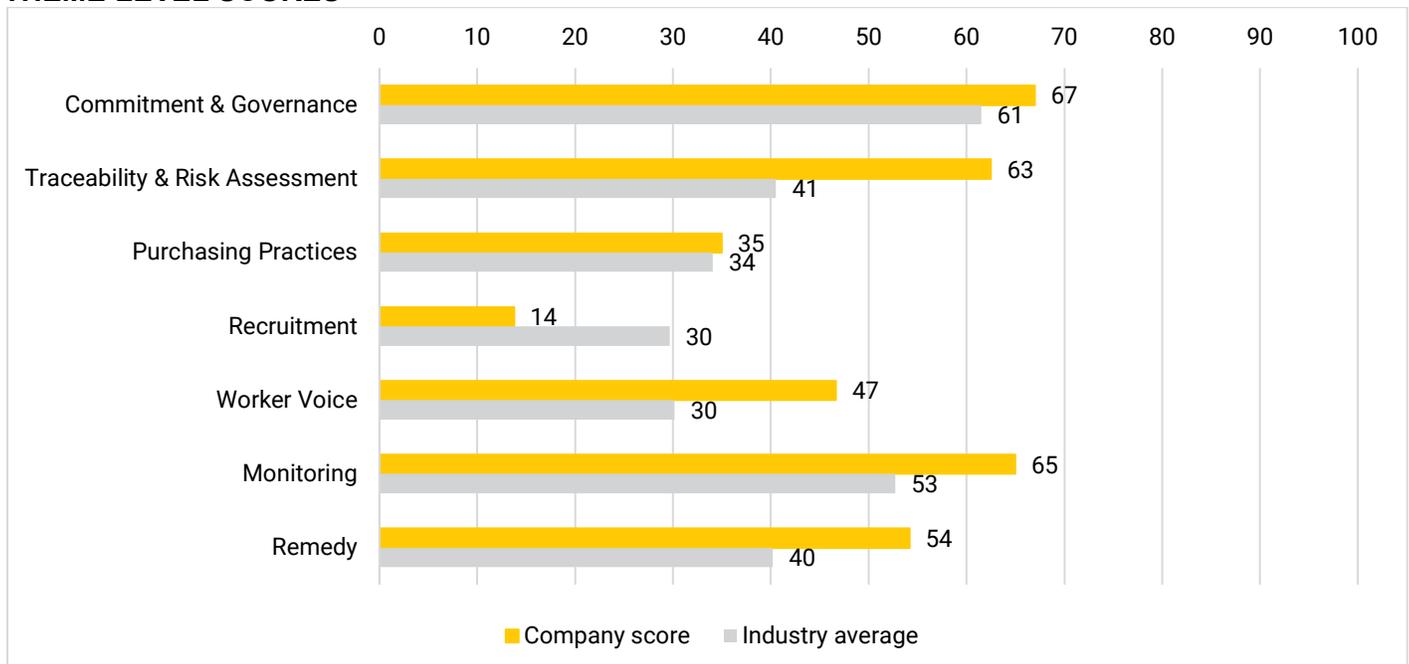
Yes

**OVERALL RANKING**
**16 out of 37**

(2018 Rank: 10 out of 43)

**OVERALL SCORE**
**49 out of 100**
**SUMMARY**

Hugo Boss AG (Hugo Boss), a German clothing and accessories company, ranks 16<sup>th</sup> out of 37 companies, disclosing more information on its forced labor policies and practices than its peers on all themes except Recruitment. Compared to 2018, it has improved by providing detail on its human rights risk assessment, strengthening its policies concerning migrant workers' rights, and disclosing that it works with unions on freedom of association in its supply chains. However, as it has not improved across themes, its rank has decreased by six places. While Hugo Boss discloses that so far it "has not procured any goods originating in the Xinjiang region from direct suppliers", it does not disclose the steps it has taken to address the risks of alleged Uyghur forced labor across raw materials and supply chain tiers. KnowTheChain identified two additional allegations of indicators of forced labor in the company's supply chains. In one case, the supplier amended a policy to enable the free movement of women workers; however, Hugo Boss does not disclose remedy outcomes for workers in the second case. It has an opportunity to improve on the themes of Purchasing Practices, Recruitment, and Remedy.

**THEME-LEVEL SCORES**


**KEY DATA POINTS**
**SUPPLIER LIST**

Yes

**IMPROVEMENTS OF FREEDOM OF ASSOCIATION**

No

**HIGH-RISK RAW MATERIALS<sup>1</sup>**

Cashmere, cotton, silk, and others

**DATA ON PURCHASING PRACTICES**

No

**REMEDY FOR SUPPLY CHAIN WORKERS**

Yes (Limited)

**HIGH-RISK SOURCING COUNTRIES**

China, India, Thailand, and others

**LEADING PRACTICES**

None.

**NOTABLE FINDINGS**

**Training:** Hugo Boss discloses that it trains its employees on policies that address forced labor and that it pays special attention to forced labor risks and related practices. It states that, in 2019, it conducted face-to-face training for 429 employees whose roles relate to compliance. It states that 98% of its active finished goods suppliers have taken part in a training course on its supplier code of conduct, which addresses forced labor. The Fair Labor Association (FLA) reports that Hugo Boss trained around 50% of its suppliers through face-to-face sessions in 2018.

**Worker Engagement:** Hugo Boss states that its suppliers are required to provide workers with details of its supplier requirements through training, communication, and hand-outs. It states that it has participated in an initiative in Tamil Nadu since 2017 to train workers and managers on workers' rights and complaint mechanisms and that it has been part of an initiative to promote living wages as part of this collaboration.

**Freedom of Association:** The FLA reports that Hugo Boss conducted freedom of association training for managers and workers at two supplier factories. It states that it employed an independent consultant to work with a supplier to improve industrial relations between the factory management and a union in Peru. It is also a signatory to the Accord on Fire and Building Safety in Bangladesh.

**OPPORTUNITIES FOR IMPROVEMENT**

**Purchasing Practices:** The company is encouraged to take steps to address forced labor risks in its raw material sourcing across commodities and to disclose quantitative data points demonstrating that it has responsible purchasing practices in place that address the risk of forced labor in the first tier of its supply chains. The company may further disclose outcomes of its supplier selection process, such as the number or percentage of potential suppliers rejected due to poor labor practices and details and outcomes of addressing risks of forced labor relating to subcontracting.

**Recruitment:** Hugo Boss is encouraged to disclose information on the recruitment agencies used by its suppliers and to take steps to ensure that workers are not charged recruitment fees during any recruitment-related process and provide evidence that fees are reimbursed to workers. It may also consider disclosing details of how it supports responsible recruitment in its supply chains (for example, by sharing due diligence findings on recruitment fees with peers or creating demand for responsible recruitment agencies). It is further encouraged to ensure that migrant workers understand both the terms and conditions of their recruitment and employment and their rights.

**Remedy:** The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labor and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. 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, including with respect to specific allegations, and to engage affected stakeholders as part of this process.

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**ENGAGED WITH KNOWTHECHAIN<sup>2</sup>**

Yes ([Provided Additional Disclosure](#)).

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<sup>1</sup> For further details on high-risk raw materials and sourcing countries, see [KnowTheChain's 2021 Apparel and Footwear Benchmark Report](#).

<sup>2</sup> 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](#).