

Hermès International S.A.

TICKER

ENXTPA:RMS

MARKET CAPITALIZATION

US\$58 billion

HEADQUARTERS

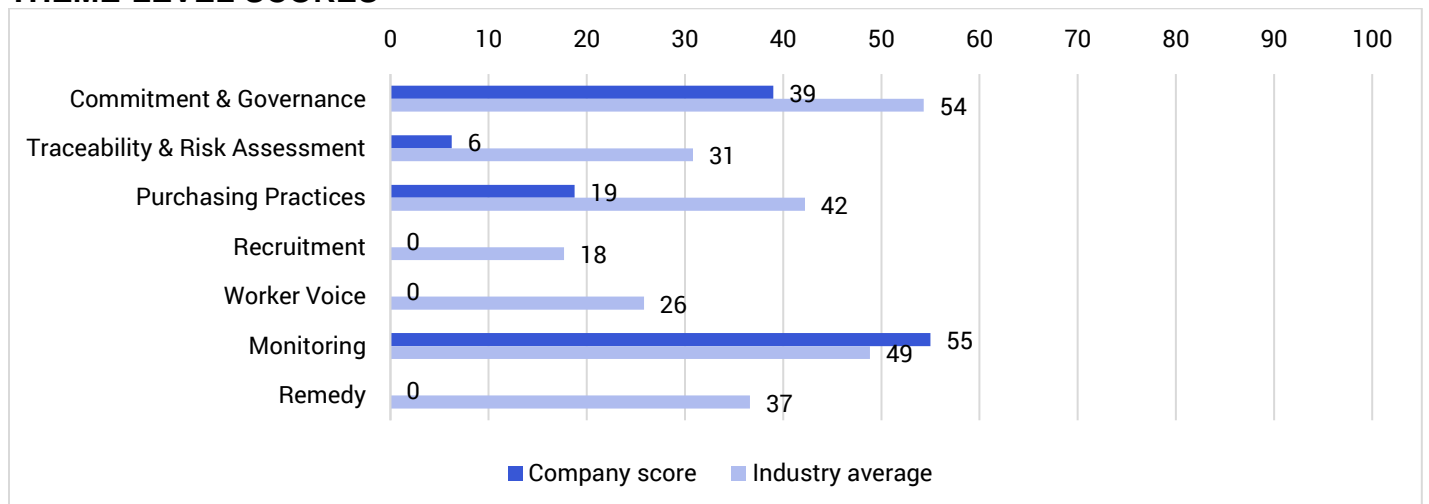
France

COMPLIANCE

 UK Modern Slavery Act: [Yes \(disclosure of subsidiaries\)](#)

 California Transparency in Supply Chains Act: [Yes](#)
COMMITMENTS
[None](#)
OVERALL RANKING
30 out of 43
OVERALL SCORE
17 out of 100
SUMMARY

Hermès International S.A. (Hermès), a France-based manufacturer and retailer of luxury goods, ranks 30th out of 43 companies. Apart from the theme of Monitoring, it discloses significantly less information on its forced labor policies and practices than its peers. The company's score is based on some disclosure it has available on the themes of Commitment & Governance, Traceability & Risk Assessment, Purchasing Practices, and Monitoring. The company is encouraged to improve its performance and disclosure on the themes of Commitment & Governance, Recruitment, and Worker Voice.

THEME-LEVEL SCORES


LEADING PRACTICES

None.

NOTABLE FINDINGS

Commitment & Governance: Hermès discloses that it “strives to be a model example of human rights and fair labor practices throughout its business activities.” It discloses that it has a code of conduct that is also applicable to its suppliers and that its requirements for its suppliers include “vigilance exercised with regard to forced labour.” The company discloses that its industrial department, which is responsible for its network of purchasers (together with its audit and risk management department and its legal department), supervises supplier monitoring and social compliance audits. Hermès states that it trains its buyers on its policies and that it provides its employees with access “to a special website which fully explains the commitments of the [the company], including anti-slavery and human trafficking measures.”

Purchasing Practices: Hermès discloses that its supplier audits cover the risk of subcontracting. The company states that it contractually asks suppliers to comply with its “guidebook for undertaking,” which includes “recommendations on good practices in relation to subcontracting” as well as a section on social responsibility, including forced labor. The company further states that it is “formally asking suppliers for their support in complying with its corporate and regulatory responsibilities [and] asking them to check their own suppliers, throughout their supply chain, to ensure that they are fulfilling their obligations.”

Monitoring: Hermès discloses that it adheres to the Social Accountability International’s SA8000 auditing standard, which uses a combination of announced and unannounced audits and includes worker interviews and a review of relevant documents such as employment contracts and wage records. The standard further requires that audit teams have knowledge of workers’ languages and the prevailing cultural norms of management and workers. In addition, Hermès states that it uses risk analysis questionnaires to determine which supplier visits may be carried out and which may be complemented by a full audit. Hermès states that audit areas include human rights and subcontracting. Hermès also discloses that it regularly inspects livestock sites to verify the “social conditions of employees ... and working conditions.”

OPPORTUNITIES FOR IMPROVEMENT

Commitment & Governance: The company is encouraged to disclose its supplier code of conduct and to ensure that it includes all four rights outlined in the ILO Declaration on Fundamental Rights and Freedoms at Work, including the prohibition of forced labor and human trafficking. The company may further consider engaging with relevant stakeholders on human trafficking and forced labor. This includes engagement with policy makers, worker rights organizations, or local NGOs in countries in which its suppliers operate, as well as active participation in one or more pertinent multi-stakeholder or industry initiatives.

Recruitment: To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, the company may consider requiring recruitment agencies used by its suppliers to uphold workers’ rights and ensuring that workers in its supply chains are not charged fees during any recruitment-related process. The company is also encouraged to confirm that recruitment agencies used by its suppliers are audited and to work with suppliers to ensure that migrant workers’ rights are respected (e.g., to confirm workers’ passports or other personal documents are not retained).

Worker Voice: To prevent and address forced labor and human trafficking risks in its supply chains, the company 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, the company is encouraged to take steps to ensure that workers in its supply chains are educated on their rights and are able to exercise their right to freedom of association.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Sent links](#) and [information on its business model](#).