

Michael Kors Holdings Ltd.

TICKER

NYSE:KORS

MARKET CAPITALIZATION

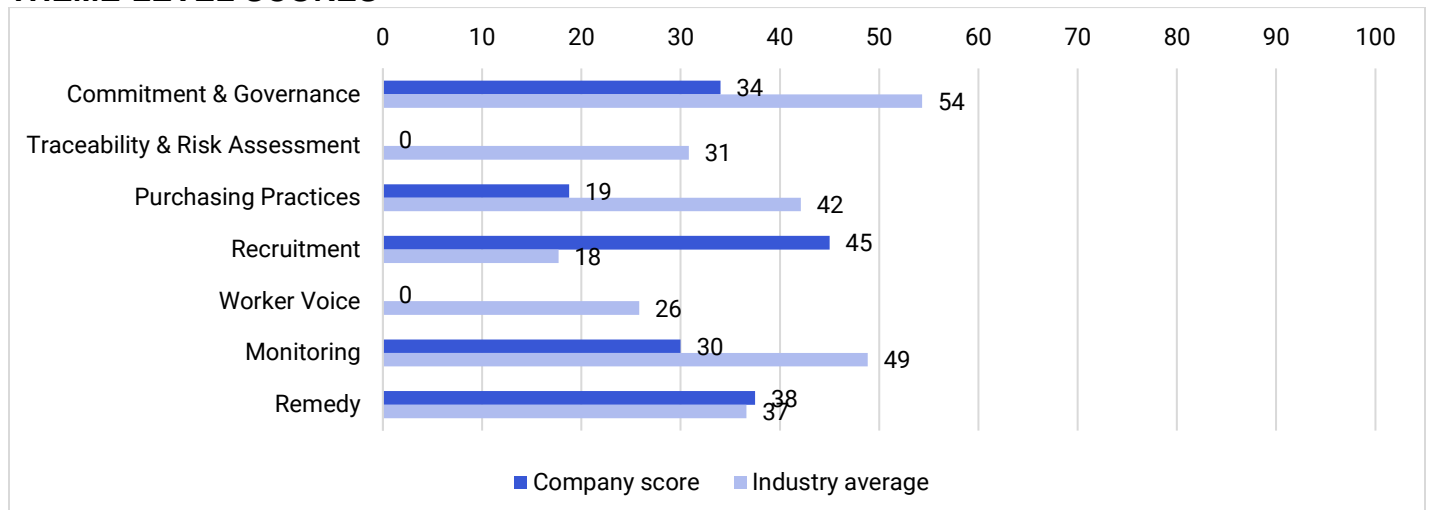
US\$10 billion

HEADQUARTERS

United Kingdom

COMPLIANCE
UK Modern Slavery Act: [Yes](#)
California Transparency in Supply Chains Act: [Yes](#)
COMMITMENTS
[Yes](#)
OVERALL RANKING
27 out of 43
OVERALL SCORE
24 out of 100
SUMMARY

Michael Kors Holdings Ltd. (Michael Kors), a UK-based designer and retailer of branded apparel and accessories, ranks 27th out of 43 companies and discloses less information on its forced labor policies and practices than its peers. The company's score is based on its performance on the themes of Recruitment and Remedy, on which it scores higher than average. Notably, the company commits to increase its disclosure on its efforts to ensure recruitment fees are reimbursed to migrant workers in its supply chains. Additional steps the company could take to address forced labor risks in its supply chains include disclosing policies and practices on the themes of Traceability & Risk Assessment, Purchasing Practices, and Worker Voice.

THEME-LEVEL SCORES


Research conducted through June 2018, or through August 2018 where companies provided additional disclosure or links. For more information, see the full dataset [here](#).

LEADING PRACTICES

Monitoring: Michael Kors discloses that audits of its suppliers will include a review of the records of all migrant workers at the supplier's facility, including contract terms, copies of employment agreements, employment history, anticipated and actual date of return, any recruitment fees that have been paid, and agreements with agencies or brokers.

NOTABLE FINDINGS

Commitment & Governance: Michael Kors reports that it requires that all staff with direct responsibility for supply chain management undergo training on how to identify and address the risks of human trafficking and slavery in its supply chains.

Recruitment: Michael Kors discloses a supplier code of conduct that requires its suppliers to ensure that workers receive a written contract in a language they understand, stating "in a truthful, clear manner their rights and responsibilities in connection with their employment." Suppliers are also forbidden from withholding documents or deposits as a condition of employment. The supplier code further prohibits recruitment fees being charged to workers and requires suppliers to repay fees to workers, when found. The code further requires suppliers to ensure that any "third-party recruitment agencies (including labor brokers)" they use are compliant with the provisions of the code. Michael Kors states that its suppliers must provide it with a list of recruitment agencies they are using and a list of fees being paid to agencies.

Remedy: Michael Kors discloses that it requires suppliers to complete corrective actions on a specific timeline when it discovers non-compliances during audits. It reports that it may support the supplier in implementing corrective actions and conducts follow-up audits to verify that they have been completed.

OPPORTUNITIES FOR IMPROVEMENT

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

Purchasing Practices: To enforce its expectations with its suppliers, the company may consider integrating its supply chain standards addressing forced labor and human trafficking into contracts with its suppliers. To ensure that labor rights are respected across its supply chains, the company may consider requiring that its first-tier suppliers ensure that their own suppliers implement standards that are in-line with the company's standards.

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

[No.](#)