

# Hermès International SCA (Hermès)

**TICKER**  
PAR:RMS

**MARKET CAPITALISATION**  
US\$145.29 billion

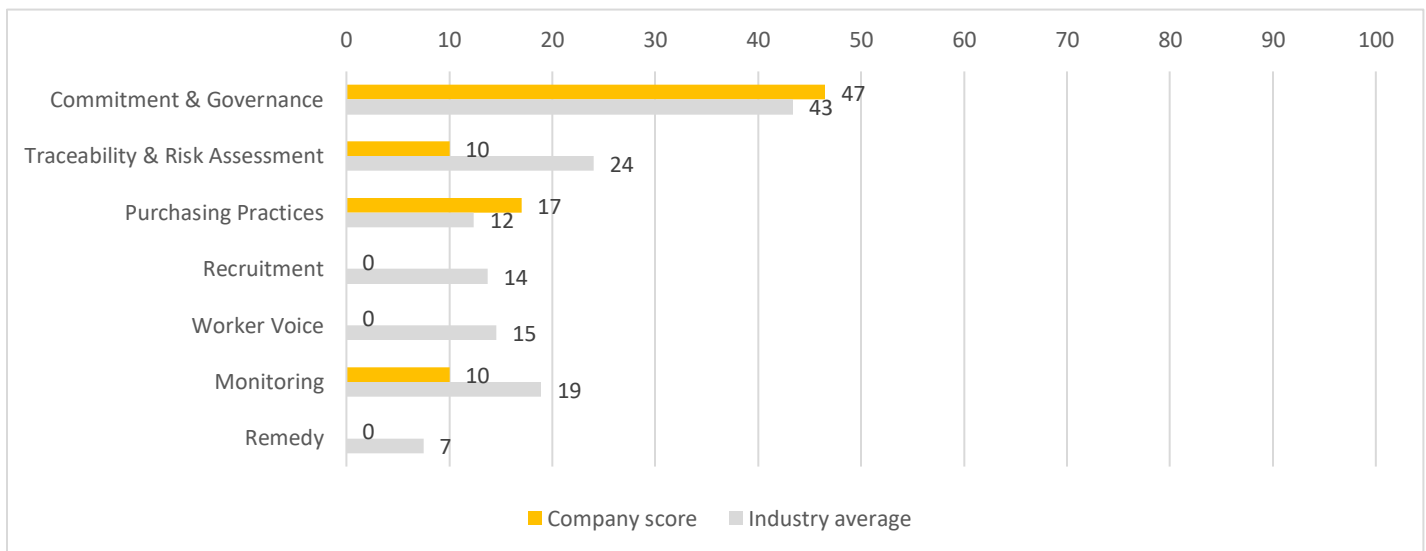
**HEADQUARTERS**  
France

**DISCLOSURES**

 UK Modern Slavery Act: [Yes](#)

 California Transparency in Supply Chains Act: [Yes](#)

 Australia Modern Slavery Act: [Yes \(Disclosure of Subsidiary\)](#)
**OVERALL RANKING**
**40 out of 65**
[2021 Rank](#): 26 out of 37

**OVERALL SCORE**
**12 out of 100**
**THEME-LEVEL SCORES**

**KEY DATA POINTS**
**FIRST-TIER SUPPLIER LIST**
 No

**RISK ASSESSMENT**

Yes

**DATA ON PURCHASING PRACTICES**

Yes (one data point)

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

Yes

**NO-FEE POLICY**
 No

**REMEDY FOR SUPPLY CHAIN WORKERS**
 No

**HIGH-RISK RAW MATERIALS<sup>1</sup>**
 Cashmere, cotton, silk, wool

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## SUMMARY

Hermès International SCA (Hermès), the second most valuable luxury brand in the world,<sup>3</sup> ranks joint 40<sup>th</sup> out of 65 companies. Since 2021, the company has improved by disclosing board oversight over its supply chain forced labour standards and a partial list of sourcing countries for cashmere, cotton, and leather. However, the company did not improve across other themes and performed particularly poorly on the themes of Transparency & Risk Assessment and Monitoring, scoring below the benchmark average, and Recruitment, Worker Voice, and Remedy, scoring 0. As such, it was overtaken by other companies in the benchmark that presented stronger disclosure, and its rank has dropped by 14 places.<sup>4</sup> The company has an opportunity to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Worker Voice, and Remedy.

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## LEADING PRACTICES

None.

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## OPPORTUNITIES FOR IMPROVEMENT

**Traceability & Risk Assessment:** The company is encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of its first-tier suppliers (either across high-risk commodities or across all first-tier suppliers), the names and locations of below-first-tier suppliers, and data on its supply chain workforce, such as the percentage of women and migrant workers and the percentage of workers being paid a living wage.

**Worker Voice:** The company is encouraged to clearly signpost a formal grievance mechanism open to supply chain workers and their labour representatives to report grievances regarding labour conditions in its supply chains, and to communicate it to suppliers' workers and other relevant stakeholders (e.g. worker organisations or labour NGOs). Further, the company may consider disclosing data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved. To evidence its commitment to improving working conditions, the company is further encouraged to work with local or global trade unions to support freedom of association in its supply chains. To guarantee such protections, it may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations.

**Remedy:** The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour 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.

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<sup>1</sup> For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark [findings report](#).

<sup>2</sup> Research conducted through June 2023 or through September 2023, 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](#).

<sup>3</sup> Kantar (14 June 2023), "[10 Most Valuable Luxury Brands 2023](#)". Accessed 7 December 2023.

<sup>4</sup> KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. In addition, the number of companies assessed in the ranking has increased from 37 in 2021 to 65 in 2023. See [here](#) for more information.