

# Apparel & Footwear Benchmark COMPANY SCORECARD 2023

### Hugo Boss AG (Hugo Boss)

TICKER ETR:BOSS **MARKET CAPITALISATION** 

US\$4.23 billion

**HEADQUARTERS** 

Germany

**DISCLOSURES** 

**UK Modern Slavery Act: Yes** 

California Transparency in Supply Chains Act: Yes

Australia Modern Slavery
Act: Applicability not

determined

**OVERALL RANKING** 

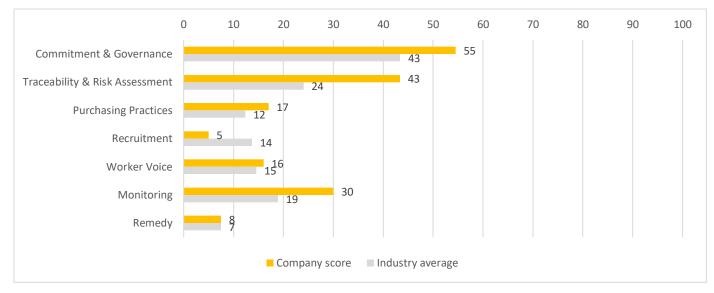
**21** out of **65** 

2021 Rank: 16 out of 37

**OVERALL SCORE** 

28 out of 100

### **THEME-LEVEL SCORES**



### **KEY DATA POINTS**

FIRST-TIER SUPPLIER LIST

Yes

**RISK ASSESSMENT** 

Yes

**DATA ON PURCHASING PRACTICES** 

No

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

Yes

**NO-FEE POLICY** 

Yes

REMEDY FOR SUPPLY CHAIN WORKERS

No

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

Cashmere, cotton, silk, viscose, and others



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#### SUMMARY

Hugo Boss AG (Hugo Boss), a German premium clothing and accessories company, ranks 21<sup>st</sup> out of 65 companies. Since 2021, the company improved on the theme of Traceability & Risk Assessment by disclosing a partial list of second-tier fabric and trimming suppliers and data on the percentages of women and migrant workers in its first-tier supply chain workforce. However, the company did not improve across other themes and performed particularly poorly on the themes of Recruitment and Remedy. As such, the company's rank has dropped by 5 places.<sup>3</sup> KnowTheChain identified one public allegation of forced labour in the company's supply chains, related to alleged Uyghur forced labour. In response to the allegation, the company stated that it has not procured any goods originating from Xinjiang from direct suppliers. However, it does not disclose concrete steps it has taken to address the risks of alleged Uyghur forced labour across raw materials and supply chain tiers.

Additional steps the company could take to address forced labor risks in its supply chains, include strengthening its disclosure and practices on the themes of Worker Voice, Recruitment, and Remedy.

#### LEADING PRACTICES

None.

#### OPPORTUNITIES FOR IMPROVEMENT

**Worker Voice:** To evidence its commitment to improving working conditions in its supply chain, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements. Further, while the company discloses grievance channels open to workers in its supply chain, it may consider disclosing data about the practical operation of these mechanisms, such as the number of grievances filed, addressed, and resolved and whether grievances were raised by workers or worker representatives.

**Recruitment:** To avoid exploitation of migrant workers in its supply chains, the company is encouraged to strengthen its recruitment-fees policy to require that such fees be paid by the employer ("Employer Pays Principle") and disclose how it ensures the implementation of this through the prevention of fees in its supply chains, such as through: mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. It may also consider steps to ensure that such fees are reimbursed to the workers and/or to provide evidence of payment of recruitment-related fees by suppliers. The company may also consider providing details of how it supports responsible recruitment in its supply chains more broadly, for example, by taking concrete steps to trace labour agencies used by its suppliers, sharing due diligence findings on recruitment fees with peers or by creating demand for responsible recruitment agencies.

**Remedy:** The company may consider disclosing how it engages with affected parties in the process of investigating, and providing remedy, in cases of forced labour discovered in its supply chains. 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 in its supply chains.

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



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<sup>&</sup>lt;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 <a href="here">here</a>. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre <a href="here">website</a>.

<sup>&</sup>lt;sup>3</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. See <a href="here">here</a> for more information.