

# Apparel & Footwear Benchmark COMPANY SCORECARD 2023

# Kering SA (Kering)

TICKER MARKET CAPITALISATION

US\$88.36 billion

**HEADQUARTERS** 

France

**DISCLOSURES** 

PAR:KER

**UK Modern Slavery Act: Yes** 

California Transparency in Supply Chains Act: Yes

Australia Modern Slavery

Act: Yes

**OVERALL RANKING** 

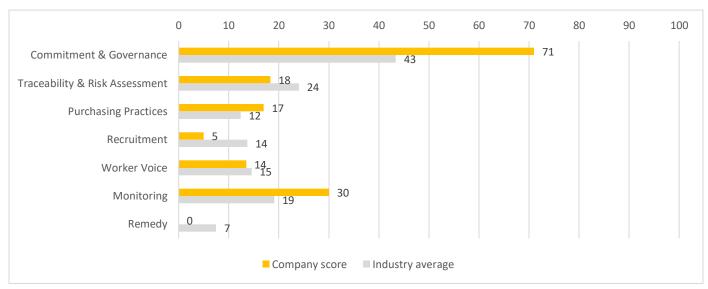
**24** out of **65** 

2021 Rank: 21 out of 37

# **OVERALL SCORE**

# 23 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**

Yes

# REMEDY FOR SUPPLY CHAIN WORKERS

No

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

Cashmere, cotton, leather, silk, and others



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#### **SUMMARY**

Kering SA (Kering), whose brands include Alexander McQueen and Gucci, ranks joint 24<sup>th</sup> out of 65 companies. Since 2021, the company improved on the themes of Traceability & Risk Assessment, Purchasing Practices, and Recruitment, disclosing cotton sourcing countries, partial data on women workers, payment terms, and updating its supplier code to prohibit the charging of recruitment fees. However, the company did not improve across other themes. As such, the company's rank has dropped by 3 places.<sup>3</sup> The company's score is based on its stronger performance on the themes of Commitment & Governance and Monitoring. However, the company scores lower than average on the themes of Traceability & Risk Assessment, Recruitment, Worker Voice and Remedy. The company has an opportunity to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Recruitment, and Remedy.

#### LEADING PRACTICES

None.

# **OPPORTUNITIES FOR IMPROVEMENT**

**Traceability & Risk Assessment**: While the company discloses carrying out a human rights risk assessment, focusing on raw material risks and monitoring risk indicators provided by Verisk Maplecroft, the company is encouraged to disclose further detail on the sources used and stakeholders engaged in identifying human rights risks. The company is further encouraged to disclose forced labour risks identified across different tiers of its supply chains. In addition to the disclosure of raw material sourcing countries for bovine leather, cotton, cashmere, silk, wool, sheep leather and lamb leather, the company is encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of its first-tier suppliers and the names and locations of below-first-tier suppliers.

**Recruitment**: While the company discloses a policy that prohibits worker-paid recruitment fees, the company is encouraged to strengthen its 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.

**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.

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

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

<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. In addition, the number of companies assessed in the ranking has increased from 37 in 2021 to 65 in 2023. See <a href="here">here</a> for more information.