

## Corporate Human Rights Benchmark 2018 Company Scoresheet



**Company Name** Hermes International  
**Industry** Apparel (Supply Chain and Own Operations)  
**Overall Score (\*)** 3.4 out of 100

Theme Score	Out of	For Theme
1.3	10	A. Governance and Policies
0.6	25	B. Embedding Respect and Human Rights Due Diligence
0.0	15	C. Remedies and Grievance Mechanisms
0.6	20	D. Performance: Company Human Rights Practices
0.7	20	E. Performance: Responses to Serious Allegations
0.3	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2018 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

### Detailed assessment

#### A. Governance and Policies (10% of Total)

##### A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: UNGC principles 1 &amp; 2: The Company indicates in the Annual report 2017 that it supports the UN Global Compact. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>Met: UDHR: The Company indicates in the Annual report 2017 that its ethics policy 'aligns with the universal framework set down by the major principles, standards and international agreements, and it notably adheres to: The Universal declaration of Human Rights [...]'. Although CHRB has not been able to find the ethics policy document, this information is contained in the Annual report of the Company, which can be considered a document signed off at top level. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: UNGPs [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: OECD: The Company indicates in the Annual report 2017 that its ethics policy 'aligns with the universal framework set down by the major principles, standards and international agreements, and it notably adheres to: [...], the OECD Guidelines'. Although CHRB has not been able to found the ethics policy document, this information is contained in the Annual report of the Company, which can be considered a document signed off at top level. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul>
A.1.2	Commitment to respect the human rights of workers	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: ILO Core: The Company states in its 2017 Annual Report that it notably adheres "the Charter of Fundamental Rights of the International Labour Organization, the principles of which are grouped according to the following themes: freedom of association, forced work, child labour, discrimination." The Company does not disclose an explicit commitment on collective bargaining. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>• Not met: UNGC principles 3-6</li> <li>• Not met: All four ILO for AP suppliers: See above [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: All four ILO Core: See above [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>• Not met: Respect H&amp;S of workers: The Annual Report 2017 includes a section about Health and Safety, however there is no direct commitment to respect health and safety of workers. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>• Not met: H&amp;S applies to AP suppliers: The Annual report 2017 includes a section about 'Suppliers monitoring' where it describes its plan to monitor its suppliers in relation to human rights, employee health and safety and environmental protection. However there is no statement about a commitment to respect health and safety of workers. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>• Not met: working hours for employees</li> <li>• Not met: Working hours for AP suppliers</li> </ul>
A.1.3.AP	Commitment to respect human rights particularly relevant to the industry (AP)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Women's Rights</li> <li>• Not met: Children's Rights</li> <li>• Not met: Migrant worker's rights</li> <li>• Not met: Expecting suppliers to respect these rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: CEDAW/Women's Empowerment Principles</li> <li>• Not met: Child Rights Convention/Business principles</li> <li>• Not met: Convention on migrant workers</li> <li>• Not met: Respecting the right to water</li> <li>• Not met: Expecting suppliers to respect these rights</li> </ul>
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Commits to stakeholder engagement: The Company indicates in its 2017 Annual report that it 'ensures dialogue and the development of harmonious relations with its stakeholders'. However there is no commitment to engage with its stakeholders. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>• Not met: Regular stakeholder engagement: Although the Company describes some initiatives they do not seem to include potentially and actually affected stakeholders. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Commits to remedy</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with AP suppliers to remedy impacts</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Zero tolerance attacks on HRs Defenders (HRDs)</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Expects AP suppliers to reflect company HRD commitments</li> </ul>

## A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: CEO or Board approves policy: In its Annual Report 2017 the Company indicates that its Ethics Charter is 'signed by the Management', however, it is not clear whether this document has been signed by the CEO or board member. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Board level responsibility for HRs: In its Annual Report 2017, the Company indicates that its 'sustainable development actions have been overseen by a Sustainable Development Committee, in which two members of the Executive Committee play an active role [...]'. However it is not clear if human rights issues are part of the tasks of this Committee. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul>
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Board/Committee review of salient HRs</li> <li>• Not met: Examples or trends re HR discussion</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both examples and process</li> </ul>
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Incentives for at least one board member</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Senior responsibility fo HR (inc ILO): Its Ethics Charter is not available in public domain. The analysis focus on what appear in its Annual Reports. In the Annual Report there is no specific mention to the Company's commitment to respect collective bargaining a requirement of this indicator and therefore the Company does not meet this indicator. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Day-to-day responsibility</li> <li>• Not met: Day-to-day responsibility in supply chain</li> </ul>
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Senior manager incentives for human rights</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>
B.1.3	Integration with enterprise	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: HR part of enterprise risk system</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
	risk management		Score 2 • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Communicates its policy to all workers in own operations: The Company states that its policy documents and commitments such as the Ethics Charter or the Business Code of Conduct are available at its Intranet and are also delivered to all employees. It also indicates that the Group's ethics charter has been released in ten languages. However, it does not indicate to which languages has been translated and it does not indicate whether the policy covers the ILO core area of collective bargaining. [Annual report, 2016: <a href="http://finance.hermes.com">finance.hermes.com</a> ] Score 2 • Not met: Communication of policy commitments to stakeholder • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Steps to communicate policy commitments to BRs: Its Ethics Charter is not available in public domain. The analysis focus on what appears in its Annual Reports. In the Annual Report there is no specific mention to the Company's commitment to respect collective bargaining and to extend this compromise to its suppliers, so the Company can not met this indicator. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a> ] • Not met: Including to AP suppliers: See above Score 2 • Not met: How HR commitments made binding/contractual: The Company "is formally asking suppliers for their support in complying with its corporate and regulatory responsibilities. The Group is also asking them to check their own suppliers, throughout their supply chain, to ensure that they are fulfilling their obligations. The contract clauses provide for the possibility of verifying that these undertakings." Although CHRB could find some reference in this audits about Health and Safety issues, there are no specific reference to all human rights matters. [Annual report, 2016: <a href="http://finance.hermes.com">finance.hermes.com</a> ] • Not met: Including on AP suppliers: See above
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Trains all workers on HR policy commitments: It constantly refers to EHS (Environment and Health and Safety) training, but it dos not cover all HR issues. [Annual report, 2016: <a href="http://finance.hermes.com">finance.hermes.com</a> ] • Not met: Trains relevant managers including procurement Score 2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Monitoring implementation of HR policy commitments: Although the Company describes a monitoring plan regarding its suppliers, in particular in relation to human rights, its Ethics Charter is not available in public domain. The evaluation is based on what appears in its Annual Reports, where it is not clear that the Company commits to respect all ILO core or that it extends this commitment to its suppliers. For this reason the Company can not meet this indicator. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a> ] • Not met: Monitoring AP suppliers: See above [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a> ] Score 2 • Not met: Describes corrective action process • Not met: Example of corrective action • Not met: Discloses % of supply chain monitored
B.1.7	Engaging business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: HR affects selection of suppliers: The Company indicates in its Annual Report 2017 that it 'is committed to supporting the sustainability of our partners, and maintaining balanced relationships characterised by goodwill and high standards: we ensure that they comply with and share our social, environmental and ethical ambitions'. In addition it states: 'Hermès formally asks suppliers for their engagement in complying with its corporate and regulatory responsibilities, through guidebooks on undertakings that are updated on a regular basis (non-

Indicator Code	Indicator name	Score (out of 2)	Explanation
			disclosure , fair trading and corporate social, environmental and ethical policies). In particular they include the following sections: Good practices in relation to social responsibility: this section deals with the following subjects: child labour, forced labour, compliance with health and safety rules, respect for freedom of association, non discrimination, working time, compensation, clandestine workers'. However, it is not clear whether the Company carries out active due diligence with potential suppliers prior to contracting. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a> ] <ul style="list-style-type: none"> <li>• Not met: HR affects on-going supplier relationships: Although the Company indicates in its Annual Report that 'Each métier is responsible for challenges identified and monitoring the implementation of corrective actions with suppliers', there is no further information about how a non compliance or a violation could affect the decisions to renew, expand or terminate business relationships. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> <li>• Not met: Working with suppliers to improve performance</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Stakeholder process or systems</li> <li>• Not met: Frequency and triggers for engagement</li> <li>• Not met: workers in the SP engaged</li> <li>• Not met: communities in the SC engaged</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Analysis of stakeholder views and company's actions on them</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Identifying risks in own operations</li> <li>• Met: Identifying risks in AP suppliers: In its Annual Report 2017, the Company describes its plan to monitor its suppliers in relation to human rights, employee health and safety and environmental protection, according to the Duty of Care. This plan includes a process of risk assessment and risk mapping. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Ongoing global risk identification</li> <li>• Not met: In consultation with stakeholders</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Salient risk assessment (and context): In its Annual Report 2017, the Company describes its plan to monitor its suppliers in relation to human rights, employee health and safety and environmental protection, according to the Duty of Care. This plan includes a process of risk assessment and risk mapping. However there is no further information about how the company identifies its salient human rights issues. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>• Not met: Public disclosure of salient risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Action Plans to mitigate risks</li> <li>• Not met: Example of Actions decided</li> <li>• Not met: Including in AP supply chain</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: System to check if Actions are effective</li> <li>• Not met: Lessons learnt from checking effectiveness</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Comms plan re identifying risks</li> <li>• Not met: Comms plan re assessing risks</li> <li>• Not met: Comms plan re action plans for risks</li> <li>• Not met: Comms plan re reviewing action plans</li> <li>• Not met: Including AP suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

### C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Channel accessible to all workers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Number grievances filed, addressed or resolved</li> <li>• Not met: Channel is available in all appropriate languages</li> <li>• Not met: Expect AP supplier to have equivalent grievance systems</li> <li>• Not met: Opens own system to AP supplier workers</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Grievance mechanism for community: In its 2016 Annual Report, the Company make a reference to: "one complaint for olfactory pollution was received in September 2016, from a neighbour of the Annonay tannery. It was looked into immediately; a search for the cause was conducted and corrective measures taken." However, CHRB could not find a proper grievance channel more than the "Contact" site on its web. [Annual report, 2016: <a href="http://finance.hermes.com">finance.hermes.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages</li> <li>• Not met: Expects AP supplier to have community grievance systems</li> <li>• Not met: AP supplier communities use global system</li> </ul>
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Engages users to create or assess system</li> <li>• Not met: Description of how they do this</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Engages with users on system performance</li> <li>• Not met: Provides user engagement example on performance</li> <li>• Not met: AP suppliers consult users in creation or assessment</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Response timescales</li> <li>• Not met: How complainants will be informed</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Escalation to senior/independent level</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Public statement prohibiting retaliation</li> <li>• Not met: Practical measures to prevent retaliation</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Has not retaliated in practice</li> <li>• Not met: Expects AG suppliers to prohibit retaliation</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Won't impede state based mechanisms</li> <li>• Not met: Complainants not asked to waive rights</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Will work with state based or non judicial mechanisms</li> <li>• Not met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.1.a	Living wage (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Living wage target timeframe: "Hermès, the great majority of whose employees work in OECD countries, strictly applies working time and minimum wage regulations in compliance with UN conventions and seeks to exceed such regulations wherever possible." CHRB could not find more information about how the Company seeks to exceed minimum wage regulations, target timeframes, etc. [Annual report, 2016: <a href="http://finance.hermes.com">finance.hermes.com</a>]</li> <li>• Not met: Describes how living wage determined</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Achieved payment of living wage</li> <li>• Not met: Regularly review definition of living wage with unions</li> </ul>
D.2.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Living wage in supplier code or contracts</li> <li>• Not met: Improving living wage practices of suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made</li> </ul>
D.2.2	Aligning purchasing decisions with human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Avoids business model pressure on HRs</li> <li>• Not met: Positive incentives to respect human rights</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
D.2.3	Mapping and disclosing the supply chain	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Identifies suppliers back to product source (farm, ranch etc): The information in its Annual Report 2017 about location of factories used by the Company is not complete. There is no evidence to show that the Company maps direct and indirect suppliers. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Discloses significant parts of supply chain and why</li> </ul>
D.2.4.a	Child labour: Age verification and corrective actions (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Does not use child labour</li> <li>• Not met: Age verification of applicants and workers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Remediation if children identified</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.4.b	Child labour: Age verification and corrective actions (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Child Labour rules in codes or contracts: The Annual Report 2017 indicates the existence of guidebooks which contain 'Good practices in relation to social responsibility', including child labour. However, these guidebooks are not available in the public domain, so it is not clear that they contain guidelines on verification of age and corrective actions. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>Not met: How working with suppliers on child labour</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.5.a	Forced labour: Debt bondage and other unacceptable financial costs (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Pays workers in full and on time</li> <li>Not met: Payslips show any legitimate deductions</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters</li> </ul>
D.2.5.b	Forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Debt and fees rules in codes or contracts</li> <li>Not met: How working with suppliers on debt &amp; fees</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.5.c	Forced labour: Restrictions on workers (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Does not retain documents or restrict movement</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: How sure about agencies or brokers</li> </ul>
D.2.5.d	Forced labour: Restrictions on workers (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Free movement rules in codes or contracts: The Annual Report 2017 indicates the existence of guidebooks which contain 'Good practices in relation to social responsibility', including child labour. However, these guidebooks are not available in the public domain, so it is not clear that they contain guidelines on freedom of movements. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.6.a	Freedom of association and collective bargaining (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation: Its Annual Report 2017 indicates that: 'p, social dialogue is a priority and is organised in each country according to local laws and regulations. In France, Hermès ensures that these obligations are adhered to.' The commitment is only focus on France, there is no global commitment. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a>]</li> <li>Not met: Discloses % covered by collective bargaining: Although the Company discloses in the annual report 2016 information about the development of annual meeting for social dialogue which involve representative trade unions, it does not report on the % of workforce covered by collective bargaining agreements. [Annual report, 2016: <a href="https://finance.hermes.com">finance.hermes.com</a>]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 • Not met: Both requirement under score 1 met
D.2.6.b	Freedom of association and collective bargaining (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: FoA & CB rules in codes or contracts • Not met: How working with suppliers on FoA and CB Score 2 • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.2.7.a	Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 • Met: Injury Rate disclosures: Its Annual Report 2017 indicates that: 'the frequency rate of workplace accidents with stoppage for the Group as a whole stood at 10.1 for a severity rate of 0.46.' [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a> ] • Not met: Lost days or near miss disclosure: The Company discloses data, in the annual report 2016, on frequency rate of lost-time accidents, which was 14,9, and severity rate, which was 0,63. But only for the workforce located in France which represents 70% of employees. • Not met: Fatalities disclosures Score 2 • Not met: Set targets for H&S performance • Not met: Met targets or explains why not
D.2.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Sets out clear Health and Safety requirements • Not met: Injury rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosures Score 2 • Not met: How working with suppliers on H&S • Not met: Provide analysis of trends in progress made
D.2.8.a	Women's rights (in own production or manufacturing operations)	1	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Process to stop harassment and violence • Not met: Working conditions take account of gender • Met: Equality of opportunity at all levels: In its Annual Report 2017, the Company indicates: 'Women have an important role within the Group (67% of employees). They play a definite leadership role, with almost 60% of women executives holding management positions. At Group level, women executives represent 14.2% of staff, compared to 9.6% for men.' In addition the Company states: 'The Group is committed to the principles of recognition and respect, irrespective of one's origin, gender, family situation or profession. This respect for differences is presented to the employees in the ethics charter that serves as the guarantor of the objectivity, equal opportunity and promotion of diversity without discrimination as part of recruiting, career progress and daily management'. [Annual report, 2017: <a href="https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com">https://finance.hermes.com/en/Reports-and-Presentations/Annual-reports#finance.hermes.com</a> ] Score 2 • Not met: Meets all of the requirements under score 1
D.2.8.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Women's rights in codes or contracts • Not met: How working with suppliers on women's rights Score 2 • Not met: Both requirement under score 1 met • Not met: Provide analysis of trends in progress made
D.2.9.a	Working hours (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Respects max hours, min breaks and rest periods in its own operations Score 2 • Not met: How it implements and checks this
D.2.9.b	Working hours (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Working hours in codes or contracts • Not met: How working with suppliers on working hours

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made</li> </ul>

### E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity thresholds were found, and so the score of 2.68 out of 80 points scored in themes A-D & F has been applied to produce a score of 0.67 out of 20 points for theme E.

### F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	0.25 out of 4	Out of a total of 48 indicators assessed under sections A-D of the benchmark, Hermes International made data public that met one or more elements of the methodology in 3 cases, leading to a disclosure score of 0.25 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> <li>• Not met: Company reports on GRI</li> <li>• Not met: Company reports on SASB</li> <li>• Not met: Company reports on UNGPRF</li> </ul>
F.3	Key, High Quality Disclosures	0 out of 4	Hermes International met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s)</li> </ul> Discussing challenges openly <ul style="list-style-type: none"> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned</li> </ul> Demonstrating a forward focus <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> <li>• Not met: Score 1 for D.2.1.a : Living wage (in own production or manufacturing operations)</li> <li>• Not met: Score 2 for D.2.7.a : Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)</li> </ul>

#### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2018 Key Findings report for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.