



CORE OCRE



Final Report: Alternative Dispute Resolution

Hugo Boss Canada Inc.

Country: China

File number: 220846

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About the CORE

The Canada Ombudsperson for Responsible Enterprise (CORE) is a business and human rights grievance mechanism established by the Government of Canada. People can file complaints with the CORE about possible human rights abuses arising from the operations of Canadian garment, mining, and oil and gas companies outside of Canada.

For more information, see the [Canada Ombudsperson for Responsible Enterprise](#) website.

What is the purpose of this report?

The CORE is reporting on the termination of the complaint filed by a coalition of 28 Canadian organizations on June 21, 2022, about the activities of Hugo Boss Canada Inc.

The information in this report has no adverse effect on any person including the parties to the complaint and, as such, Section 16 of the CORE's [Order in Council](#) (OIC), is not applicable to the publication of this report.

Who are the parties to the complaint?

The Complainants are a coalition of 28 Canadian organizations listed in [Appendix I](#).

The Respondent, Hugo Boss Canada Inc. is a Canadian garment company. It was incorporated under the *Ontario Business Act* on June 19, 1991, under the corporation number 946585.

What is the complaint about?

- The complaint alleges that Hugo Boss Canada Inc. has a supply relationship with a Chinese company – Esquel Textile Co. Ltd. (“Esquel”) – which the Australian Strategic Policy Institute (ASPI) has identified in its report [Uyghurs for Sale](#) as using or benefiting from Uyghur forced labour.¹
- In addition, the complaint alleges a link between Hugo Boss Canada Inc. and Texhong Textile Group, a Chinese company, which the Sheffield Hallam University report [Laundering Cotton](#) identifies as using or benefiting from Uyghur forced labour.²
- The complaint also notes that Hugo Boss is currently the subject of a criminal complaint in Germany. According to the complaint, the European Center for Constitutional and Human Rights, which reportedly filed the case, has accused Hugo Boss of illegally benefiting from Uyghur forced labour.

¹ Australian Strategic Policy Institute (ASPI), “Uyghurs for Sale,” (March 2020) <https://www.aspi.org.au/report/uyghurs-sale>.

² Sheffield Hallam University, “Laundering Cotton,” (November 2021), <https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/laundered-cotton>.



Part 1 - Background

Summary of the complaint process to date

1. On July 20, 2022, based on the information provided by the Complainants, the Ombud decided that the complaint was admissible pursuant to Section 6.1 of the [Operating Procedures](#) (OP). This means that the Ombud decided there was sufficient information in the complaint to form a reasonable belief that each of the 3 admissibility criteria was met. The complaint then moved to the initial assessment stage of the complaint process.
2. On May 31, 2023, a draft version of the Initial assessment report was sent to the parties for comments. Following receipt of the parties' comments, the Ombud decided to launch an investigation using independent fact finding and the final [Initial assessment report](#) was published on August 21, 2023.
3. Following publication of the Initial assessment report, Hugo Boss Canada requested to meet with the CORE to discuss the terms of reference for the review, the application of the CORE's operating procedures to the review, and Hugo Boss Canada's proposed role in the review. On November 2, 2023, the CORE met with representatives of Hugo Boss Canada.

Part 2 – Meeting between the CORE and Hugo Boss Canada

4. At the meeting of November 2, 2023, Hugo Boss Canada sought clarification regarding the CORE's investigation process and inquired about the CORE's alternative dispute resolution (ADR) options. The Ombud explained the CORE's investigation process as well as other stages of the complaint process and emphasized that informal mediation services remain available to parties throughout the complaint process. The CORE advised Hugo Boss Canada that it would proceed with its investigation of Hugo Boss Canada unless parties agreed otherwise.
5. On November 8, 2023, Hugo Boss Canada informed the CORE of its willingness to discuss and resolve the complaint with the Complainants through the CORE's informal mediation services.
6. On November 16, 2023, the Complainants indicated willingness to engage with Hugo Boss Canada.
7. On November 16, 2023, with the agreement of the parties, the CORE delayed the proposed investigation of Hugo Boss Canada to facilitate discussion between the parties.



Part 3 – Summary of direct discussion between the Complainant and Hugo Boss Canada

8. Between November 16, 2023, and March 4, 2024, the parties executed a Non-Disclosure Agreement (NDA) and engaged in direct discussions.
9. On March 4, 2024, the Complainants informed the CORE that Hugo Boss Canada had “provided a satisfactory response or remedy” to the allegations in the complaint and wanted to withdraw the complaint against Hugo Boss Canada.
10. On March 7, 2024, based on the Complainant’s request to withdraw the complaint against the Respondent, the CORE notified the parties of its decision to: 1) terminate the complaint against Hugo Boss Canada pursuant to Section 14.1.6 of the [OP](#); and, 2) reserve the right to publish a final report pursuant to Section 14(2) of the [OIC](#).

Part 4 – Conclusion

11. As provided in Section 14.1.6 of the CORE’s [OP](#), the Ombud has the discretion to terminate a review of a complaint if the parties have come to an agreement during the informal mediation process.
12. Based on the outcome of the direct discussions between the Complainants and Hugo Boss Canada, the CORE has formally terminated the review of the complaint against Hugo Boss Canada Inc., effective March 7, 2024.
13. The CORE supports the initiative to seek an amicable settlement of the complaint through ADR and was informed that Hugo Boss Canada had the opportunity to address the Complainant’s allegations, and both parties made reasonable efforts to engage in problem-solving through dialogue and sharing of documents and information.

Part 5 - Recommendations to Hugo Boss Canada

14. In accordance with Section 11(1) of the CORE’s [OIC](#), the Ombud recommends that Hugo Boss Canada continues to maintain a [comprehensive approach](#) to fulfil its responsibility to respect human rights in line with the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#) (PDF) and the [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#) .



Appendix I: Coalition of 28 civil society organizations

1. Canadians in Support of Refugees in Dire Need (CSRDN)
2. Alliance Canada Hong Kong
3. Anatolia Islamic Centre
4. Canada Tibet Committee
5. Canadians Against Oppression & Persecution
6. Canadian Council of Muslim Women (CCMW)
7. Canadian Council of Imams (CCI)
8. Canada-Hong Kong Link
9. Doctors for Humanity
10. East Turkistan Association of Canada
11. End Transplant Abuse in China (ETAC)
12. Human Rights Research and Education Centre, University of Ottawa
13. Human Concern International (HCI)
14. Islamic Circle of North America Canada (ICNA)
15. Islamic Society of North America (ISNA)
16. Justice for All
17. Lawyers for Humanity
18. Muslim Association Canada (MAC)
19. National Council of Canadian Muslims (NCCM)
20. Raoul Wallenberg Centre for Human Rights
21. Canadian Security Research Group
22. Share 2 Care (S2C)
23. Stop Uyghur Genocide Canada
24. Toronto Association for Democracy in China
25. Union of Medical care and Relief Organizations-Canada (UOSSM)
26. Uyghur Refugee Relief Fund
27. Uyghur Rights Advocacy Project
28. Vancouver Society in Support of Democratic Movement