

*Supplier and
Business Partner
Code of Conduct*

LVMH

Supplier and Business Partner Code of Conduct

September 2024

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The LVMH group (the “LVMH Group” or the “Group”)¹ comprises exceptional Maisons that design, create, manufacture and/or sell high quality products or services. The LVMH Group attaches great importance to ensuring that its business partners, including but not limited to suppliers, service providers, distributors, manufacturers, landlords or any third party with a business relationship with any entity within the Group (collectively, “Business Partners”), as well as their subcontractors, share a set of common rules, practices, and principles with the Group with respect to labor standards and social responsibility, protection of the environment, and ethics and business integrity.

Consequently, the LVMH Group establishes and promotes exemplary relations with all its Business Partners anchored in responsibility, fairness, and integrity.

The LVMH Group therefore requires its Business Partners to respect the principles set forth in this Supplier and Business Partner Code of Conduct (the “Code”), to put in place adequate internal policies and measures (including monitoring) to ensure compliance with this Code, and to ensure that their own suppliers and subcontractors respect the principles set forth in this Code.

In the conduct of its activities, the LVMH Group is committed to complying with all applicable laws, regulations, and national and international conventions, as well as with best practices, in particular with regards to labor standards and social responsibility, protection of the environment, and ethics and business integrity.

The LVMH Group expects its Business Partners to apply the same respect for applicable laws, regulations, conventions, and ethics and business principles in the management of their own companies.

When an applicable legislation or regulation and this Code address the same topics with different standards, the highest standards shall apply.

¹ *References in this Code to the LVMH Group include LVMH Moët Hennessy Louis Vuitton SE and each of the entities which are directly or indirectly controlled by LVMH Moët Hennessy Louis Vuitton SE which may act independent of the other including in the control of the information as provided in this Code.*

Labor standards and social responsibilities

The LVMH Group requires its Business Partners to exhibit exemplary social responsibility in their conduct.

Prohibition of child labor

Work by children under the age of 16 is strictly prohibited. In countries where local laws set a higher age for child labor or set an age for completion of compulsory education higher than 16, the highest age is applicable. Workers under the age of 18 shall not perform any overtime or hazardous work or work a night shift. Business Partners may use lawful, properly-managed workplace apprenticeship programs, such as student internships.

Prohibition of forced labor and human trafficking

The LVMH Group does not tolerate any form of abusive or illegal labor in its supply chain such as forced labor or human trafficking. All forms of forced labor, slavery, servitude or trafficking in human beings by Business Partners, as well as withholding identity papers or work permits or requiring workers to deposit a bond or the use of any other constraint, is strictly prohibited. All workers are entitled to accept or leave their employment freely. Business Partners must respect workers freedom of movement. Business Partners cannot require workers to work to repay a debt to them or to a third party.

Prohibition of illegal, clandestine, and undeclared employment

Business Partners are required to comply with all applicable regulations and take all appropriate measures to prevent illegal, clandestine, and undeclared employment.

Prohibition of harassment and abuse

Business Partners are expected to treat their workers with respect and dignity. Business Partners must refrain and prohibit all forms of intimidation, humiliation, threats, abuse, violence, corporal punishment, and physical, sexual, verbal, or moral harassment expressed through behavior, actions, or gestures, or in writing.

Prohibition of discrimination

Business Partners are expected to treat all workers equally and fairly. Business Partners commit not to engage in any kind of discrimination – in particular with regards to hiring, pay, working hours, time off or paid leave, maternity or paternity protection, job security, job assignments, evaluations, training, career prospects – based on ethnic, national, social, or cultural origin, gender, sexual orientation, disability, age, family situation, religion, political beliefs, or union affiliation.

Fair wages and benefits

Business Partners commit to have fair and equitable pay practices. Wages must be paid in full, on a regular basis (at least monthly) and without delay. Business Partners must compensate workers for overtime hours at the legal rate and meet all legal requirements relating to worker benefits. If there is no legal minimum wage or rate for overtime pay in the country concerned, Business Partners must ensure that the wages are at least equal to the average minimum in the relevant industrial sector and that overtime pay is at least the same as the usual hourly compensation. Wages must be sufficient to meet the workers' basic needs and provide some discretionary income. Deductions from wages shall be authorized only under the conditions and within the limits prescribed by national legislation or laid down by a collective agreement or an arbitration award or administrative decision. Business Partners must communicate pay structure and pay periods to each worker. Business Partners guarantee that all workers receive benefits stipulated by applicable law or in any applicable collective bargaining agreements, company agreements, and other applicable negotiated individual or collective agreements.

Working hours

Business Partners must comply with all local laws and regulations applicable with respect to working hours, which shall not in any case exceed the maximum set by internationally recognized standards such as the International Labour Organization. Business Partners cannot impose excessive overtime hours. The total number of hours worked per week including overtime cannot exceed legal limits. Workers are entitled to at least the minimum number of days off established by applicable laws and at minimum must have at least one day off in every seven-day period.

Freedom of association

Business Partners must respect and recognize the right of workers to negotiate collectively, and to create or join labor organizations of their choice without any sanction, discrimination, or harassment. When applicable, Business Partners must provide workers' representatives with appropriate means to exercise their rights. Intimidation, threats, or discriminatory practices against workers' representatives are prohibited.

Ensuring health and safety

In line with the LVMH Health & Safety Charter, Business Partners are expected to provide their workers with a safe and healthy workplace environment in order to avoid accidents, bodily injuries, or exposure to danger which may be caused by, related to, or result from their work, including during the operation of equipment, of chemical products, or during work-related travel. Business Partners are expected to set up procedures and trainings to detect, avoid, and mitigate as much as possible any hazards that constitute a risk to the health, hygiene, and safety of staff. Business Partners are required, at a minimum, to comply with all applicable local and international regulations and laws in this regard. Health and safety instructions must be put in place and widely communicated. Compliance by workers must be regularly evaluated. Workers must be provided with protective equipment appropriate to their activities. These same principles are applicable to housing provided by Business Partners.

Protecting local communities and indigenous populations

As a responsible and committed group present around the world, the LVMH Group strives to have a positive influence on the societies and regions in which it operates, prevent any damage to local communities and requires its Business Partners to apply the same behavior. When operating with indigenous populations, as defined by the United Nations Declaration on the Rights of Indigenous Peoples, Business Partners must seek free, prior, and informed consent (FPIC) and ensure their human rights capacity.

Environmental compliance and performance

The LVMH Group has established an environmental strategy and takes concrete measures to protect the environment within the scope of a specific program which includes cooperation with its Business Partners to ensure application of best practices throughout the supply chain.

The LVMH Group has been a member of the United Nations Global Compact since 2003 and expects its Business Partners to share this commitment. It encourages their initiatives to reduce the environmental impact of their activities by using the best environmental solutions:

- apply a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility;
- encourage the development and diffusion of environmentally friendly technologies.

The LVMH Group encourages its Business Partners to share their environmental data with the entities within the Group with which they do business.

The LVMH Group requires that its Business Partners respect applicable local and international environmental laws, regulations, and best professional standards, obtain all requisite environmental permits, and that they be able to prove effective implementation of the following, where applicable:

Operations (sites, manufacture...)

- Application of an environmental management system established in accordance with current standards, especially for companies with more than 50 employees;
- Improvements in the environmental performance of their sites and production resources, in particular through proper waste management, elimination of air, waste water, and soil pollution (including aquifers), reduction of greenhouse gas emissions with an emphasis on use of renewable energies, reduction of water and energy consumption;
- Measures to ensure that workers whose activities have direct environmental impact are trained, skilled, and have the resources required to effectively perform their work in consideration of these environmental commitments, especially for companies with more than 50 employees.

Raw materials, components, products and packaging

- Contributions to continuous improvements in environmental performance throughout the lifecycle of the products of the LVMH Group. For instance, Business Partners are committed to share with the entity(ies) within the LVMH Group with which they have a business relationship the most responsible options (certified materials, recycled materials, materials sourced with regenerative agriculture practices....), when reasonably available;
- Measures to ensure safe chemical management and chemical compliance of products and raw materials with applicable regulations and the best professional standards, including the LVMH Restricted Substances List;
- Measures to preserve biodiversity and ensure compliance with relevant environmental international standards and regulations such as CITES;
- Measures to ensure the absence of any direct or indirect link with illegal deforestation or deforestation in high risk areas;
- Measures to avoid sourcing from areas of high water stress;
- Measures to guarantee traceability, share information with regard to raw material origin, and compliance for raw materials and substances used;
- Measures implemented across the supply chain to respect animal welfare and implementation of the requirements defined in LVMH Animal Based Raw Materials Charter.

Green IT

The LVMH Group aims to reduce the environmental footprint of its information systems. Business Partners must be transparent about the environmental footprint of the IT solutions they provide to the Group and cooperate in reducing this footprint if necessary.

Ethics and business integrity requirements

The LVMH Group requires exemplary integrity from its Business Partners in the conduct of their business activities. The Group expects its Business Partners to act in full compliance with applicable local, national, and international laws and regulations in the conduct of their business, in particular in the following areas: fight against corruption, respect of international sanctions, anti-money laundering, respect of competition, prevention of insider trading and protection of personal information.

Prohibition of all forms of corruption

The LVMH Group applies a zero-tolerance policy concerning corruption and influence peddling. The Group expects its Business Partners to take appropriate measures to prevent, detect, and discipline any corruption, bribery or influence peddling, directly or indirectly, across the scope of their activities. This includes a prohibition of so-called facilitation payments or other benefits provided to public officials for routine actions.

Gifts and invitations

Caution must be exercised when it comes to gifts and invitations as they can be used to commit corruption or influence peddling. Any gifts or invitations, whether offered or received, must be reasonable in nature and value, be offered and accepted with complete transparency, be occasional, not be offered during negotiations, calls for tenders, or competitive bidding, be offered in a business context and not with an expectation that something will be offered in return.

Prevention of conflicts of interest

Business Partners must make every effort to prevent the occurrence of situations that create an actual, perceived, or potential conflict of interest within the scope of their business relationship with any member of the LVMH Group.

Prohibition of money-laundering

Business Partners must take all appropriate measures to prevent their operations from being used as vehicles for money-laundering.

Respect of competition laws

Business Partners commit to take all appropriate measures to prevent abuse of dominant position, as well as anti-competitive agreements or concerted practices, such as price-fixing, limitation of production volumes, market or customer allocation, boycotts between competitors or the imposition of fixed or minimum resale prices.

Prevention of insider trading

Business Partners must refrain from selling or buying shares in LVMH – Moët Hennessy Louis Vuitton SE (“LVMH shares”), as well as any derivatives or any other financial instruments linked to LVMH shares², based on inside information, either directly or indirectly.

² Financial instruments linked to the LVMH shares include shares in Christian Dior SE.

Confidentiality

Business Partners commit to taking all necessary measures to guarantee the confidentiality of professional secrets and other non-public information they receive or access in the course of their business relationship with the LVMH Group.

Privacy and personal data protection

Business Partners must take all appropriate measures to comply with all applicable laws and regulations regarding privacy and personal data protection.

Artificial Intelligence

Business Partners must inform in advance the entities within the LVMH Group with which they are in a business relationship of any use of artificial intelligence (traditional or generative) considered in the context of services rendered to these entities. They must comply with all applicable laws and regulations concerning artificial intelligence. Business Partners must adopt a responsible approach with regards to the artificial intelligence they provide to the Group or use in the context of services rendered for the Group. They also commit not to use Group data to train their artificial intelligence systems or models for their own purposes, except with the prior written consent of the Group or the relevant entities within the Group.

Customs and security authorities

Business Partners must comply with applicable customs laws and regulations, including those relating to imports and the ban on transshipment of merchandise to the importing country.

Trade restrictions and international sanctions

Business Partners must respect all applicable international trade restrictions and economic and trade sanctions, as well as all applicable laws and regulations concerning export and import controls, taking into account any changes in these measures.

Protection of assets

Business Partners are required to take all necessary measures to respect and ensure the respect of rights related to the resources and assets of the entities within the Group with which they have a business relationship, in particular their brand image and intellectual property rights.

Public statements

Business Partners are expected to be extremely attentive to their public statements, particularly on the Internet and in social media, and to ensure that none of those statements are attributed to any entity belonging to the LVMH Group or their shareholders, directors, officers or employees, and are consistent with Business Partners' commitment to both confidentiality and respect of professional secrets.

Information transparency

Business Partners are required to provide clear and accurate information regarding the methods and resources used, production sites, and characteristics of the products or services supplied, and to refrain from making any misleading claims.

Subcontracting

Business Partners cannot subcontract any of their obligations owed to the LVMH Group and/or its entities unless LVMH or the relevant entity has authorized such subcontracting in a prior written agreement.

Business Partners must ensure that their subcontractors comply with the principles set forth in this Code.

Business Partner grievance mechanism and LVMH Alert Line

Business Partner's grievance mechanism or alert system

Business Partners must establish processes or mechanisms by which workers and stakeholders can raise issues of concern without fear of retaliation or negative impact.

LVMH Alert Line

Business Partners and their employees have access to the LVMH Alert Line, an online interface that provides a confidential and secure way of reporting, in good faith, violations or risk of violation of applicable laws or regulations, or of the principles set forth in this Code or in the LVMH Code of Conduct. Reports are processed as described in the LVMH Group Alert Policy which can be accessed at: <https://www.lvmh.com/lvmh-alert-line/>. A Business Partner's relationship with the LVMH Group will not be affected by a report of potential misconduct made in good faith.

The LVMH Alert Line, which is also open to LVMH Group's employees and other external stakeholders, can be accessed through LVMH.com or directly at: <https://alertline.lvmh.com>.

Compliance with the Code

Each of the entities within the LVMH Group reserves the right to control compliance with the principles set forth in this Code by Business Partners. Any audit will be related to the business relationship between the relevant entity within the LVMH Group and the Business Partner, and will be performed by the relevant entity of the Group or a duly mandated third party. If a Business Partner is subject to specific professional obligations pursuant to law, any audit will be carried out taking into consideration these professional obligations.

When a Business Partner is authorized to subcontract any of its obligations under the conditions defined in the “Subcontracting” section above, the Business Partner undertakes to control the compliance with the principles set forth in this Code by its subcontractor and to fully cooperate in the event of an audit conducted by the LVMH Group.

Business Partners shall provide upon request any supporting documentation or information attesting compliance with this Code.

Business Partners must commit to improving or correcting any deficiencies identified. The entities of the LVMH Group may also support Business Partners in implementing and applying best practices in order to resolve non-conformity issues.

In the event of non-conformity with this Code by a Business Partner, each of the entity(ies) within the LVMH Group which has a business relationship with such Business Partner reserves the right to require correction of the violations, suspend purchases, refuse to take delivery under any purchase order and return any goods from the Business Partner until the non-conformities have been corrected, and may terminate its business relationship with the Business Partner, in addition to any other rights or remedies available to such entity(ies) within the Group.

Acknowledgement

As a condition of doing business with an entity within the LVMH Group, the below Business Partner certifies that it will comply with this Code and its requirements.

Executed as of this: _____ (Day) of _____ (Month), _____ (Year).

Name: _____

Address: _____

DUNS #: _____

Representative Name and Position: _____

Representative Signature: _____

Chop/Stamp (if applicable): _____



LVMH