

*Canadian Modern
Slavery Report
for financial year ending
December 2023*

LVMH

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Our Commitment

The Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) requires entities to comply with reporting obligations concerning the steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of their supply chain. We, LVMH Moët Hennessy Louis Vuitton SE and each of the entities covered by this report (the “LVMH Group”, “LVMH” or the “Group”), are fully committed to playing our part in eradicating forced labour and child labour.

In line with this commitment, this Report is being made by LVMH Group on behalf of LVMH Moët Hennessy Louis Vuitton SE and the following subsidiaries of LVMH Moët Hennessy Louis Vuitton SE:

Perfumes and Cosmetics

GUERLAIN SA
GUERLAIN CANADA LTD
ACQUA DI PARMA SRL
ACQUA DI PARMA CANADA INC.
PARFUMS CHRISTIAN DIOR SA
PARFUMS CHRISTIAN DIOR CANADA INC.
LVMH FRAGRANCE BRANDS SAS
LVMH FRAGRANCE BRANDS CANADA LTD
PERFUMES LOEWE SA
BENEFIT COSMETICS LLC
BENEFIT COSMETICS SERVICES CANADA INC.
MAKE UP FOR EVER SAS
MAKE UP FOR EVER CANADA LTD
FRESH INC.
FRESH F21 CANADA INC.
KENDO HOLDINGS INC.
PARFUM FRANCIS KURKDJIAN SAS

Fashion & Leather goods

LOEWE SA
LOEWE CANADA INC.
BERLUTI SA
RIMOWA GMBH
RIMOWA NORTH AMERICA INC.
LORO PIANA SPA
LORO PIANA CANADA INC.
CELINE SA
CELINE CANADA INC.
FENDI SRL
FENDI CANADA INC.
GIVENCHY SA
KENZO SA
MARC JACOBS INTERNATIONAL LLC
MARC JACOBS INTERNATIONAL CANADA INC.
THELIOS SPA
THELIOS USA INC.
BARTON PERREIRA LLC

Selective retailing

24 SEVRES SAS

Watches & Jewelry

LVMH SWISS MANUFACTURES SA

BULGARI SPA

BULGARI CANADA LTD

HUBLOT SA

HUBLOT CANADA INC

LVMH WATCH & JEWELRY CANADA LTD

LVMH WATCH & JEWELRY USA INC.

CHAUM ET INTERNATIONAL SA

FRED PARIS SA

Other entities

LVMH ENTERPRISES LTD.

LVMH Group

The LVMH Group was created in 1987 by the merger of Moët Hennessy and Louis Vuitton. In 1989, Bernard Arnault became the principal shareholder and Chairman and CEO.

The ultimate parent in the Group - LVMH Moët Hennessy Louis Vuitton SE - is listed on Euronext Paris. Present in 81 countries, the Group today has more than 213,000 employees, around 6000 stores worldwide and sales of 86.2 billion euros in 2023. It is made up of numerous Maisons divided into 6 business sectors: (1) wines and spirits, (2) fashion and leather goods, (3) perfumes and cosmetics, (4) watches and jewelry, (5) selective retailing and (6) exceptional hotels and other activities such as media.

LVMH is the only group that operates simultaneously, through its Maisons, in all the following major luxury sectors:

Wines and Spirits

Based in Champagne, Bordeaux and other renowned wine growing regions, the LVMH group's Maisons - some of which are hundreds of years old - all have their own unique character, backed by a shared culture of excellence. The Wine & Spirit division does not engage in any prescribed activities and is thus not included in this report.

Fashion and Leather Goods

LVMH includes established Maisons with their own unique heritage and more recent brands. Whether they are part of Haute Couture or luxury fashion, LVMH's Maisons have based their success on the quality, authenticity and originality of their designs, created by talented, renowned designers. All the Group's Maisons are focused on the creativity of their collections, building on their iconic, timeless lines, achieving excellence in their retail networks and strengthening their online presence, while maintaining their identity.

Perfumes and Cosmetics

LVMH is a key player in the perfume, makeup and skincare sector, with a portfolio of world-famous established names as well as younger brands with a promising future. Its Perfumes and Cosmetics business group boasts exceptional momentum, driven by growing and securing the long term future of its flagship lines as well as boldly developing new products. The Maisons cultivate their individuality, a differentiating factor for their followers in a highly competitive global market. At the same time, they are all driven by the same values: the pursuit of excellence, creativity, innovation and complete control of their brand image.

Watches and Jewelry

The Maisons in Watches and Jewelry - LVMH's youngest business group - operate in the high-end watchmaking, jewelry and high jewelry sectors. LVMH's brands in this business group are positioned to complement each other's strengths. These Maisons rely on their outstanding expertise, creativity and innovation to surprise their customers all over the world and respond to their aspirations.

Selective Retailing

The Group's Selective Retailing brands all pursue a single objective: transforming shopping into a unique experience. From elegant interior design to a specialist selection of products and services, combined with personalized relationships, customers are the focus of their attention on a daily basis. Operating all over the world, the Maisons are active in two spheres: selective retail and travel retail (selling luxury goods to international travelers).

Hotels and Others

This division does not engage in any prescribed activities and is thus not included in this report.

Our Risk Assessment

The Group's activities involve exposure to various risks that are the object of regular risk management and identification, notably within the context of regulatory reforms. A risk analysis focused primarily on risks associated with the Group's supply chain was carried out with the assistance of Verisk Maplecroft, an external service provider specialized in analyzing political, economic, social and environmental risks. A new general risk analysis exercise was conducted in 2022 on the basis of figures for 2021. The approach is based on an assessment comparing external assessments of risk levels by this external service provider with the quantitative information provided internally by a number of the Group's Maisons, especially the amount of purchases by category and supplier. This work has allowed the Group to categorize its suppliers by criticality (a critical supplier is one playing a major role in a company process, i.e. any supplier that if affected by a failure, disruptions or other issues would lead to a complete or partial suspension of the company's operations).

The exercise analyzes a wide variety of factors by geography and sector and concerning human rights, it has a focus on forced labour, child labour, decent pay and working hours, workplace discrimination, freedom of association and trade union membership, health and safety, etc.

The analysis of all these risk factors highlights the severity of potential risks arising from the Group's activities and those of its supply chain. Certain risks that were identified by means of these assessments are described more fully in the section "Participation in multi-party initiatives in high-risk areas" below.

Our Supply Chain

The last mapping of Tier 1 suppliers was undertaken in 2022 based on 2021 data; a new mapping exercise will be undertaken in 2024 using 2023 data.

The figures shown below are for 2021:

	Europe	North America	Asia	Other
Breakdown of suppliers by volume of purchases (as%)	64	18	17	1
Breakdown of suppliers by number (as%)	78	10	10	2
Breakdown of audits (as%)	66	3	30	2

The LVMH group considers it very important that the Maisons and the Group's partners abide by a shared body of rules, practices and principles in relation to ethics, corporate social responsibility and environmental protection. The complexity of global supply chains means there is a risk of exposure to practices that run counter to these rules and values.

The Group's responsible supply chain management approach therefore aims to motivate suppliers and every link in the supply chains involved to meet ethical, social and environmental requirements.

Supporting suppliers has long been a strategic focus for LVMH, with a view to maintaining sustainable relationships based on a shared desire for excellence. The Group pursues an overarching approach aimed at ensuring that its partners adopt practices that respect human rights.

This approach is based on a combination of the following:

- identifying priority areas, informed in particular by the multiple non-financial risk-mapping exercises covering the activities of the Group and its direct suppliers by type of activity;
- site audits of our suppliers (Tier 1 and higher) to check that the Group's requirements are met on the ground, and implementation of corrective action programs in the event of compliance failures;
- supplier support and training;
- actively participating in cross-sector initiatives covering high-risk areas.

To a large extent, actions implemented also address issues connected with human rights and risk of forced labour and child labour.

Our Policies and Practices in relation to Forced Labour and Child Labour

The Group has developed its own framework of internal standards to guide the conduct of its employees and partners. Certain of the Group's codes and charters described below are supplemented by existing codes, policies and procedures within the Maisons.

LVMH Code of Conduct

LVMH's Code of Conduct is designed to provide a common ethical foundation for the Group and its Maisons, outlining the rules to be followed by all employees as they go about their work.

The Code is specifically aimed at employees to foster accountability for the rules each individual is required to adhere to in performing their duties. It is signed by the members of the LVMH Executive Committee and endorsed by the Presidents of the Group's Maisons. It includes references to Group internal charters and policies on ethics, environment and corporate social responsibility, which together form the framework that governs all actions taken by LVMH and its employees.

The Code of Conduct is available in 19 languages and is widely disseminated across the Group, in particular as part of the onboarding training for new hires.

Supplier Code of Conduct

The Supplier Code of Conduct, implemented initially in 2008, sets out the Group's expectations of its partners (suppliers, service providers, distributors, specialist trades, lessors and any third parties in a business relationship with a Group entity) and their subcontractors in various areas, including corporate social responsibility and human rights protection (banning forced labor and child labor, banning illegal or undeclared work, harassment, discrimination, measures relating to wages, working hours, freedom of association, health and safety, protecting local communities), respecting the environment and integrity in business conduct (combating corruption and influence-peddling, combating money laundering, fair competition, preventing insider trading, customs legislation, protecting assets and personal information).

More specifically, the Supplier Code of Conduct states the following:

- **“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. Suppliers may use lawful, legitimate, 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 Suppliers, 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. Suppliers must respect workers freedom of movement. Suppliers cannot require workers to work to repay a debt to them or to a third party.”

The Group's partners are required to respect the principles of this Code and must also ensure that their own subcontractors and suppliers do the same when performing their activities for the Group. The Code, which has been translated into 18 languages, has been rolled out to all the Group's Maisons.

The Supplier Code of Conduct also gives each Group entity the ability to check that its partners and subcontractors comply with these principles.

If a partner or one of its subcontractors should violate the Code, each Group entity in a business relationship with that partner reserves the right to demand that the compliance failures be remedied or that the business relationship be suspended or terminated, commensurate with the severity of the violations identified.

Recruitment Code of Conduct

The LVMH Recruitment Code of Conduct, implemented in 2009, has been widely disseminated to all employees involved in recruitment processes across the Group. It sets forth the ethical hiring principles to be observed at LVMH in the form of 14 commitments. Special emphasis is placed on preventing any form of discrimination and on promoting diversity.

Charter on Working Relations with Fashion Models

In 2017, the Group drew up a Charter on Working Relations with Fashion Models in consultation with the Kering group and sector professionals motivated by a shared desire to promote dignity, health and well-being among fashion models. The Charter, which applies to all Maisons worldwide, aims to bring about genuine change in the fashion world by rooting out certain behaviors and practices not in keeping with the Group's values and raising awareness among fashion models that they are full-fledged stakeholders in these changes. To help spread the principles laid down in the Charter, the LVMH and Kering groups have set up a dedicated website, wecareformodels.com. The site provides fashion models with best practice and advice from independent nutritionists and coaches.

Health and Safety Charter

Signed by the Group's Executive Committee in April 2021, the Health and Safety Charter serves as the basis for a comprehensive approach across all the LVMH group's operations with the aim of developing a "zero accident" culture. The Group and its Maisons are committed to five key pillars: identifying priorities through a structured approach; drawing up and periodically reviewing an action plan; abiding by the approach, notably by submitting frequency rates to each Maison's Management Committee; involving every employee in the approach, notably by raising awareness about first aid measures; and maintaining a virtuous culture through collaboration between the Group and the Maisons. Each commitment is associated with a target to be met by 2025.

Animal-Based Raw Materials Sourcing Charter

In 2019, the Group launched its Animal-Based Raw Materials Sourcing Charter. This charter is the result of a long process of scientific research and collaboration between LVMH's environmental experts, its Maisons and their suppliers. The exhaustive charter covers the full range of issues concerning the sourcing of fur, leather, exotic leather, wool and feathers. It allows the Group to make long-term commitments to achieving progress in three areas: full traceability in supply chains; animal farming and trapping conditions; and respect for local populations, the environment and biodiversity. Under the charter, a scientific committee has been formed, and each year it will support and supervise a number of research projects aimed at driving progress in this area.

LVMH Alert line

LVMH encourages a culture of dialogue and communication within the Group. Any employees and external stakeholders who have questions about how to interpret internal regulations or have any ethical concerns are invited to make this known or ask for advice.

In addition to the existing warning channels within the Group's Maisons, LVMH has set up the "LVMH Alert Line", a secure centralized whistleblowing system that guarantees confidentiality, available in 14 languages. This online platform, which can be accessed from the Group's website (<https://www.lvmh.fr/lvmh-alert-line/>), serves to collect and process reports submitted by employees or external stakeholders concerning situations liable to constitute infringements of laws, regulations, the LVMH Code of Conduct or charters and policies put in place by the Group or its Maisons.

The system includes coverage of the following behaviours:

- corruption and influence-peddling;
- conflicts of interest;
- money laundering;
- fraud and falsification of accounting records, embezzlement;
- anti-competitive practices;
- data protection breaches;
- discrimination;
- harassment;
- infringements of workers' rights and labour law;
- violation of health and safety standards;
- violation of environmental protection laws;
- human rights violations;
- reprisals connected with a previous whistleblowing report;
- other violations of the LVMH Code of Conduct.

The Group's Maisons issue regular communications about this whistleblowing system, notably when welcoming new employees. Employees are informed in particular about how they can access the system and the fact that the Group strictly prohibits any retaliation against whistleblowers (and anyone who helps them or is connected to them) using the system in good faith.

Our Due Diligence Process

LVMH is unique in that it undertakes much of its own manufacturing in-house, with subcontracting accounting for only a small proportion of the cost of sales. The Group is therefore able to directly ensure that working conditions are safe and human rights respected across a significant part of its production.

The Maisons apply reasonable due diligence measures and audit their suppliers - and, above Tier 1, their subcontractors - to ensure they meet the requirements set forth in the LVMH Supplier Code of Conduct. Contracts entered into with suppliers of raw materials and product components with whom the Group maintains a direct relationship include a clause requiring them to be transparent about their supply chain by disclosing their subcontractors.

Some Maisons, such as Loewe, use preselection questionnaires.

Maisons maintain collaborative, active working relationships with direct suppliers by helping them conduct audits and draw up any corrective action plans that might be required.

The Group uses specialist independent firms to conduct these audits.

Where suppliers fail to meet the LVMH standards and are unable to remediate any concerns identified pursuant to audit findings, LVMH reserves the right to terminate or suspend supplier relationships.

Specifically, the Supplier Code of Conduct states:

“In the event of non-conformity with this Code by a Supplier, each of the entity(ies) within the LVM H Group which has a business relationship with such Supplier 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 Supplier until the non-conformities have been corrected, and may terminate its business relationship with the Supplier, in addition to any other rights or remedies available to such entity(ies) within the LVMH Group.”

Participation in multi-party initiatives in high-risk areas

In addition to its actions aimed at direct suppliers, LVMH takes part in initiatives intended to improve visibility a long supply chains and throughout subcontractor networks, to ensure that it can best assess and support all stakeholders. Working groups have been put in place and targeted programs rolled out to address issues specific to the Group's individual business groups. To maximize efficiency and optimize influence over subcontractors' practices, preference is generally given to sector-specific initiatives covering multiple purchasing entities.

For Maisons in the Watches and Jewelry business group, the mining sector, which is highly fragmented and relies substantially on the informal economy, carries significant risks to human rights. As such, the Maisons have formally committed under the LIFE 360 program to ensuring that all gold supplies are certified by the Responsible Jewellery Council (RJC). The Group and its Maisons are also involved in the Coloured Gemstones Working Group (CGWG) with other sector stakeholders. The CGWG aims to roll out environmental and social best practice across the colored gemstone sector by making all tools developed by the initiative available to the industry on an open-source basis and allowing industry players to assess the maturity of their practices. Maisons in the Perfumes and Cosmetics business group have signed up for the Responsible Beauty Initiative run by EcoVadis, working with major sector players to develop action plans in response to business-specific issues. Since 2022, the business group has also been involved in the Responsible Mica Initiative, which aims to pool sector stakeholders' resources to ensure acceptable working conditions in the sector. Work to map Indian mica supply chains began in 2015, followed by a program of audits down to the individual mine level. Over 80% of the supply chain has been covered to date. The business group also joined Action for Sustainable Derivatives (ASD), a collaborative initiative jointly managed and overseen by BSR and Transitions. ASD brings together large companies in the cosmetics sector and the oleochemical industry to achieve their shared goal of improving traceability, working conditions and practices throughout the entire palm derivatives supply chain. For Maisons in the Fashion and Leather Goods business group, specific traceability requirements applicable to the leather and cotton sectors have been incorporated into the LIFE 360 program. Leather traceability is taken into account via the score resulting from audits of the Leather Working Group standard. An LVMH leather coordination group drawn from all the Fashion and Leather Goods Maisons meets twice a year.

In 2021, LVMH set up a team to establish a pay equity policy applicable to all its employees and suppliers. These principles were adopted by the Human Resources Department in 2022.

Since 2018, LVMH has taken part in Utthan, an embroidery industry initiative bringing together major luxury brands. This initiative aims to empower artisans in Mumbai's hand embroidery cluster, where many of the embroiderers partnering with the Maisons are based, and help them gain recognition for their skills. The initiative also includes an on-site training program.

Our Training

In keeping with its aim of providing support and fostering continuous improvement, the Group regularly offers its employees training opportunities. LVMH holds a Group-wide training program on responsible purchasing practices, which includes a forced labour and child labour awareness component. Delivery of this training program, developed with the support of consulting firm Des Enjeux et Des Hommes, began in 2022, and was further reinforced in 2023, with sessions having taken place in France, Italy, North America and Asia.

Remediation

In cases where compliance failures are identified within LVMH's supply chain, whether with a direct supplier or with a lower tier supplier, the Group always works with the relevant stakeholders to draw up a corrective action plan, implementation of which is monitored by the buyer responsible for the relationship within the relevant Maison.

Remediation for the loss of income to the most vulnerable families

It is of utmost importance to LVMH that no worker be negatively impacted by remediation efforts. Where concerns of impact to vulnerable families are identified, LVMH endeavours to work with relevant stakeholders to support the communities in which its supply chain operates.

Assessing Effectiveness: Audits

In 2023, 2,021 audits (not including EcoVadis assessments) were undertaken at 1,725 suppliers and subcontractors. Thanks to an improvement in the health situation in the countries where production facilities are located, this figure was higher than in 2022, when 1,625 audits were carried out. Of all the audits undertaken, 76% covered both workforce-related aspects (forced labor, child labor, health and safety, decent pay, working hours, discrimination, freedom of association and collective bargaining, the right to strike, anti-corruption, etc.) and environmental aspects (environmental management system, water usage and pollution, gas emissions and air pollution, management of chemicals, waste management, types of raw materials used, etc.). A total of 10% of audits covered only workforce-related aspects, and 14% only environmental aspects.

The last mapping of Tier 1 suppliers was undertaken in 2022 based on 2021 data; a new mapping exercise will be undertaken in 2024 using 2023 data. Some Maisons have supplemented their audits using measures to directly ask their suppliers' employees about their working conditions. These surveys help gain a clearer vision of working conditions at the sites concerned and check for problems such as forced labor or harassment, which may not be detected during audits. These fully anonymous, confidential surveys are offered through a mobile instant messaging application.

This Report was approved pursuant to Subparagraph 11(4)(b)(ii) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and constitutes the annual report of the LVMH Group for the financial year ending 31 December 2023.

Original signed by Stéphane Bianchi

Mr. Stéphane Bianchi

Group Managing Director

I have the authority to bind LVMH Moët Hennessy

Louis Vuitton SE.



LVMH