

LVMH Moët Hennessy – Louis Vuitton SE

TICKER

ENXTPA:MC

MARKET CAPITALIZATION

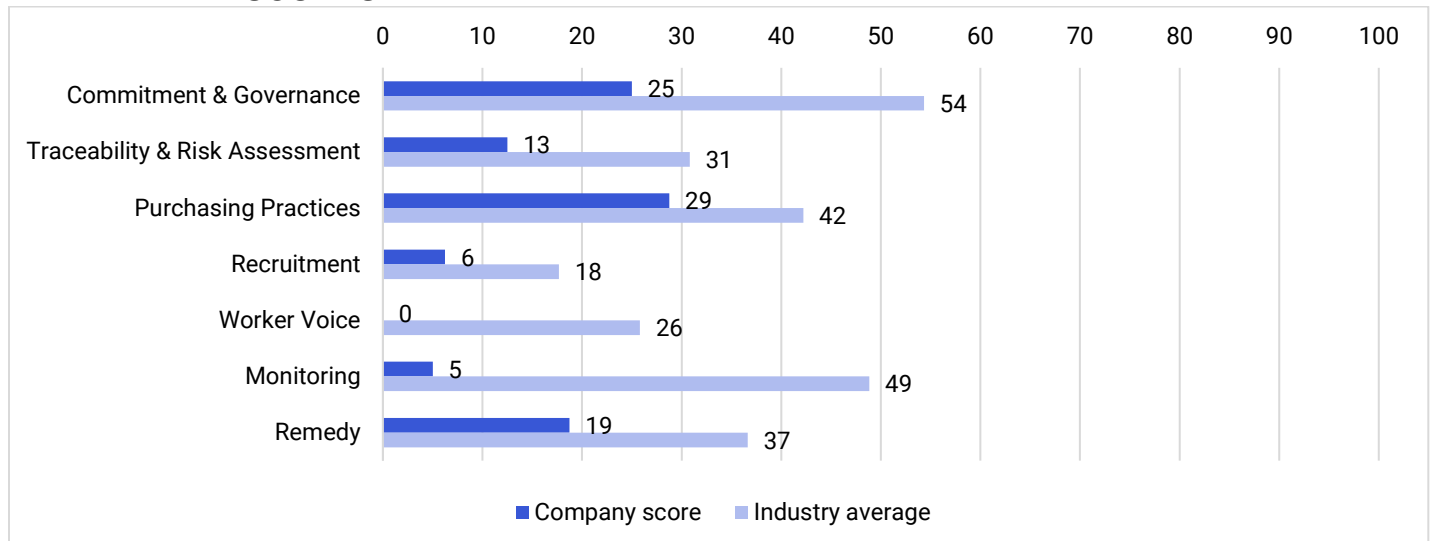
US\$158 billion

HEADQUARTERS

France

COMPLIANCE
UK Modern Slavery Act: [Yes \(disclosure of subsidiaries\)](#)
California Transparency in Supply Chains Act: [Disclosure of subsidiary available, but not compliant](#)
COMMITMENTS
[Yes](#)
OVERALL RANKING
31 out of 43
OVERALL SCORE
14 out of 100
SUMMARY

LVMH Moët Hennessy – Louis Vuitton SE (LVMH), a luxury goods company whose fashion brands include Louis Vuitton, Donna Karan, and Marc Jacobs, ranks 31st out of 43 companies and discloses significantly less information on its forced labor policies and practices than its peers. The company has some disclosure available on all themes except Worker Voice. The company has an opportunity to improve its performance and disclosure on the themes of Commitment & Governance, Recruitment, and Worker Voice.

THEME-LEVEL SCORES


LEADING PRACTICES

None.

NOTABLE FINDINGS

Commitment & Governance: LVMH's supplier code of conduct includes provisions on forced labor, child labor, discrimination, and freedom of association. The code was first released in 2008 and revised in 2017. The company states that it "attaches great importance to ensuring that [the suppliers of its brands] share a set of common rules, practices and principles with respect to ethics."

Purchasing Practices: LVMH states that its target for 2020 across its brands is to obtain at least 70% of its cotton supplies from producers that adhere to the Better Cotton Initiative (an ISEAL full member certification, which includes the prohibition of forced labor). Further, the company's supplier code of conduct requires its suppliers to ensure that their own suppliers and subcontractors respect the code. LVMH also reserves the right to terminate a business relationship with a supplier if the supplier's subcontractors violate the code.

Remedy: LVMH discloses that it has corrective action plan processes in place for its suppliers. It also notes that it uses follow-up audits and that the number of such audits increased in 2017.

OPPORTUNITIES FOR IMPROVEMENT

Commitment & Governance: The company may consider establishing training programs to ensure that relevant decision-makers within the company and its supply chains are aware of the risks related to human trafficking and forced labor and are effectively implementing the company's policies and standards. Further, the company is encouraged to engage with relevant stakeholders on human trafficking and forced labor. This includes engagement with policy makers, worker rights organizations, or local NGOs in countries in which its suppliers operate as well as active participation in one or more pertinent multi-stakeholder or industry initiatives.

Recruitment: The company's supplier code of conduct prohibits withholding workers' identity papers and work permits and states that "suppliers may not require workers to work to repay a debt owed to them or to a third party." In addition, the company may consider requiring recruitment agencies used by its suppliers to uphold workers' rights and ensuring that workers in its supply chains are not charged fees during any recruitment-related process. The company is also encouraged to confirm that recruitment agencies used by its suppliers are audited and to work with suppliers to ensure that migrant workers' rights are respected (e.g., to confirm workers' passports or other personal documents are not retained).

Worker Voice: To prevent and address forced labor and human trafficking risks in its supply chains, the company may consider ensuring that a formal and effective mechanism to report grievances regarding labor conditions is available and communicated to its suppliers' workers and relevant stakeholders such as worker organizations or labor NGOs. Further, the company is encouraged to take steps to ensure that workers in its supply chains are educated on their rights and are able to exercise their right to freedom of association.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)