

PVH Corp.

TICKER:
NYSE:PVH

MARKET CAPITALIZATION:
US\$ 8 billion

HEADQUARTERS:
United States

7 OUT OF 20

Company's Overall Ranking

57 OUT OF 100

Company's Overall Score

PVH Corp (PVH) ranks seventh in the benchmark. Its overall score of 57 out of 100 points is driven by its strong disclosure on the themes of commitment and governance and purchasing practices. Notably, PVH is one of two companies achieving the highest score on the theme of purchasing practices and among the companies with the second-highest score on remedy. The company has an opportunity to improve by assessing and disclosing forced labor risks in its supply chain, strengthening its practices related to recruitment agencies to avoid exploitation of migrant workers, and engaging with workers in its supply chain.

THEME LEVEL SCORE

| | |
|----------------------------------|---------------|
| Commitment and Governance | 81 out of 100 |
| Traceability and Risk Assessment | 25 out of 100 |
| Purchasing Practices | 88 out of 100 |
| Recruitment | 33 out of 100 |
| Worker Voice | 28 out of 100 |
| Monitoring | 68 out of 100 |
| Remedy | 75 out of 100 |

LEADING PRACTICES

None.

NOTABLE FINDINGS

Purchasing practices, supplier selection, integration in standards and cascading standards

PVH discloses it requires all potential suppliers to be audited for compliance with its code of conduct prior to doing business with them. PVH discloses that they pay attention to forced labor indicators in this assessment, recognizing that factories with migrant workers are at higher risk of forced labor. Before entering supplier relationships and allocating purchase orders to existing suppliers, PVH takes into account criteria including factory corporate responsibility rating, production capacity, and technical capacity. Furthermore, in collaboration with suppliers, PVH reviews production capacity plans and long-term buying plans to enable suppliers to plan production in line with its workplace standards.



PVH discloses it requires all suppliers to sign its policy, which includes forced labor provisions. PVH is one of only two companies that discloses the language on forced labor it uses supplier contracts.

The company discloses that adherence to its human and labor rights standards both by suppliers and their business partners is a prerequisite for establishing and continuing to supply to PVH.

Audit process

PVH discloses its auditors review factory documentation and look for evidence that workers are being treated fairly, checking that hours are recorded correctly and verifying accurate pay for the time worked. PVH discloses its auditors interview factory workers at random and ask them to share their views in confidence. Further, PVH requires auditors to examine suppliers' recruitment policies, whether this is communicated to workers, and, in cases where the factory employs migrant or foreign contract workers, its auditors must examine a listing of all contract workers identifying the recruitment agency, the date of hire, length of contract, and country of origin. PVH further verifies whether suppliers' workers are trained on how to use grievance mechanisms.

Corrective action plans

PVH discloses that, in cases of non-compliance, factories are required to create a corrective action plan within 14 business days which includes a detailed root cause evaluation, a timeline for completion, and responsible parties. When feasible, the company will provide support to the factory for the corrective action plan. In addition, PVH will work with the factory to suggest remedial actions, tools, or other resources to effectively address the issues. The implementation of the corrective action plan will be verified during follow up assessments. In cases where non-compliances are not resolved, PVH may terminate the business relationship.

OPPORTUNITIES FOR IMPROVEMENT

Traceability and risk assessment

PVH discloses a map with the number of first-tier suppliers by country and is in the process of mapping its second-tier suppliers. The company is encouraged to disclose the names and locations of its first-tier suppliers and at least some information on suppliers beyond its first tier (e.g., name, location, source country).

PVH has conducted product tracking to identify Honduran migrant labor in subcontractors in Brazil. In addition, the company may consider conducting forced labor risk or impact assessments focused on specific commodities, regions, and/or groups and to disclosing the forced labor risks identified throughout its supply chain.

Recruitment

While PVH audits its suppliers on their recruitment policies, to avoid exploitation of supply chain workers, PVH may consider encouraging direct hiring in its supply chain, and—where this is not possible—to require recruitment agencies in its supply chain to uphold workers' rights and undertake due diligence to ensure standards are followed.¹

Worker voice

While PVH makes its code of conduct available in several languages, the company is encouraged to also communicate its code to supply chain workers. To complement its monitoring system and enable the company to understand to what extent worker rights' are upheld in its supply chain, PVH is

¹ Note: The company also requires that no fees are charged to supply chain workers during the recruitment process. This policy is included in the company's [Supplier Guidelines](#). At the time the research was undertaken, this document was not yet public, which is why the company was not given points for this element. However, the company had declared its [intent to make the guidelines public](#).

encouraged to engage with workers outside of the context of the factories in which they work, either directly or in partnership with stakeholders.

Where there are regulatory constraints on freedom of association, the company may also consider to encourage suppliers to ensure workplace environments in which workers are able to pursue alternative forms of organizing.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)