

MANAGEMENT REPORT OF THE BOARD OF DIRECTORS: THE GROUP

Ethics and responsibility

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1. BACKGROUND

The LVMH group is deeply committed to adopting and promoting ethical behavior and acting with integrity in all its relationships with its partners. This principle has led the Group to establish rules of conduct and principles for action relating to ethics, social responsibility and respect for the environment that guide the behavior of all employees, suppliers and other stakeholders.

LVMH has always sought to:

- ensure that its practices reflect the highest standards of integrity, responsibility and respect for its partners;
- offer a working environment that allows its employees to fully express their talents and implement their skills and expertise;
- ensure that its Maisons define and adapt their production processes, habits and behaviors in order to continuously improve their response to the environmental challenges they face;
- participate in the regional development of the areas in which the Group operates through its activities;
- mobilize resources and skills to serve philanthropic initiatives and projects of general interest, and promote access to art and culture for as many people as possible.

As a responsible and committed stakeholder, the Group seeks to anticipate and meet the expectations of civil society in relation to corporate social and environmental responsibility, which include the following:

- taking into account changing career expectations and helping employees navigate, in particular, new unique career paths, technological changes and new demographics;
- responding to environmental challenges in light, in particular, of urgent changes called for by climate change;
- greater transparency in supply management to ensure that every stakeholder in the value chain offers satisfactory living and working conditions and uses environmentally friendly production methods;
- demanding integrity in business, underpinned by the implementation of procedures to prevent corruption, money laundering and breaches of international sanctions and human rights;
- sensitivity to the use of personal data, a key issue in safeguarding the fundamental right to privacy.

Information about the Group's vigilance plan and statement of non-financial performance can be found in the cross-reference tables at the end of this section.

2. STANDARDS

The LVMH group stays true to its uniqueness through a meticulous dedication to excellence. This dedication requires an unwavering commitment to the highest standards in terms of ethics, corporate social responsibility and respect for the environment.

In recent years, the Group has supported or signed up for a number of international standards, implementation of which it promotes within its sphere of influence, as well as putting in place its own internal standards.

2.1 International instruments

For many years now, the LVMH group has demonstrated its desire to act as a responsible corporate citizen and align its operations and strategy to support various internationally recognized benchmarks, including the following:

- the Universal Declaration of Human Rights;
- the United Nations Global Compact, to which the Group signed up in 2003, as well as the Caring for Climate initiative;
- OECD Guidelines;
- the International Labour Organization (ILO)'s Fundamental Conventions;
- the 17 Sustainable Development Goals drawn up and developed by the United Nations;
- the French Diversity Charter, signed by the Group in 2007;
- the United Nations Women's Empowerment Principles, signed by the Group in 2013;
- France's national biodiversity protection strategy;
- the Kimberley Process, an international system for certifying rough diamonds;

- the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);
- UNESCO's intergovernmental scientific program, "Man and the Biosphere" (MAB), aimed at protecting global biodiversity;
- the United Nations' standards of conduct for business tackling discrimination against lesbian, gay, bi, trans and intersex (LGBTI) people;
- the International Labour Organization (ILO) Global Business and Disability Network Charter.

2.2 Internal standards

LVMH Code of Conduct

LVMH's Code of Conduct is designed to provide a common ethical foundation for the Group and its Maisons. It outlines the rules to be followed by all employees as they go about their work and is structured around the following six core principles:

- acting responsibly and compassionately;
- offering a fulfilling work environment and valuing talent;
- committing to protect the environment;
- winning the trust of customers;
- winning the trust of shareholders;
- embodying and promoting integrity in the conduct of business by working to prevent corruption, money laundering and breaches of international sanctions and human rights.

Backed by the members of the Executive Committee and Presidents of the Maisons, it promotes consistency and continuous improvement across the Group's various entities. It does not replace existing codes and charters within Maisons, but serves as a shared foundation and source of inspiration. Where appropriate, its policies are defined in greater detail by Maison according to its business sector or location.

The Code is available in 10 languages and is widely disseminated across the Group, in particular to new employees. Supplementary tools have also been developed to help employees better understand and apply the principles set out in the Code, including an onboarding module and various communication materials.

In order to ensure that the Group continues to adhere to the highest ethics standards, the Code will be revised in 2023.

Supplier Code of Conduct

The Supplier Code of Conduct 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 social responsibility and upholding human rights (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).

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. Work was undertaken in 2021 to revise the Supplier Code of Conduct. The Code, which has been translated into 27 languages, was approved by the Executive Committee in April 2022 and then rolled out within the Group.

The Supplier Code of Conduct also gives each Group entity the ability to check that its suppliers 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, as laid down in applicable law and commensurate with the severity of the violations identified.

Environmental Charter

Adopted in 2001, the Environmental Charter is the founding document for LVMH's five main aims with regard to the environment:

- striving for high environmental performance;
- encouraging collective commitment;
- managing environmental risks;
- designing products that factor in innovation and environmental creativity;
- making a commitment that goes beyond the Company.

It encourages the President of each Maison to demonstrate commitment to this approach through concrete actions.

The Charter was given a significant boost by the strategic LIFE (LVMH Initiatives for the Environment) program, launched in 2011, described in the "Environment and sustainability" section.

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 fourteen commitments. Special emphasis is placed on preventing any form of discrimination and on promoting diversity. Work to update this Code has begun with a view to better taking into account the changing recruitment environment and priorities; this work is due to be completed in 2023.

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.

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.

3. GOVERNANCE

Dedicated governance arrangements are in place to ensure the Group's values and ethical standards are put into practice.

The Board of Directors' Ethics & Sustainable Development Committee – the majority of whose members are Independent Directors – ensures compliance with the individual and shared values on which the Group bases its actions. The committee provides leadership on matters of ethics as well as environmental, workforce-related and social responsibility.

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.

Internal Competition Law Compliance Charter

In 2012, the Group formalized its commitment to uphold free and fair competition by adopting an Internal Competition Law Compliance Charter. The Charter aims to help develop a true culture of compliance with competition rules within the Group. This charter sets out the main rules that should be known by all employees in conducting commercial relationships on a day-to-day basis, and defines in a pragmatic way the standards of conduct expected of them. In particular, LVMH prohibits any abuse of dominant position, concerted practice or unlawful agreement, through understandings, projects, arrangements or behaviors which have been coordinated between competitors concerning prices, territories, market shares or customers. The Charter is available on the Ethics & Compliance Intranet.

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 undertake to protect employee health and safety through five pillars of action: identify their priorities in order to structure their approach; draw up an action plan to be reviewed regularly; report on progress made using the approach, in particular by submitting frequency rate results to each Maison's management committee; engage every employee in the approach, notably by raising awareness about first aid measures; and maintain a virtuous culture by ensuring strong collaboration between the Group and the Maisons. Each commitment is associated with a target to be met by 2025. The charter will be covered by an annual reporting process, with results published in this document.

The Privacy, Ethics & Compliance Department steers and coordinates LVMH's procedures with regard to anti-corruption, personal data protection, respecting international sanctions and human rights and anti-money laundering. It is part of the Group's General Administration & Legal Affairs Department, which reports directly to the Chairman and Chief Executive Officer and is now represented on the Executive Committee.

It has its own budget and headcount and is also supported by the representatives of various Group departments so as to promote coordination on cross-functional projects led by it. An LVMH Ethics & Compliance Committee groups together the main centralized functions: finance, human resources, legal, audit and internal control, communications and IT systems security. Each function head contributes their expertise to support the work of the Privacy, Ethics & Compliance Department. The committee meets periodically and when necessary.

The Privacy, Ethics & Compliance Department is supported by a network of over one hundred officers within the Maisons. Appointed by the Presidents of each Maison, their role is to implement the Group's ethics and compliance standards within their organization. They regularly report to their Maisons' governing bodies, notably at Ethics & Compliance Committee meetings, as well as to the Group's Privacy, Ethics & Compliance Director. The department is supported by a network of more than fifty personal data protection officers and privacy officers within each of the Maisons, who are responsible for ensuring that their Maisons abide by the Code, managing their own network and raising awareness. The network allows for sharing of best practices and other feedback.

Each year, the Privacy, Ethics & Compliance Department reports to the Ethics & Sustainable Development Committee about the Group's progress on these issues. In 2022, the Group's Privacy, Ethics & Compliance Director appeared twice before this committee to present the Group's progress on anti-corruption, personal data protection, anti-money laundering, human rights and international sanctions.

4. RISK IDENTIFICATION

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 global 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

In addition, various communities have been set up to foster coordination between the Maisons and drive shared initiatives in the areas of ethics and environmental, social and societal responsibility, in particular:

- the network of CSR Officers at Maisons, who help organize the measures to be implemented and facilitate their application by the Maisons, who will then make the necessary adjustments in line with their own values, their environment, and the expectations of their employees and customers. These officers are led by a network of CSR Officers in major geographic areas;
- the Environment Committee, which brings together a network of Environment Officers from the Maisons. This body provides a forum for reflection and discussion about major objectives (LIFE 360 program), environmental challenges and opportunities;
- Maison representatives in charge of purchasing, certain supply chains and supplier relations, who come together at the Responsible Purchasing Committee to review priority issues, launch new initiatives and share best practices within the Group;
- the network of Internal Control Officers led by the Audit & Internal Control Department, which coordinates the implementation of internal control and risk management systems. These officers are responsible, within the Maisons, for ensuring compliance with the Group's internal control procedures and preparing controls tailored to their business.

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:

- Human rights: Decent pay and working hours, workplace discrimination, freedom of association and trade union membership, health and safety, forced labor, etc.
- Environment: Air quality, waste management, water stress, water quality, deforestation, climate change, risk of drought, CO₂ emissions indicator, 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.

With regard to the risk of corruption, the Group's Maisons have each identified and ranked risk scenarios relating to their operations within the framework of specific risk mapping exercises based on interviews with representatives of the various functions and regions. These risk maps show their "gross" and "net" exposure to corruption risk (to take into account risk management measures in place). The results were presented to the Maisons' governing bodies and action plans have been defined to manage the risks identified. In 2022, these risk maps were consolidated by business sector.

In addition, the list of risks classified by representatives of the Group's central functions and Executive Management as "key risks"

in the statement of non-financial performance in light of the Group's activities has remained unchanged this year:

- impact on ecosystems, the climate and natural resources;
- setting up and maintaining responsible supply chains;
- safeguarding health and safety at work;
- transfer of key skills and expertise;
- implementation of a policy to promote employee inclusion and fulfillment;
- shortcomings in the implementation of personal data protection rules;
- shortcomings in the implementation of business practice compliance arrangements.

5. RISK MANAGEMENT

In keeping with its aim of constantly improving its management of non-financial risks, the Group has set up a system for regularly monitoring risks relating to ethical, social and environmental responsibility.

The general risk analysis exercise (described in the previous section) helps the Maisons identify which countries and types of purchases are particularly at risk with respect to human rights violations and environmental impact. This exercise is now one of the key components of the Group's Convergence program. The aim of this program is to ensure the best possible alignment between the gross risks identified by the risk-mapping exercise and supplier audit programs as well as risk mitigation actions.

This information is taken into account in letters of representation concerning risk management and internal control arrangements under the "ERICA" approach, an overview of which can be found in the "Financial and operational risk management and internal control" section.

The policies put in place to manage the key risks identified above, together with their results, where relevant, are set out in this section. Readers are referred to the "Attracting and retaining talent" and "Environment and sustainability" sections where applicable.

5.1 Comprehensive program to protect ecosystems and natural resources

Because its businesses celebrate nature at its purest and most beautiful, LVMH sees preserving the environment as a strategic imperative. The fact that this imperative is built into all the Group's activities constitutes an essential driver of its growth strategy, enabling it to respond to stakeholders' expectations and constantly stimulate innovation.

Built around nine key aspects of the Group's environmental performance, the global LIFE (LVMH Initiatives for the Environment) program provides a structure for this approach, from design through to product sale. It is presented in detail in the "Environment and sustainability" section.

5.2 Supplier assessment and support

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 are environmentally friendly and 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 address issues connected with the environment, human rights and risk of corruption.

Identifying priority areas

The non-financial general risk analysis exercise described under §4 helps determine which suppliers should be audited as a priority. It takes into account risks related to the country, purchasing category and amount of purchases in question.

As part of its Convergence project, the Group continued to expand its use of the EcoVadis platform in 2022. Following the completion of the risk-mapping exercise each year, the main suppliers identified as at risk may be assessed using the EcoVadis methodology. This allows for the assessment of their ethical, social and environmental performance through the collection of documentary data, external intelligence and online research.

More than 1,700 suppliers were invited to join the platform in 2022: 72% of suppliers were reassessed and 73% of these improved their score. The average improvement since the first assessment is now 55.5 points (compared with the overall EcoVadis average of 44.9 points). Joining the platform's existing participants – the Group Purchasing Department, Louis Vuitton, the Perfumes and Cosmetics business group, Sephora, the Wines and Spirits business group, Bulgari, Fendi and Loewe – new participants

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

Celine, Christian Dior Couture and Chaumet came on board in 2022.

Assessment and corrective action plans

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 laid down 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. In 2022, 1,625 audits (not including EcoVadis assessments) were undertaken at 1,384 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 2021, when 1,512 audits were carried out.

Of all the audits undertaken, 69% covered both workforce-related aspects (health and safety, forced labor, child labor, 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 16% of audits covered only workforce-related aspects, and 15% only environmental aspects. There was a significant increase in the number of audits covering all environmental aspects thanks to the introduction of new LVMH guidelines in January 2022.

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.

In 2022, 7% of suppliers audited failed to meet the Group's requirements based on a four-tier performance scale that takes into account the number and severity of critical compliance failures. The majority of compliance failures identified had to do with health and safety. In such cases, the Group always works with the supplier to draw up a corrective action plan, implementation of which is monitored by the buyer responsible for the relationship within the relevant Maison. Some Maisons, such as Berluti, Fendi, Tiffany & Co. and Parfums Christian Dior, also offered personalized coaching to help suppliers correct compliance failures identified during audits.

Following work carried out in 2020 with the aim of establishing a shared set of workforce-related audit guidelines for all the Group's Maisons, these guidelines – which also include a section concerned with the assessment of environmental and anti-corruption risks – were applied starting in January 2021. Environmental audit guidelines were updated in January 2022 in order to collect essential data for the purposes of the LIFE 360 initiative.

Supplier and buyer training

In keeping with its aim of providing support and fostering continuous improvement, the Group regularly offers its suppliers training opportunities.

In addition to training on responsible purchasing practices held at certain Maisons in previous years, the decision was made in 2021 to create an LVMH-wide training program on this subject. Delivery of this training program, developed with the support of consulting firm Des Enjeux et Des Hommes, began in 2022, with sessions having taken place in France and North America.

An anti-corruption training program for Group buyers was also developed in 2022 and will be rolled out within the Maisons during 2023.

Participation in multi-party initiatives covering high-risk areas

In addition to its actions aimed at direct suppliers, LVMH takes part in initiatives intended to improve visibility along 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).

Alongside suppliers and other pioneering competitors, LVMH also participates in the Coloured Gemstones Working Group (CGWG) run by sustainable development consultancy The Dragonfly Initiative, aimed at optimizing oversight of supply arrangements for colored gemstones. In 2020, a shared platform for the CGWG's member companies was created and made available to the Maisons. Tiffany & Co.'s diamond supply policy goes beyond the obligations of the Kimberley Process (which defines "conflict-free" diamonds), and requires its suppliers to comply with the Diamond Source Warranty Protocol.

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. The business group is also involved in the Responsible Mica Initiative, which aims to pool sector stakeholders' resources to ensure acceptable working conditions in the sector from 2022 onwards. 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. A leather coordination seminar attended by 30 participants was held in November 2022 in Italy at one of the tanneries supplying LVMH's Maisons. Targets for the certification of raw materials like cotton and leather were set as part of the LIFE 360 program; the results are presented in the "Environment and sustainability" section, §3.2 "Key achievements in 2022: Biodiversity".

For all Maisons, particular attention is paid to purchases of packaging materials due to fragmentation of production processes in this sector. Specific tools are used to assess and improve the environmental performance of packaging.

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.

For several years, 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

5.3 Unrelenting focus on quality and safety

LVMH is continuously looking to offer products of the highest quality, through research and innovation and high standards in the selection of materials and the implementation of expertise in its activities. The Group is motivated by a constant desire to protect the health and safety of its stakeholders.

As regards its own employees, LVMH pursues a health, safety and well-being policy that is set out in the "Attracting and retaining talent" section.

As regards its suppliers' employees, the assessment criteria used in workforce audits of suppliers at Tier 1 and above include aspects related to health and safety (see §5.2).

As regards its customers, the Group is particularly attentive to two key issues: prudent use of chemical compounds in production processes and promoting responsible consumption of wines and spirits.

Prudent use of chemical compounds in production processes

LVMH is committed to safeguarding against risks inherent in the use of chemical compounds, and complies with regulations, industry group recommendations and opinions issued by scientific committees in this field. The Group is constantly seeking to anticipate changes in this area, drawing on its employees' expertise to produce only the safest products.

The Group's experts regularly take part in working groups set up by domestic and European authorities and play a very active role within industry groups. Their ongoing monitoring of changes in scientific knowledge and regulations has regularly led LVMH to prohibit the use of certain substances and make efforts to reformulate some of its products.

The Group's Maisons have customer relations departments that analyze customer complaints, including those relating to adverse effects.

The Perfumes and Cosmetics business group has a dedicated team of specialists who provide the Maisons with access to a European network of healthcare professionals able to quickly respond to help consumers experiencing side effects. Such post-market surveillance makes it possible to explore new avenues of research and constantly improve the quality and tolerance with respect to the Group's products. The Maisons in this business group comply with the most stringent international

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 for embroiderers. Audit guidelines and levels of compliance were reviewed and simplified in 2021, and updated to be brought in line with new regulations in India.

safety laws, including the EU regulation on cosmetic products. Their products must meet very strict internal requirements covering development, quality, traceability and safety.

Maisons in the Fashion and Leather Goods, and Watches and Jewelry business groups abide by the LVMH Restricted Substances List, an in-house standard that prohibits or restricts the use of certain substances in products placed on the market, as well as their use by suppliers. This standard, which applies to all raw materials used by the Maisons, goes beyond global regulatory requirements and is regularly updated in response to ongoing monitoring of scientific developments. In 2019, LVMH joined the ZDHC (Zero Discharge of Hazardous Chemicals) trade association, which aims to promote best practices concerning the use of dangerous substances and the quality of discharged wastewater at textile and leather manufacturing sites. The actions implemented in 2022 by the Group and the Fashion and Leather Goods Maisons are presented in §3.2.3 "Protecting water resources" in the "Environment and sustainability" section.

To help suppliers eliminate the substances on this list, the Group's Environment Department has produced specific technical guides suggesting alternatives. Training is regularly offered on this subject.

Another in-house tool, the LVMH Testing Program, reinforces the control system of Maisons in the Fashion and Leather Goods business group, allowing them to test the highest-risk substances for different materials at nine partner laboratories.

Moët Hennessy: An ambassador for responsible consumption of wines and spirits

The Group's Wines and Spirits Maisons promote the art of enjoyment of their drinks and invite their consumers to learn about their heritage and expertise. The Group's Maisons are also fully aware that their primary responsibility to society is to safeguard against risks relating to the harmful use of alcohol.

Moët Hennessy has made a commitment to promote moderate consumption and responsible choices with regard to alcohol among its employees and consumers.

The Maisons need to help consumers who are old enough to consume the Group's products to make responsible choices when drinking, such as deciding whether to drink or not, choosing when to drink and how much to drink.

Raising awareness and educating its consumers, customers and employees about risky behaviors such as excessive alcohol consumption or driving under the influence is a priority for the Group.

Some people should not consume alcohol at all. Moët Hennessy has adopted a firm stance against alcohol consumption amongst minors and also believes that pregnant women should be better informed about the risks of alcohol consumption for their child.

Moët Hennessy fully supports the World Health Organization's goal of reducing harmful use of alcohol by 20% worldwide by 2030.

In October 2021, Moët Hennessy joined the IARD (International Alliance for Responsible Drinking), a group bringing together leading names from the beers, wines and spirits industry, dedicated to promoting responsible consumption. Moët Hennessy is committed to abiding by the standards set by the IARD in relation to its digital marketing practices, the information it shares with consumers (particularly in its product labeling), online sales and home deliveries. The Group is also committed to working with the industry as a whole to take the concept of responsible consumption even further.

Action plans are rolled out based on prior commitments.

For example, Moët Hennessy developed a Responsible Marketing & Communications Code more than 15 years ago. This code

5.4 Ongoing efforts to attract and support talent

The pursuit of LVMH's strategy of growth, international expansion and digitalization relies on the Group's ability to identify talented individuals with the skills it needs and attract them in a highly competitive environment. In particular, the highly specific and demanding nature of the luxury goods industry means the Group must recruit staff with outstanding craftsmanship. Promoting the Group's business lines, passing on skills and

5.5 Constant focus on employee inclusion and fulfillment

LVMH is constantly seeking to create conditions that enable its employees to realize their full potential and succeed within the business. At a time of shifting career expectations, it is vitally important to foster employees' aspirations and their fulfillment and to promote diversity.

5.6 Integrity in business

In 2020, Commitment was added to the Group's shared values, forming the basis for the Group's ethics and compliance.

Integrity and responsibility have always been central to the LVMH group, which is committed to ensuring ethical behavior in all its activities and business relationships, and requires

has been regularly updated and recently incorporated the IARD's digital principles and principles for digital influencers. Marketing teams are trained on the basis of this code, which is also systematically shared with external agencies. In addition, Moët Hennessy is a member of the World Federation of Advertisers' Responsible Marketing Pact, an industry standard aimed at preventing minors from being exposed to alcohol marketing.

Moët Hennessy's company culture is based on moderation and responsible enjoyment of its products. Its employees are responsible and exemplary ambassadors of this.

Moët Hennessy is aware of the need to raise awareness within the Company about responsible consumption and has developed specific training programs for employees, as well as individual instructions for events held within the Maisons and on the markets.

Moët Hennessy is involved in industry-level initiatives and is an ambassador of the "Wine in Moderation – Art de Vivre" international program, bringing together members of the wine industry from all over the world to convey a message of social and societal responsibility.

On a local level, Moët Hennessy also supports national industry initiatives to promote responsible consumption such as Responsibility.org in the United States, Prevention & Moderation in France, and other initiatives around the world.

training the designers and craftspeople of the future are therefore key issues for LVMH.

This is why innovative recruitment initiatives, academic partnerships and professional education programs are key components of the Group's human resources policy, detailed in the "Attracting and retaining talent" section.

This is why ensuring well-being at work, offering career guidance, reducing gender inequality, promoting employment for people with disabilities and retaining older employees are all priorities within the Group's human resources policy, detailed in the "Attracting and retaining talent" section.

exemplary performance from its employees and partners in this regard. Any lapse in prevention and detection in its operations, or any practices contrary to applicable laws and regulations, may bring serious harm to LVMH's reputation, cause disruptions in its business activities, and, in certain cases, expose the Group to administrative and/or judicial penalties.

The LVMH group is steadfast in its determination to adhere to its ethical principles at all times and act in accordance with applicable laws and regulations concerning preventing corruption and money laundering and respecting international sanctions and human rights. It implements compliance programs devised and rolled out by the Group's Ethics & Compliance Department and its network of officers within the Maisons.

In 2022, reinforcing Ethics & Compliance became one of the criteria for payment of compensation to the Group Managing Director, which will also be the case in 2023, with the addition of new criteria relating to ethics and compliance.

Accordingly, the Ethics & Compliance Department develops and coordinates the rollout of cross-departmental initiatives to strengthen compliance programs already in place within the Group and ensure their consistency. It implements shared tools and rules to help to prevent, detect and address prohibited conduct, in terms of combating corruption as well as preventing money laundering and respecting international sanctions and human rights. Given the diversity of the LVMH ecosystem and its decentralized organizational model, Maisons have developed their own policies and tools adapted to their specific business contexts.

The Group also undertakes communications, awareness and training activities aimed at instilling a culture of integrity and boosting employee vigilance.

Risk identification and management

The Maisons identify the corruption risks specific to their operations within the framework of corruption risk mapping exercises. These risk maps enable the Maisons to better manage their risk and ensure that their policies are rolled out effectively and with the appropriate knowledge, particularly in terms of preventing corruption.

As mentioned in §4 "Risk identification", the results of these risk mapping exercises have been used to define action plans adopted by the Maisons to usefully manage the risks identified.

Due to the nature of its business model, the Group does not enter into any significant contracts with governments. Consequently, it is not exposed to the corruption risks associated with public procurement procedures. However, LVMH's business activities involve contacts with government agencies, including for the granting of various authorizations and permits. Similarly, out of a willingness to discuss and cooperate with authorities and decision-makers, LVMH contributes to public debate in countries where to do so is authorized and relevant. The Group's contributions in the public space always abide by the laws and regulations applicable to the institutions and organizations in question, and LVMH is registered as an interest representative where its activities so require.

Internal rules and procedures

LVMH has in place procedures to prevent and detect breaches of probity in financial life and follows a zero-tolerance policy on corruption and influence-peddling. Accordingly, the LVMH Code of Conduct defines and illustrates prohibited behaviors, in particular those that may constitute corruption or influence-peddling.

In addition to the LVMH Code of Conduct, the Group has internal guidelines, a set of documents that apply to all entities, intended to be used as a reference guide to help employees adopt appropriate behaviors in various areas to do with business ethics. In particular, these principles cover the following:

- preventing corruption and influence-peddling by defining these concepts and providing examples of prohibited behaviors against which staff should be on their guard;
- mandatory rules on gifts and entertainment;
- rules for preventing, reporting and resolving conflicts of interest; in this regard, annual conflict of interest reporting campaigns are undertaken within the Group and the Maisons;
- preventing money laundering, financial fraud and violations of economic and trade sanctions;
- use of assets belonging to the Group and the Maisons, including the fact that such assets are made available only for a temporary period and the requirement that they be used in a professional and conscientious manner;
- Group policy on travel and security, which includes rules on authorization of travel and payment of travel expenses;
- loans of clothes and accessories by Maisons to employees or individuals outside the Group.

These internal guidelines help employees recognize risky situations and act responsibly and appropriately, by drawing their attention to a number of key points to watch out for. It includes everyday examples to illustrate how to react in risky situations.

The Code of Conduct and the internal guidelines will be revised in 2023.

LVMH's anti-corruption compliance policy, the Group's policy on travel and security, and the Group's guidelines within the various areas of compliance provide a useful addition to the Code of Conduct and the internal guidelines. For example, in April 2022, LVMH published its anti-money laundering guidelines, which aim to provide the Maisons with tools and recommendations to reduce their exposure to potential money laundering risks.

To take things further, the Maisons have implemented their own rules and procedures, particularly with regard to combating corruption, gifts and entertainment, and conflicts of interest.

Failure by employees to abide by rules laid down in the Code of Conduct, the internal guiding principles or the applicable policies of their employing Maison, will lead to the appropriate steps being taken to put an end to the infringement in question, including appropriate disciplinary sanctions proportionate to the severity of the infringement, in accordance with the provisions of the Rules of Procedure (or equivalent document) and applicable laws and regulations.

Communications, awareness and training

The above-mentioned rules and policies are made available to all employees.

The Group's Ethics & Compliance department shares a range of documents (summary reports, examples of best practice, awareness videos, guides, etc.) with its network of Ethics & Compliance Officers via a dedicated Ethics & Compliance Intranet, a new version of which is due to go live in 2023.

The Code of Conduct is published on the Group's website and is communicated to employees, notably when they first join the Group. An onboarding module entitled "Our shared ethical framework" was gradually rolled out within the Maisons starting in 2022 with the aim of allowing new joiners to familiarize themselves with the Code of Conduct, the accompanying internal guidelines and the Group's whistleblowing system. Available in 10 languages, this module makes it possible monitor employees' familiarization with these documents.

In addition to the training and awareness initiatives implemented by the Group and its Maisons, the Group has also developed a specific online anti-corruption training module, which is available to all Maisons and serves as a common core meant for all employees. Between its launch in late 2018 and the end of 2021, the updated module, available in 13 languages, was successfully completed by 31,000 employees all over the Group. Specifically, this module:

- reiterates LVMH's zero-tolerance policy on corruption;
- expresses the Group Chairman and Chief Executive Officer and Group Managing Director's commitment to promoting exemplary, responsible behavior;
- defines and illustrates the notions of corruption and influence-peddling;
- provides an overview of the policies, governance and tools involved in the Group's anti-corruption compliance program;
- illustrates the negative consequences of corruption on civil society and companies;

- provides information on anti-corruption laws in force around the world and obligations for businesses in combating corruption;
- introduces the concept of due diligence on third parties to combat corruption and the main items to check;
- includes a number of case studies and questionnaires to ensure that employees have fully understood the key concepts involved.

The Group has also developed specific training programs for certain roles that are most exposed to the risk of corruption. For example, a buyer training program was developed in 2022 that will be rolled out by the Maisons in 2023 on the basis of their specific risks.

In 2022, the Group's store planners also benefited from a dedicated anti-corruption training program.

The Group's internal control staff are informed each year about the Group's compliance and anti-corruption procedures.

Lastly, the Group's Ethics & Compliance officers benefit from in-depth ongoing training. In September 2022, more than 30 officers from the European Maisons attended a training day on the Group's anti-corruption procedures organized for the first time by the Ethics & Compliance Academy. In addition, Compliance Days are held each year for around 100 members of the Group's Ethics & Compliance community, with the aim of providing training, discussing the best practices implemented within the Maisons – in particular in terms of anti-corruption measures and fostering a culture of ethics in general – and communicating on the ethics and compliance goals for the year ahead. In 2022, this event was held in Rome on November 9 and 10.

Alongside this, various training and awareness initiatives are undertaken by the Maisons.

Group whistleblowing system

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 usual existing communication and 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://alertline.lvmh.com>), serves to collect and process reports from any employee or external stakeholder concerning potential or actual infringements of laws, regulations, provisions of the LVMH Code of Conduct or other principles, guidelines and internal policies.

The system includes coverage of the following behaviors:

- corruption and influence-peddling;
- money laundering, fraud and falsification of accounting records;
- embezzlement;
- anti-competitive practices;
- data protection breaches;
- discrimination, harassment, violence and threatening behavior;
- infringements of workers' rights and labor law, illegal employment;
- infringements of occupational health and safety regulations;
- violation of environmental protection laws;
- human rights violations.

New employees are given specific information about this whistleblowing system on joining, and then receive regular updates at the Maisons and the Group's entities. Employees are informed in particular about how they can access the system and the fact that the Group strictly prohibits any retaliation against whistleblowers using the system in good faith.

In 2022, 327 reports were received through the Group's whistleblowing system, of which 65% had to do with human resources matters. Of these 327 reports, 202 were submitted anonymously. These reports are handled in accordance with the applicable law and result in an inquiry if applicable.

Once alerts have been handled, they can be used to help improve risk identification and prevention procedures, as part of a continuous improvement approach.

This is in addition to reports received via the existing usual communications and whistleblowing channels within the Maisons.

5.7 Responsible management of personal data

The Group and its Maisons are required to collect and process personal data in connection with their business activities, primarily relating to customers and employees. This is needed chiefly in order to offer exceptional products and experiences that meet their customers' expectations or to successfully fulfill their role as employer. This means the LVMH group's Maisons must have access to high-quality customer data and are committed to ensuring that all data entrusted to them is kept secure. This commitment also applies to employee data, with the same requirements.

In an era of innovation for the LVMH group – which is moving ahead with an ambitious digital strategy, resolutely focused on its customers and their aspirations – every Maison takes steps to comply with the regulations applicable to the protection of personal data, including the General Data Protection Regulation

Compliance control procedure

Since 2019, each Maison has reported annually to the Group's Privacy, Ethics & Compliance Department on progress made on its compliance program via a detailed reporting questionnaire.

In addition, LVMH's internal control framework includes a set of minimum requirements for ethics and compliance, which are checked through self-assessments concerning design and efficiency at the Group's various entities (as described in the "Financial and operational risk management and internal control" section).

The following aspects of the anti-corruption system are regularly verified under the "ERICA" approach (an overview of which can be found in the "Financial and operational risk management and internal control" section):

- observance of the Code of Conduct and its communication to employees of the Maisons;
- appointment of an Ethics & Compliance officer and creation of an Ethics & Compliance Committee within the Maisons;
- the existence of a corruption risk map validated by the Maisons' governing bodies;
- providing information about the existence of the internal whistleblowing system and how it works;
- the existence of a procedure for declaring conflicts of interest and gifts and entertainment;
- completion of an anti-corruption module by employees identified as particularly exposed to corruption risk;
- the existence of a third-party evaluation procedure to assess the risk of corruption;
- the existence of anti-corruption accounting control procedures.

Lastly, the Internal Audit Department carries out compliance audits on certain aspects of the anti-corruption program.

(GDPR) in Europe, among others. A number of regulations have been adopted around the world over the last few years, such as the Personal Information Protection Law (PIPL) in China and the California Privacy Rights Act in the United States. All of these regulations need to be taken into account.

To ensure full compliance with personal data protection regulations in countries where the Group's Maisons operate, it is essential that adequate governance arrangements be in place. Accordingly, each Group Maison has appointed a personal data protection and privacy officer, generally recognized as a Data Protection Officer (DPO) to ensure that its operations are compliant, with support from the legal and cybersecurity departments and in close cooperation with staff in a range of roles (including IT, digital, marketing and HR).

This also means building and promoting a personal data protection culture that permeates all the Group's business lines and activities as well as taking into account technical and methodological developments. To this end, LVMH and its Maisons regularly hold in-person and/or e-learning training and awareness sessions on personal data protection-related issues for all its employees, regardless of their position.

Furthermore, information about the use of personal data has been put together for customers and employees of the Group and the Maisons and brought to the attention of those concerned. This information is updated as necessary and describes in detail how personal data is used, the security measures in place and the rights of each individual, in accordance with the principle of transparency advocated by the GDPR in particular.

A strict cybersecurity policy is also applied within the Group to ensure a fresh customer experience without compromising on data security, privacy, integrity or availability requirements. Under this policy, LVMH and its Maisons monitor not only the security of their own information systems but assess the security levels of the products and services offered by the third-party providers used by LVMH and its Maisons. Providers that have access personal data entrusted to LVMH and/or its Maisons' are assessed to ensure that the technical and organizational measures they have implemented provide a level of security that is sufficient and well suited to their work. Specific cybersecurity incident prevention, detection and response policies are also applied within the Group; they include a stricter procedure if the incident has the potential to cause a personal data breach.

Third-party service providers are assessed for their maturity with regard to the GDPR and other significant applicable laws, as well as measures taken to ensure the compliance of the solution or service to be provided to LVMH and/or its Maisons.

As a general rule, projects carried out by LVMH and/or its Maisons must complete a preliminary "Privacy by Design" study covering any personal data protection and security-related issues from the outset of projects. They must ensure that only personal data that is necessary for the project's purposes is actually collected and that this data is processed in accordance with the highest professional standards ("privacy by default"), notably in relation to retention periods, access and rules governing transfers of data. This study identifies impact analyses that need to be performed in relation to data protection. From a data security standpoint, a risk analysis is carried out and an action plan drawn up incorporating technical, organizational and contractual measures to address the risks identified.

To ensure a consistent, effective approach, a general data protection policy is shared with all Maisons in order to provide them with a common framework of rules and recommendations, helping ensure that appropriate measures are taken to protect personal data within the LVMH group, in compliance with applicable regulations.

This policy defines a Group compliance program on personal data protection, aimed at putting in place clear and transparent governance arrangements to manage issues concerning data protection, together with a range of common directives, bodies and processes. Sample data processing records, impact analyses, privacy notices, security questionnaires and personal data clauses to be added to contracts signed with subcontractors who process personal data are also provided by LVMH to the Maisons who then adapt them to their own context.

To support LVMH and the Maisons, the Group has implemented a tool that allows DPOs to manage their activities from day to day and ensure their ongoing compliance. This tool makes it possible to automate a number of tasks that need to be done by DPOs as well as data controllers, such as managing data processing records, carrying out various assessments in the form of questionnaires and managing customers' and employees' requests to exercise their rights. The business lines use the tool to play their part in GDPR compliance and ensure that the data controller complies with EU regulations. The LVMH group also has Binding Corporate Rules (BCR) approved by France's Commission Nationale de l'Informatique et des Libertés (CNIL), which govern international transfers within the LVMH group of the personal data of employees and job candidates.

An annual audit and assessment campaign is run as part of internal control or the Maisons' internal audit work, in order to assess compliance with their personal data protection obligations. Under the Group's Enterprise Risk and Internal Control Assessment (ERICA) approach, control points in relation to compliance and the Data Protection Officer are included in the framework.

Lastly, a community of personal data protection and privacy officers has been set up, comprising the Group's main points of contact and their local representatives. It meets monthly to discuss and share experience on common issues relating to personal data protection and privacy, with the aim of continuously improving practices in this area. In addition to these monthly meetings, LVMH organizes an annual seminar for the Maisons' DPOs, legal directors and heads of security to address common issues from a different angle in order to continue to enhance personal data protection expertise.

6. REPORT BY ONE OF THE STATUTORY AUDITORS, DESIGNATED AS AN INDEPENDENT VERIFIER, ON THE VERIFICATION OF THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE

To the Shareholders' Meeting,

In our capacity as Statutory Auditor of your company LVMH Moët Hennessy Louis Vuitton (hereinafter "the Company"), designated as an Independent Verifier ("third party") accredited by COFRAC (COFRAC Inspection Accreditation No. 3-1886, Rev. 0; scope available at www.cofrac.fr), we undertook work with the aim of expressing a reasoned opinion reflecting a limited assurance conclusion on the historical information (whether recorded or extrapolated) included in the consolidated statement of non-financial performance, prepared in accordance with the Company's procedures (hereinafter "the Guidelines"), for the fiscal year ended December 31, 2022 (hereinafter "the Information" and "the Statement", respectively), as set out in the Group's Management Report pursuant to the provisions laid down in Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

It is also our responsibility to express, at the Company's request and outside the scope of our accreditation, a conclusion of reasonable assurance that certain information selected by the Company and set out in the Statement is, in all material respects, fairly presented in accordance with the Guidelines.

1. Limited assurance conclusion on the consolidated statement of non-financial performance in accordance with Article L. 225-102-1 of the French Commercial Code

On the basis of the procedures we performed, as described in the "Nature and scope of work" section, and the information we obtained, we found no material misstatements that might have led us to believe that the statement of non-financial performance is not compliant with applicable regulatory requirements or that the Information, taken as a whole, is not fairly presented, in accordance with the Guidelines.

2. Reasonable assurance conclusion on a selection of information included in the Statement

In our opinion, the information selected by the Company and identified by the ✓ sign in Appendix 1 is, in all material respects, fairly presented in accordance with the Guidelines.

Preparation of the Statement

The lack of a generally accepted and commonly used framework or established practice on which to base the assessment and measurement of Information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

The Information should therefore be read and understood in relation to the Guidelines, the key elements of which are available on the Company's website.

Limitations inherent in the preparation of the Information

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Some information is sensitive to methodological choices, assumptions and/or estimates used in its preparation and set out in the Statement.

Responsibility of the Company

It is the responsibility of management to:

- select and define appropriate criteria for the preparation of Information;
- prepare a Statement compliant with legal and regulatory requirements, including an overview of the business model, a description of key non-financial risks and an overview of the policies adopted in light of those risks, together with the results of those policies, including key performance indicators and furthermore the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- and for such internal control as management determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by applying the Company's Guidelines as mentioned above.

Responsibility of the Statutory Auditor designated as an Independent Verifier

It is our responsibility, on the basis of our work, to express a reasoned opinion reflecting a limited assurance conclusion that:

- the Statement complies with the requirements laid down in Article R. 225-105 of the French Commercial Code;
- the information provided is fairly presented in accordance with Point 3 of Sections I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions in relation to key risks (hereinafter "the Information").

As it is our responsibility to reach an independent conclusion regarding the Information as prepared by management, we are not allowed to be involved in the preparation of this Information, as this could compromise our independence.

It is not our responsibility to express an opinion on:

- whether the Company complies with other applicable legal and regulatory provisions, notably concerning the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the vigilance plan and the prevention of corruption and tax evasion;
- the fair presentation of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- whether products and services comply with applicable regulations.

Regulatory provisions and applicable professional guidelines

The work described below was carried out in accordance with our audit program and the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*), and ISAE 3000 (revised – Assurance Engagements Other than Audits or Reviews of Historical Financial Information).

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). In addition, we have implemented a quality control system, including documented policies and procedures designed to ensure compliance with applicable laws and regulations, ethical standards and professional guidelines of the French National Institute of Statutory Auditors applicable to this engagement.

Means and resources

Our work was undertaken by a team of eleven people between September 2022 and February 2023, for a period of about sixteen weeks.

We conducted around fifteen interviews with those responsible for preparing the Statement, notably representing Executive Management and the Administration & Finance, Risk Management, Privacy, Ethics & Compliance, Human Resources, Environmental Development and Purchasing Departments.

In the course of our work, we made use of information and communication technologies to conduct work and interviews remotely, with no adverse effect on the performance of the work.

Nature and scope of work

We planned and performed our work with due regard to the risks of material misstatement of the Information.

We consider that the procedures we performed using our professional judgment allow us to formulate a limited assurance conclusion:

- we familiarized ourselves with the business of all entities falling within the scope of consolidation and the key risks;
- we assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, objectivity and comprehensible nature, taking the sector's best practices into consideration, where applicable;
- we checked that the Statement covers each category of information laid down in Section III of Article L. 225-102-1 with regard to social and environmental impact, as well as the information required by the second paragraph of Article L. 22-10-36 regarding compliance with human rights and the prevention of corruption and tax evasion;
- we checked that the Statement provides the information required by Section II of Article R. 225-105 wherever relevant with respect to the key risks and, where applicable, includes an explanation of the reasons for the absence of information required by Section III, Paragraph 2 of Article L. 225-102-1;
- we checked that the Statement provides an overview of the business model and a description of the key risks associated with the business of all entities falling within the scope of consolidation, including, where relevant and proportionate, risks arising from business relationships, products and services as well as policies, actions and results, including key performance indicators related to key risks;
- we consulted source documents and conducted interviews to:
 - assess the process used to select and validate key risks, as well as the consistency of results, including key performance indicators related to the key risks and policies presented,
 - corroborate what we considered the most important qualitative information (actions and results) set out in Appendix 1. For all risks, our work was carried out at the level of the consolidating entity and on a selection of the entities listed below:
 - for environmental risks: Wines and Spirits: MHCS: Maison and sites (Epernay, France); Hennessy: Maison and sites (Cognac, France); Glenmorangie: site (Tain, Scotland); Chandon Argentina: sites (Argentina). Perfumes and Cosmetics: Parfums Christian Dior: Maison and site (Saint-Jean-de-Braye, France); Guerlain: Maison and site (Chartres, France). Fashion and Leather Goods: Loro Piana: Maison and site (Quarona, Italy); Christian Dior Couture: Maison and site (France); Loewe: Maison (Spain); Louis Vuitton Malletier: Maison and site (Saint-Pourçain, France). Watches and Jewelry: Bulgari: Maison and site (Valenza, Italy); Tiffany: Maison (United States). Selective Retailing: DFS stores (Hong Kong); Sephora Europe: Maison and stores (France). Other activities: Belmond hotels (Grand Hotel Timeo, Italy and Copacabana, Brazil),
 - for workforce-related risks: Wines and Spirits: Hennessy (France). Perfumes and Cosmetics: Parfums Christian Dior (China). Fashion and Leather Goods: Christian Dior Couture SA (France), Louis Vuitton China (China), Louis Vuitton USA (United States). Watches and Jewelry: Tiffany (United States), Laurelton Diamonds (Cambodia). Selective Retailing: Sephora (France). Other activities: Royal Van Lent (Netherlands), Belmond (United Kingdom),
 - for social risks: Responsible supply chains: Wines and Spirits: MHCS (France). Fashion and Leather Goods: Christian Dior Couture (France) et Loewe (Spain);
- we checked that the Statement covers the scope of the consolidated Group, i.e. all entities falling within the scope of consolidation in accordance with Article L. 233-16, within the limits set out in the Statement;
- we reviewed the internal control and risk management procedures put in place by the Company and assessed the collection process aimed at ensuring that the Information is complete and fairly presented;
- for key performance indicators and those other quantitative results we considered the most significant, set out in Appendix 1, we carried out the following:
 - analytical procedures that consisted in checking that all data collected had been properly consolidated, and that trends in that data were consistent,
 - detailed, sample-based tests or other means of selection that consisted in checking that definitions and procedures had been properly applied and reconciling data with supporting documents. This work was carried out on a selection of contributing entities listed above and covers between 7% and 70% of the consolidated data selected for these tests (12% of the workforce, 41% of energy consumption and 50% of certified supplies);
- we assessed the Statement's overall consistency with our knowledge of all the entities falling within the scope of consolidation.

The procedures performed for a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidelines of the French National Institute of Statutory Auditors; a higher level of assurance would have required more extensive audit procedures.

At the Company's request, we carried out additional work to enable us to express a reasonable assurance conclusion on the information identified by the ✓ sign in Appendix I.

This work was of the same type as that described above in the section on the limited assurance conclusion but more in-depth, in particular with regard to:

- analytical procedures that consisted in checking that all data collected had been properly consolidated, and that trends in that data were consistent;
- detailed, sample-based tests that consisted in checking that definitions and procedures had been properly applied and reconciling data with supporting documents.

The selected sample thus represents between 30% and 67% of the information identified by the ✓ sign

Paris-La Défense, February 9, 2023

One of the Statutory Auditors

French original signed by

Deloitte & Associés

Guillaume Troussicot

Audit Partner

Olivier Jan

Sustainable Development Partner

This is a free translation into English of the Independent Verifier's report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Appendix 1: Information considered the most important

Workforce-related information

Quantitative information (including key performance indicators)

- Breakdown of the workforce as of December 31, 2022 by gender and job category
- Recruitment on permanent contracts from January 1 to December 31, 2022 (breakdown by gender)
- Turnover among employees on permanent contracts from January 1 to December 31, 2022 (total, voluntary and involuntary)
- Proportion of employees on permanent contracts who received training between January 1 and December 31, 2022 by job category
- Average number of days' training for employees on permanent contracts
- Absence rate by reason
- Work-related accident frequency rate
- Work-related accident severity rate

Qualitative information (actions and results)

- Workplace health and safety
- Inclusion and diversity among employees
- Implementing the employer policy and attracting and retaining students and recent graduates
- Training and support for employees throughout their careers

Environmental information

Quantitative information (including key performance indicators)

- Proportion of manufacturing sites certified ISO 14001 (%)
- Total energy consumption (MWh) ✓
- Energy-related greenhouse gas emissions – Scope 1 and 2 (metric tons of CO₂ equivalent) ✓
- Greenhouse gas emissions generated by outbound transport – Scope 3 (metric tons of CO₂ equivalent) ✓
- Total water consumption for process requirements (m³)
- Total water consumption for agricultural requirements (m³)
- Total waste produced (metric tons)
- Total hazardous waste produced (metric tons)
- Waste recovery rate (%)
- Total packaging that reaches customers (metric tons) ✓
- Quantity of COD after treatment (metric tons)

Qualitative information (actions and results)

- Organization of the environmental approach, particularly governance and commitments, including the LIFE 360 program
- Environmental impact of packaging and monitoring of the LIFE “Circular Design” target

Social information

Quantitative information (including key performance indicators)

- Proportion of supplies of grapes, *eaux-de-vie* and still wines (in kg), from the Group's own vineyards or from purchases, with sustainable winegrowing certification (%) ✓
- Proportion of supplies of palm oil, palm kernel oil and their derivatives (in kg) certified RSPO Mass Balance or Segregated (%) ✓
- Proportion of sheep and cow leather supplies (in m²) sourced from LWG-certified tanneries (%) ✓
- Proportion of exotic leather (crocodilian) supplies (number of skins) sourced from LWG-certified tanneries (%)
- Proportion of gold supplies (in kg) certified RJC CoC (excluding Tiffany) ✓
- Proportion of gold supplies (in kg) sourced from RJC CoP-certified suppliers (excluding Tiffany) ✓
- Proportion of diamond supplies (in carats) sourced from RJC CoP-certified suppliers (excluding Tiffany) ✓
- Proportion of cotton supplies (in metric tons) certified (%) ✓
- Proportion of fur supplies (mink and fox) (in kg) certified (%)
- Proportion of sheep's wool (merino and other species) and cashmere (in kg) certified (%)
- Number of social and/or environmental audits carried out on suppliers and subcontractors

Qualitative information (actions and results)

- Supplier assessment and support
- Business conduct and ethics

7. CROSS-REFERENCE TABLES

7.1 Statement of non-financial performance

Like any other economic actor, the LVMH group is exposed to a number of non-financial risks that may affect its performance, cause harm to its reputation, and impact its stakeholders and/or the environment. The following risks have been classified by representatives of the Group's central functions and Executive Management as "key risks" in light of the Group's activities (see §4 of the "Ethics and responsibility" section):

- impact on ecosystems, the climate and natural resources;
- setting up and maintaining responsible supply chains;
- safeguarding health and safety at work;
- transfer of key skills and expertise;
- implementation of a policy to promote employee inclusion and fulfillment;
- shortcomings in the implementation of personal data protection rules;
- shortcomings in the implementation of business practice compliance arrangements.

LVMH is committed to addressing each of these risks by putting the appropriate policies in place. The cross-reference tables below provide a summary presentation of the information constituting the Group's statement of non-financial performance, as required by Article L. 225-102-1 of the French Commercial Code, indicating for each item the section of this Management Report where further details may be found. They include cross-references to the specific disclosures required by this article with regard to respect for human rights and measures to combat corruption, climate change, and discrimination.

The remaining disclosures required by this article may be found in the following sections:

- with regard to the Group's business model, in the sections entitled "The LVMH business model" and "Business overview, highlights and outlook" in the introduction to this report;
- with regard to the presentation of the workforce for each business group and geographic region, in §1.3 of the "Attracting and retaining talent" section;
- with regard to collective bargaining agreements signed at the level of companies across the Group, in §3.2 of the "Attracting and retaining talent" section;
- with regard to efforts to promote the circular economy, in §2 of the "Environment and sustainability" section;
- with regard to combating food waste, in §2.2.3 of the "Environment and sustainability" section;
- with regard to social commitments to promote sustainable development, apart from the topics covered by the cross-reference tables below in terms of social consequences, respect for human rights and the environment, in §1 and §2 of the "Outreach and giving back" section;
- with regard to protecting animal welfare, in §3 of the "Environment and sustainability" section.

Lastly, given the nature of the Group's business activities, topics relating to the fight against food insecurity or efforts to promote responsible and sustainable food production as well as fair food systems are not discussed in this Management Report.

7.1.1 Social consequences

Risk	Policies	Results
Transfer of key skills and expertise	<ul style="list-style-type: none"> – Academic partnerships (§2.1 of the “Attracting and retaining talent” section) – Institut des Métiers d’Excellence (§2.2 of the “Attracting and retaining talent” section) – Employee training and support (§2.3 of the “Attracting and retaining talent” section) – Specific initiatives to promote training and employment for people with disabilities (§4.3 of the “Attracting and retaining talent” section) – Support for high-potential female employees to help them move into key positions (§4.4 of the “Attracting and retaining talent” section) 	<ul style="list-style-type: none"> – Joiners by business group and geographic region (§2.1 of the “Attracting and retaining talent” section) – Investment in training (§2.3 of the “Attracting and retaining talent” section) – Internal mobility data (§2.3 of the “Attracting and retaining talent” section) – Awards, recognition and rankings obtained as an employer (§2.1 of the “Attracting and retaining talent” section)
Health and safety issues faced in the Group’s business activities	<ul style="list-style-type: none"> – LVMH Code of Conduct (§2.2 of the “Ethics and responsibility” section) – LVMH Alert Line whistleblowing system (§5.6 of the “Ethics and responsibility” section) – Charter on Working Relations with Fashion Models (§2.2 of the “Ethics and responsibility” section) – Investments in health, safety and security (§3.1 of the “Attracting and retaining talent” section) – Employee training in health, safety and security (§3.1 of the “Attracting and retaining talent” section) – Social audits of suppliers and subcontractors including a health and safety dimension (§5.2 of the “Ethics and responsibility” section) – Measures relating to the use of chemicals and cosmetovigilance (§5.3 of the “Ethics and responsibility” section) – Promoting responsible consumption of wines and spirits (§5.3 of the “Ethics and responsibility” section) 	<ul style="list-style-type: none"> – Breakdown, frequency and severity of work-related accidents (§3.1 of the “Attracting and retaining talent” section) – Data relating to social audits that include a health and safety dimension (§5.2 of the “Ethics and responsibility” section) – Training for employees and suppliers focusing on the LVMH Restricted Substances List (§5.3 of the “Ethics and responsibility” section)
Implementation of a policy of employee inclusion and fulfillment (aspects related to fulfillment at work)	<ul style="list-style-type: none"> – LVMH Code of Conduct (§2.2 of the “Ethics and responsibility” section) – LVMH Alert Line whistleblowing system (§5.6 of the “Ethics and responsibility” section) – LVMH Heart Fund (§3.4 of the “Attracting and retaining talent” section) – Specific training for managers (§2.3 of the “Attracting and retaining talent” section) – Group Works Council and SE Works Council (§3.2 of the “Attracting and retaining talent” section) 	<ul style="list-style-type: none"> – Number of meetings held by employee representative bodies in 2022 (§3.2 of the “Attracting and retaining talent” section) – Endowment and number of support requests received in connection with the LVMH Heart Fund (§3.4 of the “Attracting and retaining talent” section)

7.1.2 Respect for human rights

Risk	Policies	Results
Setting up and maintaining responsible supply chains (aspects relating to respect for human rights)	<ul style="list-style-type: none"> – LVMH Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Supplier Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Charter on Working Relations with Fashion Models (§2.2 of the “Ethics and responsibility” section) – LVMH Alert Line whistleblowing system (§5.6 of the “Ethics and responsibility” section) – Risk mapping by the Group (§4 of the “Ethics and responsibility” section) – Social audits of suppliers and subcontractors (§5.2 of the “Ethics and responsibility” section) – Collection of information on suppliers’ social and ethical performance via the EcoVadis platform (§5.2 of the “Ethics and responsibility” section) – Participation in multi-party initiatives covering high-risk areas (§5.2 of the “Ethics and responsibility” section) 	<ul style="list-style-type: none"> – Breakdown of suppliers and audits (§5.2 of the “Ethics and responsibility” section) – Data on combined audits and audits examining only social aspects carried out at suppliers (§5.2 of the “Ethics and responsibility” section) – Proportion of follow-up audits (§5.2 of the “Ethics and responsibility” section) – Proportion of suppliers not meeting the Group’s standards (§5.2 of the “Ethics and responsibility” section) – Number of contracts terminated following audits (§5.2 of the “Ethics and responsibility” section) – Number of business relationships not initiated following audits (§5.2 of the “Ethics and responsibility” section)
Implementation of a policy of employee inclusion and fulfillment (aspects relating to the fight against discrimination and the promotion of diversity)	<ul style="list-style-type: none"> – LVMH Code of Conduct (§2.2 of the “Ethics and responsibility” section) – LVMH Alert Line whistleblowing system (§5.6 of the “Ethics and responsibility” section) – Recruitment Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Specific training for recruiters (§4.2 of the “Attracting and retaining talent” section) – Independent review of hiring practices (§4.2 of the “Attracting and retaining talent” section) – Specific initiatives to promote training and employment for people with disabilities (§4.3 of the “Attracting and retaining talent” section) – Support for high-potential female employees to help them move into key positions (§4.4 of the “Attracting and retaining talent” section) 	<ul style="list-style-type: none"> – Proportion of employees with disabilities (§4.3 of the “Attracting and retaining talent” section) – Proportion of women among joiners and in the Group’s workforce (§4.4 of the “Attracting and retaining talent” section)
Shortcomings in the implementation of personal data protection rules	<ul style="list-style-type: none"> – LVMH Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Data protection policy (§5.7 of the “Ethics and responsibility” section) 	<ul style="list-style-type: none"> – Creation of a network of Data Protection Officers (§5.7 of the “Ethics and responsibility” section)

7.1.3 Environmental consequences

Risk	Policies	Results
Business impacts on ecosystems, the climate and natural resources (including aspects relating to the fight against climate change)	<ul style="list-style-type: none"> – LVMH Environmental Charter (§1.1 and §1.2 of the “Environment and sustainability” section) – LIFE program and LIFE 360 targets (§1.1 and §1.2 of the “Environment and sustainability” section) – Combating climate change and the LVMH Carbon Fund (§5 of the “Environment and sustainability” section) 	<ul style="list-style-type: none"> – Improvement in the Environmental Performance Index scores of product packaging for Perfumes and Cosmetics and Wines and Spirits companies (§2.2 of the “Environment and sustainability” section) – Accelerated and expanded rollout of sustainable and organic winegrowing (§3.1 of the “Environment and sustainability” section) – Certification of materials used in products (§3.1 of the “Environment and sustainability” section) – Amounts raised via the Carbon Fund and metric tons of carbon-equivalents avoided via the innovative projects supported (§5.2 of the “Environment and sustainability” section) – Increase in the proportion of renewable energy in the Group’s energy mix (§5.2 of the “Environment and sustainability” section) – Implementation of an environmental management system at manufacturing sites (§2.1.4 and §2.2.4 of the “Environment and sustainability” section)
Setting up and maintaining responsible supply chains (environmental aspects)	<ul style="list-style-type: none"> – LVMH Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Supplier Code of Conduct (§2.2 of the “Ethics and responsibility” section) – LVMH Environmental Charter (§1.1 and §1.2 of the “Environment and sustainability” section) – LIFE program and LIFE 360 targets (§1.1 and §1.2 of the “Environment and sustainability” section) – LVMH Alert Line whistleblowing system (§5.6 of the “Ethics and responsibility” section) – Collection of information on suppliers’ environmental performance via the EcoVadis platform (§5.2 of the “Ethics and responsibility” section) – Participation in multi-party initiatives covering high-risk areas (§5.2 of the “Ethics and responsibility” section) 	<ul style="list-style-type: none"> – Data on environmental audits carried out at suppliers, both combined audits and audits examining only environmental aspects (§5.2 of the “Ethics and responsibility” section) – LIFE 360 program – “Biodiversity” target, particularly relating to supply chains for grapes, leather, skins and pelts, gemstones and precious metals, palm oil derivatives and regulated chemicals (§3.1 of the “Environment and sustainability” section)

7.1.4 Fight against corruption

Risk	Policies	Results
Shortcomings in the implementation of business practice compliance arrangements	<ul style="list-style-type: none"> – LVMH Code of Conduct (§2.2 and §5.6 of the “Ethics and responsibility” section) – Supplier Code of Conduct (§2.2 of the “Ethics and responsibility” section) – LVMH Alert Line whistleblowing system (§5.6 of the “Ethics and responsibility” section) – Group Ethics & Compliance Intranet site (§5.6 of the “Ethics and responsibility” section) – Corruption risk mapping (§4 and §5.6 of the “Ethics and responsibility” section) – Anti-corruption assessment of third parties (§5.6 of the “Ethics and responsibility” section) – Role of the Ethics & Compliance Department, officers and committees (§3 and §5.6 of the “Ethics and responsibility” section) – Internal guidelines (§5.6 of the “Ethics and responsibility” section) – Anti-corruption training (§5.6 of the “Ethics and responsibility” section) – Compliance rules included in the internal audit and control framework (§5.6 of the “Ethics and responsibility” section) – Report to the Ethics & Sustainable Development Committee of the Board of Directors (§3 of the “Ethics and responsibility” section) 	<ul style="list-style-type: none"> – Number of reports made to the LVMH Alert Line (§5.6 of the “Ethics and responsibility” section) – Number of times the anti-corruption training module has been passed (§5.6 of the “Ethics and responsibility” section) – Number of Ethics & Compliance Officers (§3 of the “Ethics and responsibility” section)

7.2 Vigilance plan

The LVMH group is unique in terms of the variety of business areas in which it operates around the world. Risk management needs to be appropriate to the diverse range of situations encountered. The Group coordinates the actions of its Maisons in order to prevent any human rights violations that may occur within the framework of their operations or those of their suppliers and subcontractors.

The Group’s duty of care policy aims to set out the frameworks for action and shared commitments, ensure that these are implemented and help the Maisons to identify and manage their risks. This is coordinated across the Group, with each Maison implementing its own specific measures.

This chapter aims to provide a summary presentation of the information constituting the Group’s vigilance plan, as required by Article L. 225-102-4 of the French Commercial Code.

7.2.1 Organization and governance

The Group’s duty of care policy is coordinated by the Privacy, Ethics & Compliance Department, working in close collaboration with the CSR, Environment and Purchasing departments. It relies on the parties involved and governance teams of these various departments to identify and manage the risks associated with duty of care (see §3, “Governance”).

7.2.2 Risk identification

Analysis of gross risks was carried out in 2020. This analysis is based on comparing external risk indicators (supplied by Verisk Maplecroft) with quantitative information provided by the Group’s Maisons (location, number of employees, volume of purchases, types of suppliers, etc.).

This data enables each Maison to map its gross risks in terms of human rights and the environment in order to prioritize its risk control measures. Purchasing data was updated in 2022.

In addition and in order to refine this analysis, the Privacy, Ethics & Compliance Department appointed a law firm in 2021 to review existing practices within the Group and their compliance with duty of care requirements. Following on from this review, since 2022, specific analysis has been conducted with a selection of Maisons representing the business sectors in which the Group operates. The results will be used to define an operating roadmap for the Group.

Comprehensive analysis of the environmental risks associated with the Group’s various operations has also been carried out (see §1.1.2, “Risk identification” of the “Environment and sustainability” section).

7.2.3 Risk control and assessment procedures

Risks associated with the Group’s duty of care are managed within the framework of its own commitments as well as internal and external standards regarding ethics, human rights and the environment (see §2, “Standards” of the “Ethics and responsibility” section).

The Group ensures that these are correctly applied by means of ethics compliance procedures and its responsible supply chain management policy helps to prevent and address any risks. In addition to these general measures, specific measures have been developed for certain business areas that are particularly exposed to risk.

The table below summarizes all of these risk control measures (for more details, refer to the corresponding sections).

Risk mitigation and prevention measures

	Group activities	Activities of suppliers and subcontractors
Human rights and fundamental freedoms	<ul style="list-style-type: none"> – Specific training for recruiters to prevent discrimination (§2.4 of the “Attracting and retaining talent” section) – Independent review of hiring practices (§2.4 of the “Attracting and retaining talent” section) 	<ul style="list-style-type: none"> – Supplier Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Training for suppliers and buyers (§5.2 of the “Ethics and responsibility” section) – Participation in multi-party initiatives covering high-risk areas (§5.2 of the “Ethics and responsibility” section) – Supply chain certification targets (§5.2 of the “Ethics and responsibility” section)
Individuals’ health and safety	<ul style="list-style-type: none"> – LVMH Restricted Substances List (§5.3 of the “Ethics and responsibility” section) – LVMH Testing Program (§5.3 of the “Ethics and responsibility” section) – Promoting responsible consumption of wines and spirits (§5.3 of the “Ethics and responsibility” section) – Third-party liability insurance (§2.3 of the “Financial and operational risk management and internal control” section) – Specific insurance policies in countries where work-related accidents are not covered by social security systems (§2.3 of the “Financial and operational risk management and internal control” section) 	<ul style="list-style-type: none"> – Supplier Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Training for suppliers and buyers (§5.2 of the “Ethics and responsibility” section) – Participation in multi-party initiatives covering high-risk areas (§5.2 of the “Ethics and responsibility” section) – Supply chain certification targets (§5.2 of the “Ethics and responsibility” section) – Assistance guides provided to suppliers for the elimination/substitution of chemicals whose use is restricted or prohibited by LVMH (§5.3 of the “Ethics and responsibility” section) – Charter on Working Relations with Fashion Models (§2.2 of the “Ethics and responsibility” section)
Environment	<ul style="list-style-type: none"> – LIFE 360 objectives (§2 to §5 of the “Environment and sustainability” section) – Insurance for environmental damage (§2.3 and §2.4 of the “Financial and operational risk management and internal control” section) 	<ul style="list-style-type: none"> – Supplier Code of Conduct (§2.2 of the “Ethics and responsibility” section) – Training for suppliers and buyers (§5.2 of the “Ethics and responsibility” section) – Participation in multi-party initiatives covering high-risk areas (§5.2 of the “Ethics and responsibility” section) – Supply chain certification targets (§5.2 of the “Ethics and responsibility” section)

Follow-up and assessment measures

	Group activities	Activities of suppliers and subcontractors
Common to all issues	<ul style="list-style-type: none"> – Internal control and audit framework (§3.5 of the “Financial and operational risk management and internal control” section) – Regular updates to the risk analysis – Accident analysis and prevention (§3.2 of the “Attracting and retaining talent” section) – Environment management system (§2.1.4 and §2.2.4 of the “Environment and sustainability” section) – Tracking achievement of LIFE 360 targets (§2 to §5 of the “Environment and sustainability” section) 	<ul style="list-style-type: none"> – Audits and follow-up audits (§5.2 of the “Ethics and responsibility” section) – Corrective action plans following audits (§5.2 of the “Ethics and responsibility” section)
Individuals’ health and safety	<ul style="list-style-type: none"> – Accident analysis and prevention (§3.2 of the “Attracting and retaining talent” section) 	
Specific to the environment	<ul style="list-style-type: none"> – Environment management system (§2.1.4 and §2.2.4 of the “Environment and sustainability” section) – Tracking achievement of LIFE 360 targets (§2 to §5 of the “Environment and sustainability” section) 	

7.2.4 Management of whistleblowing

The LVMH group has set up the “LVMH Alert Line”, a secure centralized whistleblowing system that guarantees confidentiality. Available in 14 languages and accessible on the Group’s website (<https://alertline.lvmh.com>), it is open to both employees and external stakeholders. In 2022, 327 reports were received through the Group’s whistleblowing system, of which 65% had to do with human resources matters.

In general and in addition to this system, the Group’s Ethics & Compliance Department helps the Maisons to deal with any reports concerning human rights and ensures that appropriate corrective measures are taken.