2022 SOCIAL AND ENVIRONMENTAL RESPONSIBILITY REPORT

Committed to positive impact

LVMH

Committed to positive impact

365 days of commitment in 3 minutes

In 2022, the LVMH group and its 75 Maisons – alongside their employees, partners and stakeholders – once again committed to creating and embodying a form of luxury that is as sustainable as it is desirable. We strengthened our governance by setting up an ESG Committee to help implement and coordinate our environmental and social commitments.

As regards social responsibility, and as a group with almost 200,000 employees in 80 countries, we followed our 2025 CSR Roadmap and stepped up our Diversity & Inclusion efforts. We adopted quantitative targets, including having women occupy 50% of key roles, achieving equal pay, and recruiting people with disabilities so that they make up 2% of our workforce by 2025. Today, 45% of key roles are occupied by women, and the proportion of our workforce consisting of people with disabilities rose 17% in 2022. A year after introducing the LVMH Health and Safety Policy, indicators have improved significantly as we move toward a zero-accident culture. Our Métiers d'Excellence stepped up their recruitment to ensure that the skills vital to our Maisons' long-term future are passed on. They also toured France, meeting career-changers and young people and awakening within them a passion for our professions, with 3,500 job and training opportunities on offer. Young people featured heavily in the Maisons' worldwide recruitment efforts: in 2022, the group hired 39,000 people aged under 30. The Maisons' engagement programs are magnifying the Group's positive impact on society: more than 46,000 employees supported more than a million people through partnerships with 900 nonprofit organizations in 2022.

As regards environmental responsibility, the results achieved through the LIFE 360 program show how dedicated all the Maisons are to this goal. Our triple-A rating from the Carbon Disclosure Project (CDP) is further acknowledgment of the Group's commitment. Our involvement in the COP Climate and Biodiversity conferences were an opportunity to highlight progress in promoting regenerative agriculture within our supply chain, the results of our partnership with UNESCO in the Amazon, and our partnership with the Circular Bioeconomy Alliance (CBA) regarding sustainable cotton production in Africa. In total, 1.37 million hectares of wildlife habitats were preserved or restored in 2022. We pursued energy sobriety through a dedicated plan and a partnership with Hang Lung Properties, which owns shopping malls in China. We also maintained our eco-design efforts, including staff training. Through these initiatives, we have reduced our carbon footprint relative to 2019, with an 11% cut in GHG emissions from energy consumption and a 15% reduction in Scope 3 emissions.

We continued to roll out our responsible sourcing policy, ensuring that our suppliers and strategic supply chains share our social and environmental commitments. In 2022, we carried out 1,625 audits covering 1,384 suppliers and subcontractors, an increase of 7.5% relative to 2021. Employees and suppliers in our various regions and Maisons are also receiving training in responsible sourcing.

As regards cultural responsibility, we maintained our commitment to making artistic creativity accessible to all. The Fondation Louis Vuitton held three exceptional exhibitions focusing on the Morozov Collection, Simon Hantaï and Claude Monet/Joan Mitchell. The LVMH Prize for Young Fashion Designers made waves around the world, and its winner in 2022 was S.S. Daley. Finally, we held our *Journées Particulières* event for the fifth time, attracting a record 200,000 visitors who came to meet craftspeople working for 57 of our Maisons in 15 countries.

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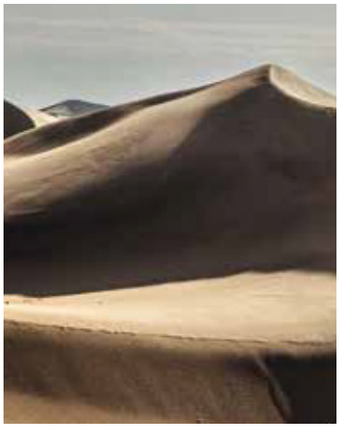

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Meaningful partnerships

At LVMH, our commitments require us to work closely with a number of entities dedicated to major social causes. We are therefore developing collaborations and partnerships in order to have a positive impact on society and the communities in which we operate.

COMMITMENT TO SOCIETY

Our approach to social commitment stands out through our engagement with external stakeholders and the dedication of our employees. It is rooted in a long-term vision and involves practical action for the benefit of our society.

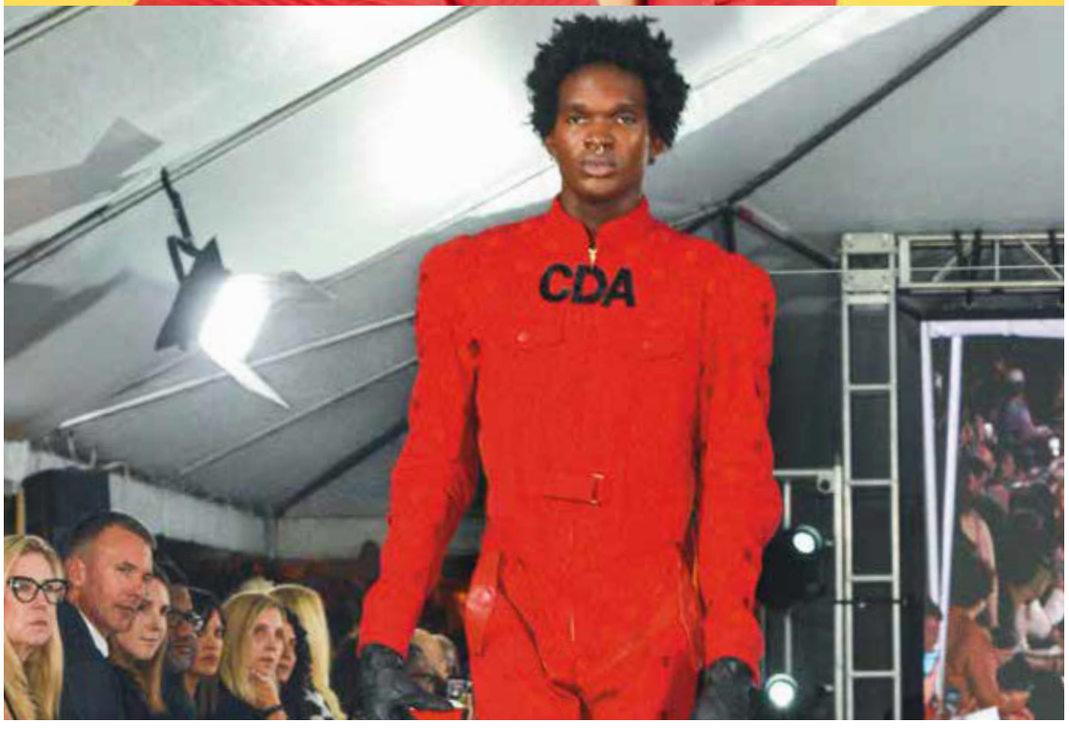
COMMITMENT TO THE ENVIRONMENT

Given the urgent need to address environmental issues, LVMH is developing collective intelligence and joining forces with experts in order to bolster its efforts and those of its Maisons.

COMMITMENT TO CULTURE

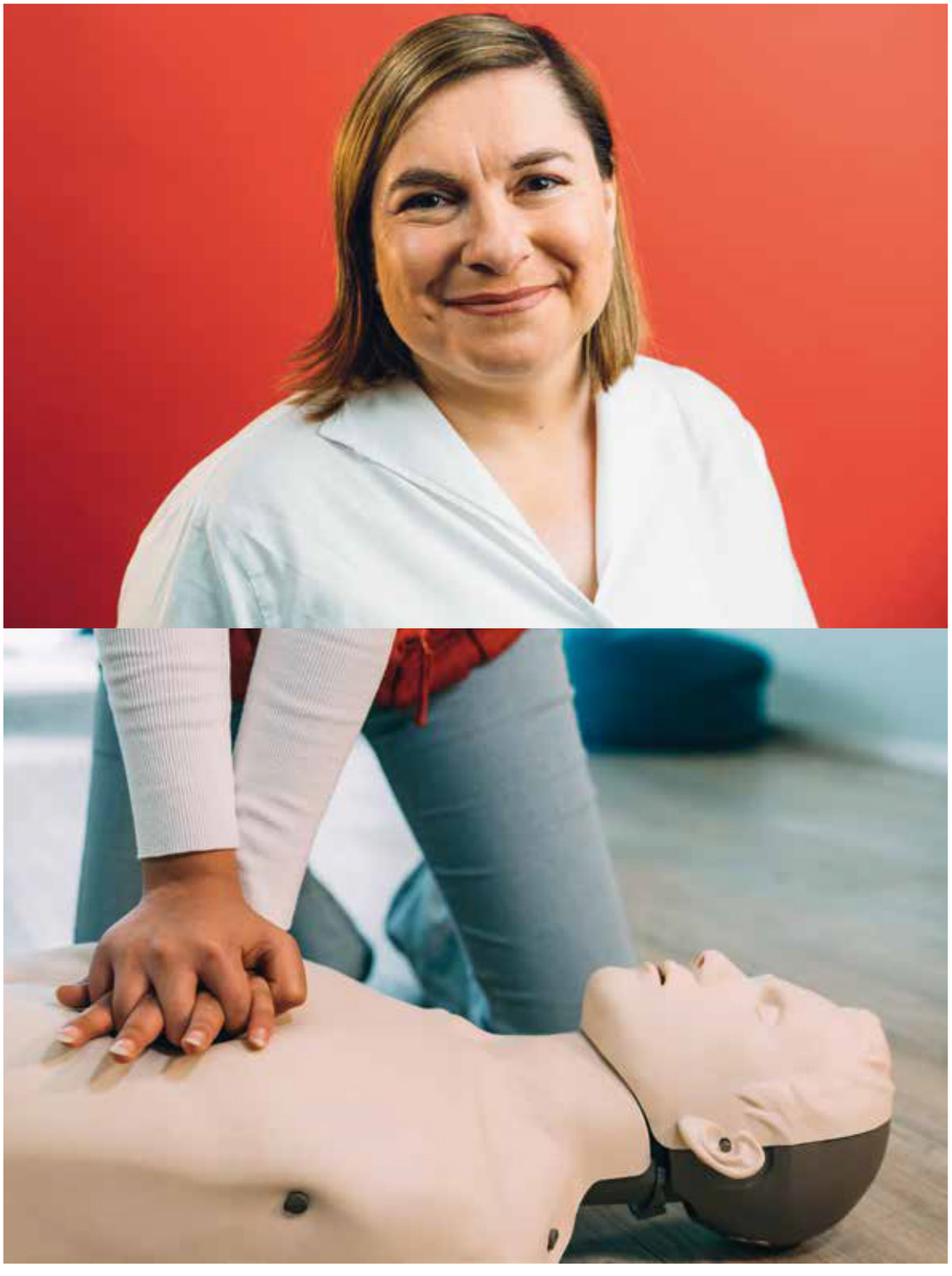
LVMH has always supported culture in order to fulfill its main mission of sharing its passion for art and creativity with a wide audience all around the world.

In this report, we have invited six of our partners – who helped us have a positive social, environmental and cultural impact in 2022 – to give us their perspectives.



"LVMH is transforming the luxury industry."

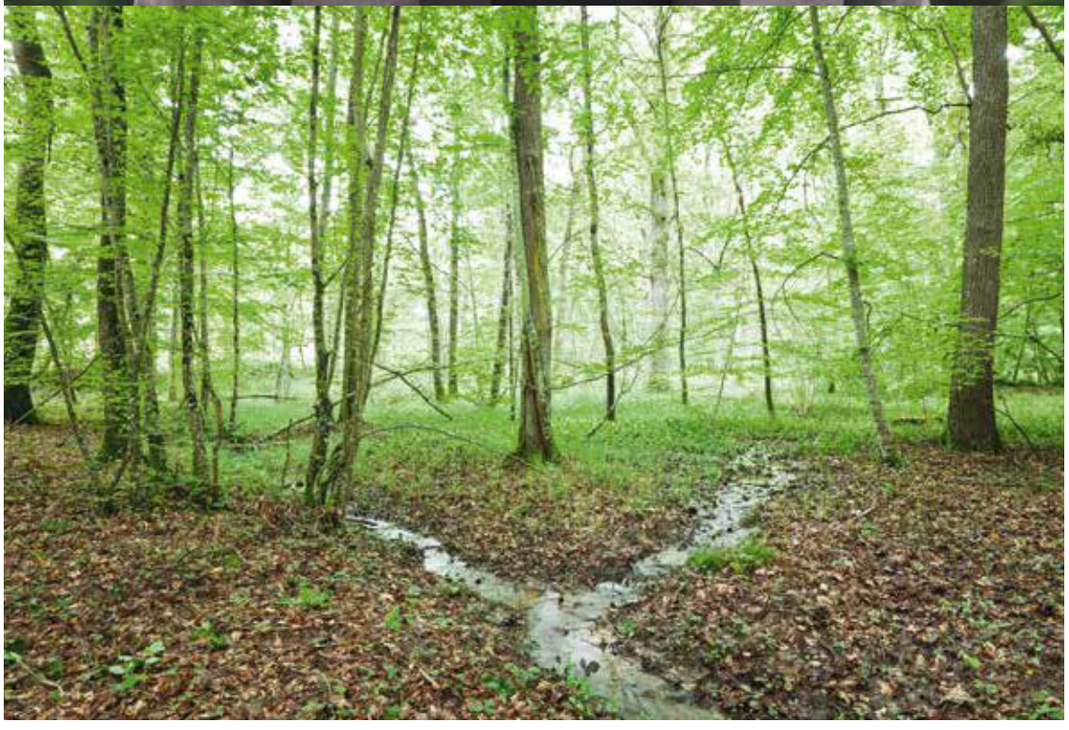
PROMOTING DIVERSITY — Black and Latin American designers have been marginalized for decades in the fashion industry. Our partnership with LVMH is sending them a strong signal. Together, we can rewrite history and finally consider them in a genuinely fair way.
Brandice N. Daniel, CEO and founder of Harlem's Fashion Row



"Every one of us can save a life."

RISK PREVENTION AND FIRST AID AT WORK — We're very happy to be helping LVMH meet its commitment to provide first-aid training to 100% of its employees by 2025. Our aims are fully aligned, because the IFRC(1) has the vision of ensuring that every household, workplace and educational institution has at least one person with first-aid training by 2030.
Diane Issard, Manager of the IFRC Global First Aid Reference Centre

(1) International Federation of Red-Cross and Red Crescent Societies.

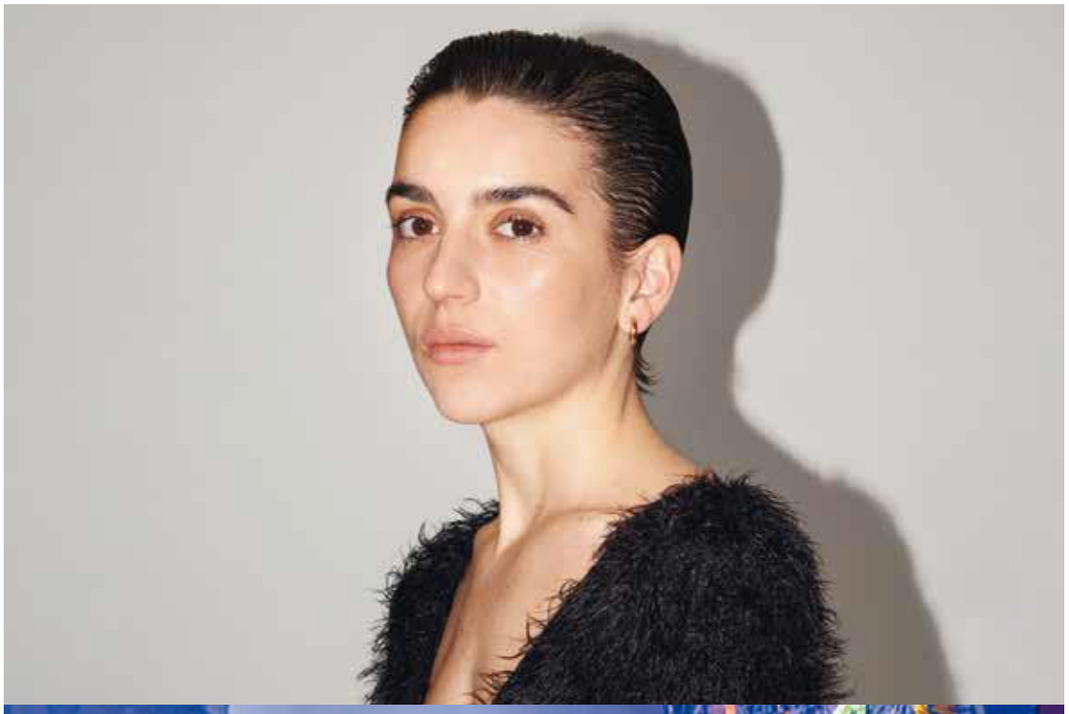


"LVMH is leading some very far-reaching changes."

PRESERVING ANCIENT AND ENDANGERED FORESTS — With the Pack4Good and CanopyStyle initiatives, we are working with LVMH to move to a more forest-friendly packaging and textiles supply chain. In particular, we're very proud of our collaboration with Veuve Clicquot to create EcoYellow, a presentation box as sustainable as it is beautiful and luxurious.
Nicole Rycroft, Founder and Executive Director of Canopy

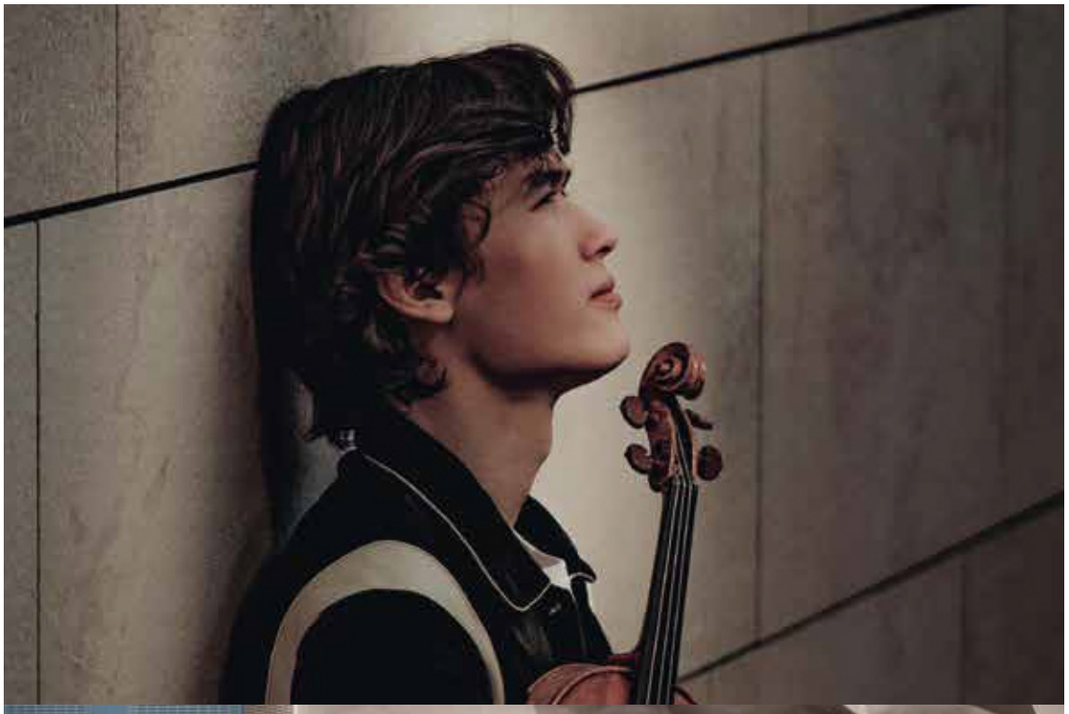
"Each of us has the teams required to achieve success."

ENERGY SOBRIETY IN STORES — For Hang Lung Properties, an owner of shopping malls in China, working with LVMH was a natural choice. We both want to drive meaningful change, particularly as regards energy sobriety. LVMH is showing outstanding dedication to this: its unique approach goes above and beyond practices seen elsewhere.
Adriel Chan, Vice-Chair of Hang Lung Properties



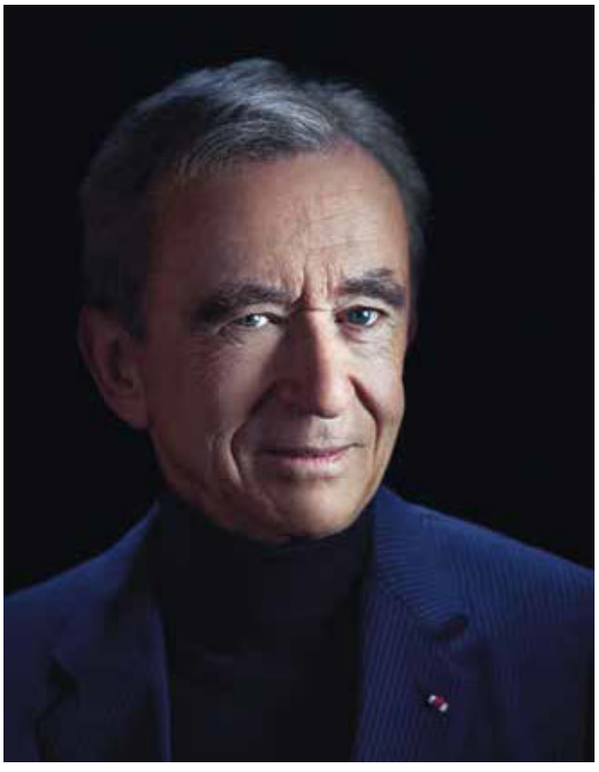
"The LVMH Prize has allowed me to help change fashion."

MAKING FASHION A DRIVER OF RESILIENCE — The LVMH Prize I won in 2017 helped me, in my own way, to change fashion and the way we see it: it can be a powerful driver of resilience, sustainability and inclusion. It can encourage us to consume less but better, by informing us about where our clothes come from and how they're made, and ensuring that the quality of those clothes makes us want to keep them for a long time. **Marine Serre,** winner of the LVMH Prize in 2017



“LVMH shows an extraordinary level of commitment.”

PROMOTING ART AND CULTURE — I’m eternally grateful for the support and trust of LVMH, who have given me this unique Stradivarius violin, Le Sancy, dating from 1713. This divine instrument, which previously belonged to legendary violinist Ivry Gitlis, is a real blessing as I continue my musical journey. I can’t wait to discover the hidden secrets of its timeless personality. **Daniel Lozakovich,** violinist



Bernard Arnault, Chairman and Chief Executive Officer

PERFORMANCE DRIVEN BY COMMITMENT

Our business model proved its value once again by delivering record results in 2022. That model, which we pursue all over the world, is based on the desirability of our products and our mission, "The Art of Crafting Dreams".

But our success is only worthwhile if it is also virtuous. Success can only last if it is fair. And if it benefits everyone, then it will be even greater. What's the point of inspiring dreams with magnificent products if they don't meet the highest social and environmental standards? We apply those standards for the benefit of our employees and our customers of course, for our stakeholders as well, but above all for our future. This involves considering the common good in everything we do, and ensuring that the benefit of our success extends beyond our own sphere.

Our success is the result of the amazing work done by our 200,000 people in the last few years, during which we have overcome numerous crises. It's our duty to offer them a fair and stimulating working environment in which they can fulfill their talent. That's why, in 2022, we brought together the diversity and inclusion efforts of the Group, our Maisons and our regions to form a bold roadmap. This is especially important given that the Group welcomes thousands of new employees every year, including 39,000 early career professionals in 2022. We must pass on our unique skills and know-how to those young people, particularly in the areas of creative, craft and customer experience. In 2022, for the first time, we traveled around France to meet this new generation, introducing them to the Métiers d'Excellence LVMH – professions in which our virtuosos ensure the excellence of our products – and inspiring them to take those professions up.

It is also our duty to change the way we represent beauty, to form a closer link between desirability and sustainability. This is what LVMH's environmental commitment is all about: using our influence to protect nature and all living things. Our whole Group has put its weight behind this effort, as shown by the results of our LIFE 360 program and our energy sobriety plan to cut energy consumption by 10% between October 2022 and October 2023. We stepped up our biodiversity initiatives last year and presented them during COP 15. For example, we cooperated more closely with UNESCO on projects aimed at minimizing the consequences of climate change on biodiversity and improving the resilience of ecosystems. We are also expanding our innovative research efforts – in areas like agroforestry, the conversion of keratin into fibers, recycling and upcycling – to achieve creative circularity. Sustainability is crucial to our ongoing progress. Our triple A rating from the CDP – covering water, biodiversity and the climate – sends a strong signal, while also encouraging us to go further.

Finally, all around the world, it is our duty to share our passion for culture, and our efforts to fulfill that duty are spearheaded by the Fondation Louis Vuitton and its extraordinary exhibitions. In 2022, the Morozov Collection, the Simon Hantaï Retrospective and the Monet-Mitchell Dialogue were seen by millions of visitors from France and abroad.

By creating exceptional products using outstanding environmental and social practices, and by sharing unforgettable works of art and introducing them to a new audience, we fulfill LVMH's vocation: letting our culture shine forth and inspiring dreams among people all over the world.

LVMH Group businesses and key figures

1

Wines & Spirits

Moët & Chandon, Hennessy, Château d'Yquem, Joseph Phelps... The origins of all these world-famous estates are inextricably linked to the appellations and terroirs of the world's most prestigious wines and spirits.

2

Fashion & Leather Goods

Louis Vuitton, Dior, Celine, Loewe, Fendi, Berluti... LVMH's Fashion & Leather Goods business features both Maisons with unique heritage and young brands, and each of their designs is a timeless object of desire.

3

Perfumes & Cosmetics

Dior, Guerlain, Givenchy, Make Up For Ever, Fenty Beauty by Rihanna, Officine Universelle Buly... LVMH's Perfumes & Cosmetics division is a major player in fragrances, cosmetics and skincare, combining major historic Maisons and high-potential young brands.

4

Watches & Jewelry

Tiffany & Co., TAG Heuer, Bulgari, Chaumet, Hublot, Zenith and Repossi. LVMH's Watches & Jewelry Maisons include the market's most iconic brands, and they all share a quest for excellence, creativity and innovation.

5

Selective Retailing

Sephora, Le Bon Marché, DFS... All around the world, LVMH's Selective Retailing Maisons share a single objective: to transform shopping into a unique experience.

6

Other activities

Belmond, Hôtels Cheval Blanc, Groupe Les Echos, Royal Van Lent... The Maisons in this division share the purpose of being ambassadors for culture and a certain *art de vivre,* in order to offer customers products and services of the highest quality.

Group governance

AS THE CUSTODIANS OF THE GROUP'S LONG-TERM VISION, THE BOARD OF DIRECTORS MAKES SOCIAL MATTERS AN INTEGRAL PART OF ITS STRATEGIC CONSIDERATIONS. IT GUIDES THE GROUP WITH A LONG-TERM VIEW, MONITORS RISK MANAGEMENT POLICIES AND ENSURES THAT BOTH SHAREHOLDER RIGHTS AND DUTIES ARE UPHELD.

The Board sets LVMH's broad strategic direction and ensures that it is followed. It also checks the reliability of information provided to it and verifies that major risks are properly covered by effective policies.

In that way, the Board ensures the effectiveness of the Group's systems for preventing corruption and influence peddling. It oversees progress with the Group's diversity and inclusion roadmap, particularly toward targets regarding gender equality and balanced gender representation in its governing bodies. It supervises efforts to achieve the Group's social and environmental responsibility objectives. Finally, it ensures that the mutual rights and duties between LVMH and its shareholders are respected.

LVMH's Executive Committee is made up of the Group's operational and functional executives. Guided by the Board of Directors, the Executive Committee establishes strategic objectives and works with managers to achieve them, taking into account changes in the Group's operating environment, responsibilities and commitments.

Board of Directors

Bernard Arnault
Chairman and Chief Executive Officer
Antonio Belloni[1]
Group Managing Director
Antoine Arnault
Delphine Arnault[1]
Dominique Aumont
Marie-Laure Sauty de Chalon[1][2]
Nicolas Bazire
Marie-Véronique Belloeil-Melkin
Director representing employees
Sophie Chassat[2]
Charles de Croisset[2]
Lead director
Clara Gaymard[2]
Marie-Josée Kravis[1][2]
Laurent Mignon[2][3]
Marie-Laure Sauty de Chalon[1][2]
Yves-Thibault de Silguy[2]
Natacha Valla[1][2]
Hubert Védrine[2]

ADVISORY BOARD MEMBERS

Yann Arthus-Bertrand
Diego Della Valle[4]
Lord Powell of Bayswater[5]

Board committees

PERFORMANCE AUDIT COMMITTEE

Clara Gaymard[2]
Chairman
Charles de Croisset[2]
Marie-Laure Sauty de Chalon[1][2]
Yves-Thibault de Silguy[2]

GOVERNANCE AND COMPENSATION COMMITTEE

Natacha Valla[1][2][6]
Chairman
Sophie Chassat[2]
Charles de Croisset[2]
Marie-Josée Kravis[1][2][6]
Yves-Thibault de Silguy[2][7]

ETHICS & SUSTAINABLE DEVELOPMENT COMMITTEE

Yves-Thibault de Silguy[2]
Chairman
Delphine Arnault[1]
Marie-Laure Sauty de Chalon[1][2]
Hubert Védrine[2]

Statutory Auditors

DELOITTE & ASSOCIÉS

represented
by **Guillaume Troussicot**
and **Bénédicte Sabadie**

MAZARS

represented
by **Isabelle Sapet**
and **Simon Beillevaire**

(1) Reappointment as Director put to shareholders in the April 20, 2023 Shareholders' Meeting
(2) Independent director.
(3) Appointment as Director put to shareholders in the April 20, 2023 Shareholders' Meeting.
(4) Appointment as Advisory Board member put to shareholders in the April 20, 2023 Shareholders' Meeting.
(5) Reappointment as Advisory Board member put to shareholders in the April 20, 2023 Shareholders' Meeting.
(6) Natacha Valla appointed as a member and Chairman of the Governance and Compensation Committee by the Board of Directors in its January 26, 2023 meeting, effective at the close of the April 20, 2023 Shareholders' Meeting, with Marie-Josée Kravis remaining Chairman of the Committee until the close of that Shareholders' Meeting.
(7) Until the close of the April 20, 2023 Shareholders' Meeting.

A pioneering commitment: key dates

1992
LVMH creates its Environment Department after the Rio de Janeiro Earth Summit

1998
Hennessy becomes the first wine and spirits producer in the world to obtain ISO 14001 environmental certification

2001
LVMH publishes the luxury industry's first-ever environmental report

2002
LVMH Maisons use the Bilan Carbone® method to measure their CO_2 emissions

2003
LVMH joins the United Nations Global Compact

2005
LVMH signs the Apprenticeship Charter

2006
LVMH signs the Business Charter for Equal Opportunity in Education

2007
LVMH signs the Diversity Charter

2008
LVMH drafts a Supplier Code of Conduct to strengthen its commitments

2009
LVMH publishes the LVMH Code of Conduct and the Recruitment Code of Conduct

LVMH signs the Charter for the Employment of People with Disabilities

2012
LVMH signs up to the French National Strategy for Biodiversity

The Group launches LIFE (LVMH Initiatives For the Environment) to boost its environmental policy

2013
LVMH signs the United Nations Women's Empowerment Principles

2015
The United Nations adopts the Sustainable Development Goals (SDGs)

LVMH sets up an internal carbon fund to finance projects that combat climate change: a pioneering initiative in the luxury industry

2017

LVMH creates the Ethics & Compliance Department

LVMH draws up the charter on working relations with fashion models and their well-being, together with Kering and other industry professionals

LVMH revises the LVMH Code of Conduct and the Supplier Code of Conduct to strengthen the commitments of all employees and suppliers

2018

At the Davos World Economic Forum, LVMH participates in the Gender Parity Task Force

LVMH launches the LVMH Alert Line

2019

LVMH signs the United Nations Standards of Conduct for business tackling discrimination against LGBTI+ people

LVMH unveils its Animal-Based Raw Materials Sourcing Charter

LVMH becomes a partner of UNESCO's "Man and the Biosphere" (MAB) biodiversity protection program

2020

LVMH joins the International Labour Organization (ILO) Global Business and Disability Network and signs its charter

LVMH creates the Future of Luxury Commission and calculates the environmental footprint of its entire value chain, including Scopes 1, 2, and 3 impacts on climate change, biodiversity, and water resources

2021

LVMH Alert Line becomes accessible to all external stakeholders

LVMH unveils its LIFE 360 environmental strategy, which sets out ambitious targets for 2023, 2026 and 2030

The LVMH Group's 75 Maisons sign the "WE for ME" pact to safeguard and promote its Métiers d'Excellence

LVMH signs the Health and Safety Policy, which covers the Group's employees, service providers and customers

LVMH creates the LVMH Heart Fund, a global emergency and support fund for all of its employees

2022

LVMH revises the Supplier Code of Conduct

LVMH launches its global Diversity & Inclusion roadmap, which has three key aspects: talent, partners and image

In September 2022, LVMH adopts an energy sobriety plan aiming to cut electricity consumption at its sites, workshops and stores by 10% within one year

LVMH creates an ESG Committee as part of the Group's strategic governance arrangements

Performance driven by commitment: practical application

THE GROUP'S PERFORMANCE CANNOT BE MEASURED SOLELY IN FINANCIAL TERMS, BECAUSE THAT PERFORMANCE IS WHAT ENABLES LVMH TO INVEST IN THE COMMON GOOD, IN SOCIAL, ENVIRONMENTAL AND CULTURAL TERMS. THIS COMMITMENT FORMS PART OF A LONG-TERM VISION OF SUSTAINABLE LUXURY, AND IS REALIZED THROUGH NUMEROUS PRACTICAL INITIATIVES UNDERTAKEN BY THE MAISONS AND THEIR EMPLOYEES. ALL OF LVMH'S PEOPLE SHARE COMMON VALUES AS WELL AS THE GROUP'S MISSION: THE ART OF CRAFTING DREAMS. EVERY DAY, THEY SHOW THEIR COMMITMENT TO A MORE DESIRABLE FUTURE.

CREATIVITY AND INNOVATION

The combination of creativity and innovation is the foundation of our Maisons. This delicate balance allows them to continually renew the range of products and services they offer, resolutely looking to the future while respecting their unique heritage.

QUEST FOR EXCELLENCE

We are privileged in being able to offer the highest quality products thanks to the exceptional savoir-faire of our craftspeople. We embody everything that is most noble and accomplished in the world of craftsmanship, paying meticulous attention to detail and striving for perfection.

ENTREPRENEURIAL MINDSET

We have been entrusted with the heritage of the exceptional entrepreneurs and creative talents who founded our Maisons, and we have kept a decentralized structure to maintain the pragmatic, agile approach that leads to efficiency and responsiveness.

POSITIVE IMPACT

Firmly convinced that truly desirable products can only come from sustainable businesses, we are committed to ensuring that our products and the way they are made have a positive impact on our entire ecosystem and on the places and communities where we operate, and that our Group is actively contributing to building a better future.

2025 CSR ROADMAP	LIFE 360	ART & CULTURE
46,215	**€60 million**	**9.4 million**
employees involved in responsible initiatives	spent on environmental protection projects	visitors to the Fondation Louis Vuitton since it opened

Three action plans

2025 CSR Roadmap

Group social responsibility roadmap

Individuality and non-discrimination

- Women
- Disabilities
- Non-discrimination
- Black, indigenous and people of color (BIPOC)

Health, safety and well-being

- Safety at work
- Well-being at work
- Social dialog

Excellence through savoir-faire

- Recruiting talent
- Passing on the savoir-faire required to achieve excellence
- Training and career opportunities for talented employees

Engagement

- Positive impact on local communities
- Workforce integration and equal opportunities
- Social responsibility and support for vulnerable groups

LIFE 360

Group environmental responsibility roadmap

Creative circularity

- Creation of innovative, sustainable materials
- Product eco-design
- Extending the lives of products (recycling, upcycling, repairs, etc.)

Biodiversity

- Reducing the Group's impact on ecosystems
- Protecting and regenerating ecosystems
- Active involvement in multilateral efforts to preserve biodiversity

Climate

- Climate change mitigation: reducing the Group's GHG emissions
- Adjusting to the effects of climate change
- Limiting energy consumption

Traceability and transparency

- Traceability and transparency in supply chains
- Product safety
- Information on the environmental performance of products

Art & Culture

Corporate philanthropy

The Fondation Louis Vuitton

- Providing access to culture for all
- An invitation to think and talk about culture
- An exceptional artistic program

LVMH Prize for Young Fashion Designers

- Supporting the talent of today and tomorrow

Commitment of the Group and its Maisons to art and culture

- Making LVMH's heritage accessible to the general public
- Providing access to culture for all
- Supporting cultural institutions through corporate philanthropy and taking action to preserve heritage

Overview of our targets

REGARDING ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

SOCIAL RESPONSIBILITY – 2025 CSR ROADMAP

KEY ASPECTS OF THE STRATEGY	2025 TARGETS	2022 RESULTS	CHANGE VS. 2021
Individuality and non-discrimination	50% of key positions held by women 2% of the workforce have disabilities 100% of recruiters having undertaken non-discrimination training 30% of leadership roles in the United States occupied by black, indigenous and people of color (BIPOC), in 2026	45% of key positions held by women 1.4% of the workforce have disabilities 73% of recruiters having undertaken non-discrimination training 24% of leadership roles in the United States occupied by black, indigenous and people of color (BIPOC)	↗ +2% ↗ +17% ↗ +1%
Health, safety and well-being	100% of the Health & Safety Policy's five commitments achieved 1. Identify health and safety risks 2. Establish a health and safety action plan 3. Manage the health and safety approach 4. Ensure all employees have an active role in health and safety 5. Maintain a virtuous culture for a safe environment	81% of employees are covered by a formal health and safety approach within their Maison 89% of employees work in a Maison that periodically reviews its health and safety approach 87% of employees work in a Maison where the management committee analyzes health and safety annually 33% of employees have been made aware in risk prevention and first aid 100% of Maisons celebrate well-being, health and safety at least once per year	↗ +13% ↘ –6% ↗ +4% ↗ +57% → Unchanged
Excellence through savoir-faire	22,000 new recruits joining LVMH's Métiers d'Excellence 3,000 junior high school students made aware of Métiers d'Excellence through the Excellent! program	8,000 people recruited in LVMH's Métiers d'Excellence Over 1,600 junior high school students made aware of Métiers d'Excellence through the Excellent! program	
Engagement	100% of Maisons will give their employees the opportunity of taking part in a public-interest initiative	Over 1 million people supported during the year 842 social partnerships with nonprofits and foundations acting in the public interest	↗ +35% ↗ +46%

ENVIRONMENTAL RESPONSIBILITY – LIFE 360

ACTION PLAN	2023 / 2026 / 2030 TARGETS	2022 RESULTS	CHANGE VS. 2019
Creative circularity	**2023** New circular services: repairs, upcycling, etc. **2026** Customer packaging: zero virgin fossil-based plastic **2030** 100% of the Group's new products ecodesigned	190,000 meters of upcycled fabrics 39% of recycled raw materials used in plastic and glass packaging 7,942 metric tons of virgin fossil-based plastic used in customer packaging	+1% –13%
Biodiversity	**2026** 100% of strategic raw materials certified to standards guaranteeing the preservation of ecosystems and water resources. **2030** 5 million hectares (50,000 sq.km) of flora and fauna habitat restored and/or preserved	Certification of strategic supply chains: • Cotton: 71% • Leather: 91% • LVMH vineyards: 94% 1.37 million hectares of flora and fauna habitat restored and/or preserved	+17% +25% +26%
Climate	**2026** Reduce greenhouse gases from energy consumption at our sites and stores by 50% (baseline 2019) 100% renewable or low-carbon energy at sites and stores **2030** Reduce and/or avoid 55% of GHG emissions linked to Scope 3 (relative to 2019)	Carbon trajectory validated by the SBTi 11% reduction in GHG emissions generated by energy consumption (2019 baseline) 47% of the Group energy mix consisting of renewable energies 15% reduction in GHG emissions linked to Scope 3 per unit of added value (relative to 2019) 77% of stores lit entirely by LED lighting	+11% +20%
Traceability and transparency	**2030** Reduce and/or avoid 55% of GHG emissions linked to Scope 3 (relative to 2019)	9,500 products with their own customer information system Knowledge of country of origin for: • Leather purchases: 86% • Wool purchases 64%	+10% +2%

LVMH's contribution to the SDGs

THE GROUP SUPPORTS THE 17 SUSTAINABLE DEVELOPMENT GOALS (SDGS) ADOPTED BY THE UNITED NATIONS IN 2015. THE SDGS REPRESENT A GLOBAL CALL FOR ACTION BETWEEN NOW AND 2030 TO REDUCE INEQUALITY, CREATE A BETTER WORLD FOR FUTURE GENERATIONS, AND ENSURE THAT ALL HUMAN BEINGS CAN LIVE IN PEACE AND PROSPERITY. THE TABLE OPPOSITE SHOWS HOW THE GROUP'S SOCIAL AND ENVIRONMENTAL RESPONSIBILITY STRATEGY HAS CONTRIBUTED TO THE 17 SDGS AND MORE SPECIFICALLY THE SDG TARGETS ON WHICH LVMH INTENDS TO FOCUS.

● Major direct contribution to the goal (Group-related)

○ Other contribution to the goal (indirect or voluntary)

	01- No poverty Target 1.3	02- Zero hunger	03- Good health and well-being Targets 3.4 / 3.5 / 3.8 / 3.9	04- Quality education Targets 4.4 / 4.5	05- Gender equality Targets 5.1 / 5.5	06- Clean water and sanitation Targets 6.3 / 6.4	07- Affordable and clean energy Targets 7.2 / 7.3	08- Decent work and economic growth Targets 8.2 / 8.5 / 8.7 / 8.8 / 8.b	09- Industry, innovation and infrastructure Targets 9.2 / 9.3 / 9.4 / 9.5	10- Reduced inequalities Target 10.2	11- Sustainable cities and communities Target 11.4	12- Responsible consumption and production Targets 12.2 / 12.5 / 12.8	13- Climate action Target 13.2	14- Life below water Target 14.1	15- Life on land Targets 15.1 / 15.2 / 15.3 / 15.5 / 15.6 / 15.7	16- Peace, justice and strong institutions Targets 16.6 / 16.10 / 16.b	17- Partnerships for the goals Targets 17.16 / 17.17
VALUING INDIVIDUALITY																	
Promoting diversity and guaranteeing inclusion			●		●			●	●		●	●					●
Achieving gender equality	○		●	○	●			●		●	○	○				○	○
Promoting and expanding employment for people with disabilities	○		●	○	○			●		●	○	○				○	○
TAKING ACTION TO ENSURE THE HEALTH, SAFETY & WELL-BEING OF OUR EMPLOYEES																	
Increasing safety for all			●	○				●	○	○		●				○	○
Creating the conditions for well-being at work			●					●	○	○	○	●				○	○
Encouraging social dialogue			●	○	○			●	○	○	○	○				●	●
PASSING ON THE SAVOIR-FAIRE REQUIRED TO ACHIEVE EXCELLENCE																	
Safeguarding the Group's future	○		○	●	○			○	●	○							●
Maintaining our Métiers d'Excellence	○		○	●	○			○	●	○		○					●
Providing innovative training	○		○	●	●			●	●	●		○					●
COMMITTING TO A BETTER SOCIETY																	
Contributing to local economies	●		○	○	○			○	●	●	●	○				○	●
Supporting workforce integration opportunities for all	●		○	○	●			○	○	●	●	○				○	●
Supporting vulnerable people	●	○	○	○	●			○	○	●	●	○				○	●
DEVELOPING CREATIVE CIRCULARITY																	
Creating innovative materials		○	○			○	○		●			●	○	○	○		○
Adopting ecodesign at every stage									○			●					
Extending the lives of LVMH products									○			●					
PRESERVING BIODIVERSITY																	
Reducing impact	○		●			○	○	○		○			●	●	●		○
Regenerating ecosystems			●			○	○						●	●	●		○
Sharing the Group's commitments	○				○	○	○		○	○				●	●		●
TAKING ACTION FOR THE CLIMATE																	
Engaging all stakeholders						○	●		○		○	●	●		○		○
Setting a good example with our sites and stores						●	○	○	○		○	●	●	●			○
Reducing Scope 3 emissions			○				○		●		○		●				
ENSURING TRACEABILITY AND TRANSPARENCY																	
Maintaining the drive for excellence	○		●	○		○			○			●	●	○	●		
Ensuring product safety	○			○		○			○			○	○				○
Increasing transparency through innovation						○	○					○			○		○

Social and environmental governance

THE GROUP HAS CHOSEN TO MAKE USE OF SPECIFIC SKILLS AND DEPARTMENTS WITH SPECIALIST EXPERTISE TO ESTABLISH TAILORED STRATEGIES, A SET OF PRINCIPLES AND METHODOLOGIES, AND ACTION PLANS. EACH MAISON ADAPTS THEM TO THEIR OWN CULTURE, ISSUES AND SOCIAL AND GEOGRAPHIC CONTEXT, WHILE RESPECTING THE GROUP'S ETHICAL PRINCIPLES. EACH MAISON'S ACTIONS ARE DISCLOSED AND COLLATED IN A COMPREHENSIVE REPORTING DOCUMENT. LVMH'S ESG COMMITTEE, WHICH WAS SET UP IN 2022 AND BRINGS TOGETHER THE GROUP'S OPERATIONAL DEPARTMENTS, SUPPORTS AND COORDINATES EFFORTS TO ACHIEVE STRATEGIC TARGETS REGARDING LVMH'S SOCIAL AND ENVIRONMENTAL RESPONSIBILITY.

GROUP-WIDE OVERSIGHT BODIES

The Board-level Ethics and Sustainability Committee defines LVMH's broad policy as regards social and environmental responsibility. The Group's two departments in charge of social and environmental issues (the Social Responsibility Department and the Environmental Development Department) then turn that policy into principles, methodologies and action plans, which each Maison adapts to the issues it faces.

The ESG Committee, set up in 2022, also works with the Group's operational departments to support and coordinate the implementation of LVMH's strategic CSR targets, international reporting and consolidated communication regarding performance. It relies on two networks of expert correspondents in the social and environmental fields, which help deploy Group initiatives and submit useful information for consolidated reporting.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY: DIFFERING OPERATIONAL ARRANGEMENTS

The Group's social responsibility approach is defined and implemented by LVMH's Social Responsibility Department and the Maisons, reporting to Chantal Gaemperle, Group Executive Vice President, Human Resources & Synergies and member of the Executive Committee. The approach consists of general initiatives and commitments, along with policies deployed by the Maisons according to their own contexts. It also relies on a set of partnerships and projects for which the impetus comes from the Group level. Within each Maison and each region, a CSR correspondent ensures that the Maison's initiatives are in line with the Group approach, as well as being responsible for the Maison's policy and CSR reporting.

LVMH's approach to environmental responsibility is guided by the Environmental Development Department, reporting directly to Antoine Arnault, Image & Environment Officer and a member of LVMH's Board of Directors. Alongside the Maisons, the Department deploys the LIFE 360 program and its four action plans (Creative Circularity, Traceability/Transparency, Biodiversity and Climate). It develops appropriate indicators and ensures that the relevant information is submitted. It also helps the Maisons to reduce their impacts, safeguard against risks and seize opportunities. It manages a network of almost 200 environment correspondents and actively raises awareness among employees about environmental issues relating to LVMH's business activities. Lastly, the Environmental Development Department takes part in international summits and contributes to the Group's non-financial performance.

COMPENSATION POLICY LINKED TO OUR ENVIRONMENTAL AND SOCIAL PERFORMANCE

Each year, environmental and social targets become increasingly integral to LVMH's staff compensation arrangements. For example, in 2022, a target for reducing the energy consumption of buildings was taken into account in calculating incentive payments to employees of the LVMH holding company. Le Bon Marché includes an environmental target in performance-related pay calculations for all its teams. Certain Maisons such as Hennessy, Krug, Moët & Chandon, Ruinart and Veuve Clicquot also link pay to social criteria.

Organization and remit of the ESG Committee

Coordinated by Jérôme Sibille,
Group Executive Vice President General Administration & Legal Affairs,
Member of LVMH's Executive Committee

RESPONSIBILITIES

- Working with the Maisons to determine operational arrangements for implementing the Group's social and environmental action plans
- Analyzing the CSR risks to which the Group is exposed
- Making preparations to ensure that the Group's CSR reporting complies with the CSRD (Corporate Sustainability Reporting Directive)

Ethics and compliance at the heart of our strategy

THE LVMH GROUP HAS ALWAYS BEEN STRONGLY COMMITTED TO EXEMPLARY INTEGRITY AND ETHICS IN THE CONDUCT OF ITS BUSINESS AND IN ITS RELATIONS WITH ALL STAKEHOLDERS. RULES OF CONDUCT, PRINCIPLES AND GUIDELINES GOVERNING ETHICS, ENVIRONMENTAL AND SOCIAL RESPONSIBILITY HAVE BEEN DEFINED TO ESTABLISH THE BEHAVIOR REQUIRED OF THE GROUP'S EXECUTIVES AND EMPLOYEES, AS WELL AS OUR SUPPLIERS AND PARTNERS.

STRONG COMMITMENT TO EXEMPLARITY

"Commitment to positive impact" is the value on which the Group's ethics and compliance action is based. This confers on the entire Group a deep sense of responsibility and a solemn duty to set an example. LVMH counts on each one of its employees and stakeholders to ensure that the rules of conduct are applied uniformly across the Group.

DEDICATED GOVERNANCE FRAMEWORK

The Privacy, Ethics & Compliance Department steers and coordinates the Group's compliance action as regards the fight against corruption and money laundering, personal data protection, and respect of international sanctions and human rights. It is part of the Group's General Administration & Legal Affairs Department, whose head is a member of the Executive Committee. The Group's Privacy, Ethics & Compliance Director regularly reports on the Department's action to the Board-level Ethics & Sustainable Development Committee. Each Maison has its own organizational and governance structure tailored to suit its operational needs and the geographic regions in which it operates. The Privacy, Ethics & Compliance Department coordinates the actions of the Correspondents within each Maison, with some of these Maisons having built up their own network.

STANDARDS

In recent years, the Group has supported or signed up to several international standards, promoting their implementation within its sphere of influence, and has put in place its own internal standards.

International instruments

The Group showed its commitment to conducting itself responsibly at a very early stage, aligning its operations and strategy to support several international texts of reference, including:

- the United Nations Global Compact, which the Group ratified in 2003;
- the Universal Declaration of Human Rights;
- the OECD Guidelines for Multinational Enterprises.

The LVMH Code of Conduct

Designed to provide a common ethical foundation for the Group and its Maisons, the LVMH Code of Conduct outlines the rules to be followed by all employees in the course of their daily activities. With a foreword written by the Chairman and Chief Executive Officer, it has been translated into more than ten languages and is widely disseminated across the Group. It is based on the following six core principles:

- acting responsibly and with social awareness;
- providing a fulfilling work environment and valuing talent;
- commitment to protect the environment;
- winning the trust of customers;
- winning the trust of shareholders;
- acting with and commitment to integrity in the conduct of business.

The Group has also developed its own set of guiding principles that cover all entities and serve as a reference to help employees adopt the right approach when it comes to business ethics, whether in fighting corruption and money laundering or respecting international sanctions. To ensure that the Group's commitment continues to meet the highest ethical standards, this Code and these principles will be revised in 2023.

The Supplier Code of Conduct

Each Maison in the Group asks its suppliers to uphold the ethical principles set out in the Supplier Code of Conduct and to ensure that its own suppliers and subcontractors also comply with these same requirements.

Ethics and compliance guidelines

These documents are completed by the Group's anti-corruption policy and guidelines developed by the Group's Ethics & Compliance function.

IDENTIFYING AND CONTROLLING RISKS

The Group's operations undergo regular risk assessments to ensure that adequate and proportionate risk prevention and detection measures are in place. The Maisons identify

corruption risks inherent to their businesses as part of a corruption risk mapping exercise conducted in accordance with France's Sapin II law. The resulting risk maps enable the Maisons to better manage their risks and to effectively steer, with the appropriate knowledge, the deployment of ethics and compliance policies, particularly in the fight against corruption.

COMMUNICATION INITIATIVES, AWARENESS AND TRAINING IN RISK PREVENTION RULES AND BEST PRACTICES

The LVMH Group attaches particular importance to the training of its employees in order to widely disseminate its ethics and compliance culture and to pass on to them principles of good conduct on a daily basis in accordance with the Group's values. In addition to the information and awareness-raising initiatives undertaken by the Group's Ethics and Compliance function, which intervenes in particular at internal events in various regions and with various functions, the Maisons and regions have developed their own awareness-raising and training programs for their employees. Regular communications are made to remind them of the importance of following these trainings.

A CULTURE BASED ON DIALOGUE

LVMH promotes open communication and dialogue across the Group and with all its stakeholders, including subcontractors, partners, and clients. Any employee or external stakeholder who becomes aware of a breach of the LVMH Code of Conduct, its guiding principles, internal policies or applicable laws or regulations is invited to share their concern. Employees can contact their manager or human resources manager, their Maison's Ethics and Compliance correspondent or the Group's Privacy, Ethics and Compliance Director.

In addition to these channels, employees and external stakeholders have access to the LVMH Alert Line an online interface that provides a fully confidential and secure way of reporting in good faith violations of the laws, regulations, or principles of internal conduct.

The Group ensures that no disciplinary action will be taken against persons who have made use of these channels in good faith. Essential for the development of an ethics and compliance culture, the Group's alert system is available in 14 languages and is the subject of regular internal communications. It can be accessed via the LVMH Group corporate website.

REGULAR MONITORING TO ENSURE CONTINUOUS IMPROVEMENT

In order to ensure that ethics and compliance measures in place remain suitable and effective, the LVMH Group has adopted a series of controls that are appropriate and proportionate to the risks facing the Group. Should these measures be found insufficient or incomplete, remedial action is taken. The Group takes considerable care to ensure its employees always conduct themselves in an exemplary manner. Therefore, any employee who breaches the Group's rules, in particular its Code of Conduct or its guiding principles, is subject to disciplinary sanctions.

RESPONSIBLE MANAGEMENT OF PERSONAL DATA

The LVMH Group and its Maisons ensure that any customers and employees personal data processing activities is done complying with all applicable regulations, particularly the EU General Data Protection Regulation (GDPR). To help them, they can rely on a reference document that sets out rules and recommendations, enabling them to define a clear policy that is common to the whole Group. The Group has fostered a data protection culture across all its business lines and professions, by providing training and awareness sessions, drafting several charters and policies and animating a network of Data Protection Officers. Each Maison has an appropriate governance for personal data protection. Each Maison has a Data Protection Officer who ensures that the governance is compliant and effective for all its activities.

The Group applies a stringent cybersecurity policy, not only to protect the Maisons' IT systems, but also to guarantee a high level of security for the products supplied to the Group and its Maisons by third parties.

In synergy with stakeholders

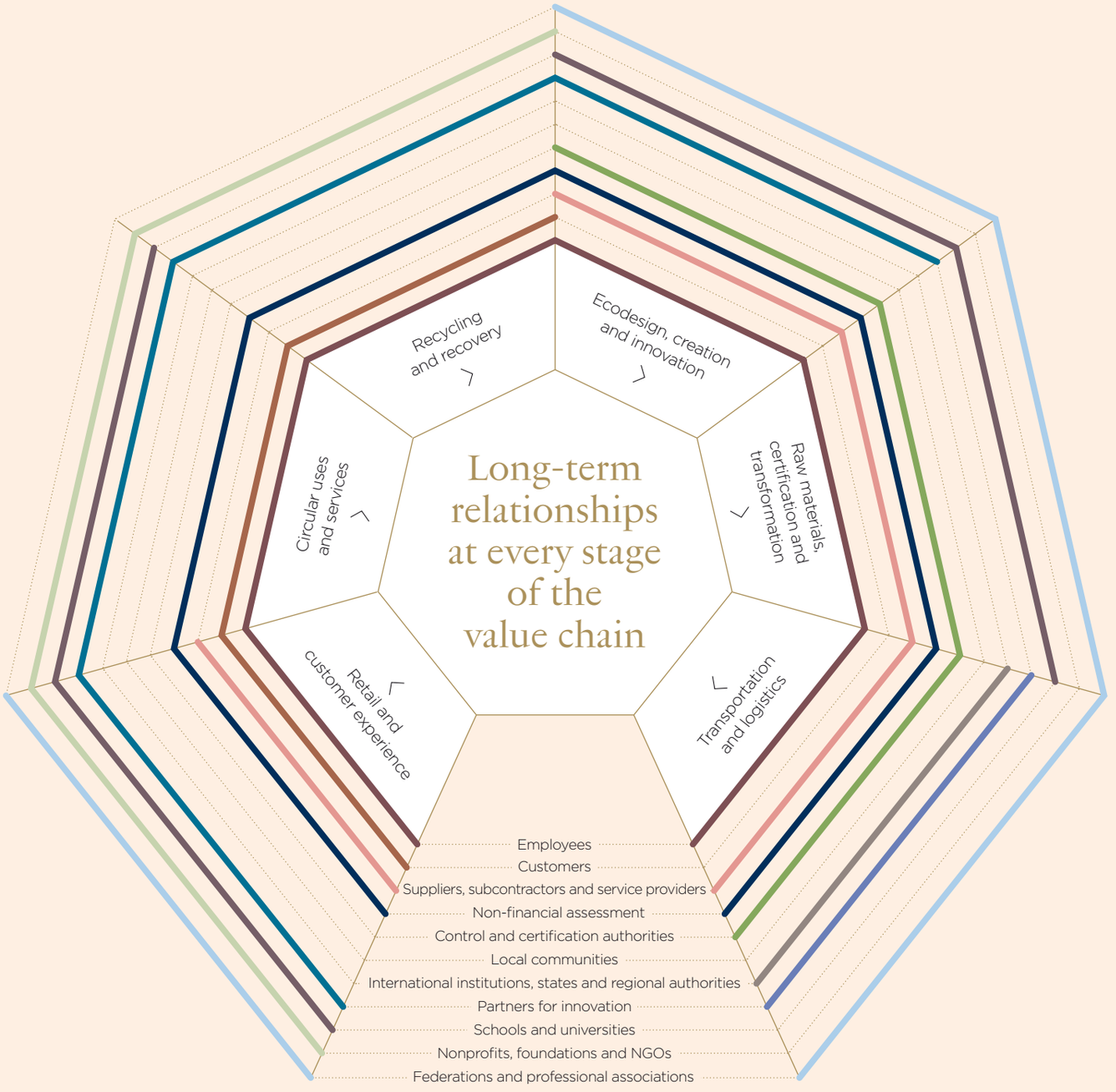
IT IS BY WORKING IN SYNERGY WITH OUR ECOSYSTEM AND BY INTERACTING AND COOPERATING WITH OUR STAKEHOLDERS THAT LVMH AND THE MAISONS WILL BE ABLE TO CREATE THE LUXURY OF TOMORROW. REIMAGINING THE DESIGN, PRODUCTION, USE AND REUSE OF ITS PRODUCTS, IN ORDER TO HAVE POSITIVE SOCIAL AND ENVIRONMENTAL IMPACTS AND REDUCE THE GROUP'S NEGATIVE IMPACTS, REQUIRES COLLECTIVE EFFORT AND COMMITMENT.

In fulfilling its numerous commitments – creative circularity, animal welfare, traceability, diversity and inclusion, passing on skills in its Métiers d'Excellence, etc. – LVMH relies on both internal and external stakeholders, foremost among whom are its employees. The Group cultivates a genuine spirit of partnership: in deploying its action plans, making progress and achieving its strategic targets, it consults, supports and is supported by its stakeholders. In particular, the Group studies their opinions and feedback to fine-tune the way it deploys its programs regarding environmental and social responsibility.

In this way, LVMH seeks to create a virtuous circle involving joint progress and mutual benefit from each stakeholder's achievements, in all territories in which it operates. This is why the Group promotes high standards of ethics and compliance in order to maintain the trust between itself and others, including customers, suppliers, institutions, local government bodies and international organizations.

Lastly, LVMH takes part year-round in multilateral discussions and initiatives led by central and local government bodies and other institutions, but also by large numbers of laboratories, universities, schools, foundations and service providers. Together, they prepare initiatives and action plans around shared objectives. In 2022, LVMH took part in several major international events such as COP 27, the China International Import Expo in Shanghai and the UNESCO & Women@Dior Global Conference.

Creating a virtuous circle with our stakeholders



OUR SOCIAL COMMITMENT

"The success of a company is not only measured by its financial results but also by its contribution to society and the support it's able to provide to its employees. Our commitment in those areas is one of our core values."

Bernard Arnault, Chairman and Chief Executive Officer

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1. Individuality and non-discrimination 38

2. Health, safety and well-being 46

3. Excellence through savoir-faire 54

4. Engagement 62

“Our people make all the difference. They are at the very heart of our performance and our commitment.”

Chantal Gaemperle
Group Executive Vice-President
Human Resources and Synergies

A record 200,000 people are now part of the LVMH Group.

Our employees made all the difference as business levels rebounded very strongly in 2022. The Human Resources teams across the world supported this momentum by helping people develop their skills and careers, and recruiting new staff, including 39,000 early-career professionals.

Among the key drivers of LVMH’s performance is our ability to anticipate thanks to a long-term vision. This is why we place such priority on preserving and passing on our unique savoir-faire. In 2022, we organized the first You and ME tour, a vocational training and job fair that visited five French cities, drawing thousands of people. The tour was an opportunity to present LVMH’s many Métiers d’Excellence and inspire talented young people to pursue fulfilling careers in Creative, Craft and Customer Experience métiers. In addition, in France and Italy our Excellent! outreach program enabled around 1,600 middle-school students to discover these professions and the Institut des Métiers d’Excellence LVMH welcomed 450 new apprentices in seven countries, bringing the number of people who have received training through the Institute since 2014 to 2,000.

We must provide a high-quality working environment for people joining the Group, as well as for all those who are already part of LVMH, ensuring that everyone is able to realize their potential and that people are recognized for their efforts.

Our EllesVMH program celebrated its 15th anniversary last year. This program has had very tangible impact, since 45% of our key positions are now held by women, up from 23% in 2007. We increased our focus on gender equity as well, adopting a comprehensive roadmap that unifies diversity and inclusion efforts across the Group, our Maisons and our regions.

The health, safety and well-being of our employees are of prime importance. Our performance in this area also improved in 2022. Even as business levels experienced a significant upswing, we saw a reduction in accident frequency and severity rates. This is the fruit of the proactive zero-accident policy we adopted in 2021, when our Executive Committee and Maison CEOs signed the LVMH Health and Safety Charter. I would also like to point out that, since its launch in June 2021 to support all of our employees around the world, the LVMH Heart Fund has provided social and psychological support or financial aid for nearly 4,000 people in 50 countries.

Last but not least, I am proud to note that in 2022 more than 46,000 of our people worked alongside over some 900 nonprofit organizations to help more than a million people around the world.

Our human resources policy is guided by an ever-deeper commitment to fostering greater solidarity in the world, and by our belief that performance and social responsibility are perfectly complementary. Our achievements have created momentum that will continue to drive us forward together, thanks to all the members of LVMH and our partners.

60,772
new recruits in 2022

46,215
employees active in social responsibility initiatives in 2022

ACTION PLAN

2025 CSR ROADMAP

for a better society

THE GROUP IS DEVELOPING ACTION PLAN FOR THE BENEFIT OF ITS EMPLOYEES AND SOCIETY AS A WHOLE, CONSISTING OF FOUR KEY ASPECTS AND QUANTITATIVE TARGETS. THE MAISONS, EMPLOYEES AND NUMEROUS STAKEHOLDERS ARE INVOLVED IN THESE INITIATIVES.

KEY ASPECTS OF THE STRATEGY	2022 RESULTS
Individuality and non-discrimination	**45%** of key positions held by women **1.4%** of the workforce have disabilities **73%** of recruiters having undertaken non-discrimination training **24%** of leadership roles in the United States occupied by black, indigenous and people of color (BIPOC)
Health, safety and well-being	**81%** of employees are covered by a formal health and safety approach within their Maison **89%** of employees work in a Maison that periodically reviews its health and safety approach **87%** of employees work in a Maison where the Management Committee analyzes health and safety annually **33%** of employees have been made aware in risk prevention and first aid **100%** of Maisons celebrate health, safety and well-being at work once per year
Excellence through savoir-faire	**8,000** people recruited in LVMH's Métiers d'Excellence **over 1,600** junior high school students made aware of the Métiers d'Excellence through the Excellent! program
Engagement	**Over 1 million** people supported during the year **842** social partnerships formed by the Maisons with nonprofits and foundations acting in the public interest

CHANGE VS. 2021	2025 TARGETS	MAJOR LVMH PROGRAMS
↗ +2% ↗ +17% ↗ +1%	**50%** of key positions held by women **2%** of the workforce have disabilities **100%** of recruiters having undertaken non-discrimination training in the last three years **30%** of leadership roles in the United States occupied by black, indigenous and people of color (in 2026)	◆ EllesVMH ◆ Inclusion Index ◆ LVMH Disability Inclusion ◆ "Recruiting without discriminating" training
↗ +13% ↘ −6% ↗ +4% ↗ +57% → unchanged	**100%** of the Health & Safety Policy's five commitments achieved 1 – Identify health and safety risks 2 – Establish a health and safety action plan 3 – Manage the health and safety approach 4 – Ensure all employees have an active role in health and safety 5 – Maintain a virtuous culture for a safe environment	◆ Health and safety approach ◆ LVMH Code of Conduct ◆ LVMH Heart Fund ◆ Fair Wage principles ◆ Charter on working relations with fashion models and their well-being ◆ Health and safety toolkit
	Recruiting the **22,000** new recruits needed in LVMH's Métiers d'Excellence (2024) **3,000** junior high school students made aware of the Métiers d'Excellence through the Excellent! program	◆ WE for ME ◆ Métiers d'Excellence ◆ DARE ◆ INSIDE LVMH
↗ +35% ↗ +46%	**100%** of Maisons will give their employees the opportunity of taking part in a public-interest initiative	◆ Committed Companies Dinner ◆ Integration and education partnerships ◆ LIVE – L'Institut des Vocations pour l'Emploi

1.

VALUING INDIVIDUALITY

Fostering an inclusive culture

PRIORITIES

With a workforce spanning more than 190 nationalities and three generations, LVMH is diverse by its nature and inclusive by choice. It is vital that all of the Group's stakeholders – employees, partners and customers – feel welcomed, respected and represented. This commitment is shown by a Diversity & Inclusion policy, which has three key aspects: Talent, Partners and Image.

Diversity of talent: a key advantage

LVMH is developing inclusive practices in all aspects of its employees' working lives, such as recruitment, career management and pay. As well as fulfilling LVMH's responsibilities, these practices help to drive long-term performance. The Diversity & Inclusion policy therefore sets ambitious targets for all of the Maisons and aims to increase the support that LVMH provides. Since 2011, LVMH has stepped up its training efforts in this area: 73% of employees have undertaken non-discrimination training in the last three years, and the Group has introduced digital training courses on combating prejudice along with specific programs for store teams. LVMH's practices are regularly audited. The Group also relies on the efforts of its regional staff networks such as EllesVMH, All LVMH Pride and LVMH Employees of African Descent (LEAD) in North America, which play a key role in realizing the Group's commitment to an inclusive culture.

Extending commitments to include the supply chain

Suppliers and their subcontractors are fully covered by LVMH's Diversity & Inclusion policy. The Supplier Code of Conduct includes an anti-discrimination principle: LVMH expects suppliers to treat all of their employees equally in terms of pay, recruitment, training, promotion and maternity protection. The Maisons are also strongly encouraged to increase diversity in their supply chains. For example Tiffany & Co. has a supplier diversity strategy, aiming to have 20% of its supplier base in the United States consisting of diverse suppliers, half of which must have diversity accreditation by 2025.

Ensuring inclusivity in stores and in the Group's image

All people must be able to feel welcomed, respected and represented in stores, online and in advertisements. This is a key factor in the desirability of LVMH's products. For example, the Maisons work to select a panel of media partners that represent the full diversity of society, and they train their employees to welcome all customers in an inclusive way. In 2022, the Group rolled out a digital training module open to all employees around the world, aiming to raise awareness about prejudice in relationships between colleagues but also with customers. In Japan, the Group has produced a guide to inclusive behavior within teams and in retail activities.

ACTION TAKEN

In 2022, LVMH held its first Voices of Inclusion Week to build momentum around the commitments made by the Maisons and the Group. Over a hundred activities – including conferences, masterclasses and awareness-raising workshops – were organized by the Maisons.

In 2022, the Group launched its Diversity & Inclusion (D&I) roadmap, with common targets for all its regions and Maisons, and brought together its community of D&I experts for the first LVMH D&I summit.

In 2022, LVMH introduced its first training module aiming to raise awareness of prejudice among all of its employees. The module is available in nine languages and was created by a task force made up of employees from the various Maisons and regions.

$1 billion

This is the amount that a group of around 15 LVMH Maisons have committed to spend each year in the United States buying goods and services from businesses led by women, BIPOC, LGBTI+ people and people belonging to underrepresented minorities between now and 2031.

Strong commitments to Diversity & Inclusion

PRIORITIES

The D&I strategy is led by the Executive Committee at the global level, and involves quantitative performance targets. LVMH has a number of initiatives to achieve those targets, and it is offering increasing opportunities to all talented people wishing to join the Group. The results are testament to the effectiveness of those initiatives.

Moving toward gender parity with EllesVMH

Launched by Chantal Gaemperle, EllesVMH is a program focusing on the professional development of women at all levels of the organization. Its aim is to achieve gender parity in key roles and equal pay (overseen through an annual global audit) at the worldwide level by 2025. In 2022, 45% of LVMH's key roles were held by women up from 23% in 2007, and 18 of its Maison Presidents and Division CEOs were women. Women make up 71% of LVMH's overall workforce and benefit from dedicated programs, support networks and training, such as EllesVMH Mentoring & Coaching at LVMH House and the SHERO Academy. LVMH also supports the EllesVMH networks, which encourage skills sharing between the Group's women.

Promoting employment for people with disabilities

LVMH has had a commitment to integrating people with disabilities into the workplace for 15 years, deploying an ambitious program to recruit people with disabilities, keep them in work and enhance accessibility. The Group believes that having a disability is no barrier to working in the luxury goods industry, and recognizes the important contribution that employees with disabilities make to LVMH's excellence. The Group is a member of the International Labour Organization's Global Business and Disability Network and has signed its Charter. In 2021, LVMH announced its aim of increasing

the proportion of people with disabilities in its global workforce to 2% by 2025. At the end of 2022, that target was supplemented with a commitment to making the Group and Maisons' websites more accessible. In China in 2022, Louis Vuitton recruited 30 people with disabilities to strengthen its product customization teams. In France in 2011, to help certain employees with disabilities to stay in work, Moët & Chandon created a disability-friendly company called MHEA. The employees concerned can continue working while benefiting from working conditions that suit their needs.

Commitment to the inclusion of LGBTI+ people

In 2019, LVMH signed the UN Standards of Conduct for Business to tackle discrimination against the LGBTI+ community, and reaffirmed its commitment in 2022 by signing the LGBT+ commitment charter of L'Autre Cercle, a leading French nonprofit organization that promotes the inclusion of LGBTI+ people in the workplace. The Group has a growing number of regional All LVMH Pride networks, including one in France, which was launched in 2022. At the same time, the Group has joined forces with *Têtu* magazine to produce a film about everyday LGBT-phobia, in order to raise the public's awareness of the discrimination that LGBTI+ people experience in their day-to-day lives. During Pride Month, "Voices of Inclusion – PRIDE Conversations" – a series of interviews by Antoni Porowski with talented LVMH employees from Paris to Singapore – was broadcast to highlight the role that everyone must play in strengthening a culture of allyship and ensuring inclusion for all.

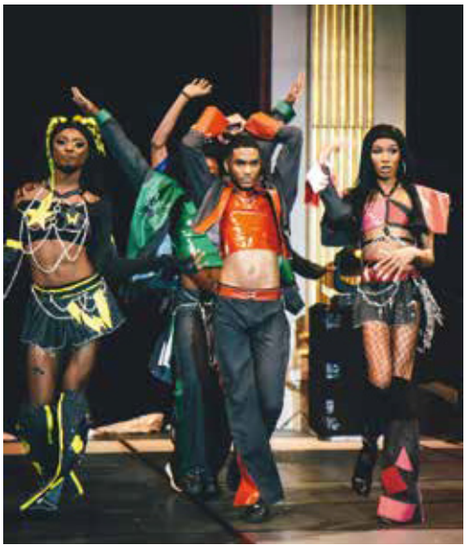
Supporting older employees

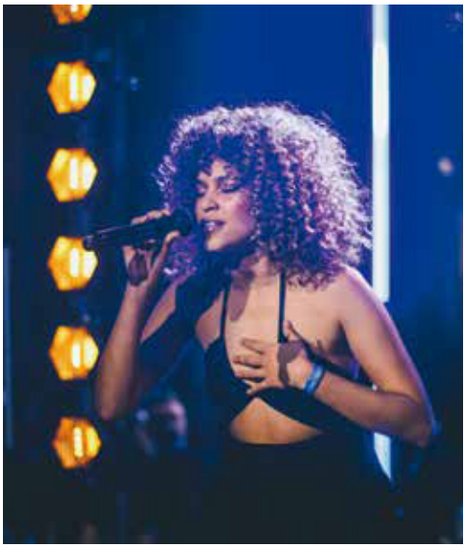
LVMH's most experienced employees are precious, because of the savoir-faire that they can pass on. The Group and its Maisons are careful to make adjustments for their changing needs. Maisons like Glenmorangie have developed expertise in passing on key skills, helping the Group's most experienced employees in transferring their knowledge to younger generations. The Maisons organize special workshops for people approaching retirement, to help them prepare and allow them to reduce their working hours while maintaining all of their employment benefits.

Developing local leaders

In the United States, LVMH has made a commitment to having 30% of leadership roles occupied by black, indigenous and people of color (BIPOC) by 2026. LVMH has adopted several initiatives to reach that goal, including its partnership with McKinsey & Company's Connected Leaders Academy, which is aimed at increasing representation in leadership roles by investing in the managers of the future. The Group's performance in its various geographies depends on its understanding of the local cultural context. This is why LVMH seeks to promote local leaders. For example, Moët Hennessy has launched an Asian Leadership Advancement Program (ALAP) to make leadership roles more accessible to Asian people.

Inclusion Index: reflecting the culture of diversity and inclusion shared by LVMH's Maisons





PRIORITIES

LVMH's Diversity & Inclusion strategy is applied within each Maison, in line with its business sector and core values. As part of its social innovation efforts, the Group has set up an Inclusion Index to reflect its Diversity & Inclusion initiatives and drive best practice throughout the Group. Some of the initiatives covered by the Inclusion Index are presented below.

Promoting gender equality and women leaders

Gender equality is beneficial in terms of both developing the careers of talented people and driving economic performance. As part of the Group-level EllesVMH strategy, each Maison and each region develops its own initiatives to contribute to global targets. Best practice includes the Group's mentoring programs for women, such as Futur'Elles in Asia-Pacific and Beyond Women's Career – EllesVMH in Spain and Portugal. This cross-discipline mentoring program for high-potential women, implemented by the Group's Maisons in Spain, won the Inclusion Index's gender equality award in 2022. As a final example, Make Up For Ever has launched Elles For Ever. This is an international program that encourages diversity, covering all aspects of female empowerment and leadership. Every year, 12 women take part in the program to nurture their individuality and develop their authentic style of leadership.

Inclusion of LGBTI+ people

In accordance with the Group's commitments, the Maisons develop initiatives regarding the inclusion of LGBTI+ people. For example, Le Grand Bal des Fiertés (Pride Ball) organized by MAG Jeunes – a French nonprofit founded by and for young LGBTI+ people – and supported by Sephora, won the Inclusion Index award in the LGBTI+ category. At the same time, and for the second year, Givenchy Parfums worked with London art dealer and LGBTI+ activist Amar Singh and artists from the Rewind Collective to create an NFT sold on VeVe, with proceeds going to MAG Jeunes.

Extension of the Inclusion Index

While the Inclusion Index has historically focused on gender equality and LGBTI+ inclusion, in 2022 it expanded to cover all dimensions of Diversity & Inclusion.

Over 130 initiatives
identified by the Inclusion Index in 2022.

Progress achieved

– “At TAG Heuer, we believe that Diversity & Inclusion is not just a moral duty but a real performance driver. We believe that organizations that have an inclusive culture are more innovative and agile in terms of addressing the needs and desires of consumers all over the world. That’s why, at TAG Heuer, our ambition is to achieve excellence in Diversity & Inclusion and to be recognized as a leader in our sector.”

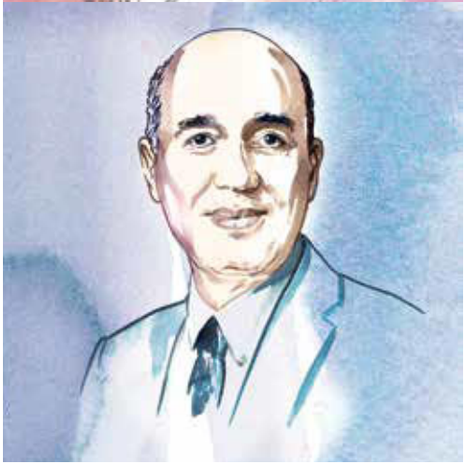
Frédéric Arnault,
CEO, TAG Heuer

– “Diversity is a reality of the world we live in, a collection of unique perspectives that echo the individuality of the customers we serve. Diversity is a key issue for the future of the luxury industry, and for us to establish ourselves as a leader among the younger generations.”

Sarah Curtis Henry,
Chief Commercial Officer North America,
Parfums Christian Dior

– “Our responsible sourcing policy gives suppliers from different horizons, small companies or those belonging to underrepresented groups greater access to business opportunities. Our aim is to raise awareness about diversity and inclusion among all our suppliers and assess them regularly.”

Mohamed Marfouk,
Operations Director, LVMH



Gender Equity

45%

of the Group's key positions are held by women (vs. 44% in 2021)

65%

of executives and managers are women

18

Maison Presidents and Division CEOs are women

People with disabilities

1.4%

of the Group's employees had disabilities in 2022, making a total of 2,787 people, an increase of 17% vs. 2021

1,341

people with disabilities were recruited in 2022

IN THE UNITED STATES

Origin

24%

of leadership roles in North America are held by BIPOC

The Group and its Maisons commit to action...

LVMH

Further training to combat prejudice

— To eradicate discriminatory practices, LVMH has introduced an online training course entitled “Managing prejudice and promoting inclusion at LVMH” for all teams – including production, sales and marketing – and covering all employees right up to executive level. The course is available in nine languages – English, French, Spanish, Italian, Japanese, traditional Chinese, simplified Chinese, Arabic and Korean and uses practical examples to help people understand their own conscious and unconscious behaviors. The aim is to bring prejudices to light and weaken them, in order to promote genuinely inclusive behaviors among all LVMH’s employees.

ZENITH

Meet the DreamHers

— In 2022, Zenith held a Meet the DreamHers event in Singapore to celebrate the emancipation of women and present the program’s new DreamHers, including Esther Abrami for France. This 26-year-old virtuoso violinist is a perfect example of artistic success in the internet era. The event was also an opportunity to highlight Zenith’s partnership with the Susan G. Komen® Foundation, a global organization engaged in the fight against breast cancer.

… in favor of inclusion and diversity

GUERLAIN

Overcoming prejudices related to autism

— Guerlain's La Ruche production site is working with nonprofit Vivre et Travailler Autrement (VETA) to change the way people view severe autism. Through the Human program, Guerlain's teams have been collaborating with VETA and PEP28 – which are sending support workers to the site – to support employees and make adjustments to their workstations. Together, they have made changes to training, management and processes relating to roles occupied by young autistic people. The Guerlain site now employs four autistic people, and aims to employ six young adults with severe autism by 2025.

BELMOND

Celebrating queer culture

— In November 2022, Belmond organized a two-day trip from Venice to Paris to celebrate the artistic expression and resilience of the queer community. Those taking part were able to sample the delights of the Venice Simplon-Orient-Express, the world's most famous train, and watch exceptional artistic performances in the presence of legendary icons and militant figures of the LGBTI+ community such as burlesque artist Amanda Lepore, opera singer Jayde Adams, pianist Dinah Lux, Scissor Sisters singer Jake Shears, French DJ and Drag Race judge Kiddy Smile and fashion icon Miss Fame.

2.

TAKING ACTION TO ENSURE THE HEALTH, SAFETY & WELL-BEING OF OUR EMPLOYEES

Increasing safety for all

PRIORITIES

In line with its resolute focus on occupational health and safety, the LVMH group has specifically structured its operations to support its Maisons and has allocated considerable resources to this. It made five commitments in 2020, and intends that all Maisons will fulfill them by 2025.

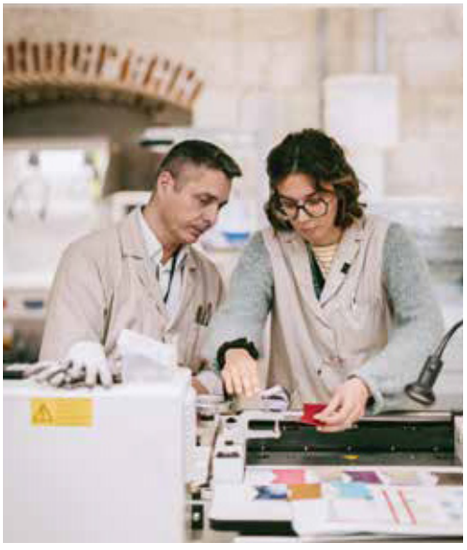
An ambitious health and safety policy

LVMH implements its policy regarding the health and safety of its employees with a mindset of continual improvement. It does so through a steering committee made up of experts, and with a Health and Safety Policy adopted by the Group's Executive Committee and by all Maison Presidents. LVMH's five key health and safety commitments are as follows:

1. Identify health and safety risks
2. Establish a health and safety action plan
3. Manage the health and safety approach
4. Ensure all employees have an active role in health and safety
5. Maintain a virtuous culture for a safe environment

Improving working conditions

In 2022, LVMH invested more than €139 million – equal to 1.5% of its gross global payroll – in improving staff working conditions. This includes €43.3 million spent directly on ensuring the health and safety of teams in areas such as occupational health, protective equipment, conformity of new equipment, signage, fire prevention and noise mitigation. The money was used to buy equipment, carry out training and prevent risks in each Maison.



Fostering a zero-accident culture

LVMH's efforts to create a zero-accident culture began in 2021, supported by a network of ambassadors who meet regularly (five times in 2022) and a toolkit accessible to all via the Group's intranet. This system makes it easier to deploy responsible policies and initiatives, particularly through the compendium of best practices established by the Maisons. Currently, 81%(1) of the Maisons have formal health and safety action plans, putting the Group well on track to achieve its aim of having such plans in place at all Maisons by 2025.

(1) Employees covered.

ACTION TAKEN

Moët Hennessy is extending its Safety Community of health and safety advisors working at its production sites. On World Day for Safety and Health at Work, the 40 members of the Safety Community and the role they play were presented via a video to Moët Hennessy employees. Moët Hennessy has reduced accidents by 20% since 2020 and this initiative forms part of its efforts to achieve ISO 45001 certification in 2025.

Louis Vuitton's Focus health and safety approach aims to achieve zero accidents for all of its production teams. The approach is aligned with the LVMH Charter and is based on observing, analyzing and dealing with risks. It is implemented through action, training and vigilance among all teams, with the aim of making ergonomic improvements and eliminating risks.

The Charter on Working Relations with Fashion Models and their Well-Being, signed with Kering in 2017, is applied by LVMH's Maisons. It sets out standards governing how the Maisons work with models, requiring models to present a valid medical certificate and establishes rules regarding working hours.

0.13

This was the Group's injury severity rate(2) in 2022, a 7% reduction compared to 2021.
(2) Number of days lost because of injuries compared to total hours worked.

4.08

This was the Group's accident frequency rate(3) in 2022, a 3.5% reduction compared to 2021.
(3) Number of lost-time accidents compared to of total hours worked.

Creating the conditions for well-being at work

PRIORITIES

To take care of its employees and improve their quality of life at work, LVMH acts as a partner in supporting their physical and mental health. The Group and its Maisons adjust to the needs of their teams, providing training, psychological support, financial assistance and flexible working arrangements.

Promoting physical and mental health

Well-being depends on physical and mental health. This is why the Group encourages its people to be physically active and, where its Maisons offer catering facilities, ensures that healthy options are available. It also protects employees' mental health in various ways, for example through an assistance unit, training, and whistleblowing systems. Many Maisons make efforts to raise employees' awareness about health-related matters. For example, DFS's Walk for Me in-house campaign raises employees' awareness of mental health issues and encourages them to look after their own mental health.

LVMH Heart Fund: a friendly ear and practical support

The Group pays close attention to feedback from its employees and staff representative bodies. The idea of setting up a solidarity fund arose from discussions with the Group's French and European representative bodies. The LVMH Heart Fund is available unconditionally to all employees. It provides free social and psychological support, and may offer emergency financial assistance in certain circumstances. Employees can access the helpline by phone, online or through the iConnectYou mobile app (WeChat in China). The LVMH Heart Fund is accessible 24/7, available in local languages, anonymous and totally confidential. Between its launch in 2021 and the end of 2022, the LVMH Heart Fund received more than 4,000 requests including 2,700 in 2022, across five continents.

Improving quality of life at work

Striking the right work/life balance can be a real challenge for people in certain circumstances, for example if they have children, are caring for a sick loved one or have a disability. LVMH is committed to improving its employees' quality of life. It offers training sessions to help them manage their time better and strike the right balance between being connected and the need to switch off. It also promotes flexible working hours, and every year holds a week of events dedicated to quality of life at work. The Maisons put in place solutions such as remote working, part-time work and flexible working hours depending on their employees' needs. They also make nursery places available to parents to help with childcare and make it easier for them to manage their work/life balance.

ACTION TAKEN

The mental health of employees is a central concern at LVMH North America, which uses specific tools to foster a culture that is inclusive and attentive to their well-being. These include the Mental Health First Aid certification program, delivered two or three times per year to enable employees to identify and provide an initial response to any mental health issues that their colleagues might experience.

Perfumes Loewe has addressed the well-being of its employees since 2019 with its "Your Well-Being Matters" program: this includes encouraging them to remain healthy in association with Gympass and United Heroes, a tool for preventing harassment – including sexual and gender-based – and a psychological support line. The Maison's efforts are supported by partners such as The Holistic Concept.

LVMH Fragrance Brands has devised five workshops focusing on staff well-being. The aim is to raise employees' awareness of these matters and give them tools to deal with any difficulties they may encounter.

96%

of Group employees benefit from initiatives aiming to safeguard mental health, manage stress and prevent harassment.

Encouraging social dialogue

PRIORITIES

Social dialogue takes place at 3 levels within LVMH. At the Group level in Europe, the European Works Council has 28 members across 22 countries. At the Group level in France, the Group Works Council brings together staff representative bodies and division CEOs. Most Maisons also have staff representative bodies.

Social dialogue at the European level

The European Works Council organizes dialogue between its 28 members in 22 countries, who serve five-year terms, and Group management. In the European Works Council's annual plenary meeting, members are informed about economic, financial and workforce-related matters relating to the Christian Dior SE and LVMH SE groups. They also receive training during their terms of office.

Social dialogue in France

In France, the Group Works Council handles dialogue between elected representatives and the CEOs of all the Group's divisions. Its 29 members hold discussions every year about Group strategy, economic and financial issues, employment-related developments within the Group and the prospects for the current year. In 2022, a new Group Works Council was elected for a four-year term.

Dialogue within the Maisons in France

In France, social dialogue also takes place within Economic and Workforce-Relations Committees (EWRCs). For companies with fewer than 50 employees, the EWRC resolves individual and collective complaints made by employees about matters such as pay and the application of the French Labor Code. Social dialogue in such companies relates in particular to management decisions, the company's economic and financial development, the organization of work, vocational training and production techniques.

LVMH Alert Line

LVMH has set up an Alert Line (https://alertline.lvmh.com) allowing all its stakeholders, both internal and external, to report any breach of the Group's Code of Conduct, directives, principles, internal policies or applicable laws and regulations, anywhere in the world. 100% of employees, suppliers and customers can access the Alert Line, wherever they may be in the world.

ACTION TAKEN

In 2022, LVMH added to its The Doers series: more passionate employees shared inspiring stories about the joy and pleasure they get from meeting their professional challenges, collaborating and growing alongside the Group's ambitions. Each episode explores meaningful professions and initiatives, such as the work done by salespeople at Louis Vuitton and Bulgari, Nona Source – the first online resale platform for exceptional materials that are surplus to requirements at the Maisons – and oenology at Ruinart.

The European Works Council organizes dialogue between staff representative bodies. It is made up of 28 members from the 22 European countries in which the Maisons operate and is governed by rules that were signed unanimously on July 7, 2014.

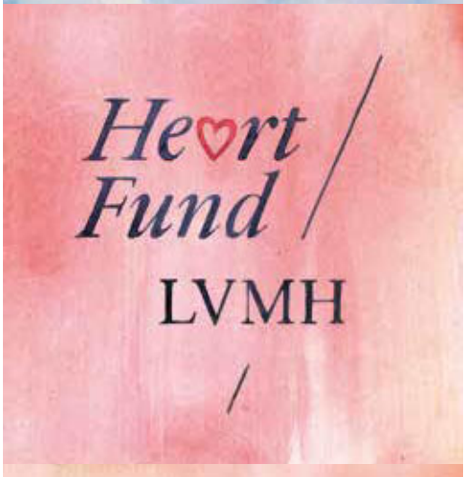
87%

of the Maisons have adopted collective agreements (national or company-specific) regarding working hours.

Progress achieved

– "We are guided by the day-to-day health and safety of our teams. Our Focus approach, with a zero-accident target, is taking root in the collective commitment made by our managers, and all of our employees are increasingly aware of their power to take action. We have reduced our accident frequency rate by more than 40% in the space of two years."

Enrique Rodriguez Llado,
Operational Excellence Director,
Louis Vuitton
Guillaume Richard,
International Health and Safety Manager,
Louis Vuitton



– "I'm grateful for the extraordinary financial and psychological help of the LVMH Heart Fund, which supported me at a difficult time. I'm proud to work at LVMH."

Group employee in
Ukraine

– "LVMH remains highly motivated to protect the mental health of its talented people. Every day, we are improving our awareness-raising and training systems to help our people achieve fulfillment."

Alex Montefalco,
Vice President, Executive Recruitment
and Talent Management,
LVMH North America

Increasing safety for all

COMMITMENT #1
Identify health and safety risks

81%
of employees are covered by a formal health and safety approach within their Maison (**up 13%** relative to 2021)

COMMITMENT #2
Establish a health and safety action plan

89%
of employees work in a Maison that periodically reviews its health and safety approach (**down 6%** relative to 2021)

COMMITMENT #3
Manage the health and safety approach

87%
of employees work in a Maison where the Management Committee analyzes health and safety annually (**up 4%** relative to 2021)

COMMITMENT #4
Ensure all employees have an active role in health and safety

33%
of employees receive training in risk prevention and first aid (**up 57%** relative to 2021)

COMMITMENT #5
Maintain a virtuous culture for a safe environment

5
meetings in 2022

64
health and safety ambassadors in the Maisons

Create the conditions for well-being at work

96%
of employees benefit from initiatives aiming to safeguard mental health, reduce stress and prevent harassment

94%
of Group employees are covered by arrangements that promote work/life balance (right to switch off, etc.)

89%
of Maisons have adopted flexible working hours including part-time working, remote working and arrangements for returning to work part-time (**up 4%** relative to 2021)

75%
of Maisons have initiatives encouraging employees to prioritize physical fitness

Encourage social dialogue

100%
of Group employees have access to the LVMH Alert Line whistleblowing system

75%
of Maisons have national or company-specific agreements relating to their compensation policy

67%
of Maisons have national or company-specific agreements relating to gender equality

65%
of Maisons have national or company-specific agreements relating to quality of life at work

Our Maisons commit to action...

PARFUMS CHRISTIAN DIOR

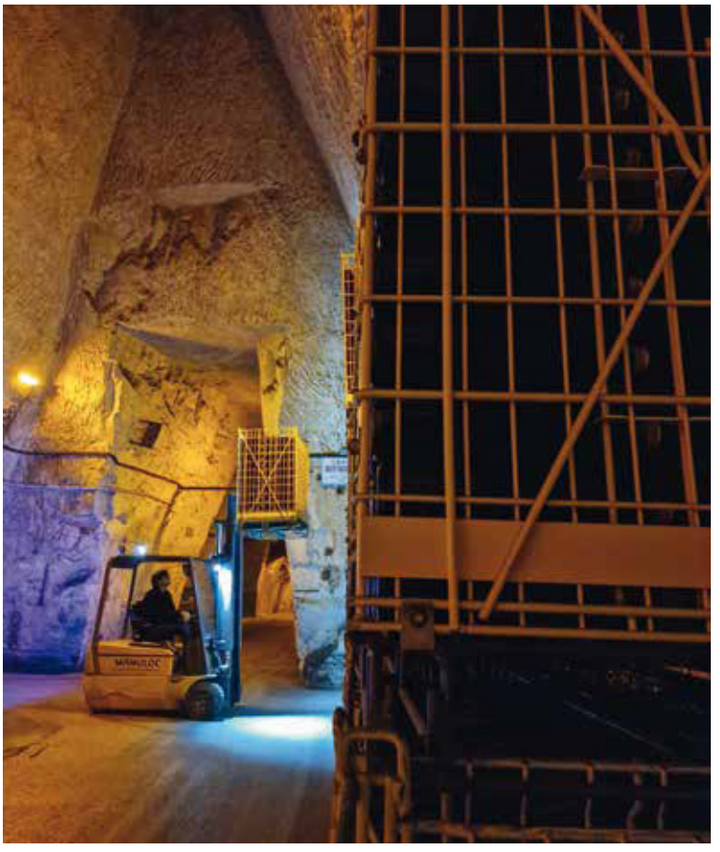
Listening to employees

– In Spain, Parfums Christian Dior launched the "Your Well-Being Matters" project in 2019. The project looks at employees' perceptions and expectations in nine areas such as working hours and workload, psychological well-being and management methods. In 2022, employees' opinions were also sought on a further four topics emotional well-being including sources of stress at work, health and safety within their organization, lifestyles, with the aim of improving health for all, and community engagement. Thanks to Your WellBeing Matters, Parfums Christian Dior and LVMH Beauty Iberia have received "Healthy organization" certification from AENOR.

LORO PIANA

Showing compassion through a time bank

– Loro Piana has adopted an innovative way for employees to show their compassion to each other, by setting up a time bank. The aim is to provide help when an employee, or an employee's child, spouse, civil partner, cohabitee or parent suffers a serious, certified illness. The employee's colleagues donate some or all of their annual leave or days off to the time bank so that the affected employee can take time away from work without any loss of salary.



… to safety and well-being

MOËT HENNESSY

A highly structured health and safety approach

— Since 2014, the Moët Hennessy Maisons have strengthened their health and safety policies and recruited health and safety coordinators to deploy them. In particular, the Maisons' corporate policy includes a "Safety" chapter. The champagne Maisons, such as Moët & Chandon and Ruinart, highlight three values that are essential for improving working conditions and reducing risk: exemplary conduct, responsiveness and vigilance. Each year, the policy is implemented through each Maison's annual health and safety action plan, which is monitored by the Management Committees.

VEUVE CLICQUOT – KRUG

Ongoing commitment to safety

– Veuve Clicquot and Krug make major efforts to ensure safety through the identification of risks, prevention, training and ergonomic workstations. They involve all their teams in those efforts, both to increase their engagement and individual responsibility and so that they can develop action plans based on the real needs of their staff. Among the major initiatives in 2022, 12 hazard hunts were organized, 91 people received training in risk prevention and the onboarding process was revamped to raise employees' awareness of safety issues from the time they join the company. Veuve Clicquot and Krug are also constantly improving workstation ergonomics and increasing the comfort of their work areas.

3.

PASSING ON THE SAVOIR-FAIRE REQUIRED TO ACHIEVE EXCELLENCE

Safeguarding the Group's future

PRIORITIES

The success of LVMH's Maisons, the desirability of its products and its innovation capabilities depend on the talent of its employees. This is why it is crucial to increase LVMH's appeal as an employer, recruit the most creative, qualified and passionate people, and offer them career paths to excellence.

Increasing LVMH's appeal as an employer

In 2022, 60,772 people joined LVMH, and almost 17,500 new positions were created. Society is changing and young people are increasingly focused on meaningful work, which LVMH is well-placed to offer, not least thanks to its commitment to social and environmental responsibility and its wealth of career options. The Group strives to welcome, integrate and train employees and help them grow, developing not just their skills but also their passion for creativity and savoir-faire.

Inside LVMH: opening the Maisons' doors to young people

With Inside LVMH, the Group welcomes all young people into the heart of the luxury goods industry and into its 75 Maisons. The program gives them an insight into all aspects of the various jobs and career paths available in the Group. Inside LVMH consists of a dedicated website, to which over 130,000 young people from almost 2,500 schools have signed up, and around 250 events per year, all around the world. Many of the Group's leaders take part in these events, such as Laurent Boillot (Hennessy) and Berta de Pablos-Barbier (Moët & Chandon). Participants can also obtain the Inside LVMH Certificate by completing a thirty-hour program including academic and vocational content and practical case studies. Since it was launched in May 2021, 40,000 young people – 43% of those that have enrolled in the program – across four cohorts have obtained the Certificate.

SPRING: recruiting and developing people showing major potential

SPRING is the Group's first graduate program. It offers highly innovative and stimulating career pathways to young recruits who show major professional development potential. The first cohort started in September 2022 and comprised 14 recent graduates. Over a three-year period, they will get a taste of three professions within three Maisons, mentored by a senior Group manager.

ACTION TAKEN

With its Craft the Future program, LVMH is continuing to develop its employer brand. The Group's employer brand promise has four aspects: Inspire, Challenge, Connect and Support. It is backed by a communication campaign in which employees talk about their work on social media.

In the Universum 2022 study, **LVMH was voted the preferred employer of French business school students** for the 18th consecutive year. This accolade highlights the quality of the Group's numerous student initiatives.

Inside LVMH won three awards in 2022. Firstly, Cadremploi, Le Figaro and Sciences Po Exec Éducation awarded Inside LVMH their HR innovation prize for 2022. Secondly, it won the Coup de Cœur AGIRES Synergie Campus award. Finally, Inside LVMH won Deloitte's Impact Digital HR Award.

81%

of the Group's Maisons have a policy to maintain and pass on key skills (**up 17%** relative to 2021).

Maintaining our Métiers d'Excellence

PRIORITIES

LVMH's Maisons have a valuable and rare array of skills, which need to be preserved to safeguard the Group's future and cherished as a form of living heritage. The Group has a number of initiatives to help people who possess this savoir-faire to hone their skills and pass them on to younger generations and career-changers.

WE for ME: future-proofing essential skills

WE for ME – or Worldwide Engagements for Métiers d'Excellence – is an agreement signed in 2021 by the Group's 75 Maisons, intended to future-proof all of LVMH's essential skilled professions. It has three key aims: passing on the Group's unique savoir-faire, helping talented people to achieve growth by honing their skills, and building on the 280 Métiers d'Excellence that form part of the Maisons' heritage. To achieve these aims, WE for ME involves initiatives such as the "Excellent!" program to raise awareness about professions in the luxury goods industry, in which 1,600 junior high school students in France and Italy took part in 2022.

LVMH Institut des Métiers d'Excellence: a record-breaking cohort in 2022

In September 2022, the LVMH Institut des Métiers d'Excellence – the Group's vocational training program for the luxury goods industry, based on a work/study format – welcomed 450 new students in France, Switzerland, Italy, Spain, Japan, Germany and the United States. In the United States, for example, an initial program has begun with Tiffany & Co., which is aiming to train the next generation of jewelry craftspeople. The students are aged between 15 and 51 and a third of them are career-changers. The resulting diversity in terms of background is a valuable resource for the Group. Since 2014, more than 2,000 apprentices

have received training in the design, craft and customer experience fields. In 2022, 91% of them obtained their LVMH Certificate of Excellence, and 75% of them joined one of the Group's Maisons or one of their partners. Alongside the Institut des Métiers d'Excellence, 36 Maisons have their own in-house school. For example, in 2016, Swiss Watches & Jewelry Maisons TAG Heuer and Zenith opened the École d'Horlogerie LVMH, which trains apprentice watchmakers.

Expansion of the LVMH Virtuoso Community

During its second year, the LVMH Virtuoso Community welcomed 63 new members. They were celebrated in the second SHOW ME event, held in Paris and Milan, in the presence of Chantal Gaemperle. They embody the excellence of the Group's savoir-faire: each member has developed an exemplary career in one of LVMH's Maisons.

ACTION TAKEN

You and ME national tour: from February to April 2022, LVMH presented its Métiers d'Excellence in five French cities – Clichy-sous-Bois, Reims, Valence, Orléans and Paris – in partnership with Tony Parker.

Second edition of the Prix des Artisanes: LVMH once again worked with *ELLE, ELLE à Table* and *ELLE Décoration* magazines to celebrate women in the craft industry. Among 600 candidates, four women running craft businesses received awards in the Fashion, Design and Tableware, Vine and Wine, and Safeguarding French Heritage categories.

To mark the second anniversary of the WE for ME agreement, LVMH released a documentary entitled "Métiers d'Excellence, the Virtuous Circle", focusing on its efforts in three areas: supporting professions in the Creative, Craft and Customer Experience fields, helping to pass on savoir-faire, and increasing the employability of younger generations.

Over 1,600
junior high school students made aware of LVMH's Métiers d'Excellence through the Excellent! program

Innovative training

PRIORITIES

Every year, to meet new challenges while responding to the aspirations of its talented people, LVMH is increasing its investment in training and developing all of its employees. A culture of learning and knowledge-sharing lies at the heart of LVMH's quest for excellence and helps knowledge to flow between employees and between Maisons.

Developing a culture of learning around the world

The LVMH group is committed to building a culture of learning and professional development among its employees. From London to New York to Tokyo, the LVMH Houses – the Group's training and development entities – are devising initiatives in which participants can share management and leadership experiences, learn about open innovation and transform the Group's working culture. The LVMH Houses encourage a "test and learn" approach, in line with the Group's entrepreneurial mindset. The approach also includes raising managers' awareness of their role in supporting their teams, to help all employees develop. The LVMH Houses offer innovative learning formats for both senior and less experienced managers, with the focus on leadership and business excellence. The Group's training and development opportunities complement the programs offered by the Maisons. They are tailored to the aspirations of LVMH's talented people and the priorities of the Group.

Sharing best practice with the Brand Education Community

A brand's profile, the breadth of its distribution and the desirability of its products and services have always been regarded as strategically important at LVMH. To share knowledge and best practice, the Maisons' product, service and brand training officers have set up the Brand Education Community. This community allows LVMH to develop innovative learning practices for its customer-facing employees, helping all of them to increase their skill levels and achieve excellence in terms of savoir-faire. Another example is the THINK Retail program, which brings together managers of iconic stores with senior Group managers and gives them coaching and mentoring opportunities, helping them to think about their profession in new ways and gain a strategic perspective. The program has been introduced in Europe and China, and will be rolled out globally between now and 2024.

Internal mobility: encouraging autonomy

People increase their employability through career development, which includes working in different geographies and roles. This is why the Group encourages all its employees to take a proactive approach to their own careers. The LVMH ecosystem is conducive to professional development, offering numerous opportunities in a diverse range of settings. In 2022, almost 18,000 employees changed roles within LVMH. Every year, LVMH is committed to increasing internal mobility through numerous initiatives, such as advertising internally all available positions and setting up Mobility Committees.

ACTION TAKEN

Rise, jointly developed with Louis Vuitton, is a new managerial approach to performance management and staff development. Rise represents a new culture of accountability in leadership, based on targets and ongoing feedback, and covers 70,000 employees.

Increasingly impactful onboarding: LVMH Houses make integrating new arrivals easier by using innovative and inclusive onboarding methods. They instill the Group's values and imparts knowledge using experiential learning methods so that all employees can give the best of themselves as quickly as possible.

Fair Wage Principles: LVMH has defined an equal pay policy applicable to all its employees and suppliers. The principles were developed with the Fair Wage Network, and were adopted by the Human Resources Department in 2022. All of the Group's Maisons have been invited to check the application of these principles, and a monitoring system is in place.

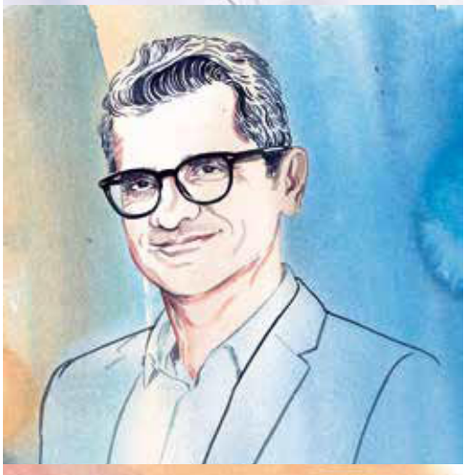
2.3%

of payroll was spent on training in 2022. This represents an investment of €214 million, a substantial increase on previous years both in absolute terms and as a proportion of payroll (1.4% in 2020, 1.7% in 2021).

Progress achieved

– "The Inside LVMH program and the resulting certificate – available to anyone, anywhere in the world – was a valuable learning experience for me and a unique immersion in the world of luxury and that of LVMH, its ecosystem and its savoir-faire."

Kamilla Ashurova,
Junior Manager – Place Vendôme boutique,
Doha, Qatar – Christian Dior



– "I firmly believe that our talent is our greatest strength. It's crucial that we commit to passing on savoir-faire between generations."

Serge Brunschwig,
CEO Fendi

– "LVMH House's Employee Learning Proposition has been a real plus. The learning programs have allowed me to develop new skills, form new relationships that have broadened my horizons, and get help from a mentor to become a better leader."

Valentina Lucaj,
Vice-President – Merchandising,
Louis Vuitton EMEA

Safeguarding the Group's future

81%

of the Group's Maisons have a formal policy to maintain and pass on key skills (**up 17%** relative to 2021)

over 130,000

students and young graduates from 2,500 institutions enrolled with Inside LVMH around the world

40,000

students have obtained the Inside LVMH certificate

39,000

people aged under 30 recruited in 2022

Preserving our Métiers d'Excellence

280

Métiers d'Excellence are recognized by the Group in the fields of Creative, Craft and Customer Experience

8,000

new recruits joined LVMH's Métiers d'Excellence in 2022

over 1,600

junior high school students made aware of Métiers d'Excellence through the Excellent! program

43%

of Maisons have an in-house school focusing on craft professions (not including the Métiers d'Excellence Institute and Academy)

51%

of Maisons have an in-house school focusing on customer experience and sales (not including the Métiers d'Excellence Institute and Academy)

Innovative training

€214 MILLION

invested in staff training in 2022

78%

of employees received training in 2022

68%

of Maisons have a formal training policy to meet future needs (digitalization, artificial intelligence, innovation, collective intelligence, etc.), a **6% increase** relative to 2021

Our Maisons commit to action...

CHRISTIAN DIOR COUTURE:

Enhancing the in-store customer experience

— Dior is constantly innovating to provide each of its customers with a unique and exceptional experience. As part of this effort, it is introducing D-Signature, a "master training program" for all customer-facing employees. The program teaches participants about the Dior Attitudes: putting customers at ease, being attentive, giving them some time in which the focus is solely on them, and revealing their true beauty. It also aims to ensure a fluid, authentic approach and to build sales skills, particularly in terms of styling. The program now has 70 trainers worldwide.

MOËT HENNESSY

CSR training

— This Maison is making major efforts to digitalize all of its training resources in the legal, HR and marketing fields. Teams now have the MyMH platform, which gives them access to all rules and recommendations that apply to their profession. As regards CSR, since 2021 all employees have taken part in online training on environmental, employment-related and social topics connected with their profession. By the end of 2022, 4,000 people were certified. In addition, 1,000 employees took part in Climate Fresk workshops in 2022. The initiative will be gradually rolled out to all of the Maison's staff.

… to preserving and passing on savoir-faire

LVMH MÉTIERS D'ART

Expansion in Japan

— Japan is a country known for its exceptional craftsmanship and very high level of ancestral savoir-faire, which is passed down by master craftspeople from generation to generation. By creating LVMH Métiers d'Art Japan, the Group has added to its international network of workshops and talented craftspeople offering these exceptional skills. LVMH Métiers d'Art Japan will be led by Emina Morioka, whose dual French/Japanese heritage will be valuable in ensuring its success.

TIFFANY & CO.

Métiers d'Excellence Institute

— In 2022, Tiffany & Co. launched LVMH's first certified training program in the United States as part of the LVMH's Métiers d'Excellence. It will train a new generation of craftspeople specializing in designing and making jewelry. The program, developed jointly with the New York State Department of Labor, aims to offer new career opportunities to people from communities that have historically been underrepresented in the luxury goods industry. It has given Tiffany & Co. an inclusive pool of talented people at the start of their career and coming from diverse communities, from which it has recruited an initial cohort of apprentices.

4.

COMMITTING TO A BETTER SOCIETY

Contributing to local economies

PRIORITIES

The LVMH group and its Maisons make a major contribution to developing the communities in which they operate, creating jobs and supporting startups through their growing business activities and initiatives in the fields of art, culture and education.

Supporting dynamic communities

The LVMH group contributes to the public finances of the countries and regions in which its own sites and those of its partners are located. It also creates large numbers of jobs through its sustained growth. In France for example, Hennessy is based in the Cognac region, Moët & Chandon and Veuve Clicquot in the Champagne region, Parfums Christian Dior in Saint-Jean-de-Braye near Orléans and Guerlain in Chartres, while Louis Vuitton has 17 workshops across France. The Maisons are also committed to promoting the culture of craftsmanship, particularly through LVMH's *Journées Particulières* showcases, and to education in the communities in which they operate.

Shaping the future of luxury with La Maison des Startups

LVMH's La Maison des Startups was founded in 2018 and supports open innovation, business development and learning initiatives. The program accelerates the development of startups and is based at Station F, the world's biggest startup campus. It embodies LVMH's entrepreneurial ambitions and is helping to shape the future of the luxury goods industry as part of an innovative ecosystem.

Supporting female entrepreneurs

All LVMH's Maisons support female entrepreneurs. Sephora is a good example of this, with its Sephora Accelerate business incubation program. Since 2016, it has built a community of 96 women who have founded innovative beauty brands. In 2022, in the United States, Sephora stepped up its efforts to support black women, offering mentoring and funding with the aim of ensuring that the full range of talent across the Americas is better represented in the beauty industry. Another key example of LVMH's efforts in this area is Hennessy's Vignoble au Féminin, an annual forum that it has held for the last nine years with the aim of encouraging more women to pursue careers in the wines and spirits industry. Those attending the event have the opportunity to meet over 200 female winegrowers.

ACTION TAKEN

The sixth edition of the LVMH Innovation Awards took place as part of the VivaTech 2022 show. Award-winners included Toshi, which won first prize for its sustainable and customizable solutions that help major brands serve customers across all sales channels.

Parfums Christian Dior and Guerlain are two of the main drivers behind the rapid economic development of Cosmetic Valley in France. By setting up its production plant near Chartres in the 1970s, Guerlain planted the seeds of this ecosystem, which is now at the leading edge of innovation. Currently, more than one cosmetic product in ten sold worldwide is made in this unique hub, which brings together all segments of the cosmetics industry.

82

partnerships involving the Group and its Maisons aimed at creating jobs and developing entrepreneurship.

Supporting workforce integration opportunities for all

PRIORITIES

The Group is committed to supporting young people from minority backgrounds and people who have been marginalized in the job market. It has a number of long-term initiatives – partnering with nonprofits, funding bursaries and providing mentors – that also enable it to identify emerging talents.

Helping people who have been marginalized in the job market

In France, LVMH has a long-term partnership with Nos Quartiers ont des Talents, a nonprofit organization whose remit is to help young graduates from disadvantaged urban areas find jobs and apprenticeship opportunities. Large numbers of Group employees take part in this initiative. In 2022, 197 executives mentored young people through the partnership, and since 2007 more than 850 young people have found a job with the help of an LVMH employee. As a partner of the Priority Education Conventions initiative established by the Institut d'Études Politiques (Sciences Po Paris), the Group funds study bursaries, and in 2022, 26 students were mentored by LVMH managers. LVMH also organizes job coaching for jobseekers. The Group's recruiters and beauty consultants help them develop their self-confidence so that they make a better impression in job interviews.

Working alongside young people in Clichy-sous-Bois and Montfermeil

LVMH helps young people in the towns of Clichy-sous-Bois and Montfermeil achieve academic success. For twelve years, LVMH has also sponsored the Montfermeil Cultures et Création fashion show, which attracts more than 300 amateur designers and models and is an opportunity for the Group to spot emerging talent. It selects a number of people taking part in the show to undertake internships

and work/study programs in its couture workshops, coached by a fashion industry professional. The Group also opens its doors to junior high school students in these towns: as part of this initiative, it offered work experience opportunities to 78 students in 2022, giving them an insight into the Group's work.

Support offered by the Maisons worldwide

Hennessy supports artistic collaborations all around the world. In the United States, it allocated $2.4 million to its Hennessy Fellows and Never Stop Never Settle Society programs in 2022, supporting 40 young African-American graduates and 20 people who had devised impact projects. With Women Way to Independence, Loro Piana provides financial support to NGOs that help women around the world gain independence. The program helped 190 women in 2021 and a further 76 in 2022.

ACTION TAKEN

About Love bursaries: In 2022, Tiffany & Co., in partnership with the BeyGOOD and Shawn Carter Foundations, committed to providing $2 million of funding for study bursaries aimed at students at five historically black colleges and universities between now and 2024. In the 2022/23 academic year, 60 students are receiving these bursaries.

The three LIVE (L'Institut des Vocations pour l'Emploi) vocational training campuses in Clichy-sous-Bois, Valence and Roubaix, set up by Madame Brigitte Macron and LVMH, have helped 500 adults return to work. Participants receive eighteen weeks of support, and 80% of them have secured a job by the end of the program.

Harlem's Fashion Row (HFR) and LVMH opened New York Fashion Week with shows highlighting talented designers from ethnic minorities. HFR was founded by Brandice Daniel in 2017 and is a force for diversity, equality and inclusion in the fashion industry.

7,024
employees taking part in educational support and workforce integration programs.

Supporting vulnerable people

PRIORITIES

Events such as Covid and the tragic situation in Ukraine have disrupted the lives of millions of women, children and families around the world. LVMH and its Maisons support nonprofits helping these people at the grass-roots level.

Making women more financially secure

The Covid pandemic has plunged more than 70 million people into extreme poverty in the United States and worldwide. In response, Tiffany & Co. launched Infinite Strength, a two-month initiative in which 100% of profits from the *Tiffany Infinity* collection were donated to humanitarian organization CARE, with the aim of increasing the financial security of more than 5,000 highly vulnerable women. The proceeds were used to address their immediate needs, make up for lost income, and increase their own financial resilience and that of the small businesses they run.

Combating all causes of exclusion

In 2022, LVMH supported a number of institutions that help children, older adults and people with disabilities, with the common goal of promoting integration and combating the causes of suffering and exclusion. For example, LVMH supports the Fondation des Hôpitaux, Save The Children in Japan, the Robin Hood Foundation in New York (which works to support children), the Fondation Claude Pompidou (which helps older adults and those with disabilities), the Fraternité Universelle foundation (which works to improve access to healthcare and education as well as develop agriculture in Haiti), and the Curie Institute (which conducts research into childhood cancers). The Group also has a long track record of supporting scientific foundations and teams that carry out cutting-edge research in the public health domain.

Ukraine: action taken by LVMH and its Maisons

In 2022, all of LVMH's teams joined forces to respond to the tragic situation in Ukraine. The LVMH Group donated €5 million to the International Committee of the Red Cross. The Maisons also took extensive, targeted action to help certain groups of people. For example, Loro Piana donated €650,000 to UNICEF (the United Nations International Children's Emergency Fund) in order to host families in 20 centers in countries bordering Ukraine, and provide schooling for over 40,000 children. Hennessy donated €600,000 to various nonprofit organizations working to host refugees in France. As regards the Group's own people, the LVMH Heart Fund, launched in 2021, provided financial and psychological support to all employees, especially those directly affected by the conflict.

ACTION TAKEN

10th Committed Companies Dinner: LVMH continued to provide financial and human resources to help fight sickle cell anemia alongside the Hôpital Robert-Debré in Paris.

Fendi, as part of the partnership it formed in 2017 with the Lai Momo social cooperative and its Cartiera sustainable fashion research unit, is supporting a training program for migrants and asylum-seekers in the fields of couture and leather craft.

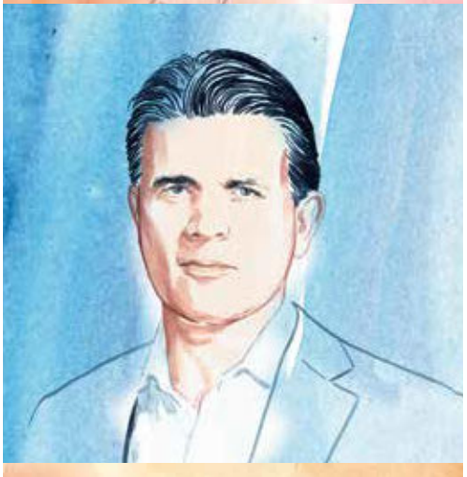
LVMH supported La Fabrique Nomade for the fourth consecutive year. This nonprofit works to provide access to employment for refugee and migrant craftspeople in France. With its annual "Traits d'union" collections, it provides them with an opportunity to showcase their work and gain recognition.

Over 600,000
people affected by natural catastrophes and/or experiencing considerable distress supported in 2022.

Progress achieved

– "For ten years now, LVMH has been giving us vital support, allowing us to make progress with research into sickle cell anemia, raise its profile and improve patient care."

Malika Benkerrou,
Hospital practitioner and
head of the accredited lead site for
constitutional diseases affecting
red blood cells and erythropoiesis (MCGRE),
Hôpital Robert-Debré, AP-HP



– "At Tiffany & Co., we have a responsibility to generate positive change. Tiffany Atrium will allow us to perfect the processes we need to achieve that change."

Anthony Ledru,
Chief Executive Officer, Tiffany & Co.

– "Philanthropy is a key part of the Maison's identity and we are strongly committed to it. Through philanthropy, Bulgari's employees become front-line ambassadors, realizing our values and delivering initiatives as part of our partnership with Save the Children."

Eleonora Rizzuto,
Sustainable Development Director
and Chief Ethics & Compliance Officer,
Bulgari Group & LVMH Group

1,030,935
people helped by the Group and its Maisons worldwide

46,215
Group employees involved

€57,494,860
of donations, including those made by employees and customers through initiatives led by the Maisons

Helping people find work and developing entrepreneurship

82
partnerships formed by the Maisons to help people find jobs and develop entrepreneurship

3,461
employees involved

€22,423,486
of financial donations

Taking action in favor of social diversity

81
partnerships formed by the Maisons to support major diversity causes (aside from education and workforce integration initiatives)

4,393
employees involved

€3,696,338
of financial donations

Working for education

128
partnerships formed by the Maisons in the field of education (equal opportunities, funding for academic chairs, etc.)

7,024
employees involved

€5,741,405
of financial donations

Helping to preserve cultural heritage

89
partnerships formed by the Maisons to support artists and artisans and preserve cultural heritage

1,315
employees involved

€5,105,002
of financial donations

Helping people in need

327
partnerships formed by the Maisons to help people affected by natural catastrophes and/or experiencing considerable distress

19,362
employees involved

€18,089,507
of financial donations

Partnering medical research

135
partnerships formed by the Maisons to support medical research, as well as helping sick people and their families

10,660
employees involved

€2,439,122
of financial donations

Our Maisons commit to action...

LOUIS VUITTON

UNICEF partner

— Louis Vuitton first made a commitment to working alongside UNICEF in 2016. In the seven years since then, it has collected more than $20 million for children exposed to conflict, disease, natural catastrophes and other situations that threaten their safety and well-being in Afghanistan, Bangladesh, Jordan, Nepal, Syria, Ukraine and Yemen. It raises those funds by selling its exclusive Silver Lockit collections, which it refreshes every year. It also makes other gifts through events and initiatives taking place inside and outside the Maison.

MAISONS

The first LVMH CSR Summit

— For the first time in 2022, LVMH brought together all its Regions and Maisons CSR correspondents for an exceptional two-day summit focusing on its social commitments. Topics covered included first-aid training, health and safety and LVMH's Métiers d'Excellence. Participants learned about all of the Group's flagship initiatives and grass-roots experiments as part of expert-led experiential workshops, which were very well received. Chantal Gaemperle also spoke about LVMH's guiding vision and its roadmaps for the Italy, North America and Japan regions.

… for a better society

CHRISTIAN DIOR COUTURE

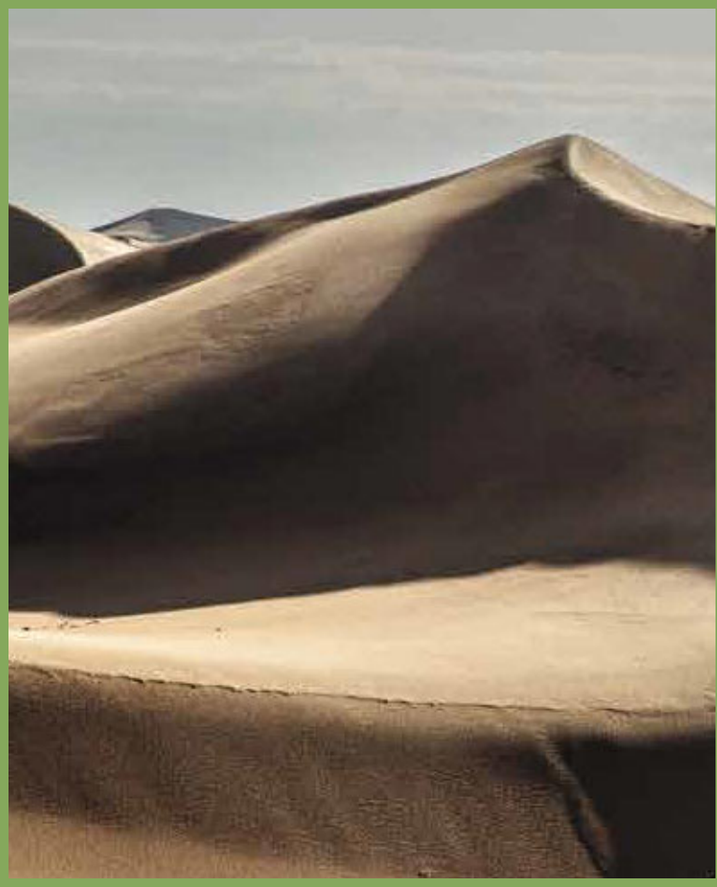
Dior Open Day: promoting equal opportunities

— Dior Open Day is an innovative event held by Christian Dior Couture in partnership with French nonprofit Nos Quartiers ont des Talents and the town of Clichy-sous-Bois, giving 15 jobseekers from disadvantaged neighborhoods the chance to spend a day finding out about retail roles and applying for jobs. After a behind-closed-doors store visit and a presentation of the Maison, its commitments and its careers, participants pair up with Dior experts and get hands-on experience of sales, inventory management and other retail roles. Two Dior Open Days took place at the stores located at 127, avenue des Champs-Élysées and 30, avenue Montaigne in 2022, after which on average 30% of the participants were hired.

TIFFANY & CO.

Achieving greater social impact with Tiffany Atrium

— With Tiffany Atrium, the Maison is fulfilling its commitment to a fairer and more inclusive jewelry industry. The initiative was launched in 2022 and offers opportunities to communities that have historically been underrepresented in this industry. Tiffany Atrium brings together several initiatives: the Métiers d'Excellence program, the About Love Scholarship and, in New York, a partnership with the Lower Eastside Girls Club, an NGO that seeks to give opportunities to young women of color through a one-year mentoring and training program.



OUR COMMITMENT TO THE ENVIRONMENT

"With our Maisons – some of them centuries-old – we've always been aware of what we owe nature, the sheer beauty of what it enables us to make. That's why we strive to give back what we take from it by making more environmentally-friendly products."

Bernard Arnault, Chairman and Chief Executive Officer

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1. Creative circularity 76

2. Biodiversity 84

3. Climate 92

4. Traceability 100

“LVMH’s deep commitment to the environment aims to make sustainability synonymous with desirability.”

Antoine Arnault
Image & Environment

Hélène Valade
Environment Development Group Director

LVMH’s deep commitment to the environment aims to change how beauty is portrayed, to make sustainability synonymous with desirability, to make circular economy models a must, and to champion an entirely new type of relationship with nature and the living world. LVMH leads by example to help safeguard ecosystems.

This commitment to a new vision of luxury is underpinned by LIFE 360, the action program launched in 2021 that was firmly embedded in the Group’s governance framework and the practices of our Maisons throughout 2022. LVMH has stepped up its training programs, with a particular emphasis on ecodesign to enable everyone across the Group to contribute to this transformation. At the same time, new systems and processes make it easier to rapidly scale up initiatives.

The results achieved by LIFE 360 in 2022 reflect the efforts made at every level of the Group. An ambitious energy efficiency plan adopted in September significantly reduced lighting use by the stores of our luxury Maisons, and supply chains have been optimized. These measures led to a reduction in the Group’s carbon footprint compared with 2019, with GHG emissions down 11% for Scopes 1 and 2, and down 15% for Scope 3.

LVMH also expanded biodiversity conservation measures in 2022. We are working with our champagne Maisons and our suppliers – particularly for cotton and precious wools – to develop a forward-thinking agricultural model that promotes polyculture integrated with livestock farming. We are also contributing to an international effort to standardize biodiversity impact metrics, an issue we addressed at COP 15. UNESCO’s Man and the Biosphere (MAB) program, of which we are a partner actively engaged with local communities, has also made major strides. LVMH’s conservation and rehabilitation activities spanned an aggregate 1.37 million hectares of flora and fauna habitat, and we have achieved demonstrable improvements in supply chain traceability.

The environmental performance and ecodesign of our products are continually enhanced thanks to targeted research initiatives. Examples include materials innovation, such as keratin-based fur fibers and high-quality recycling options. Nona Source, the platform created to resell deadstock fabrics from prestigious luxury Maisons, has become an exemplary creative circularity success story, upcycling more than 190,000 meters of fabric in 2022.

Sustainability is all about continuous improvement, and much remains to be done. Achieving a triple A rating (water, biodiversity, climate) from the Carbon Disclosure Project (CDP) is an incentive to go even further along the trajectory mapped out by our LIFE 360 objectives.

1,370,000 hectares
conserved or rehabilitated in 2022

over 190,000 meters
of fabric upcycled in 2022

ACTION PROGRAM

LIFE 360

A new luxury

THE GROUP HAS ESTABLISHED AN ACTION PROGRAM CONSISTING OF FOUR STRATEGIC PLANS WITH QUANTIFIED OBJECTIVES. IT AIMS TO CHANNEL THE MAISONS' CREATIVITY AND INNOVATION INTO CREATING DESIRABLE AND RESPONSIBLE PRODUCTS.

	STRATEGIC PILLARS	2023-2026 OBJECTIVES
CREATING PRODUCTS IN HARMONY WITH NATURE	Creative circularity	**2023** New **circular** services (repairs, upcycling, etc.) **2026** **Zero** virgin fossil-based plastic packaging
	Traceability	**2026** **100%** of new products to be backed by a customer information system by 2026
LOOKING AFTER ECOSYSTEMS	Biodiversity	**2026** **100%** of strategic raw materials certified to standards guaranteeing the conservation of ecosystems and water resources
	Climate	**2026** **50%** reduction in GHG emissions attributable to energy consumption (2019 baseline) **100%** renewable or low-carbon energy at stores and sites

2030 OBJECTIVES	2022 RESULTS	PROGRESS VS. 2019
100% of the Group's new products to be eco-designed	**190,000 meters** of fabric upcycled	
	7,942 metric tons of virgin fossil-based plastic used in customer packaging	–13%
	39% of recycled materials in glass and plastic packaging	+1%
100% of strategic supply chains to possess a dedicated traceability system	**9,500** products with their own customer information system	
	Country of origin known for **64%** of wool purchases	+2%
	86% of leather purchases	+10%
5 million hectares of flora and fauna habitat to be regenerated and/or rehabilitated	**1,370,000 hectares** conserved or rehabilitated in 2022	
	71% of cotton from certified sources	+17%
	91% leather from LWG-certified tanneries	+25%
	94% of grapes from LVMH vineyards certified as complying with sustainable wine-growing practices	+26%
55% of CO_2 emissions linked to Scope 3 (raw materials and transport) per unit of added value to be eliminated or avoided (2019 baseline)	**11.3%** reduction in GHG emissions attributable to energy consumption, Scopes 1 and 2 (2019 baseline)	
	47% of the Group's energy mix accounted for by renewables	+11%
	15.1% reduction in GHG emissions attributable to Scope 3 (2019 baseline)	

ACTIVELY ENGAGING WITH STAKEHOLDERS

Employees
Environmental training program for **100%** of Group businesses in 2023.

100% of production and logistics sites to be equipped with an environmental management system by 2026.

Innovation
Innovation and research program in 2023 to make the luxury industry more sustainable.

Suppliers
Contractual CSR clauses and audit for **100%** of strategic suppliers by 2030.

1.

FOSTERING CREATIVE CIRCULARITY

Creating ingenious new materials

PRIORITIES

LVMH is applying its creativity, one of its core strengths, to reduce its products' environmental footprint. By upcycling, recycling, using fabric and leather offcuts and designing new processes, LVMH creates ingenious new materials that inspire designers and can transform people's ideas of what beauty is.

Innovation powering creative circularity

Through productive partnerships, the Group relentlessly explored new ways during 2022 to promote circularity and environmental protection. For example, Maison/0 for regenerative luxury, the sustainable innovation and design incubator set up with the Central Saint Martins College of Art and Design in 2021, aims to address the climate emergency by unleashing the talents of young designers through a creative curriculum. This five-pronged project is backed by scholarships and an R&D program. Maison/0 also organized the This Earth Awards and the Green Trail prize for the second time. The Green Trail prize is bestowed on Central Saint Martins students for groundbreaking projects. Designing transformational garments, developing manufacturing practices for dying textiles using bacteria and rethinking how land can be used to support reforestation are among the novel approaches they have taken.

Inventing sustainable alternatives to raw materials

LVMH, Fendi, Imperial College London and Central Saint Martins launched a research partnership to develop lab-grown keratin-based fur fibers, a ground-breaking new product. Separately, Tag Heuer unveiled the *Carrera Plasma* model using lab-grown diamonds in an approach that can reconcile boundless creativity with less strain on natural resources. LVMH also formed a partnership with Dow. Biobased and circular plastics will be used to make sustainable Surlyn™ ionomers, which are in turn used to manufacture perfume caps and cosmetic cream jars, initially for Guerlain's *La Petite Robe Noire* line.

ACTIONS

In 2022, the Maisons cut their use of plastic from virgin fossil oil in customer packaging by 13% from its 2019 level. At present, 39% of the glass and plastic they use comes from recycled sources.

Maison/0 published Rewilding Textiles, a guide to regenerative design presented at the Future Fabrics Expo 2022 in London. The publication embodies a belief that design-focused research can accelerate change. It shows how design inspired by nature can leverage new approaches to coloring textiles by harnessing materials such as bacteria, seaweed and food waste.

LVMH is working with Bolt Threads, Desserto and Ictyos to create plastic-free next-gen leather solutions. Stella McCartney created its *Frayme* bag using Mylo™, a material developed by Bolt Threads from mycelium, the root-like system of mushrooms.

13%

reduction in the Maisons' use of plastic from virgin fossil oil for customer packaging applications in 2022 from its 2019 level.

"Collaborating with Dow on developing sustainable Surlyn™ is essential because this material is used in some of our iconic perfumes. It helps LVMH to achieve its objectives without any compromise on quality."

Claude Martinez, Executive President and Chief Executive Officer of LVMH Beauty

Embracing eco-design at every stage

PRIORITIES

Each Maison applied in 2022 the eco-design approach set out in the Group's LIFE 360 program to its products, making the relevant adjustments to accommodate its own environmental challenges. The LIFE 360 criteria range from the use of raw materials that have been certified, recycled or are from regenerative agriculture, to traceability of the main raw material's suppliers and countries of origin, and products' life span and end-of-life arrangements. Systems are currently being rolled out to monitor compliance with these requirements and assess each product's environmental footprint.

Building an evaluation capability

LVMH's Fashion & Leather Goods business group agreed a partnership with French start-up Fairly Made during the year. The aim is to support the creation of new collections by the Group's brands, while providing a comprehensive solution that can offer full value-chain traceability, evaluate the quality of products, compile data and share the results transparently with customers. Five key criteria – environmental impact, social impact, traceability, recyclability and sustainability – underpin the product quality evaluation. The solution will help meet the LIFE 360 targets and satisfy the requirements of Article 13 of the French AGEC law on making environmental and traceability data available at the point of sale.

Bold measures at events and in stores

LVMH uses the tool developed by the Fédération de la Haute Couture et de la Mode (FHCM, governing body for the French fashion industry) at its shows and fashion weeks. This supports its commitment to eco-design and calculates the physical and digital environmental impact of these events. In 2022, Louis Vuitton achieved a core objective of giving a second lease of life – through reuse or recycling – to 100% of the materials used in its fashion shows. In a similar vein, it introduced the LVMH Store Guidelines. These guidelines set three performance levels covering around 50 points, ranging from a store's thermal insulation through to its lighting systems, interior air quality, interior design, and energy and water consumption management.

ACTIONS

LVMH Beauty deployed the IFE environmental performance index for formulations and the IPE environmental performance index for packaging. The IPE index rates each packaging according to its weight, its volume, its composition, its recycled content and its recyclability.

In October, the LIFE in Stores Awards rewarding the top-performing stores on environmental criteria were held for the fourth time. The 21 stores that submitted entries presented their third-party certified achievements in 36 areas, including building insulation, reduced lighting density, and water and energy management. Six winners from Europe and China were chosen.

100%
of materials used in Louis Vuitton fashion shows were reused or recycled in 2022.

"LVMH is collaborating with Fairly Made, a product of our La Maison des Startups incubator, to roll out eco-designed fashion and leather goods products and to provide information to our customers, especially that required under the AGEC law."

Alexandre Capelli, Group Environmental Deputy Director

Repurposing and increasing the longevity of LVMH products

PRIORITIES

The Group has pioneered efforts to extend the life span of its products and their components, maximizing both their primary period of use and their second lease of life. Sustainable reuse and recovery channels for the materials used by its fashion Maisons are part and parcel of this.

Product repairs, a token of LVMH's commitment to excellence

Repairs and the after-sales service for very high-end products underpin LVMH's commitment to excellence. This approach based on maintenance, minor and major repairs, repurposing and recycling helps to extend product lives at every stage in the cycle. Crucially, it enhances brand image and customer relationships, too. Fourteen Group Maisons have set up a repair and care task force to lay down standards for their own repair and care offerings, to embed a Group culture and to accelerate the roll-out of similar initiatives across all the Maisons.

Second-life initiatives

The Group has developed a dedicated reuse, donation, recovery and material-to-material recycling chain around Nona Source, the first online platform selling deadstock fabrics from leading luxury brands for reuse by fashion and design professionals. CEDRE (a sorting and recycling platform, and its related organization providing jobs for people with disabilities) and Weturn, the first recycling platform for unsold garments, rolls of fabric and offcuts, have partnered with it on this initiative. In 2022, Nona Source lived up to its reputation as a leading exponent of a circular approach in the fashion industry by upcycling more than 190,000 meters of fabric from more than a dozen fashion Maisons. All the Perfumes & Cosmetics Maisons are now ready to go live with their operational arrangements to comply with the French AGEC law, which includes the decree banning the destruction of unsold items. In preparation, they revisited their production forecasting and planning model, a key weapon in the fight against waste. Separately, unsold items are now donated to non-profits under a framework agreement with Comerso, a social enterprise that supports the Maisons in this endeavor.

ACTIONS

For the first time, Nona Source has named four designers to act as ambassadors. They will use their ability to innovate, artistry and expertise to give a second lease of life to deadstock fabrics. Zenith, the watchmaking Maison, has announced an upcycling project with Nona Source to make deadstock fabrics into watch straps.

IDMC, an apparel manufacturer wholly owned by Christian Dior Couture, has substantially expanded its recycling activities. Its unsold products are now converted into new materials for use in various other supply chains. The producer anonymizes some of its unsold shoes before donating them.

In late 2022, LVMH set up Heristoria, an online platform selling iconic items from the archives of the Group's Maisons. Heristoria tells the story behind each unique item and provides an inimitable sales experience.

190,000 m
of fabric upcycled by Nona Source in 2022.

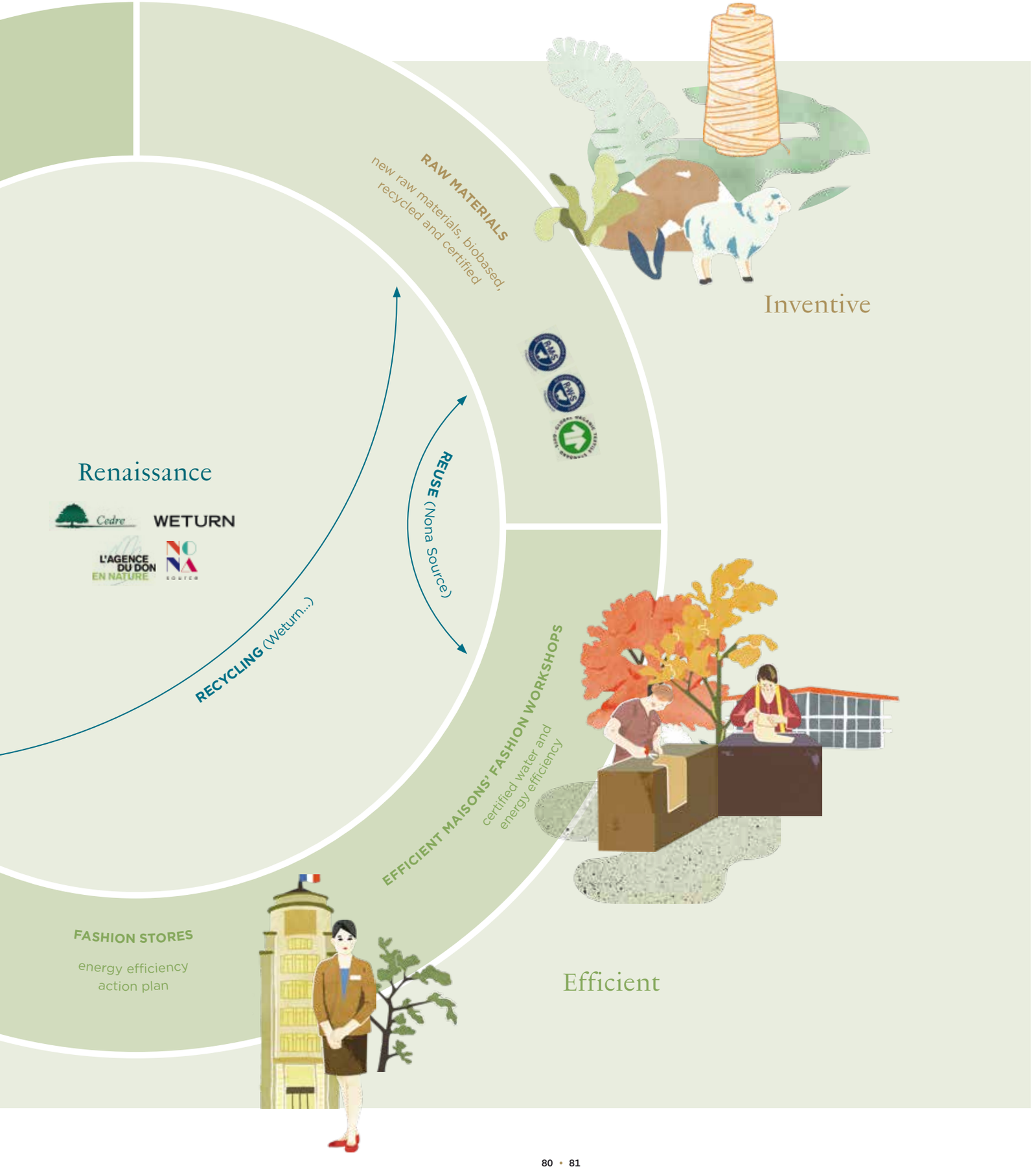
"I keep finding new ways to be creative with Nona Source – such as by using fabric offcuts and by giving a new lease of life to materials that would normally have been thrown away."

Cecilie Bahnsen, Danish fashion designer and Nona Source Ambassador

A NEW PARADIGM

Creative circularity

UNDER ITS LIFE 360 PROGRAM, LVMH HAS SET ITSELF A STRATEGIC GOAL OF **APPLYING ECO-DESIGN PRINCIPLES TO ALL ITS NEW PRODUCTS BY 2030.** TO ACHIEVE THIS, THE GROUP IS EMBRACING A CREATIVE APPROACH TO CIRCULARITY, STRIVING FOR MORE SUSTAINABLE LUXURY PRODUCTS WITH A POSITIVE IMPACT AT EVERY KEY STEP IN THE PRODUCT LIFE CYCLE.


RAW MATERIALS
new raw materials, biobased, recycled and certified
Inventive
Renaissance
Cedre
WETURN
L'AGENCE DU DON EN NATURE
NONA Source
RECYCLING (Weturn...)
REUSE (Nona Source)
EFFICIENT MAISONS' FASHION WORKSHOPS
certified water and energy efficiency
FASHION STORES
energy efficiency action plan
Efficient

Our Maisons commit to action...

LOUIS VUITTON

LV Trainers, a product made from responsible recycled materials

– LV Trainers are now made with 90% recycled and biobased materials, including polyurethane, polyester, cotton, corn-based biodegradable plastics and even plastic waste for the laces. Louis Vuitton, for its part, has developed an eco-design score for accessories based on each component's environmental profile. The rating reflects the nature of the materials used, supplier certification and manufacturing process, product repairability and recyclability rates, and whether or not the packaging contains single-use plastic. The goal is to extend use of this pilot metric to leather goods.

DIOR

Beachwear capsule designed with Parley for the Oceans

— Dior's Beach *Capsule* collection was designed using Parley Ocean Plastic® – a material created from upcycled marine plastic debris and fishing gear engineered into high-performance materials. Dior's artisans refined the recycled fibers into high-quality fabrics, such as jacquard, a technical fabric and an ultra-breathable mesh. On April 21, Dior gave control of its social media accounts for 24 hours to Parley for the Oceans so the campaign group could spread its message about the threats facing oceans and their ecosystems.

… to foster creative circularity

GUERLAIN

Aqua Allegoria reinvented

— The flagship Guerlain collection was given a complete overhaul and now features 90% to 95% natural ingredients, and a recyclable screw-top bottle manufactured by Pochet du Courval from 15% PCR (post-consumer recycled) glass. Refilling cuts carbon emissions by 60%(1), glass by 24%(1) and plastics by 44%(1). The new advertising campaign was shot in France, with the whole crew traveling by train. It also reused footage from a documentary by Yann Arthus-Bertrand.

(1) Use of the *Aqua Allegoria* 125 ml bottle + a 200 ml refill as opposed to two 125 ml + one 75 ml bottle. Comparison of the CO_2 equivalents of packaging and transport around the world calculated using the life cycle analysis method, in line with ISO 14040/44 as part of a multi-indicator analysis. The assessment considers the nature of the materials, the origin and manufacturing process of components, the method of transportation, the shipment of end products and their end-of-life arrangements.

CHAUMET

Sustainable and modular approach to store displays

— Chaumet completely overhauled the fixtures it uses to showcase its products. The number of display items was cut from 90 to 60 following a requirements analysis. All the fixtures are modular, customizable and longer-lasting – with a store life of at least four years – which helps to achieve maximum resource efficiency. Special attention was paid to the sourcing of the materials, with 80%-recycled steel and aluminum for structures, 100%-recycled white satin, 100%-FSC-certified paper and water-based glues used to avoid pollution of the ambient air.

2.

CONSERVING BIODIVERSITY

Mitigating impacts

PRIORITIES

Nature's riches are what makes the Maisons' products so truly unique. A long-term commitment to protect and regenerate ecosystems is therefore a non-negotiable for them.

Two sets of biodiversity impact metrics

Since biodiversity impacts are hard to measure, the Group is committed to updating its methods and sharing them with the scientific community as part of a continuous improvement drive. LVMH has adopted the Global Biodiversity Score and the Impact World+ methodology, which measures the biodiversity and water footprint of its value chain. It also uses indicators to monitor its positive impacts, such as the growth in land areas where ecosystem regeneration, conservation and restoration projects are in progress. In addition to these indicators, the Group employs local indicators to implement or monitor progress by action plans specific to certain areas and to accurately measure sites' impact on natural habitats.

Carefully controlling sourcing arrangements

In 2022, LVMH updated its deforestation target and is now aiming higher in line with the future requirements of the Science-Based Targets for Nature standard, which call for zero deforestation and zero conversion of natural ecosystems within its operations and supply chains by 2025. In 2022, the Group estimated the potential deforestation caused by its purchases of timber, palm oil derivatives and leather at 70 hectares p.a. To address this situation, it is implementing reforestation and agroforestry projects, such as its palm oil initiatives in Indonesia. It has also formed partnerships, including with Canopy, an NGO combating deforestation, and FSC France, an organization promoting responsible management of forests through certification. The Group and its Maisons are committed to having 100% of their strategic raw materials certified by 2026 – their partner tanners must agree not to purchase any hides from the Amazon basin. In 2022, the certification level of strategic raw materials increased for both cow and sheep hides (up from 81% in 2021 to 91% in 2022) and for cotton (up from 61% in 2021 to 71% in 2022) highlighting the progress made by the Group towards its 2026 target.

ACTIONS

Perfumes & Cosmetics: over 40 raw materials supply chains have already been evaluated. Fresh, Guerlain, Kenzo and Givenchy have rolled out improvement plans to achieve certification of their supply chains by 2026 in line with the Union for Ethical BioTrade standard.

LVMH joins the French responsible calf leather initiative. In 2022, an audit protocol was approved and pilot audits were completed by an independent third party at 50 farms. By 2025, the goal is to introduce the program at 1,200 farms.

In 2022, the Group's Science Committee made up of independent external specialists continued its work on animal welfare. In particular, it drew on the One Health methodological framework and its three pillars of human, animal and soil health to provide support and guidance for the development of a project in the Mongolian cashmere supply chain.

Zero deforestation

and zero conversion of natural ecosystems in operations and supply chains by 2025.

"Genesis helps to measure the environmental impact of LVMH's key agricultural raw materials. Using these highly practical metrics, we can pinpoint areas for improvement and support local actors with rolling out regenerative agriculture."

Adrienne de Malleray, founder of Genesis

Regenerating ecosystems

PRIORITIES

The Group has pledged to regenerate the equivalent of 5 million hectares of habitat for fauna and flora by 2030. Its two-pronged approach is to deploy regenerative agriculture programs for strategic agricultural raw materials such as grapes, cotton, wool and leather within its own supply chains, and also to fund projects to regenerate ecosystems and conserve highly endangered plant and animal species outside its supply chains.

Regenerative agriculture projects

In 2022, LVMH scaled up its biodiversity action program, with local communities reaping rewards, including economic benefits. Among other initiatives, the Group implemented regenerative agriculture projects for cotton in Turkey, for merino wool in Australia, for mohair in South Africa, for palm oil in Indonesia, for all the Moët Hennessy vineyards and for certain iconic fragrance ingredients in France. LVMH joined Action for Sustainable Derivatives (ASD) upon its foundation in 2019. In 2022, it became a member of One Planet Business for Biodiversity (OP2B), an organization advocating for regenerative agriculture and conservation of high-value ecosystems.

Productive partnerships

The Group's partnership with UNESCO under the Man and the Biosphere (MAB) programme made significant progress in 2022. This included the launch of business ventures with local communities, such as the production of essential oils, and the establishment of nurseries in Bolivia to speed up restoration. Likewise, Moët Hennessy formed a partnership with Reforest'Action to implement reforestation programs in Kenya, China, the United States, South Africa and on its own vineyards. All in all, LVMH's conservation and rehabilitation activities covered 1.37 million hectares of flora and fauna habitat in 2022, both inside and outside its supply chains.

ACTIONS

In 2022, more than 91,000 hectares were reforested or restored, and over 300 farmers were supported under LVMH's partnership with the Earthworm Foundation in the Riau Province of Indonesia.

LVMH joined the international biodiversity corridors coalition in Africa and launched an initial project in Guinea. The aim is to build up ecosystems' resilience by deploying eco-friendly connectivity networks.

Guerlain is now a patron of Vallée de la Millière, an area being rewilded that will provide a test bed for new regenerative agriculture practices and efforts to reduce the human footprint on ecosystems.

5 million

hectares of flora and fauna habitat to be regenerated by 2030, with 1.37 million of this target achieved in 2022.

"We can directly support scientific research on the land and the development of nature-based solutions for local communities thanks to our partnership with People For Wildlife."

Christelle Capdupuy, Louis Vuitton's Global Head of Sustainability

Spreading the word about the Group's commitments

PRIORITIES

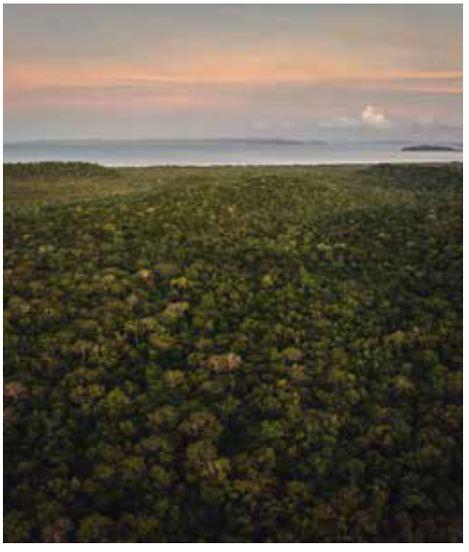
For over 10 years now, LVMH has rallied in support of various biodiversity conservation partners. The Group was the first private-sector operator to join the eight public research bodies sitting on the Board of Directors of the Foundation for Biodiversity Research (FRB). LVMH believes in applying collective intelligence for maximum efficiency. To push back the frontiers of knowledge about biodiversity and accelerate projects, it shares knowledge, listens to its partners and funds, and collaborates on large-scale initiatives.

Coordinating actions

In November 2022, LVMH was designated as an active member of the Task Force on Nature-related Financial Disclosures (TNFD). This consortium of over 1,000 partners includes a wide range of institutions. Its mission is to develop a specific risk management framework by enabling its members to better map positive and negative impacts on nature in order to help guide their strategic planning and deliver positive impacts locally. As a member of the TNFD forum, LVMH will participate in the development of standards, including in the Consumer Goods category, with a special focus on textiles.

Standing up for the natural world

In May 2022, LVMH held a special debate at the natural history museum in Paris, with the support of *Usbek & Rica* magazine. The topic for discussion was: "Can we give back to nature what we've taken from it?" The panel of experts and leading figures was tasked with raising awareness about the degree to which the Group's business lines are inextricably linked with nature and examining how humankind can co-exist with biodiversity. In June 2022, LVMH presented its biodiversity commitments at the Future Fabrics Expo trade fair in London, an event devoted to sustainable and innovative textile sourcing attended by fashion industry professionals. It also took part in the Stockholm+50 summit and spoke at the Transformers event organized by the UN Science-Policy-Business Forum on the Environment (UN-SPBF). Alongside its Guerlain, Moët Hennessy and Parfums Christian Dior Maisons, LVMH attended COP 15 in Montreal during December 2022. At the conference, it shared its best practices at various events including the Nature and Culture and the Business and Biodiversity summits.



ACTIONS

LVMH is a partner of the Circular Bioeconomy Alliance, which has unveiled two new programs:

It plans to step up its efforts to combat deforestation in the Amazon basin and restore forest cover, as well as supporting the development of a regenerative economy for indigenous communities. The main objective is to restore forest ecosystems, promote natural medicine and enhance food security for the local communities in collaboration with Reforest'Action.

A second program in Chad aims to tackle desertification. This agroforestry initiative supports farmers with the roll-out of new sustainable and regenerative methods of cotton production in Chad that restore biodiversity while creating economic opportunities for the local population.

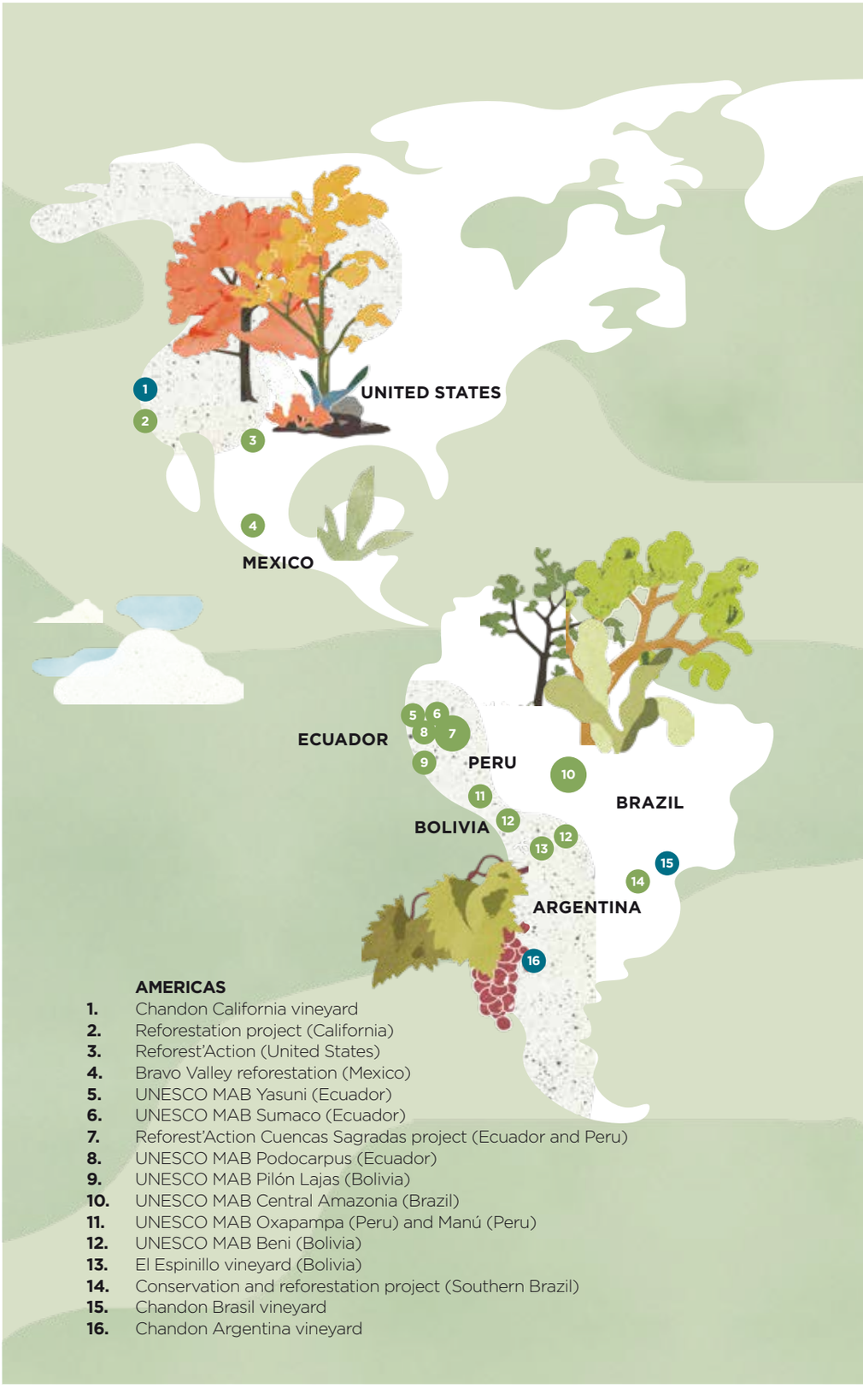
1,600
cotton growers in Chad supported with a transition to regenerative agriculture and agroforestry.

"UNESCO is delighted with the success of its partnership with LVMH, especially the biosphere reserves in the Amazon region. It will pave the way for measurable actions, leading to a positive impact for the natural world."

Meriem Bouamrane, coordinator of the UNESCO MAB programme

Group's biodiversity projects

THE LVMH GROUP IS TAKING ACTION WORLDWIDE TO ACHIEVE ITS BIODIVERSITY CONSERVATION OBJECTIVES BY SUPPORTING ECOSYSTEM PROTECTION AND REGENERATIVE AGRICULTURE PROJECTS.



AMERICAS

1. Chandon California vineyard
2. Reforestation project (California)
3. Reforest'Action (United States)
4. Bravo Valley reforestation (Mexico)
5. UNESCO MAB Yasuni (Ecuador)
6. UNESCO MAB Sumaco (Ecuador)
7. Reforest'Action Cuencas Sagradas project (Ecuador and Peru)
8. UNESCO MAB Podocarpus (Ecuador)
9. UNESCO MAB Pilón Lajas (Bolivia)
10. UNESCO MAB Central Amazonia (Brazil)
11. UNESCO MAB Oxapampa (Peru) and Manú (Peru)
12. UNESCO MAB Beni (Bolivia)
13. El Espinillo vineyard (Bolivia)
14. Conservation and reforestation project (Southern Brazil)
15. Chandon Brasil vineyard
16. Chandon Argentina vineyard

Our Maisons commit to action...

MAISON FRANCIS KURKDJIAN

Protecting marine ecosystems

– In the Mediterranean, Francis Kurkdjian is supporting efforts by the Longitude 181 non-profit to protect the world's fabulous biological and cultural diversity. Ambergris is a precious substance that comes to us from sperm whales, which discharge it naturally into the sea. For centuries, it has been used by perfume makers, and now the Maison is seeking to protect sperm whales through the support it provides to the La *voix des cachalots* program. Thanks to this patronage, Longitude 181 set up *"WhaleWay, la voix des cachalots",* a new project to learn more about the species with a view to protecting it more effectively.

MOËT HENNESSY

Partnering with Living Soils Living Together

— Moët Hennessy's Living Soils Living Together soil regeneration program includes measures such as adding in cover crops between vineyard rows to enrich and protect the soil, using agroforestry techniques to reestablish eco-friendly corridors and introducing eco-pastures. In 2022, Moët Hennessy held the first edition of the World Living Soils Forum in Arles, an event bringing together researchers, farmers, businesses, non-profits, start-ups and students to share insights and propose action on soil-related biodiversity issues. A second edition will be held in 2024.

… to conserve biodiversity

STELLA MCCARTNEY

Cotton, a regenerative crop

— Since 2019, the Stella McCartney Maison has worked with Söktas, a Turkish cotton supplier. In 2022, 35 hectares were managed using regenerative practices, such as composting as an alternative to fertilizers and halting all pesticide use. Working alongside start-up Genesis, RegenAgri-certified Söktas has pledged to better analyze and understand the long-term benefit of this transition for soil health. And the results have been encouraging, with soil carbon increasing since 2019. Other Group Maisons have joined the project and are using regenerative cotton in their production.

LOUIS VUITTON

Working with People For Wildlife to enhance biodiversity in Australia

— This project aims to safeguard and improve biodiversity across 400,000 hectares of north-eastern Australia through a combination of scientific research, sustainable land management initiatives and the participation of local communities. The Maison's initiative contributes to LVMH's goal of restoring five million hectares of flora and fauna habitat by 2030, as well as to the UN Biodiversity Conference Agreement, which calls for 30% of the planet's land mass to be protected. This collaboration will also advance knowledge about the sustainable use of natural materials.

3.

ACTING FOR THE CLIMATE

Actively engaging with all stakeholders

PRIORITIES

The Group's climate trajectory, which was approved by the Science Based Targets initiative (SBTi) in 2021, was built to be compatible with the Paris Agreement and includes targets for Scopes 1 and 2 and for Scope 3. LVMH and its Maisons are rolling out action plans tailored to the materiality of issues in each of the business sectors. These plans are predicated on engaging actively with all the relevant stakeholders, both internal functions (purchasing, logistics, retail, studios, etc.) and suppliers.

Carbon trajectories guiding action priorities

LVMH plans to reduce its Scope 1 and 2 (direct footprint, including energy consumption at its own sites) greenhouse gas emissions by 50% by 2026 and its Scope 3 (carbon footprint generated by its supply chain and indirect activities) emissions by 55% per unit of value-added by 2030, both relative to 2019. The Group has also factored in the latest changes in global standards, including the adjustment to how storage-related emissions are measured. In addition, the Group is working towards adoption of the new SBTi-FLAG targets and the Greenhouse Gas Protocol Land Sector and Removals Guidance covering forests, agriculture and ecosystems. The Maisons have introduced more ambitious carbon trajectories, and the targets are used as full-fledged management tools. In 2022, Tiffany & Co. undertook to follow a trajectory in line with the SBTi's net zero standard. This commitment is predicated on targets of sourcing 100% of precious metals from recycling and using 100% renewable energy by 2030, backed up by an action plan. In 2021, Louis Vuitton, Moët Hennessy, Parfums Christian Dior and Guerlain also gained SBTi approval for their carbon trajectories covering their own operations.

A new energy efficiency plan

Heeding the French government's call for nationwide action, LVMH adopted an energy efficiency plan in September 2022. It features three flagship measures concerning lighting in stores (shop window display lighting to be turned off between 10 pm and 7 am) and administrative offices, ambient temperatures at workshops, administrative and retail sites, and energy-saving measures, such as lowering screen brightness and deleting unused documents, to be adopted by all employees. Sephora cut the energy consumption of its stores and offices in France by 19.6% between October and December 2022, which earned it the new energy efficiency prize at the Stores Awards.

ACTIONS

To more accurately reflect the financial impact of climate risks on its various operations (production, investments), LVMH updated its analysis of the physical and transition risks associated with climate change.

LVMH was recognized for its leadership in corporate transparency and for its performance on climate change, forests and water security by pioneering global environmental non-profit CDP (Carbon Disclosure Project), which placed the Group on its annual "A List". For the rating itself, please refer to the "In finer detail" section on page 123.

At COP 27, the Group reported back on its efforts to reduce its carbon emissions, especially its carbon storage initiatives. It also took part in a round table session on regenerative agriculture for farmers, nature and the climate hosted at the French Pavilion.

11.3%
reduction in GHG emissions from energy consumption at our sites and stores (baseline 2019).

"We are embracing ambitious standards to reconcile our financial results with our energy performance. We have put someone in charge of these aspects in each store and have set up a community to address the challenges we face and develop best practices."

Mikael Guery, Sephora's Head of Sales, France

Raising the bar at stores and sites to show the way forward

PRIORITIES

Energy efficiency and renewable energies represent the major drivers of LVMH's strategy to curb its carbon impact and energy costs in its stores, its manufacturing facilities and its administrative offices.

Ambitious targets for stores

It is essential for LVMH's stores – the primary locus of customer interactions – to take a lead. They are the main source of the Group's energy consumption and have improved their environmental footprint by progressively switching over to LED lighting (77% of stores using solely LED lighting in 2022, up from 57% in 2021), with strict upper limits on their power consumption. From 600 kWh/m² in 2022, maximum consumption has been cut to 500 kWh for 2023, with further reductions to 400 kWh by 2026 and then 300 kWh by 2030. LVMH is also introducing more advanced energy management systems and tools at its stores. Under the Better Stores program, causes of excess consumption, especially at night and at weekends, can be analyzed. In addition, fitting smart meters to gain access to much finer-grained data has unlocked energy savings averaging 25%.

Drive for 100% renewable energy

In 2022, the percentage of the Group's consumption covered by renewable energy rose from 39% to 47%. Green power purchase agreements (PPAs) with energy suppliers have been one of the key drivers of improvement and are now in place at the French sites, a number of Italian, Spanish and Portuguese locations, and all of Sephora's facilities in the United States. But these are not the only way of moving forward, with many sites now equipped with their own photovoltaic panels or geothermal installations. At Glenmorangie in Scotland, the photovoltaic panels installed at the bottling plant covered 40% of the site's demand in 2022. Some Maisons run on biogas, either produced from production waste (such as Glenmorangie since 2017) or bought in (such as biomethane of guaranteed regional origin by Hennessy in 2020 and Guerlain in 2021). All of Hennessy's administrative and production sites ran exclusively on biogas in 2022. Likewise, Belvedere now generates enough renewable energy to cover 95% of its needs thanks to the biomass collection system and solar panels installed at its manufacturing site.

ACTIONS

LVMH sealed a groundbreaking alliance with Hang Lung Properties, a shopping mall owner, under which the partners aim to shrink the stores' environmental footprint through coordinated action by the tenant and owner. At the Real Estate and Climate Forum, 96 changemakers from both groups took part in 12 co-creation workshops to devise practical solutions.

LVMH chose SAVE Énergies to supply all its French plants and sites with biomethane for three years from 2023. This gas, produced from organic waste, has cut greenhouse gas emissions by 81% relative to conventional gas.

LVMH inaugurated during October 2022 Fendi's new workshop at Capannuccia in Tuscany. The facility is set to gain LEED Platinum status in 2023 in view of its environmental excellence (type of materials used and HVAC innovation).

46

point increase in the percentage of the Group's total energy consumption covered by renewable energy, after it rose from 1% in 2013 to over 47% in 2022.

"Since 2016, Glenmorangie's distillery has employed a methanation system that produces biogas covering 15% of its consumption needs. The 1,500 photovoltaic panels at the Alba bottling site covered 40% of its energy requirement in 2022."

Chloé Cibulka, Glenmorangie's Head of Sustainability and Compliance

Transport and sourcing the focus for efforts to reduce Scope 3 emissions

PRIORITIES

LVMH's Scope 3 GHG emissions are measured on an annual basis in line with the recommendations of the GHG Protocol, and the metrics are becoming more accurate as their scope has been extended to include capital goods and the emission factors have been updated recently. In 2022, Scope 3 accounted for 95% of the Group's total footprint, primarily comprising raw materials purchased for products and packaging (52%) and upstream and downstream transportation (9%).

The carbon dimension of responsible sourcing

Using recycled materials is a great way of cutting carbon emissions. LVMH's research and innovation policy prioritizes collaboration with a number of partners to achieve easier access to alternative and recycled fibers. For instance, Veuve Clicquot has joined forces with Canopy to develop a new box utilizing hemp and recycled paper. The Group's Watches & Jewelry Division has clarified its sourcing strategy for recycled gold. The Group's policy of certifying supply chains using standards that reflect the carbon input plays an equally important part in reducing the footprint of materials purchases. The higher certification rate of certain supply chains (91% of sheep and cow hide tanneries certified by the Leather Working Group [LWG] in 2022, up 10 points on 2021) has a major impact on their carbon profile. Partnering with suppliers to devise new ways of cutting carbon emissions is just as crucial. Efforts to achieve this goal include regenerative agriculture alliances with farmers and livestock producers and collaboration with organizations such as France Carbone Agri to foster the carbon sink role played by grasslands.

Transition to sustainable methods of transport

To champion sustainable transportation across its supply chain, the Group prioritizes local sourcing and shipments by train and boat. Some Maisons use biofuel for airfreight. Louis Vuitton is a major user of SAF (sustainable aviation fuel), which has helped to champion its development. The Maison's airfreight carbon emissions were 20% lower than in 2018 as a result. It shifted the pace of supply chain optimization up a gear in 2022, especially the distribution of goods to stores through streamlining of storage locations. It also lowered the carbon emissions attributable to downstream transportation by reducing the size and weight of packaging.

ACTIONS

The Group is encouraging the Maisons to embrace green IT, taking their cue from Louis Vuitton. Three main areas for improvement have been identified: i) lowering the power consumption of IT hardware, ii) working with service providers with ambitious targets for decarbonizing their data centers, and iii) extending the life span of equipment. These measures delivered a 4.6% reduction in the Maison's digital carbon emissions between 2019 and 2021.

FAIRE, a sustainable communication program Guerlain has become the first luxury company to sign up to this program and its 15 core commitments, such as inclusive representation of society, ethical audio and video production, transparency concerning brand commitments and steps to curb the environmental and social impacts of digital communications.

15.1%
reduction in Scope 3 GHG emissions per unit of added value (2019 baseline).

"Luxury goods is an industry that constantly needs to lead the way. That's why Guerlain has made cultural responsibility the cornerstone of its sustainability strategy. Through the Union des marques (French association of brands), we are looking at ways with other advertisers to make consumer goods more responsible."

Cécile Lochard, Guerlain's Head of Sustainability

LVMH's carbon footprint

in 2022

THE GROUP'S LIFE CYCLE ASSESSMENT MEASURES THE CLIMATE IMPACT OF ITS OPERATIONS. THE SCOPE 3 FIGURE, MORE ACCURATE NOW THAT INVESTMENTS HAVE BEEN INCLUDED, ACCOUNTS FOR 95% OF ITS FOOTPRINT AND PRIMARILY COMPRISES RAW MATERIALS PURCHASES AND CAPITAL GOODS.

5%

Scope 1 + scope 2

DIRECT OPERATIONS

5%

Energy consumption covered by directly owned production units

LVMH CARBON ACCOUNTING BY BUSINESS GROUP

	SCOPE 1 + SCOPE 2 100% base including investments	SCOPE 3 100% base including investments
Wines and Spirits	8%	11%
Fashion & Leather Goods	41%	52%
Perfumes & Cosmetics	5%	10%
Watches & Jewelry	4%	15%
Selective Retailing	34%	6%
Other activities	8%	6%
Total emissions	**329,420 tCO_2eq**	**6,135,000 tCO_2eq**

95%

Scope 3

INDIRECT OPERATIONS

52%
Purchases of goods and services

24%
Capital goods

9%
Upstream and downstream transportation

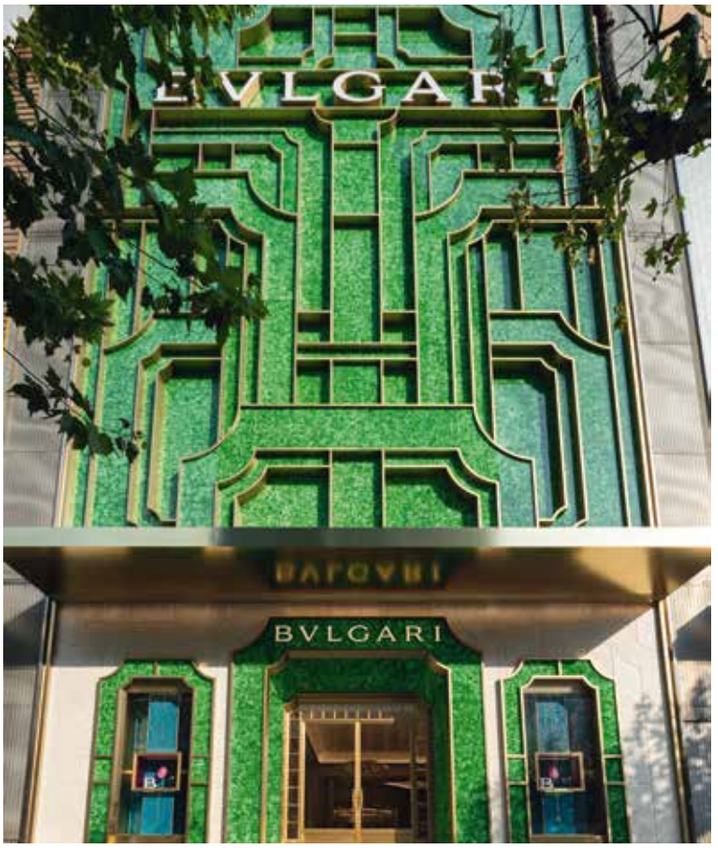
>1%
Waste

1%
Energy consumption

4%
Business travel and commuting

3%
End of life and usage

2%
Investments



Our Maisons commit to action...

BULGARI

Action to increase energy efficiency

— In 2022, Bulgari cut its energy consumption-related GHG emissions by 19% relative to 2019 by significantly increasing the proportion of renewables in its energy mix and the proportion of its stores using entirely LED lighting. In parallel, Bulgari systematically installed smart meters in its stores so it could accurately monitor the success of its energy efficiency drive.

MOËT HENNESSY

Formulating high-precision mitigation strategies

— Moët Hennessy has launched a series of game-changing initiatives. For example, six of the seven vineyards in its 2022 scope no longer use herbicides and have begun adopting organic techniques. Château Galoupet and Ao Yun are set to gain certification for the 2023 vintage, with Bodega Numanthia, Cape Mentelle and Newton likely following suit in 2024 and Terrazas de los Andes in 2026. To foster greater biodiversity and counter its general decline, six of the seven vineyards introduced programs to promote plant cover and five of them have already launched planting or reforestation plans. Moët's and Veuve Clicquot's vineyard tractors now run on XTL, a synthetic diesel fuel manufactured from natural gas and plant oils that delivers a 90% reduction in carbon emissions.

… for the climate

TIFFANY & CO., CLOUDY BAY AND BODEGA NUMANTHIA AND OTHERS

The Maisons are switching over to solar energy

— Tiffany & Co. now uses solar energy at five of its sites around the world, including its manufacturing center in Cambodia. The capacity of its solar power plant there has been doubled and now covers around one third of the building's energy requirements. In the Dominican Republic, 37% of the site's consumption is covered by solar power following the installation of an additional 250 solar panels. Cloudy Bay installed a solar panel system in 2022 that will supply one third of its electricity needs. After installing solar panels, Bodega Numanthia is between 50% and 100% energy self-sufficient, depending on the month.

PARFUMS CHRISTIAN DIOR

Climate Fresk workshops: empowering employees to take action

— In line with the LIFE 360 program, Parfums Christian Dior unveiled in July 2022 its 2030 strategy for "Leaving Beauty as a Legacy". In 2022, more than 2,000 employees attended Climate Fresk workshops and eco-design training sessions. This upskilling approach will be pursued on an even larger scale in 2023 through introduction of a digital solution. Harnessing the full range of talents is a priority for Parfums Christian Dior as it strives to deliver on its commitment to stay on an SBTi trajectory and lower its carbon emissions in line with a 1.5°C objective.

4.

SAFEGUARDING TRACEABILITY AND TRANSPARENCY

Committing to the pursuit of excellence

PRIORITIES

Supply chain traceability is a prerequisite for ensuring responsible practices are adopted. An ambitious and rigorous definition of the chain of responsibility is essential. LVMH has embraced the International Social and Environmental Accreditation's (ISEAL) definition, which requires knowledge of "all documents and systems used to verify the traceability between the audited production unit and the claims made about the end product".

Ambitious targets

The Group has mapped out a series of targets along the path to meeting its ultimate goal of equipping all these strategic supply chains by 2030 with a dedicated system providing complete traceability of the product back to the raw material. It can establish the country of origin thanks to special clauses introduced in contracts with suppliers and upstream identification of the best traceability solutions.

Striving for complete traceability across its value chains

LVMH needs to know about every link in its supply, processing and manufacturing chains to achieve complete assurance that it and its suppliers use only responsible practices. The Group has identified more than 20 strategic raw materials, including grapes, leather and hides, cotton, wood and derivatives, palm oil and iconic ingredients used by Perfumes & Cosmetics Maisons. In each case, the Group has implemented an ambitious certification process built on the most demanding standards. One distinguishing feature of LVMH is that it owns a large number of manufacturing operations, which gives it direct control. For its other production chains, it considers the degree of maturity of the supply chain organization and to what extent the materials are composite. For the most complex supply chains, it applies more stringent upstream traceability processes. These actions also demonstrate the Group's push to standardize upstream traceability practices for these strategic materials across the luxury industry.

ACTIONS

In 2022, the upstream traceability task force, made up of representatives from more than 25 Group Maisons, continued its drive to raise awareness across its supply chains of the most rigorous traceability methodologies. A comprehensive review of existing standards was completed, with a special focus on gold. The task force identified the most effective traceability systems, and some of these have now gone live after being trialed in the most complex supply chains, such as leather and cotton.

In line with the Group's Animal-based Raw Materials Sourcing Charter published in 2019, each Maison worked during 2022 to establish the sources of its animal raw materials, and did so for 89% of exotic leather, 89% of fur and 64% of wool.

100%

of the Group's strategic supply chains will have a dedicated traceability system by 2030.

"The LVMH group's ambitious policy on tanneries played a big part in promoting adoption of the highest standards (LWG) by all European tanneries, leading to a reduction in the sector's environmental impact, especially its energy and water consumption."

Hughes Pichon, Project director – LVMH Métiers d'Art

Guaranteeing complete product safety

PRIORITIES

Hazardous chemicals may be released throughout the product life cycle – production, use, recycling and disposal – which poses risks for the environment and health. To eliminate these substances, the Group and its Maisons implemented a management system and a strict protocol based on three precautionary principles: avoiding, monitoring and taking action.

Introducing a robust system for managing chemical substances

All supply chain participants make a commitment not to use chemicals potentially harming – today or in the future – human health or the environment throughout the product life cycle, in accordance with international laws and regulations. Adherence to these commitments is rigorously controlled. LVMH's firm grasp of cutting-edge developments in science has prompted it to ban all use of certain substances.

Standing alongside Zero Discharge of Hazardous Chemicals (ZDHC)

Since 2020, the Group's Fashion & Leather Goods Maisons' production sites and main suppliers have undertaken to apply the ZDHC standards, which aim to deploy the best practices concerning the use of hazardous substances and quality of wastewater discharges. LVMH has drawn up a roadmap with related targets for 2023 covering aspects such as introduction of the Supplier to Zero program safeguarding responsible management of chemicals. Targets include 50% of leather and textile volumes to be acquired from suppliers accredited to Foundational level, and at least 20% of leather and textile volumes to be acquired from suppliers that have obtained a ClearStream report evidencing the quality of wastewater discharged from their facilities. In 2022, 19% of leather was purchased from Foundational level suppliers, including the Riba Guixà and Masoni tanneries, and 20% from suppliers that had completed a ClearStream report. The overall level of the program's deployment was also assessed. 83% of the leather and 41% of the textile supply chain had embarked on the process.

ACTIONS

The Group has asked all its suppliers to sign a letter of engagement and provide specific documents certifying their compliance with the targets for managing chemicals and guaranteeing no SVHC (substances of very high concern) were used.

LVMH has introduced a Product Restricted Substances List (PRSL), which aims to inform its brands and its suppliers of the chemicals that are banned or subject to controls. In many cases, it goes beyond the regulatory requirements.

All the Maisons have added the requirements of the international regulations, including REACH, to their contractual documents. The approach entails involving all suppliers in the Group's program for managing chemical-related risks.

19%
of leather and 18% of textiles purchased by the Maisons came from a supplier with Foundational level certification.

"LVMH's commitment to ZDHC is helping the Fashion and Leather Goods supply chain to formulate a better chemical composition, keeping tight control not only on the toxicity of end products, but also on the toxicity of everything used to manufacture fashion products."

Enrico Fatarella, Environmental Product Quality Manager – LVMH

Innovating to enhance transparency

PRIORITIES

Providing information about the environmental performance of products helps promote excellence and is a means of meeting customers' transparency expectations. As part of this endeavor, the Group has acquired new systems and joined in collective efforts to improve environmental labeling.

Mapping supply chains to provide better customer information

Accurately mapping supply chains and making use of sophisticated traceability tools are essential to build robust environmental information systems for a product. The Group and its Maisons have started to develop a mapping system for their strategic supply chains. The goal is to streamline data collection processes and to identify and mitigate any and all environmental, social, ethical and animal welfare risks. Knowledge of these risk factors is critical to implement effective and responsible practices, which are then communicated transparently to stakeholders. The Group's approach is akin to introducing a "chain of custody". Following on from a successful pilot of Sourcemap software involving 12 Maisons and close to 450 suppliers in 2022, the Group aims to extend its use to several strategic materials in 2023. In 2022, an information system already covered over 9,500 products across the Group's Maisons.

Partnering to establish the transparency standards of the future

Over the next three years, each business group will be equipped with tools generating environmental indicators that can then be passed on to customers. The Group is involved in environmental labeling initiatives in France and across Europe for fashion products in which quality standards and product life span play a crucial role. It works with Fairly Made in Fashion and Leather Goods. Lastly, as a founding member of the EcoBeautyScore consortium, it is working on a common environmental impact assessment methodology and scoring system for cosmetic products. These commitments have been widely recognized, with Fendi ranking second in the Fashion Transparency Index in 2022.

ACTIONS

LVMH responded to the French government's call for methodology alongside the FHCM, the governing body for the French fashion industry, proposing indicators that can factor in product quality and life span.

It rolled out various training initiatives, such as the sustainable materials course arranged by the Louis Vuitton and Dior Couture Maisons focusing on responsible materials and certifications.

In 2022, the Aura Blockchain Consortium founded in 2021 by LVMH in partnership with Prada Group and Cartier announced an alliance with Sarine to achieve full traceability for diamonds across the entire supply chain.

9,500
products with an information system.

"To rejuvenate Patou, we adopted a transparency-based approach for our customers. We are one of the first luxury brands to add a QR code to all our garments that provides direct access to comprehensive information about the product."

Sophie Brocart, Chief Executive Officer of Patou

Traceability

Case study – cashmere wool in a sweater

LVMH TAKES VARIOUS MEASURES TO PROVIDE THE HIGHEST LEVEL OF TRACEABILITY FOR ITS PRODUCTS. THIS INCLUDES IDENTIFYING AND CERTIFYING SUPPLIERS AT EVERY STAGE OF THE VALUE CHAIN.

Processing

Mainly in Italy

Manufacture

Mainly in Italy

"Segregated" cashmere

The sweater contains 100 g of certified cashmere, sourced from various certified farmers, A or B under the classification The certified cashmere batches are mixed. Supply chain participants are able to segregate the certified cashmere, but cannot identify or guarantee a single farmer of origin.

"Identity preserved" cashmere

The sweater contains 100 g of certified cashmere, 100% from farmer B. Supply chain participants are able to segregate each batch of certified cashmere.

Uncertified cashmere

Suppliers are not able to differentiate between certified and uncertified cashmere batches. The sweater contains a mixture of fibers.

Our Maisons commit to action...

LOUIS VUITTON

Pioneering improved traceability with digital diamond certificates

— In 2022, Louis Vuitton unveiled the first secure digital diamond certificate for the LV Diamonds collection, keeping alive its proud tradition of innovation. Every design featuring a central gemstone is accompanied by an encrypted digital file cataloging each diamond's weight, color, purity and quality of cut, and the file is made available to the end customer. It also logs the diamond's journey, from the country in which it was mined, through to the workshops where it was cut, polished and mounted by qualified artisans.

LORO PIANA

Digital certification providing traceability information

— Loro Piana has launched a new certification service guaranteeing the authenticity and traceability of its products. It has been piloted in the new Palo Alto store in California and will initially apply to 20 The Gift of Kings® wool-based items. This digital certification designed with the Aura Blockchain Consortium allows customers to verify the authenticity of and also track the origin of items from the farm to the store by scanning bar codes.

… to safeguard traceability and transparency

FENDI

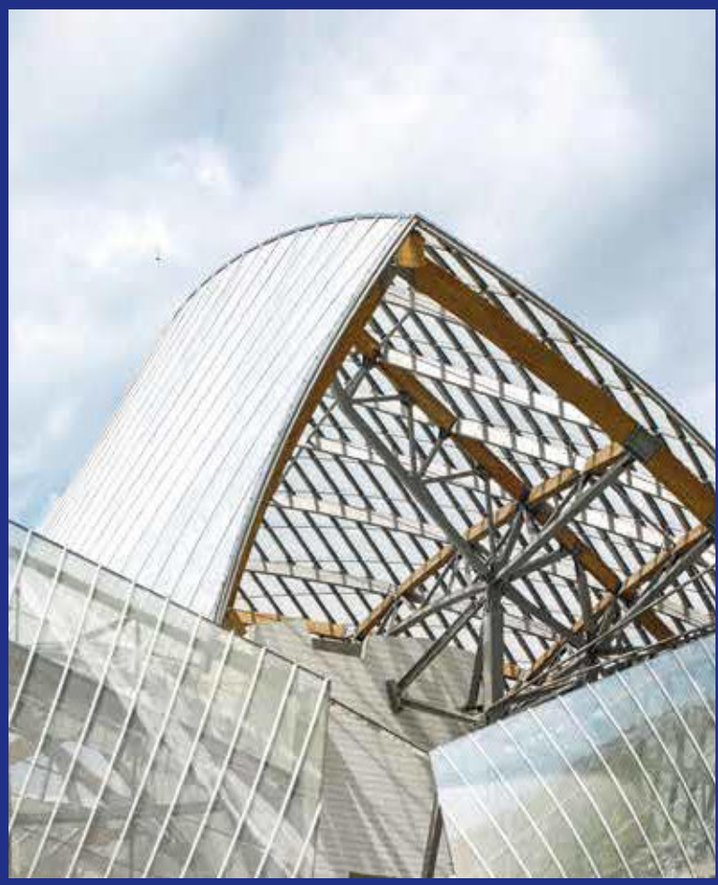
Enhancing transparency in the fashion industry

— Each year, the Fashion Transparency Index examines the progress made towards improving transparency across fashion brands' supply chains. For the fourth year in a row, Fendi improved its rating, scoring 53 out of 100 (up 10 points on 2021), making it the second-highest ranked luxury brand. The index takes into account all aspects of a business, including its policies, its commitment, its management, its traceability, the performance of its suppliers and its approach to broader considerations, such as the climate and circular economy.

GUERLAIN

Fostering greater transparency and traceability with Bee Respect

— Staying true to the commitment it gave more than 14 years ago to protect nature and in particular bees, one of the animal world's most crucial workers, Guerlain launched Bee Respect. This unique platform allows customers to monitor the traceability of their products throughout their life cycle from the flower field to the store, and even beyond to the recycling stage. It can be accessed via the website or by using the QR code on each item and compiles all the data for each product, including the origin of the raw materials and packaging components, and the suppliers involved. New information is regularly added as part of the platform's continuous improvement drive.



PART III

OUR COMMITMENT TO THE ARTS AND CREATIVITY

“Right from the creation of the LVMH group, I clearly established philanthropy in support of the arts and culture as a key component in our development. This is because philanthropy conveys our Maisons’ values of savoir-faire, excellence and creativity while fully realizing them within their artistic, cultural and social context.”

Bernard Arnault, Chairman and Chief Executive Officer

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“A commitment to culture is a key part of our own culture”

Jean-Paul Claverie
Adviser to the Chairman and Director of Corporate Philanthropy at LVMH

The LVMH universe is an essential part of French and western culture. It consists of a heritage – both physical and intangible – that is rare and unique, often centuries-old. Nevertheless, the Group strives to constantly renew itself by looking to the future to create an *art de vivre* where dreams, emotions and values ring through each and every one of its designs and products. They all take shape by transforming raw materials produced by nature, which the Group takes measures to protect, and harnessing savoir-faire and knowledge to develop the sublime mastery found in art and nurtured by artists. The art world’s fundamental values of creativity and its quest for the highest quality form the basis of LVMH’s own culture.

Accordingly, it’s only right that a share of the Group’s outstanding financial results be given back to the world of culture, art and artists, and to its audience. This commitment is what underlies the resolute philanthropic efforts of our group, which bring together like-minded artistic, intellectual and scientific talents committed to education, skills transfer and social responsibility.

The Fondation Louis Vuitton, without any doubt, is the ultimate culmination of LVMH’s patronage, thanks to the building itself, Frank Gehry’s masterpiece, and the opportunity it offers to develop a genuine cultural approach and share it with as many people as possible. From the day it opened its doors, the Fondation Louis Vuitton has staged and curated exceptional and groundbreaking exhibitions. For example, exhibitions have featured the Sergei Shchukin Collection (2016-2017), Charlotte Perriand and Jean-Michel Basquiat, and more recent highlights have been the Morozov Collection (2021-2022), the Hantaï retrospective and the “Monet-Mitchell” dialogue. The popularity, reach and impact of these exhibitions rival those achieved by the world’s most prestigious institutions.

This is the role LVMH strives to play: to create exceptional products and share artists’ outstanding works, celebrate culture and offer it to the world, inspire dreams, stir up emotions and raise awareness among all people.

9.4 million
people have visited the Fondation Louis Vuitton since it opened

over 2,300
entrants for the 2023 LVMH Young Fashion Designer Prize

1.

THE FONDATION LOUIS VUITTON

Bringing artistic creativity within everyone's reach

Starting with an initial pencil sketch on one page of a notepad, Frank Gehry designed "a magnificent vessel that symbolizes France's cultural vocation". The Fondation Louis Vuitton opened in 2014, with the aim of promoting artistic creativity and making art and culture accessible to all. To achieve this, it organizes temporary exhibitions of modern and contemporary art, displays works from its collection, commissions works from artists and hosts a variety of cross-disciplinary events.

A unique experience

The Fondation is a genuine flagship of French and international culture, and has already welcomed more than 9 million visitors from around the world. It seeks to offer a unique experience and allow all visitors to make new discoveries by organizing one-of-a-kind tours and workshops. Visitors can attend talks and discussions featuring well-known artists and intellectuals that shed a new light on the works on display.

An impressive program

Since it opened, the Fondation has hosted monographic exhibitions such as "Olafur Eliasson: Contact" (2014-2015), "Frank Gehry. The Fondation Louis Vuitton" (2014-2015), "Jean-Michel Basquiat" (2018-2019), "Egon Schiele" (2018-2019), "Charlotte Perriand: Inventing a New World" (2019-2020), and "Cindy Sherman at the Fondation Louis Vuitton" (2020-2021). Other exhibitions – "Keys to a Passion" (2015) and "Being Modern: MoMA in Paris" (2017-2018) – have brought together significant masterpieces from both modern times and art history. Some exhibitions – such as "Bentu: Chinese Artists in a Time of Turbulence and Transformation", "Art/Africa, The New Workshop", "In Tune with the World", "Crossing Views" and "Fugues in Color" – have focused on contemporary international scenes. The Fondation has also paid tribute to iconic collectors such as Sergei Shchukin in "Icons of Modern Art. The Shchukin Collection", (2016-2017), Samuel Courtauld in "The Courtauld Collection. A Vision for Impressionism" (2019) and Mikhail and Ivan Morozov in "The Morozov Collection. Icons of Modern Art" (2021-2022). These landmark exhibitions have attracted hundreds of thousands of visitors to the Fondation Louis Vuitton.

A commitment to responsibility

The Fondation's construction reflects the LVMH Group's focus on sustainability. Right from the start of the project, attention was paid to local fauna and flora, ground water, acoustic impact and accessibility for all visitors. The environmental and human aspects of sustainability were therefore central to all phases of the project, from design to construction and operation. With the support of ADEME – the French agency for ecological transition – the Fondation has taken a highly proactive approach to the circular economy since 2019. Between now and 2024, it is planning to produce a charter for reducing the impact of managing its artworks, a responsible worksite charter and a committed service provider charter, as well as carrying out carbon audits for each exhibition. In addition, the Fondation, which already reuses all exhibition materials and picture rails, has now committed to a zero-waste target and to responsible alternative materials.

2022: a special year for the Fondation

In 2022, the Fondation Louis Vuitton pursued its mission and used the expertise of its staff to deliver an exceptional artistic program in Paris. The program attracted millions of visitors and was accompanied by dedicated workshops and educational tours. Here is a brief overview of the exhibitions held in 2022.

Morozov: a unique collection

"The Morozov Collection. Icons of Modern Art" was a unique museum experience, both historical and timeless, bringing together for the first time outside Russia iconic works of modern art from the late 19th and early 20th centuries. In partnership with the State Hermitage Museum (St. Petersburg), the Pushkin State Museum of Fine Arts (Moscow) and the State Tretyakov Gallery (Moscow), and echoing the Shchukin exhibition from 2016-2017, it presented over 200 French and Russian masterpieces from the collection of brothers Mikhail and Ivan Abramovich Morozov. The exhibition juxtaposed works by Manet, Rodin, Renoir, Cézanne, Maillol and Matisse with pieces by Repin, Korovin, Serov, Malevich and Mashkov. The exhibition was exceptionally successful in the circumstances: although the Covid-19 crisis largely deprived it of its international audience, it still attracted 1.25 million visitors, of whom 84% were French.

"Simon Hantaï. The Centenary Exhibition"

Simon Hantaï lived from 1922 to 2008, and to mark the centenary of the artist's birth, the Fondation put on the first-ever retrospective of his work in collaboration with the Hantaï family. The exhibition featured 130 works, mostly large paintings, many of which had never previously been shown in public. Starting with "Écriture rose" – a painting from 1958-1959, donated by the artist to the French state via the Musée national d'Art moderne, based in the Pompidou Center in Paris – the exhibition spans the major periods of the artist's work up to 2000. It also covers key influences, friendships and conflicts that inspired him.

"Monet-Mitchell": a poetic dialogue on the theme of nature

The "Monet-Mitchell" exhibition presented 35 paintings by Claude Monet alongside works by Joan Mitchell, together with a retrospective spanning some 50 of the American artist's works. This poetic visual dialogue between two major artists was organized in partnership with the musée Marmottan Monet. It focused on impressionist icon Monet's late period from 1914-1926, placing his paintings alongside works by American artist Joan Mitchell, who lived from 1925 to 1992 and is a major figure in modern American abstract impressionism. Inspired by nature around the Paris region, Monet and Mitchell share an acute sensitivity to light and color, the interplay between which constitutes the foundation of their art.

Pursuing the Fondation's mission outside of France with "Hors les Murs"

In 2022, the Fondation Louis Vuitton continued its "Hors Les Murs" international program, exhibiting 18 abstract paintings by Gerhard Richter in Osaka and Gilbert & George's iconic "Class War, Militant, Gateway" triptych in Tokyo, and holding the "Looking for Andy" exhibition, dedicated to the works of Andy Warhol, in Seoul.

1. Exhibition "The Morozov Collection. Icons of Modern Art"
2. Exhibition "Simon Hantaï. The Centenary Exhibition"
3. Exhibition "Simon Hantaï. The Centenary Exhibition"
4. Exhibition "Monet-Mitchell"
5. Exhibition "Monet-Mitchell"
6. Exhibition "Looking for Andy" in Seoul

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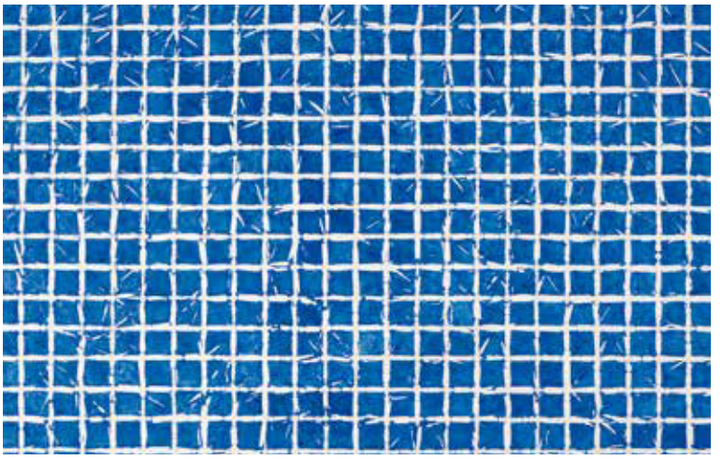

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2.

NINTH EDITION OF LVMH PRIZE FOR YOUNG FASHION DESIGNERS

Encouraging creativity

Creativity is fundamental to the Group and its Maisons, in form and substance, in the past and in the future. The LVMH Prize for Young Fashion Designers was established in 2013 and reflects LVMH's commitment to uncovering and supporting young designers who will be the major figures of tomorrow. After Nensi Dojaka – an Albanian designer based in London – in 2021, S.S. Daley, a British designer who is reinventing the suit by playing with clichés of English aristocratic culture, won the prize in 2022. The Karl Lagerfeld Prize was awarded to two designers: Eli Russell Linnetz, who helms the American brand ERL, and Idris Balogun and his Winnie New York label. The candidates were of 15 different nationalities and all stood out through their creative vision and innovative approaches, along with their natural affinity with sustainable, unisex fashion.

A cash prize and priceless mentoring

The winner of the Karl Lagerfeld Prize receives €150,000 and the winner of the LVMH Prize receives €300,000. The Group also provides them with €30,000 of fabrics from LVMH's Nona Source platform. The winners of the LVMH Prize and the Karl Lagerfeld Special Jury Prize also benefit from one year of personalized mentoring, which is a unique and highly valuable opportunity. LVMH's teams advise them on communication, intellectual property and the legal aspects of running a business, as well as marketing and the financial management of a brand.

Exceptional jury members and experts

Each year, the LVMH Prize's selection committee chooses 20 semi-finalists, who are invited to present their designs in a showroom event at the Group's head office. Entrants must be between 18 and 40 and have designed at least two fashion collections. In the semi-final, some 70 international fashion experts, including past winners, select eight finalists. After interviewing each of them, the LVMH Prize Jury, which includes ten artistic directors from the Group's Maisons, selects the winners. The names of the three young fashion school graduates invited to join the design studios of Group Maisons are also announced during the final.

Ten years after it was launched, and with past-winners including well-known figures such as KidSuper, Wales Bonner, Jacquemus and Marine Serre, the LVMH Prize is increasingly popular: more than 2,400 entries have been received for the 2023 prize and the ever-more prestigious jury is likely to feature such major figures as Suzy Menkes, Eugénie Trochu, Léa Seydoux and Bella Hadid.

The Group's commitment

Giving the public an opportunity to explore LVMH's heritage

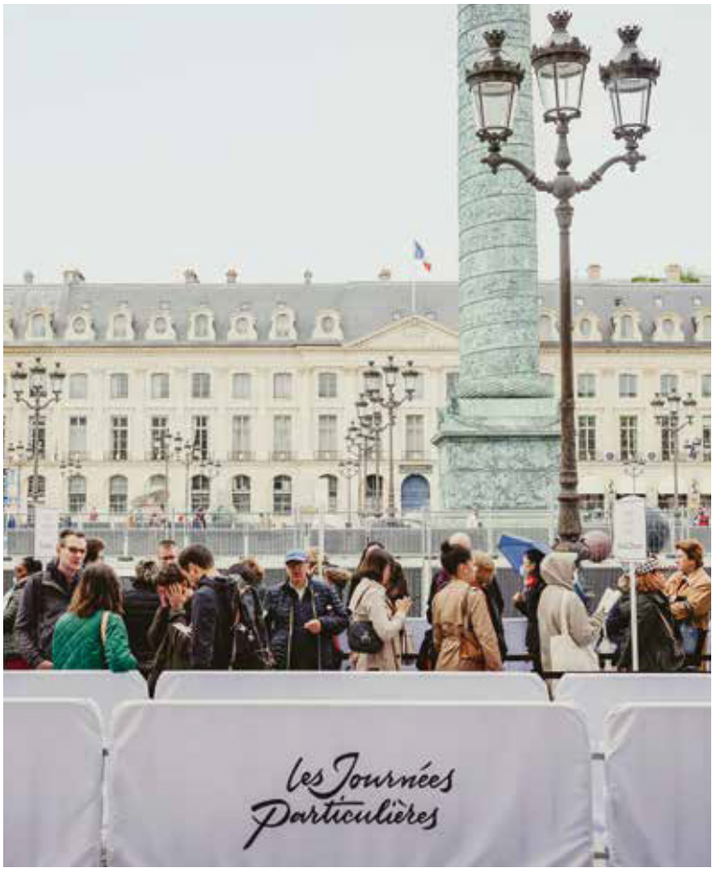
The fifth edition of LVMH's *Les Journées Particulières* was held from October 14 to 16, 2022 and attracted more than 200,000 visitors, who were able to find out more about the exceptional savoir-faire of 57 of the LVMH Group's Maisons. They were excited to meet the craftspeople and designers who work for them, across 93 locations that opened their doors free of charge in 15 countries around the world. They included the historic Louis Vuitton workshop in Asnières, the Cloudy Bay wine estate in New Zealand, the Dior gallery and the Jardin d'Acclimatation in Paris, along with Hennessy in the Charente region of France, Tiffany in New York, Chandon in California and Buly in Kyoto. Overall, the sun did not set on *Les Journées Particulières* for three whole days. It was an opportunity for the general public to discover where the strength and beauty of our Group and our Maisons originate, by visiting the sites in person and on our various media platforms: a unique historical and cultural heritage, along with exceptional savoir-faire. This savoir-faire was demonstrated by the 3,000 employees who took part in the event, all of whom were keen to convey to each visitor the true meaning of our mission, "The Art of Crafting Dreams".

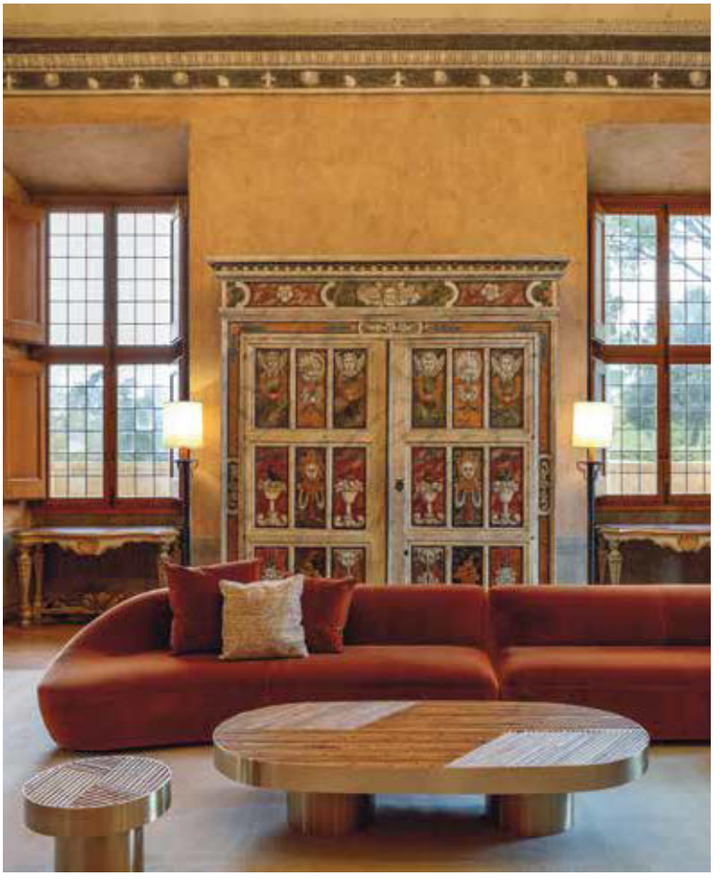
Encouraging access to culture for all

In 2022, the Group continued to support French nonprofit Orchestre à l'École, which enables hundreds of children to learn a musical instrument. It maintained its involvement in Nuit Blanche, an event that it has supported from the start and that brings contemporary artists to a mass audience as part of a unique tour of key institutions and monuments in Paris. LVMH also renewed its loans of Stradivarius instruments from its collection to Renaud Capuçon, Gauthier Capuçon and Daniel Lozakovich, and maintained its initiative to encourage young people to see performances at the Opéra-Comique in Paris.

Supporting cultural institutions

In 2022, the Group continued to support the restoration of Notre-Dame Cathedral in Paris, which will be continuing for several more years. It has remained true to the promise it made after the cathedral was damaged by a fire in 2019, and is happy to contribute to the rebirth of this famous Parisian landmark through the €200 million donation made jointly by LVMH and Agache. The Group also continued to support the Giacometti Institute, helping it to develop its scientific and cultural program as well as hold temporary exhibitions. Lastly, LVMH took part in the Collège de France's "Agir pour l'éducation" program to improve science teaching in France.


Les Journées
Particulières



Our Maisons' commitment

LOUIS VUITTON

Celebrating the 200th anniversary of Louis Vuitton's birth with "200 trunks, 200 visionaries"

— This exhibition paid tribute to Louis Vuitton himself and traveled the world in 2022, starting in the Maison's birthplace of Asnières before calling at Singapore, Beijing, Tokyo, New York and London. It celebrated Louis Vuitton's avant-garde attitude with a diverse array of original works created by 200 visionaries, who are friends of the Maison and come from a wide range of backgrounds including art, culture, science, sport and humanitarian action. Each participant customized the iconic Louis Vuitton trunk, a blank canvas measuring 50 x 50 x 100 cm, which is the approximate size of the Maison's first trunk from the 1850s.

FENDI

Refurbishment of six salons in the Villa Medici

— Fendi and the French Academy in Rome, with the support of Mobilier National – France's national furniture collection and conservation agency – joined forces to refurbish the six salons of the Villa Medici. The project fits with the Group's fondness for establishing a dialogue between tradition and modernity. The French Academy in Rome was founded in 1666 and has been housed in the Villa Medici since 1803. It acts as a residence for artists, creators and art historians, while also hosting cultural events for the general public. The project's two artistic directors Kim Jones (Fendi womenswear and couture) and Silvia Venturini Fendi (Fendi accessories and menswear) developed a plan to refurbish the six historic salons of the Villa Medici, including the majestic Grand Salon, creating a new decor that makes extensive use of contemporary design.

RUINART

Art at Ruinart

— For Ruinart, art is a way of conveying the brand's history and convictions. Each year, the Maison commissions a work from an artist, who has carte blanche and is invited to spend time at Ruinart to discover its culture and savoir-faire. The work is then exhibited in some ten shows around the world. In 2022, Jeppe Hein designed a dynamic installation inspired by his immersion in Ruinart's culture in the Champagne region. In this interactive work, entitled Récits de Champagne, Jeppe Hein's aim was for the audience to experience nature afresh. To achieve that, he used fragments of material representing the four key elements involved in making champagne. In 2022, Ruinart also invited the artist Suzanne Husky to create a work for the third edition of R.U.in.Art in Los Angeles, part of the Frieze modern and contemporary art festival. Entitled "Dam Beverly Hills!", her installation highlighted the vital role played by beavers in maintaining biodiversity in California.

LOEWE

Dahye Jeong, winner of the Loewe Foundation Craft Prize

— With *A Time of Sincerity* (2021), this young artist emerged as the winner from among 30 finalists representing 15 regions of the world, all expert craftspeople working with ceramics, wood, textiles, leather, basketry, glass, metal, jewelry and lacquerware. Dahye Jeong made a basket from horsehair, inspired by a 500-year-old technique that was thought to have been lost in South Korea. As well as the perfection of her work, her desire to bring this tradition back to life was what appealed to members of the jury. The Loewe Foundation Craft Prize was the brainchild of Jonathan Anderson and first awarded in 2016, celebrating excellence, artistic value and innovation in modern crafts.

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LVMH sets a high bar for its suppliers and sub-contractors

LVMH ACTIVELY MANAGES ITS PURCHASES AND ITS SUPPLIER RELATIONSHIPS. THIS APPROACH IS UNDERPINNED BY THE SUPPLIER CODE OF CONDUCT, WHICH LAYS DOWN THE GROUP'S ETHICAL, SOCIAL AND ENVIRONMENTAL REQUIREMENTS. AT ITS ROOT IS A DESIRE TO SUBSTANTIALLY MITIGATE THE ENVIRONMENTAL AND SOCIAL IMPACT OF ITS EXTENDED SUPPLY CHAIN, WHILE LOWERING NON-FINANCIAL RISKS AT GROUP AND MAISON LEVEL.

SOURCING POLICY ALIGNED WITH THE GROUP'S SOCIAL AND ENVIRONMENTAL COMMITMENTS

Bringing its suppliers and supply chains on board has been one of the key factors behind the success of LVMH's environmental and social programs. Through these initiatives, it has improved its direct and indirect social and environmental impacts. Its carbon footprint has been a key focus since 94% of its greenhouse gas emissions fall within Scope 3 (raw materials, purchases, transportation, waste, product usage and end of life).

The Purchasing Department and Environment Department work hand in hand to reduce the carbon and environmental impacts at every stage in the product life cycle. Joint action with suppliers, collaboration with start-ups to find alternative materials and game-changing packaging, and the development of new, more sustainable raw materials supply chains are all part of this approach. In the human rights arena, LVMH strives to monitor and improve working conditions for people involved in its supply chain, everywhere it operates. The Human Resources and Purchasing Departments have drawn up a Fair Wage policy to help drive these improvements.

OVERSIGHT OF THE PURCHASING POLICY

The Group Purchasing Department, with support from the Maisons' Purchasing Departments, has ultimate responsibility for quality, cost management and sourcing lead times. For several years now, their remit has included upholding adherence by suppliers and their sub-contractors to the Group's social and environmental requirements. To this end, the Maisons' purchasing managers, key sourcing channel managers and supplier relations managers monitor compliance with the Group's environmental and human rights commitments via the Responsible Purchasing Committee.

LVMH has implemented an integrated supplier evaluation and support program fostering the common pursuit of excellence for many years now. Through the risk mapping conducted by its Maisons, the Group identifies priority action areas. It audits the sites of its suppliers in tier 1 and beyond to ensure they are compliant with the

NEW ENHANCED SUPPLIER CODE OF CONDUCT

The Supplier Code of Conduct outlines the Group's ethical, social and environmental requirements vis-à-vis its suppliers. It also states that they, like the Maisons, must take ultimate responsibility for the work performed by their own sub-contractors. In 2022, the Executive Committee approved a new version of the Supplier Code, which was then circulated to all the Maisons. This new version brings the Code up to date with changes to the law and changes in society by referencing the Group's new policy on fair wages, aligns it with the LIFE 360 goals, puts greater emphasis on anti-corruption efforts, and also introduces a commitment by suppliers to establish processes by which workers and stakeholders can raise concerns without fear of retaliation. A copy of the Code is sent to all the Group's suppliers. A clause has also been added to contracts obliging direct suppliers of raw materials and components to be transparent in reporting on their sub-contractors.

Group's rules and takes remedial action to address any breaches identified. To reinforce the support it provides, LVMH holds training for its suppliers and buyers and is actively involved in cross-sector initiatives to safeguard supply chains at risk.

FINE-GRAINED RISK DETECTION

In 2022, the LVMH group undertook a comprehensive review of its risk factors based on the 2021 data. It was supported by Verisk Maplecroft, a global risk intelligence company specialized in political, economic, social and environmental risk. Zeroing in on its supply chain risks, the Group rated suppliers by level of risk. The factors analyzed to establish the level of risk relate to both geographical location and sector of industry, and encompass human rights (fair wages and working hours, non-discriminatory working practices, freedom of association and the right to organize, health and safety, measures to prevent forced labor, etc.), the environment (air quality, waste management, water quality, measures to combat deforestation, carbon emissions) and anti-corruption measures.

THE CONVERGENCE PROGRAM

Under the Convergence program, LVMH consistently aims to take more effective measures to guard against non-financial supplier-related risks in the areas of ethical, social and environmental responsibility. The program is built around three types of action. Mapping risks and classifying suppliers based on the importance of their role is the

ACTION TAKEN

Training for LVMH purchasing managers. The Maisons will be able to meet LVMH's ethical, social and environmental targets only by involving everyone within the Group who directly oversees its strategic supply chains. That's why the Group provides training on the challenges and opportunities of responsible purchasing for employees dealing with suppliers. The program, designed together with Des Enjeux et des Hommes, a CSR strategy consulting firm, started up in 2022 in Europe and North America and is gaining pace in 2023 with a roll-out in Asia.

The LVMH Green IT program. Building on the initiatives already launched by leading Maisons, LVMH has established a Green IT task force. The goal is to capitalize on existing programs and to devise a joint approach in order to accelerate attainment of the LIFE 360 energy consumption, eco-design and product life cycle goals. Initiatives include measuring the environmental footprint of digital systems, raising awareness among IT users and extending the useful life of systems and devices. The multi-Maison task force communicates about its achievements, devises a joint approach, sets targets, involves key suppliers and suggests boosters for all the Maisons.

first of these. The second is evaluating the most critical suppliers, which includes requiring them to complete the EcoVadis questionnaire. And, lastly, on-site audits are carried out, and where suppliers are found to breach the Group's requirements, action plans are implemented to rectify shortcomings. A spirit of collaboration and cooperation with suppliers runs through the whole program.

SUPPLIER EVALUATIONS

To fulfill its due diligence responsibilities, which require the Group to carry out checks and controls at its suppliers' sites, LVMH maps out its risks to identify suppliers for priority evaluation by EcoVadis, an independent assessment provider, on account of their ethical, social and environmental performance. In 2022, Celine, Christian Dior Couture and Chaumet joined the Maisons already actively participating in the program. Over 1,700 suppliers have now been rated on the EcoVadis platform. Of the 72% of these suppliers who had been assessed previously, 73% improved on their earlier rating. The portfolio average currently stands at 55.5 points, above the average score of 44.9 points achieved by other suppliers assessed by EcoVadis.

SUPPLIER AUDITS

The Maisons audit suppliers and their sub-contractors to ensure their practices are compliant with the Code of Conduct. In addition, they are required to make a contractual commitment to be open and transparent about their supply chain and the raw materials used. The Maisons apply common social and environmental assessment criteria, which include an anti-corruption section. The environmental analysis was updated in 2022. In addition, certain Maisons seek the opinions of their suppliers' employees on working conditions via an (anonymous and confidential) mobile application so they can detect any breaches of fundamental employee rights.

SUPPORT FOR SUPPLIERS WITH RECTIFYING BREACHES

In 2022, 7% of suppliers audited did not meet the standards set by the Group, with health and safety breaches the most common issue. In such cases, remedial action plans are drawn up as a matter of

LVMH'S VIGILANCE PLAN

In fulfilment of the requirements under French corporate duty of vigilance law, which obliges parent companies to monitor social and environmental risks, the Group drew up a vigilance plan included at the end of the Management Report of the Board of Directors in the LVMH 2022 Universal Registration Document, which is available on the Group's website.

course with suppliers, and their progress is monitored by the relevant buyer at the Maison. For example, Berluti, Fendi, Tiffany & Co. and Parfums Christian Dior carried out personalized coaching sessions to remedy breaches.

CHANGING SUPPLY CHAIN PRACTICES FOR THE BETTER

LVMH works alongside other purchasers to nudge all participants in its supply chain in the right direction. The Group has joined the Coloured Gemstones Working Group (CGWG), led by sustainability advisory firm The Dragonfly Initiative, to foster more responsible sourcing of colored gemstones. By adhering to the Diamond Source Warranty Protocol, Tiffany & Co. has extended its commitments above and beyond its obligations under the Kimberley Process (which certifies stones are not "conflict diamonds"). The Perfumes & Cosmetics business group is taking steps to enhance traceability together with Action for Sustainable Derivatives, an organization bringing together companies in the cosmetics, home and personal care, and oleochemicals industries.

ACTIONS TAKEN

Support for the leather supply chain.
LVMH Métiers d'Art is a key actor in strategic supply chains for the French, Italian and Spanish leather sectors, advocating for the traceability and certification targets laid down in the LIFE 360 environmental program.
LVMH Métiers d'Art makes the most exquisite calfskin and lambskin leathers available to Maisons to help sustain their savoir-faire and commitment to excellence.
To achieve this goal, it is involved in livestock farming with its partner Domaine des Massifs, in tanning and finishing, with Tanneries Roux, Masoni and Riba Guixà, and in manufacturing luxury ready-to-wear with Robans.

Le Bon Marché launches Initiatives that do good (BIEN program).
Le Bon Marché undertakes to devise, launch and showcase Initiatives that do good. Under the BIEN moniker, the Maison spotlights via all its communication channels creative and responsible initiatives satisfying three criteria (labels, production and circularity). BIEN is a program curated by Le Bon Marché's teams that highlights the steps taken by partner brands and internal departments to extend the useful life of products, such as the alterations service, the timepiece workshop and shoe repairs.

2
joint grids of analysis

for assessing suppliers used across all the Group's Maisons (via environmental and social audits).

1,625
audits

(excluding EcoVadis evaluation) performed on 1,384 suppliers and sub-contractors compared to 1,512 in 2021 (up 7.5% versus 2021).

69%
of audits

carried out in 2022 covered social and environmental considerations, 16% covered social considerations only, and 15% covered environmental considerations only.

7%
of suppliers

audited in 2022 did not meet the standards set by the Group.

over 1,700
suppliers

underwent an EcoVadis evaluation in 2022 (up 15% versus 2021). For 72% of these suppliers, the 2022 evaluation was a re-assessment, and 73% of these improved on their previous score.

55.5
points

the average score of suppliers evaluated (compared with 44.9 points on average for EcoVadis overall).

Supplier breakdown

	Europe	North America	Japan/Asia	Others
Purchasing volume	64%	18%	17%	1%
Number	78%	10%	10%	2%
Audits	66%	3%	30%	1%

Breakdown of direct purchases by region and by business segment

	Europe	North America	Japan/Asia
Wines and Spirits	85%	7%	8%
Fashion & Leather Goods	89%	2%	9%
Perfumes & Cosmetics	79%	3%	17%
Watches & Jewelry	81%	10%	9%

LVMH's stakeholders

FOUNDATIONS AND NGOS

15% Pledge
AAPI Women Lead
Accompagner la réalisation des projets d'études de jeunes élèves et étudiants handicapés (Arpejeh)
Adecco Foundation
ADELA Foundation
AIDES
Al Jalila Foundation
Ali Forney Center
Asian American Business Development Center
Association de gestion du fonds pour l'insertion des personnes handicapées (Agefiph)
Association française des managers de la diversité (AFMD)
Association Française du Vitiligo
Association Les Compagnons du Devoir et du Tour de France
Associazione Dynamo Camp Onlus
BeyGood
Black Joy Parade
Cancer Council
Cap Emploi
Casa 93
City Harvest
Clara Lionel Foundation
Coat Drive
Collège des Directeurs du Développement durable (C3D)
Daughters of Tomorrow
Dress for Success
Emmaüs
Fabrique Nomade
Fondation de l'AP-HP
Fondation Epic
Fundación A LA PAR
Girls Inc.
HandsOn Hong Kong
Hate Is A Virus
Harlem's Fashion Row
HBCU First
Hetrick-Martin Institute
Hispanic Federation
Honey Shine
Hôpital Robert-Debré
Hospitality College
INJA (Institut National des Jeunes Aveugles)
La Cartonnerie
La Cravate Solidaire
Les Flâneries Musicales de Reims
Ligue Contre le Cancer
LILT
Little Ones
Look Good Feel Better Foundation
Lower Eastside Girls Club
MAG Jeunes LGBT+
Mama Chat
Marcus Graham Project
National Coalition on Black Civic Participation
Nos Quartiers ont des Talents
Observatoire de la responsabilité sociétale des entreprises (ORSE)
Odyssea
Octobre Rose
One Hundred Black Men of NYC
Philanthropic Ventures Foundation
Pink Ribbon
Pôle Emploi
Randstad Foundation
ReGeneration
Rejoué
Restos du Cœur
Runway of Dreams Foundation
Save the Children
Science Based Targets initiative
Shanghai United Foundation
Shawn Carter Foundation
Spanish Association Against Cancer
Special Olympics
Step 30
Susan G. Komen
Tente Beauté Mobile
The International Red Cross and Red Crescent Movement
The Pyjama Foundation
The Prince's Trust
The Women's Association
Toutes à l'école
Toys for Tots
UNESCO
UNICEF
Unisoap
United Way of NYC
Viensvoirmontaf
WHO Foundation
World Monument Fund

SCHOOLS AND UNIVERSITIES

Académie de formation technique interne (Rossimoda)(2)
Accademia dei Mestieri Loro Piana (Loro Piana)(2)(3)
Académie du savoir-faire (Berluti)(2)(3)
Accademia Massoli (Fendi)(2)
AFPA
AgroParisTech and Fondation ParisTech
Arts et Métiers ParisTech
Asian University for Women (AUW)
Avize Viti Campus(3)
Bee School
Belmond Academy
Bocconi Milan
British School of Watchmaking
Budapest Corvinus University
Campus d'excellence des métiers d'art et du design de Paris
Ca' Foscari Challenge School
Centoform
Central Saint Martins College of Art & Design
Celine Production's Leather Goods Internal Schools (Loewe) (2)
CIRAIG (International Reference Center for Life Cycle of Products, Services and Systems)
CPRO Stephenson(3)
Chandon Argentina University (Estate & Wines)(2)
Compagnons du Devoir(3)
Diadema Academy
École 42
École Boucicaut (Le Bon Marché)(2)
École Centrale Paris

École des Savoir-Faire Maroquiniers and École des Savoir-Faire[2]
"École des Savoirs" project in Épernay (Moët & Chandon/Ruinart)[2]
École Duperré Paris[3]
École Ferrières
École d'Horlogerie Hublot[2]
École Hôtelière de Lausanne
École Internationale de Marketing de Luxe Paris (EIML)[3]
École Internationale Tunon de Genève
Écoles Internes de Maroquinerie Celine Production[2]
École Normale Supérieure de Paris
École Supérieure Européenne de Packaging
École Thermale du Stress
EDHEC
EM Lyon
EMA SUP[3]
Ensaama (École nationale supérieure des arts appliqués et des métiers d'art)
ENSAM
ESCP
ESSEC
EXCELLhanCE
Fashion Institute of Technology
Ferrandi[3]
Florida International University
Fondazione Mani Intelligenti
Fondazione Setificio[3]
For.Al[3]
Fudan University School of Management
Galdus Formazione (Milan)[3]
Grenoble École de Management
GRETA
Haute École de Joaillerie[3]
HBCUs (Historically black colleges and universities)
HEC Lausanne
Hong Kong Arts Center
HEC Paris
IAE Gustave Eiffel
IcamIMD Business School
Inescop
Institut des Métiers d'Excellence LVMH[1]
Institut Français de la Mode[3]
Institut Supérieur Technique
Institut Français de la Mode
Imperial College London
ISEM Fashion Business School (University of Navarra) in Spain
ISIPCA[3]
Istituto Marangoni
IUAV University of Venice
IUT d'Orléans[3]
La Chance pour la diversité dans les médias
La Fabrique
La Sorbonne Nouvelle – Paris 3[3]
Les Roches International School of Hotel Management
LIVE – L'Institut des Vocations pour l'Emploi
London Business School
LUISS Rome – MINES Paristech
LVMH watchmaking school (TAG Heuer and Zenith)[2]
Lycée professionnel Madeleine Vionnet
Make Up For Ever Academy[3]
Manufacture de haute horlogerie (Bulgari)[2]
Metal hardware maker Renato Menegatti
NEOMA Business School
New Designers
Parsons Paris
Parsons School of Design, New York
Polimode[3]
Politecnico Calzatuiro[3]
Polytechnic University of Milan
Polytechnic University of Turin
Raffles Design Institute Riyadh
Rigides (Louis Vuitton)[2]
Royal College of Art, London
Sant'Anna School of Advanced Studies
Sephora University[2]
Sichuan University
Singapore Management University
Swiss Federal Institute of Technology Lausanne
Tessile Abbigliamento Moda
Thurgood Marshall College Fund (TMCF)
University of Alabama
Università di Bologna
Università Cattolica del Sacro Cuore, Milan
University of Columbia
University of Fudan
University of Miami
Université Paris Dauphine-PSL
University of St. Gallen
Vienna University of Economics and Business

(1) Schools and training academies belonging to the Group.
(2) Schools and training academies belonging to the Maisons.
(3) Partnerschools and academies of the Institut des Métiers d'Excellence LVMH and of the Maisons.

PARTNERS FOR INNOVATION

Association Orée
Business for Social Responsibility (BSR)
Canopy
Ceebios
Coloured Gemstones Working Group (CGWG)
Comité interprofessionnel du vin de Champagne (CIVC)
Cosmetic Valley
Enedis
European Brands Association (AIM)
Entreprises engagées pour la nature – act4nature France
Fédération des Entreprises de la Beauté (FEBEA)
Flower Gems of India
Forest Stewardship Council (FSC)
Institut National de Recherche pour l'Agriculture, l'alimentation et l'Environnement (INRAE)
Institut de liaisons des entreprises de consommation (ILEC)
Leather Working Group (LWG)
LinkedIn
LVMH & Central Saint Martins | Sustainability & Innovation in Luxury | Fostering Creativity
Responsible Jewellery Council (RJC)
Roundtable on Sustainable Palm Oil (RSPO)
Southeast Asian Reptile Conservation Alliance (SARCA)
StationF and Maison des Startups
Solar Impulse Foundation
Sustainable Fibre Alliance (SFA)
Textile Exchange
Union française de la bijouterie, joaillerie, orfèvrerie, des pierres et des perles (UFBJOP)
Zero Discharge of Hazardous Chemicals (ZDHC)

INTERNATIONAL INSTITUTIONS, STATES AND REGIONAL AUTHORITIES

European Union
French national emergency aid package for the Amazon
Paris Action Climat
Parisian suburbs: Clichy-sous-Bois and Montfermeil
Regions: Tuscany and Veneto
UN (signatory of the Global Compact)
UNESCO
UNICEF

LOCAL COMMUNITIES

Beekeepers
Floriculture production companies in Tamil Nadu (India)
Farmers and shepherds in Mongolia (cashmere)
Farmers and local communities in Peru for the protection of vicuñas
Farmers in Africa (crocodiles)
Grape growers' committee (Cognac region)
Miners in the regions concerned

INDUSTRY AND CERTIFICATION BODIES

Competent authorities in the various regions

SUPPLIERS, SUB-CONTRACTORS AND RECYCLING SERVICE PROVIDERS

CEDRE (Centre Environnemental de Déconditionnement, Recyclage Écologique) platform
Companies in the sheltered employment sector
Farmers
Grape suppliers
Livestock farmers
Mining industry
Packaging industry
Tanners
Textile industry

NON-FINANCIAL RATINGS

Investors and asset managers
Non-financial rating agencies and SRI index managers
CDP
FTSE4Good (FTSE Russell)
Global Child Forum
ISS
MSCI
Open Corporation
SAM S&P Global
Solactive
Sustainalytics
Vigeo Eiris (Moody's)

Supplier assessments
EcoVadis
Sedex (Supplier Ethical Data Exchange)

An acclaimed assessment-led strategy

LVMH IS OPEN AND TRANSPARENT ABOUT ITS ENVIRONMENTAL, SOCIAL AND ETHICAL PERFORMANCE AND UNDERTAKES TO PROVIDE EFFECTIVE, ACCURATE AND FAIRLY PRESENTED INFORMATION. THE INFORMATION IS ASSESSED BY A BROAD RANGE OF ORGANIZATIONS AND INDEPENDENT RATING AGENCIES, PROVIDING EXTERNAL PERSPECTIVES ON THE GROUP'S NON-FINANCIAL PERFORMANCE.

As a signatory of the UN Global Compact, LVMH submitted its Communication on Progress (COP) in August 2022 for the GC Advanced level.

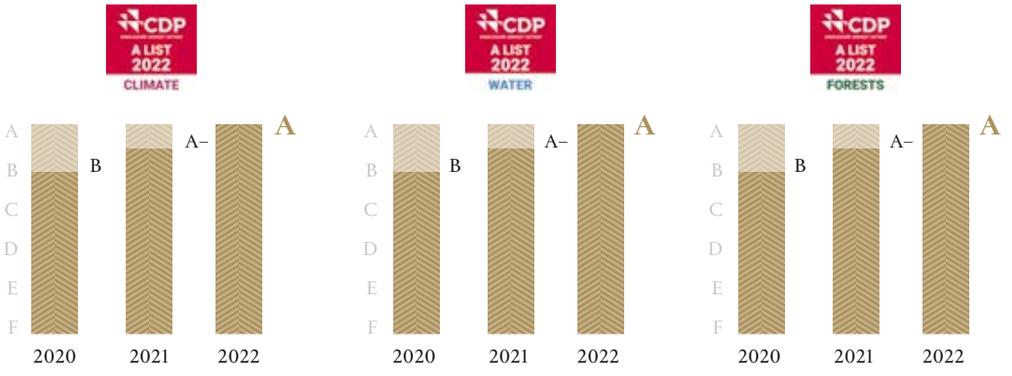
Sustainability indices and ratings

FTSE4Good	In December 2022, FTSE Russell gave LVMH a rating of 4/5. At the same time, LVMH was confirmed as a member of the FTSEGood Global 100 index.
SUSTAINALYTICS	In September 2022, Sustainalytics considered LVMH as presenting a low risk of a major financial impact from ESG matters and awarded the Group a rating of 12.2.
WDi	In 2022, LVMH was shortlisted for the Workforce Transparency Awards, and in March received a special mention in the "Most Transparent" category.
Sustainability Award Industry Mover 2022 S&P Global	In February 2023, S&P Global published the 2022 edition of its Sustainability Yearbook, in which LVMH was included as a Sustainability Yearbook Member.
SCORE CARBONE® AXYLIA	In July 2022, consulting firm Axylia gave LVMH an A rating (Score Vérité) via its Score Carbone® application, which assesses the ability of the top 40 listed French companies to offset the impact of the carbon emissions generated through their operations, on a scale from A to F.
opencorporation	In late 2022, LVMH was ranked 4th in a list of 600 companies analyzed by Open Corporation, with a score of 82.9/100.

Employer rankings

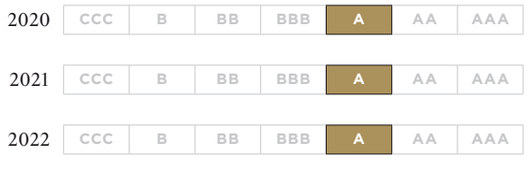
	For the 18th consecutive year, LVMH topped the Universum France ranking of most attractive employers among students from business schools, published in April 2022. For the 4th year in a row in 2022, LVMH also headed up the Universum France ranking for experienced managers who graduated from business schools.
REFINITIV	In 2022, LVMH came 15th in the Refinitiv Diversity & Inclusion Index that ranks the world's top 100 organizations with the most diverse and inclusive workplaces.

In December 2022, LVMH achieved an outstanding A rating from the CDP with respect to Climate Change 2022, Forests 2022 and Water Security 2022. This triple-A rating from the CDP reflects its leadership in terms of climate, forest and water protection.



LVMH has been included in the CAC 40 ESG index since its creation. LVMH has also been included in the Euronext Vigeo Eurozone 120 index since it was launched in 2012. In August 2022, the rating of 68/100 awarded to LVMH by Moody's ESG Solutions put it in the top 5 for the Luxury Goods & Cosmetics segment.

In November 2022, LVMH was rated A (on a scale from AAA to CCC), for the Textiles, Apparel & Luxury Goods segment. At the end of 2022, LVMH was once again included in the MSCI World, Europe, Euro and France indices.



2022 social indicators

	Group
VALUING INDIVIDUALITY	
Awareness-raising and training on the importance of non-discrimination	
Human resources	48%
Recruiters (over the last three years)	73%
Managers	39%
Maisons that have implemented initiatives to promote equality, recruitment, retention and career development of:	
Women	83%
People with disabilities	79%
Seniors	51%
People from the LGBT+ community	65%
TAKING ACTION TO ENSURE THE HEALTH, SAFETY & WELL-BEING OF OUR EMPLOYEES	
Employees covered by an Alert Line	100%
Employees covered by the LVMH Heart Fund	100%
Maisons pursuing major initiatives to safeguard mental health, reduce stress and prevent harassment	79%
Maisons that have introduced flexible working hours (part-time working, remote working, returning to work part-time, etc.)	89%
Commitments set out in the Health & Safety Policy	
Employees covered by a health and safety program	81%
Employees covered by periodic review of a health and safety program	89%
Employees in Maisons whose management committee analyze their health and safety performance once a year	87%
Employees who have received training in risk prevention and first aid	33%
Maisons that have organized an annual day promoting health, safety and quality of life at work	100%
PASSING ON THE SAVOIR-FAIRE REQUIRED TO ACHIEVE EXCELLENCE	
Maisons that have implemented a structured policy to safeguard and pass on key skills	81%
Maisons that have developed a structured training policy to meet future needs	68%
Maisons with their own internal crafts school (not including the Institut des Métiers d'Excellence and Academy [IME]) and/or structure specializing in passing on critical or emerging savoir-faire in their crafts	43%
Maisons with an in-house school focusing on customer experience and sales (not including the IME)	51%
COMMITTING TO A BETTER SOCIETY	
Partnerships established by the Maisons	842
Employees involved	46,215
Financial donations	57,494,860
People helped	1,030,935

Wines and Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities
48%	44%	41%	63%	58%	46%
82%	63%	68%	75%	82%	81%
38%	31%	24%	52%	53%	61%
87%	94%	80%	86%	100%	50%
73%	88%	70%	100%	80%	70%
73%	56%	60%	43%	20%	20%
73%	94%	50%	71%	60%	20%
100%	100%	100%	100%	100%	100%
100%	100%	100%	100%	100%	100%
87%	81%	80%	57%	100%	60%
87%	94%	90%	86%	100%	80%
70%	78%	33%	98%	100%	99%
77%	93%	47%	99%	100%	99%
64%	78%	83%	100%	100%	73%
51%	32%	15%	69%	19%	59%
100%	100%	100%	100%	100%	100%
93%	81%	90%	100%	60%	50%
80%	63%	70%	71%	80%	50%
47%	50%	30%	86%	20%	20%
27%	50%	100%	57%	80%	20%
172	184	179	80	117	110
2,193	15,968	9,263	3,494	12,304	2,993
8,964,216	8,246,143	3,877,219	18,601,316	4,514,920	13,291,046
22,191	63,810	329,683	10,301	511,828	93,122

Social indicators

Methodology

The LVMH group has been compiling and releasing social indicators since 2001. They cover areas such as employment, remuneration, occupational health and safety, training and professional relations. These indicators are published in the chapter on workforce-related reporting in the Universal Registration Document, in accordance with regulatory requirements. The obligations laid out in article 116 of France's "New Economic Regulations" Law of May 15, 2001, which calls for listed companies to publish information about the environmental and social impact of their operations, were supplemented by the Grenelle II Law and its implementing decree of April 24, 2012.

The indicators are also published in this Social and Environmental Responsibility Report. They are verified by an independent third party, one of our statutory auditors, which acts as an independent verifier providing a reasonable level of assurance. The opinion stated by the independent verifier is published in the Universal Registration Document.

PROTOCOL

All the rules for consolidating the quantitative and qualitative data are set out in the LVMH workforce-related reporting protocols, which are updated annually by the Talent Management and Social Responsibility divisions within the Human Resources Department.

SCOPE

The reporting scope covered by this process is based on the scope of consolidation used for financial reporting by the Group Finance Department. The scope of workforce-related indicator reporting in 2022 was as follows:

75
Maisons

81
countries

958
entities

A Maison must meet two conditions in order to be included in the workforce-related reporting: they must have produced at least 12 monthly reports and employ more than two people.

GROUP WORKFORCE

The employee numbers published below cover all entities consolidated at December 31, 2022, including LVMH's share in joint ventures, excluding certain companies that joined the Group within the last twelve months. The other social indicators are calculated across a scope of 958 organizational entities covering more than 99% of the global workforce and including people employed by the Group during the last financial year, including in joint ventures.

99%
Quantitative data
(99% in 2022)

99%
Qualitative data
(99% in 2022)

REPORTING TOOLS AND METHODOLOGY

A web-based tool consisting of two types of questionnaires is used for quantitative reporting:
- a monthly workforce-related questionnaire;
- an annual questionnaire in French and English consolidating all the reporting data. The data are then checked and consolidated automatically by a system that has a variety of control and warning mechanisms (consistency problems, alerts, abnormal data and unit issues, etc.).

Qualitative reporting is prepared on the basis of a questionnaire sent to the Maisons' Human Resources departments.

INTERNAL AND EXTERNAL ASSESSMENTS

For the 2022 workforce-related reporting, the LVMH Group tasked an independent verifier with auditing a selection of the indicators published in the Universal Registration Document, as part of the standard statutory auditing process. The aim is to:
- ensure the reporting framework (including the procedure and instructions provided at Group and subsidiary level) complies with international standards for assurance concerning non-financial information (ISAE 3000);
- assess the way in which Group- and subsidiary-level procedures and instructions are deployed and applied by those involved to organize the workforce-related reporting;
- test certain workforce-related data across a representative sample of entities and ensure they correctly feed into the system in place to consolidate subsidiary data at Group level. The list of companies audited and the audit schedule will be communicated at a later date by the statutory auditors;
- provide an independent opinion on the LVMH Group scope;
- offer observations (areas for or scope of improvement) and recommendations to improve the reporting process.

WORKFORCE-RELATED INFORMATION CONSIDERED TO BE THE MOST IMPORTANT

Employment: breakdown of total workforce by type of contract, job category, turnover and absenteeism.

Compensation: personnel costs and their year-on-year changes, wage scale.

Occupational health and safety: workplace accidents, occupational illnesses, investment to improve safety and working conditions.

Training: training budget and the balanced allocation by job category, business segment and region.

Business relations: review of collective bargaining agreements.

2022 environmental indicators

Energy

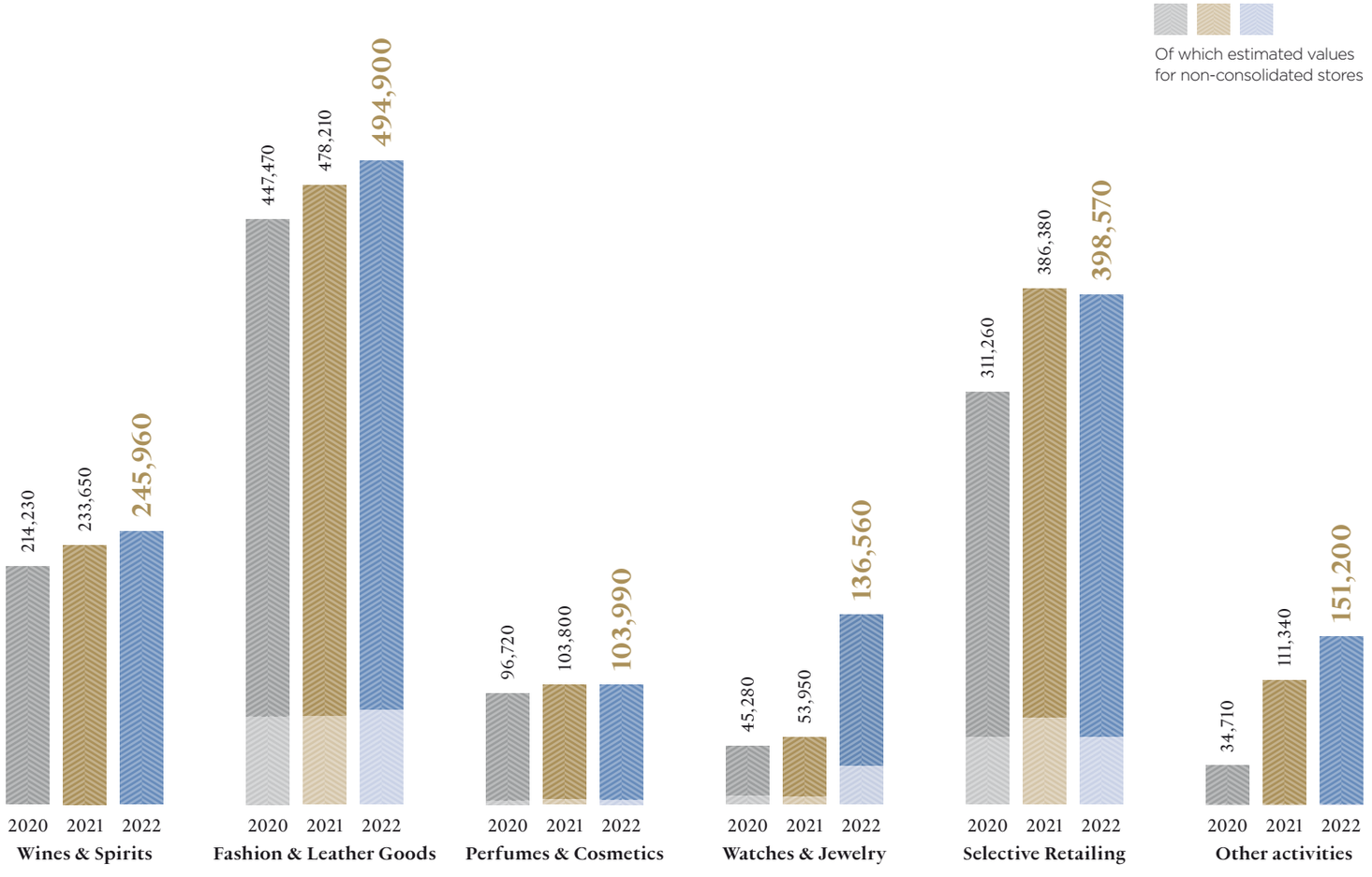
Energy consumption
(in MWh)

2020
1,149,660
of which 150,840 estimated(1)

2021
1,367,340
of which 169,200 estimated(1)

2022
1,531,180
of which 184,590 estimated(1)

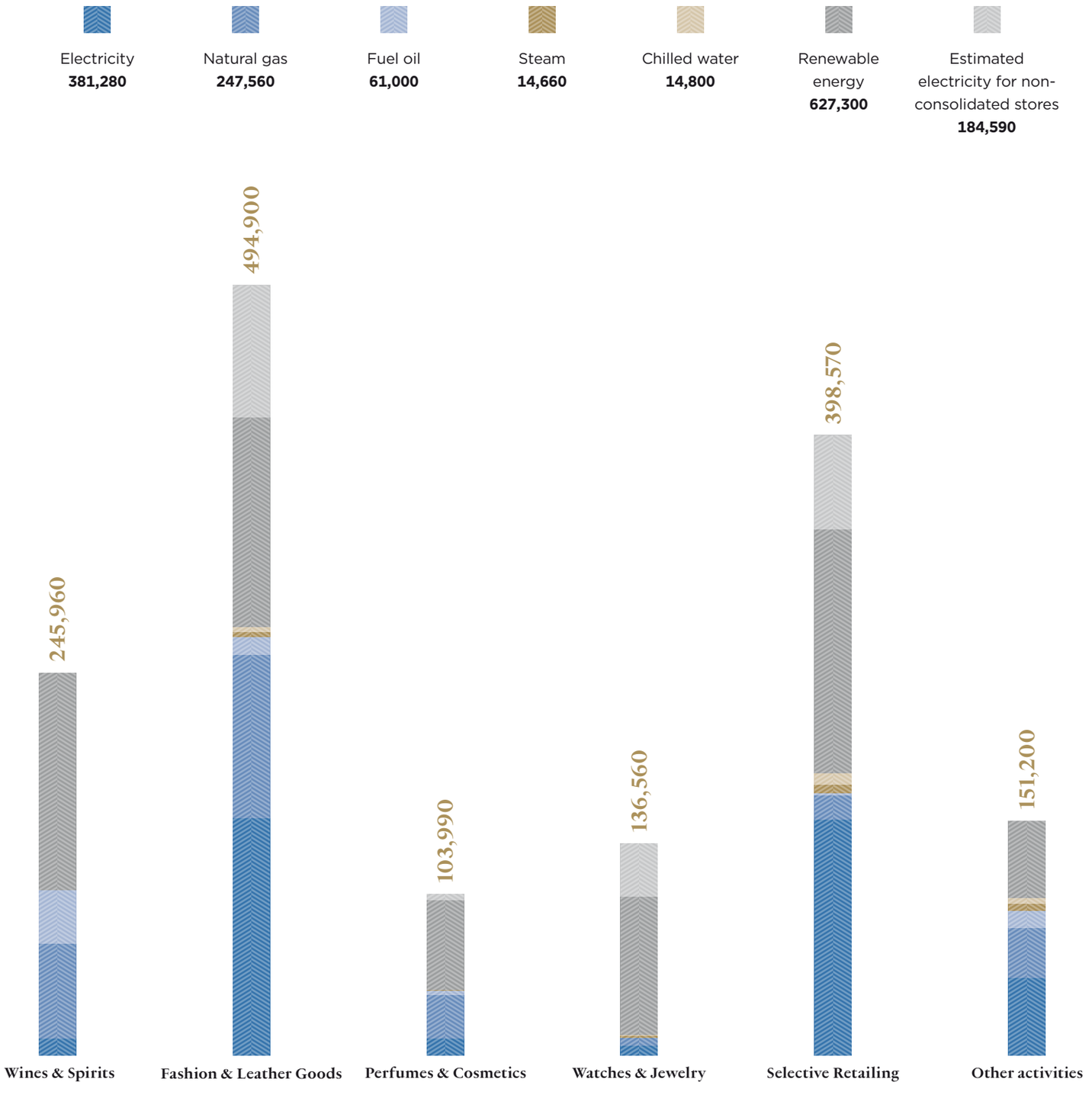
Energy consumption by business group
(in MWh)



(1) 26% of retail space is not included in the consolidated figures for energy consumption indicators. To include this space, an estimate is made on the basis of the actual data for the 74% of total retail space covered.

Energy consumption by business group and by source

(in MWh)



Water

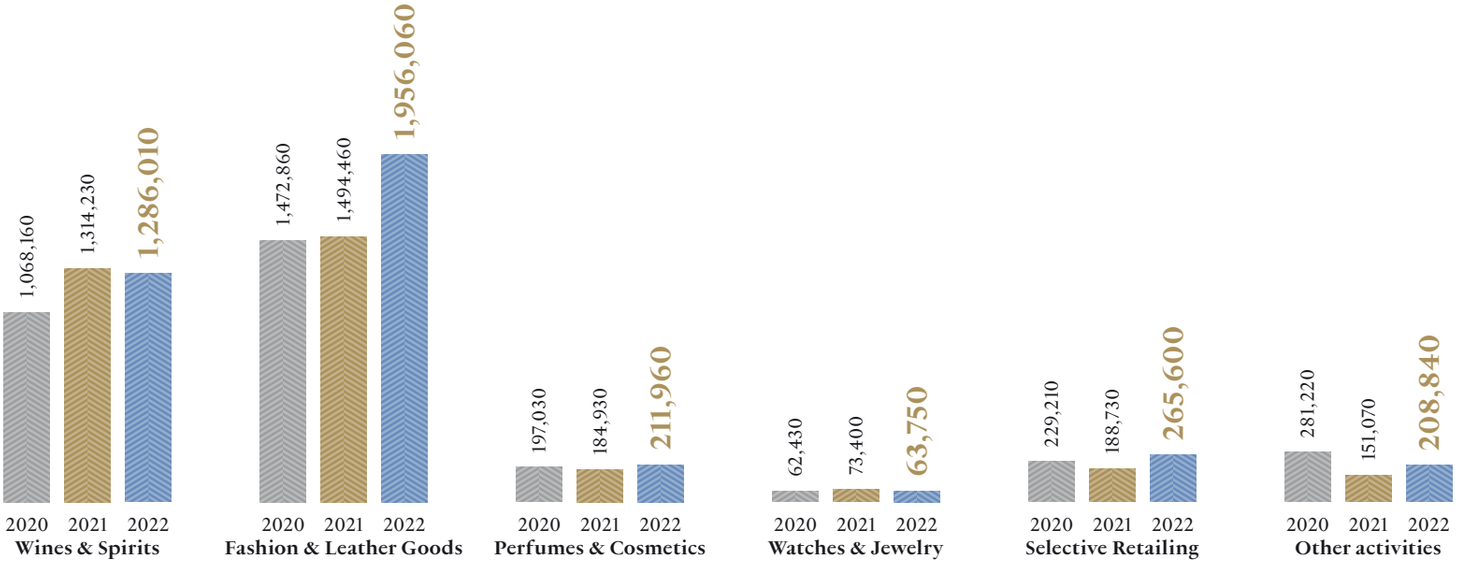
Group water consumption for “process” purposes

(in m³)

2020	2021	2022
3,310,910	**3,406,810**	**3,992,220**
4,359,930 including estimated values[1] for non-consolidated stores	4,412,590 including estimated values[1] for non-consolidated stores	

Change in water consumption by business group for “process” purposes (without estimated values for non-consolidated stores)

(in m³)



Chemical oxygen demand after treatment

(in metric tons per year)

(1) 80% of retail space is not included in the consolidated figures for the water consumption indicator.
To include this retail space, an estimate is made on the basis of the actual data for the 20% of total retail space covered (some DFS and Le Bon Marché stores).

CO_2

Change in greenhouse gas emissions

(Scopes 1 and 2, in metric tons of CO_2 equivalent)

2020
304,330
of which 72,980 estimated(1)

2021
375,740
of which 85,560 estimated(1)

2022
329,420
of which 71,970 estimated(1)

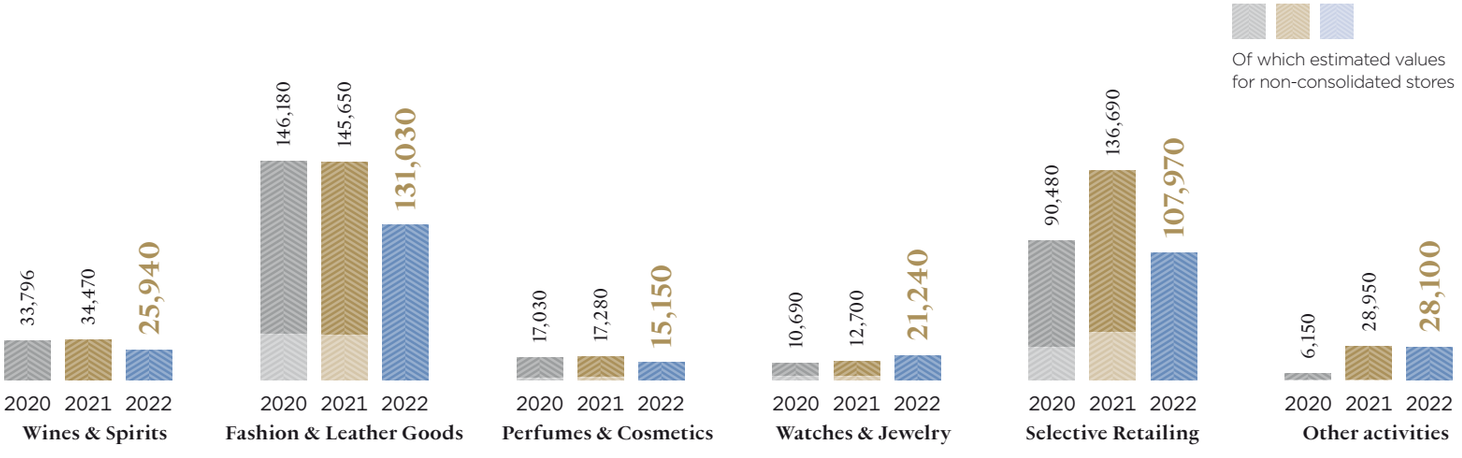
Breakdown of direct and indirect emissions per year

(Scopes 1 and 2, in metric tons of CO_2 equivalent)

	2022			2021			2020		
	Total	Direct emissions	Indirect emissions	Total	Direct emissions	Indirect emissions	Total	Direct emissions	Indirect emissions
Wines and Spirits	**25,939**	**84%**	**16%**	33,470	80%	20%	33,800	75%	25%
Fashion & Leather Goods	**131,029**	**19%**	**81%**	145,650	17%	83%	146,180	17%	83%
Perfumes & Cosmetics	**15,145**	**43%**	**57%**	17,280	45%	55%	17,030	41%	59%
Watches & Jewelry	**21,240**	**5%**	**95%**	17,290	14%	86%	10,690	11%	89%
Selective Retailing	**107,969**	**3%**	**97%**	136,690	2%	98%	90,480	3%	97%
Other activities	**28,095**	**35%**	**65%**	28,950	23%	77%	6,150	33%	67%
Total	**329,417**	**20%**	**80%**	375,740	19%	81%	304,330	21%	79%

Change in greenhouse gas emissions by business group

(Scopes 1 and 2, in metric tons of CO_2 equivalent)

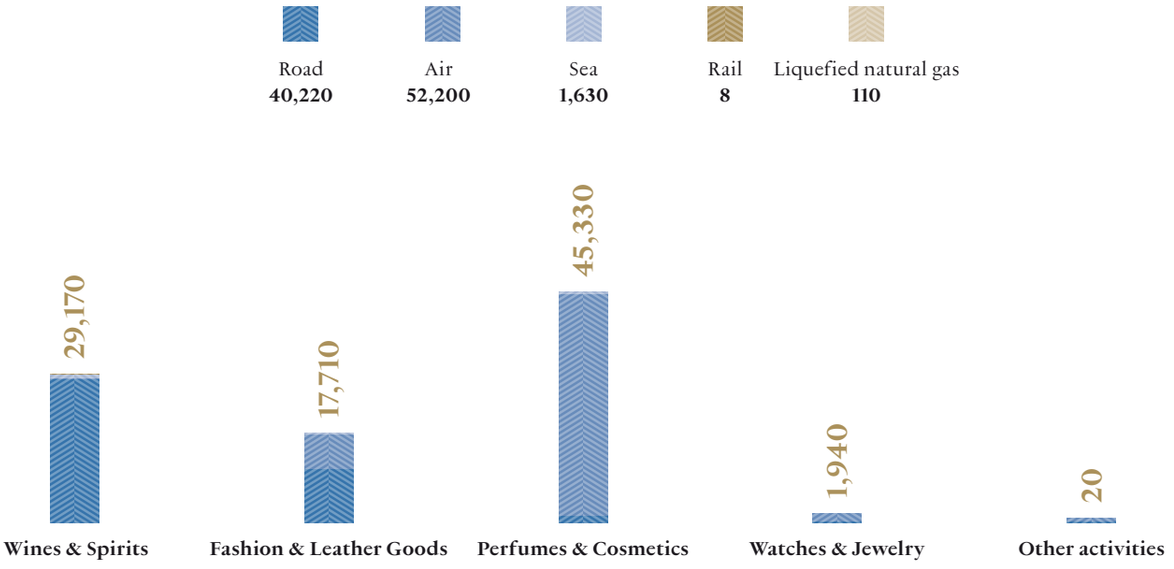


(1) 26% of retail space is not included in the consolidated figures for greenhouse gas emissions.
To include this space, an estimate is made on the basis of the actual data for the 74% of total retail space covered.

Transportation

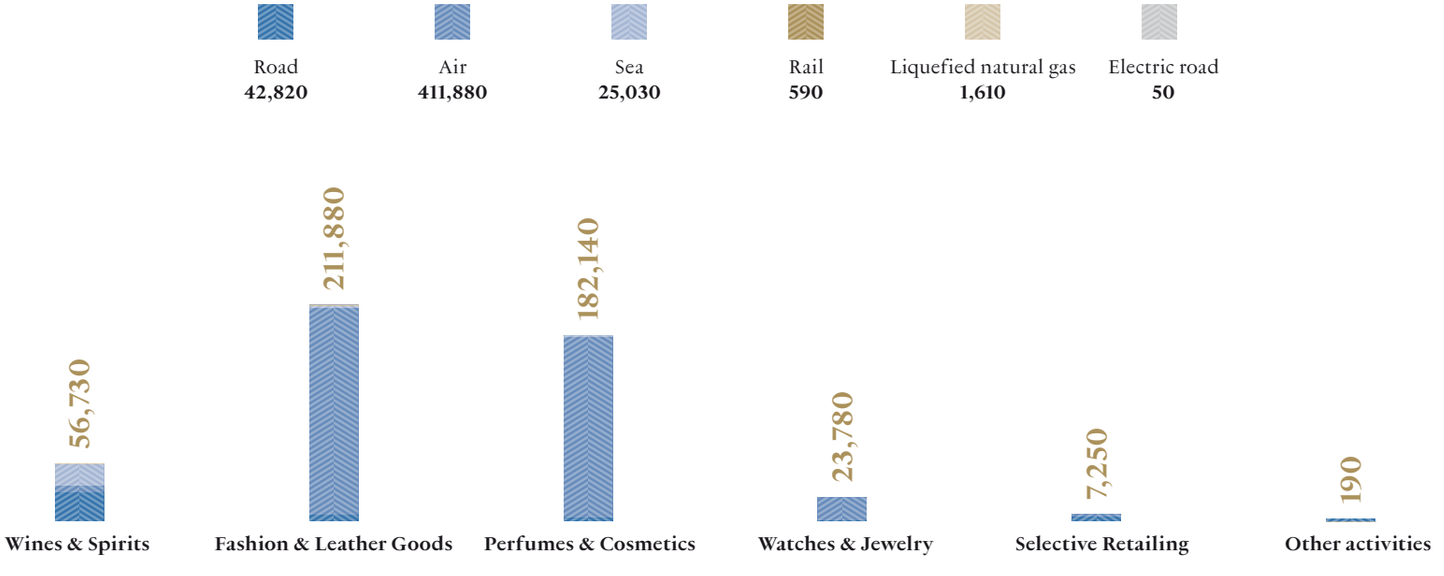
Breakdown of greenhouse gas emissions generated by upstream transportation in 2022

(in metric tons of CO_2 equivalent)



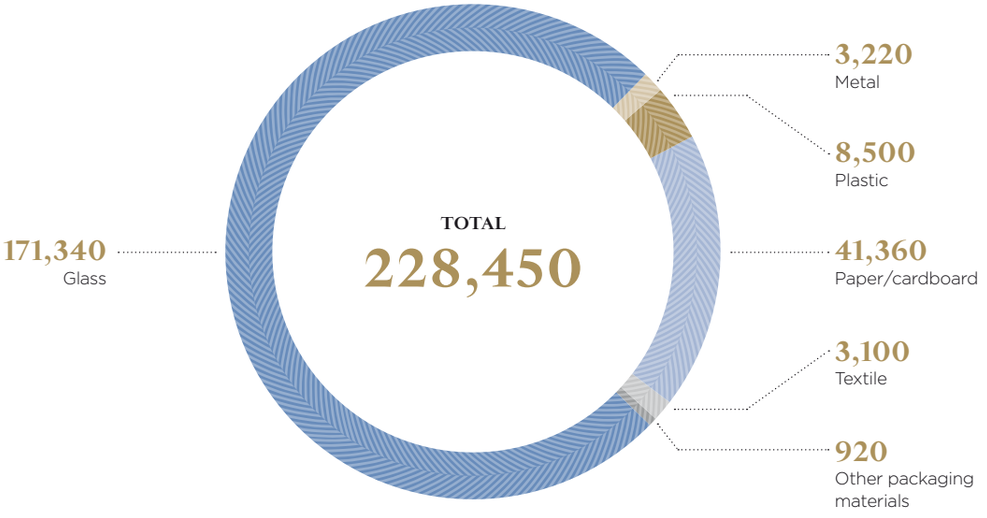
Breakdown of greenhouse gas emissions generated by downstream transportation in 2022

(in metric tons of CO_2 equivalent)

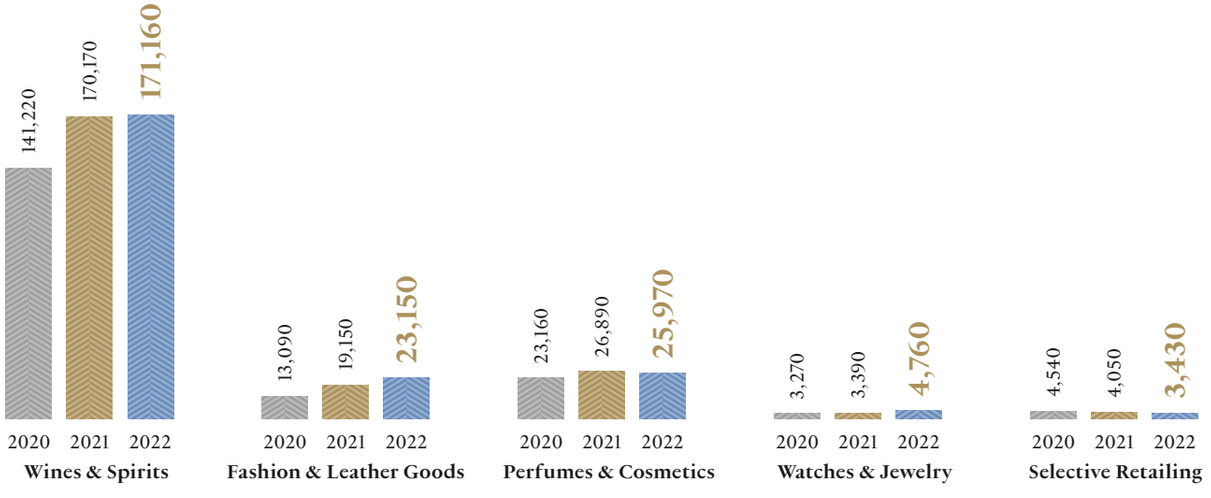


Packaging

Quantity of packaging by type of materials in 2022
(in metric tons)



Packaging given to customers
(in metric tons)

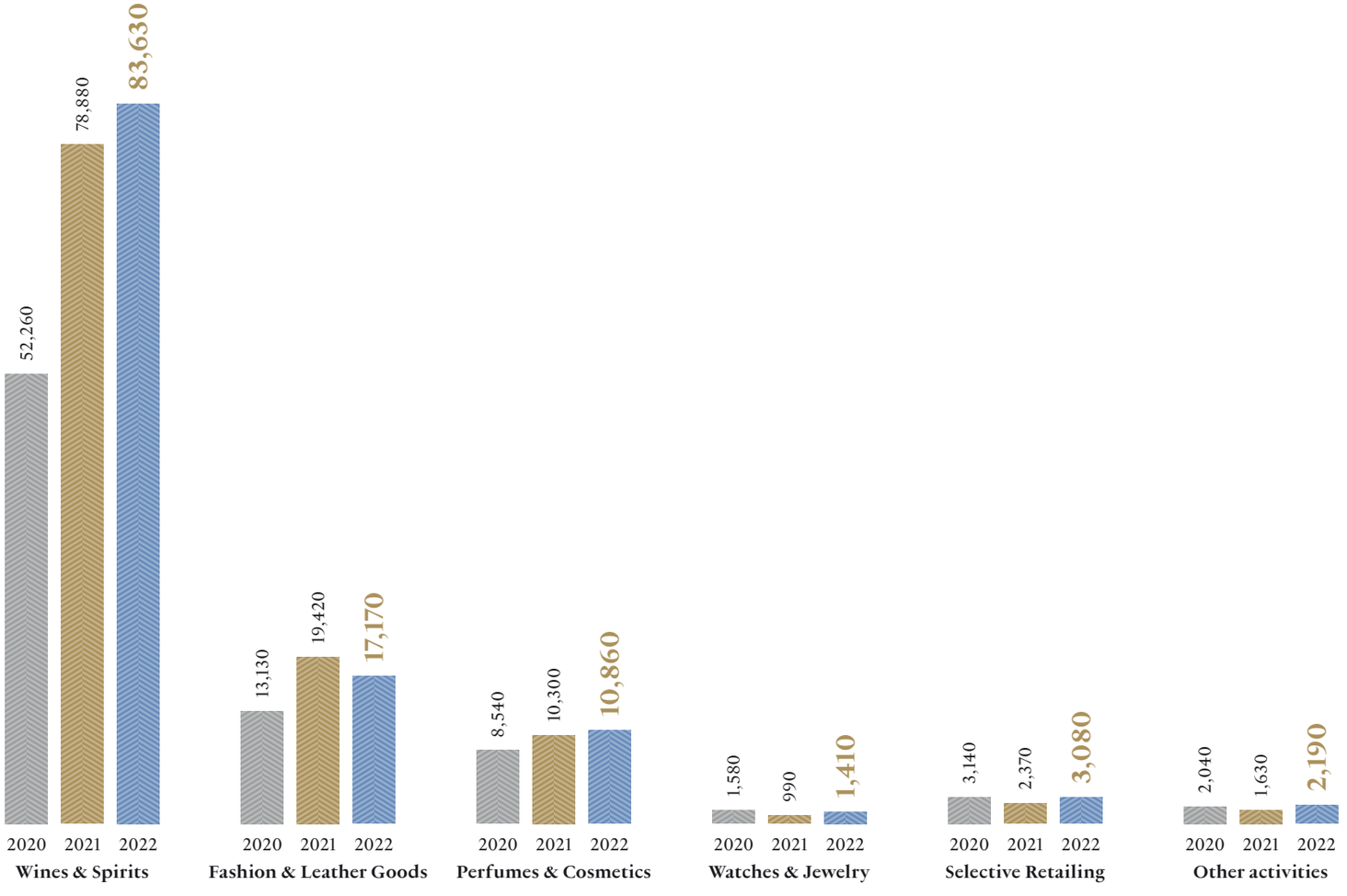


Waste

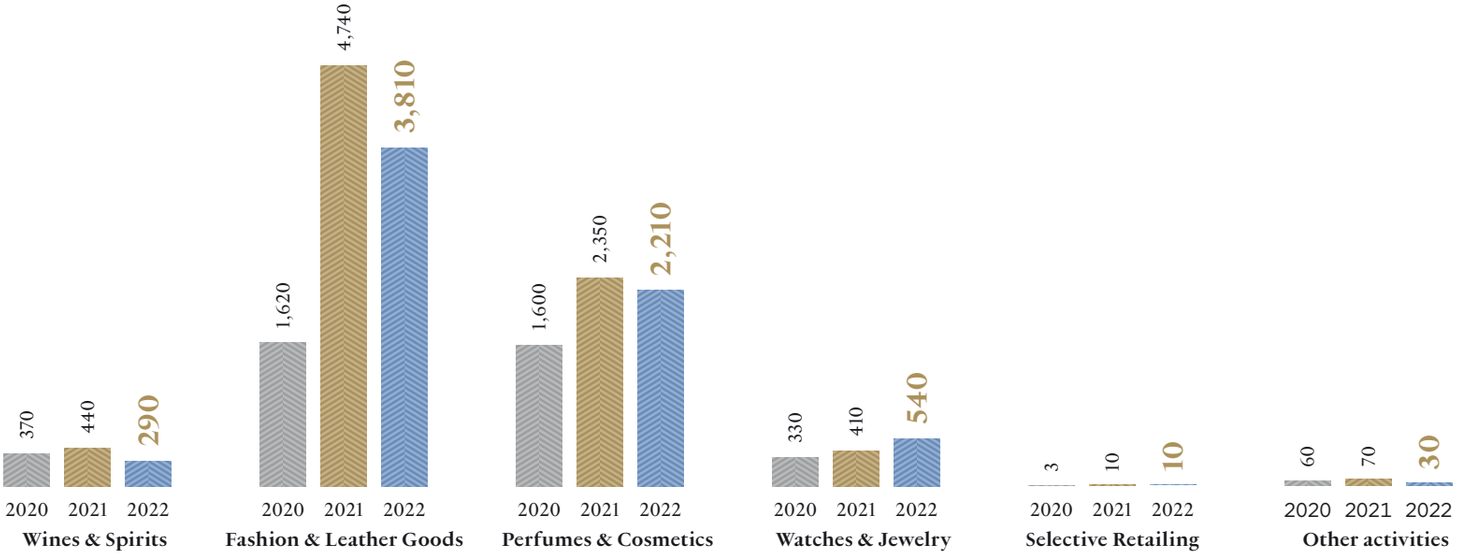
Group waste production
(in metric tons)

2020	2021	2022
80,690	113,580	118,330

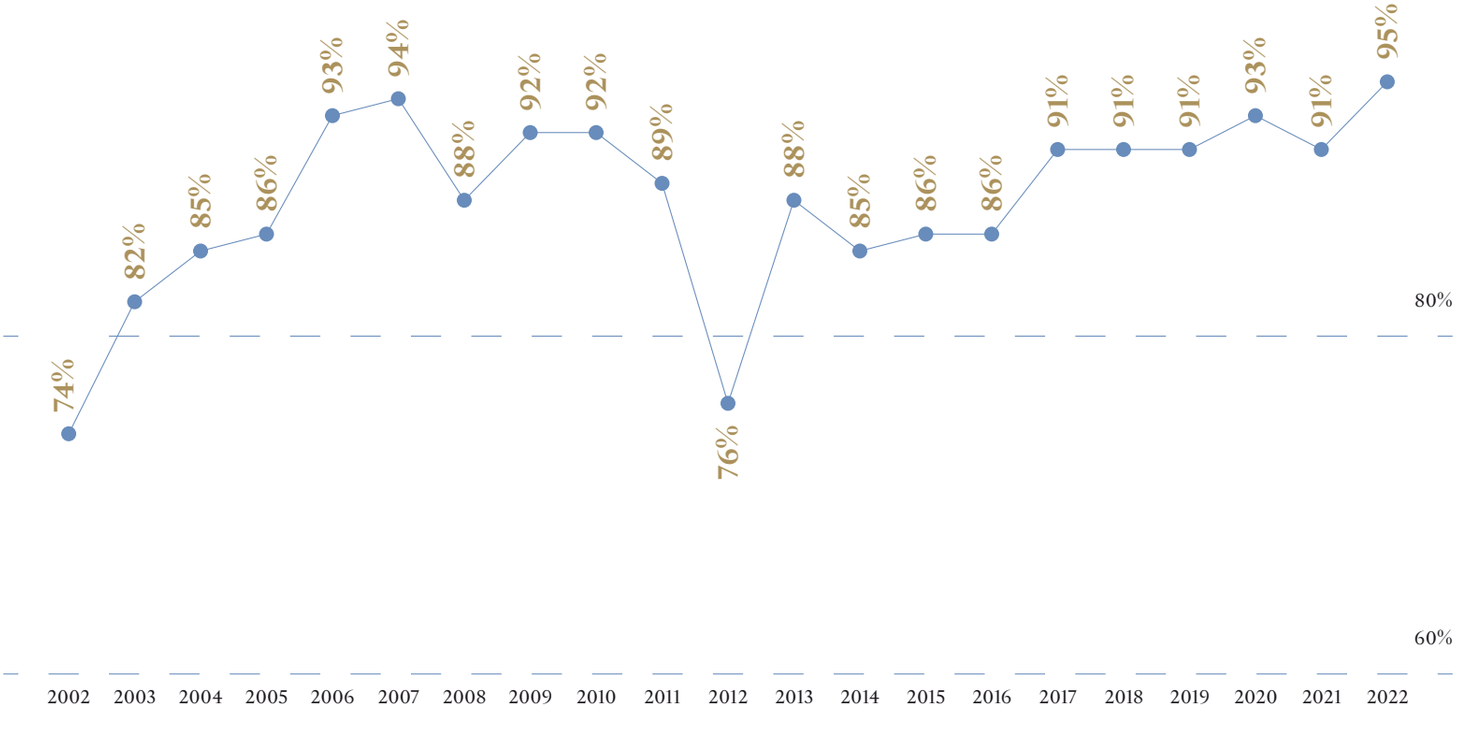
Change in waste produced by business group
(in metric tons)



Change in hazardous waste produced by business group



Percentage of waste recovered



Raw material certifications

Direct emissions	2022 performance	2021 performance	2026 objective
Wines and Spirits			
Grapes – Sustainable winegrowing certification (percentage of certified grapes by weight; figures include still wines and eaux-de-vie)	LVMH vineyards: 94% French vineyards: 100% Rest of the world: 87% Grape suppliers: 20%	LVMH vineyards: 92% French vineyards: 100% Rest of the world: 86% Grape suppliers: 16%	**LVMH vineyards: 100%** **Grape suppliers: 50%**
Fashion & Leather Goods			
LWG certification of tanneries for bovine and ovine leather (percentage of leather from certified tanneries by weight)	91%	81%	**100%**
LWG certification of tanneries for crocodile skin leather (percentage of crocodile skin leather from certified tanneries by weight)	86%	70%	**100%**
Certified cotton (percentage of GOTS, Better Cotton, GRC, OCS and Supima certified cotton by weight)	71%	61%	**100%**
Certified paper, cardboard and wood (percentage of FSC- and PEFC-certified paper, cardboard and wood by weight)	82%(1)	77%	**100%**
Certified fur (mink and fox) (percentage of fur from farms certified as complying with one of the standards recognized by the Furmark program)	98%	92%	**100%**
Certified sheep wool (merino and other species) and cashmere (percentage of wool and cashmere from farms with RWS, ZQ, Authentico, New Merino, Sustainawool, Nativa, SFA certification)	29%	24%	**100%**
Certification for all crocodile farms supplying the Group's tannery (percentage of crocodile skin from farms certified as complying with LVMH's crocodile standard)	100%	100%	**100%**
Perfumes & Cosmetics			
Palm oil derivatives (percentage of RSPO-Mass Balance or RSPO-Segregated certified palm oil derivatives by weight)	94%	95%	**100%**
Watches & Jewelry			
Diamonds: RJC COP (percentage by carats of diamonds from COP-certified direct suppliers)	99,5%	99,9%	**100%**
Gold: RJC COP certification	96%(2)	98%	**100%**
Gold: RJC COC certification	81%(3)	93%	**100%**

(1) Note that since the reporting process is currently under development, data reported by the Maisons are subject to a high degree of uncertainty.
(2) For Maisons without COC certification, gold is included within the reported indicator if it is sourced from COC-certified precious metal refiners, regardless of any intermediate subcontractors between the precious metal refiner and the Maison
(3) In 2022, the Maisons reported exclusively on their Watches & Jewelry BU. Data for Tiffany & Co. not included.

Environmental indicators

Methodology

The LVMH Group consolidates environmental indicators and has since 2001 published them in the Universal Registration Document and in this Social and Environmental Responsibility Report. Since 2002, an independent verifier – one of LVMH's statutory auditors – has verified a selection of indicators. The opinion stated by the independent verifier with a reasonable degree of assurance is published in the Universal Registration Document.

PROTOCOL

All consolidation and calculation rules are defined in the LVMH environmental reporting protocol, which is updated annually and published by the Environmental Development Department. All requests to consult the document should be sent to the following address:

contact.environment@lvmh.com

SCOPE

The scope of environmental indicator reporting in 2022 was as follows:

477 Total number of sites

327 sites covered(1)

150 sites not covered(2)(3)

Coverage of the manufacturing sites stands at 93%. Those manufacturing, logistics and administrative sites not covered by environmental reporting mainly fall into this category for operational reasons and do not have a material environmental impact. A plan to add them progressively has been implemented.

THE CONSOLIDATION RULES FOR NEW ENTITIES ARE AS FOLLOWS:

- new entities and new sites: the Group's new entities and new sites are added to the scope of environmental reporting one year after they join the scope of financial reporting;
- entities and sites sold: entities and sites that were sold during the year (between 01/01 and 12/31 in year N) are excluded from the scope of reporting.

TOTAL RETAIL SPACE COVERED BY THE SCOPE PER INDICATOR

The retail space included in the calculation of energy consumption and greenhouse gas emissions(4) is as follows, as a percentage of the Group's total retail space:

74% in 2021

73% in 2022

For the purpose of calculating the energy consumption and greenhouse gas emissions, certain stores from all the Fashion & Leather Goods, Perfumes & Cosmetics, Watches & Jewelry, and Selective Retailing Maisons are also included.

The Sephora South East Asia, RIMOWA, Maison Francis Kurkdjian, Emilio Pucci and Parfums Givenchy stores are not included.
Only certain DFS stores and stores from Le Bon Marché group are included in the data relating to waste production and water consumption.
For the 27% of stores not covered by the energy consumption and greenhouse gas emissions metrics, the data are estimated and presented separately.

REPORTING TOOL AND METHODOLOGY

The environmental reporting is prepared using an in-house web-based system consisting of four types of questionnaires:

- a LIFE 360 questionnaire: indicators tracking progress under the LIFE 360 strategy;
- a downstream transportation questionnaire;
- a raw materials questionnaire;
- one or more questionnaires compiling data specific to the manufacturing sites: water and energy consumption, waste production (quantity and type), and waste processing, etc.

In total, each Maison collects data for around 100 categories.

(1) Consolidation of certain Belmond, Bulgari, Celine, Christian Dior Couture, DFS, Guerlain, Louis Vuitton and Tiffany & Co. sites
(2) Of which, mainly: certain regional administrative sites operated by Louis Vuitton and Moët Hennessy, as well as administrative sites with fewer than 20 employees.
(3) Belmond's energy and related greenhouse gas emission indicators were included in the reporting scope.
(4) The reporting scope does not include stores operated under franchise by the Fashion & Leather Goods, Perfumes & Cosmetics and Watches & Jewelry business groups.

The data are then checked and automatically consolidated in a central file, which has multiple control and warning mechanisms (abnormal data and consistency problems, etc.).

INTERNAL AND EXTERNAL ASSESSMENTS

Consistency checks are performed by the sites (comparison with N-1), and when data are consolidated by the LVMH Environmental Development Department.

As part of Deloitte's audit of LVMH's statement of non-financial performance, the key qualitative and quantitative information set out in the following list has been reviewed to obtain moderate or reasonable assurance concerning its fair presentation (marked by an asterisk).

Environmental information

Quantitative information (including key performance indicators):
- percentage of industrial sites with ISO 14001 certification (%);
- total energy consumption (in MWh);
- greenhouse gas emissions due to energy use – Scopes 1 and 2 (metric tons of CO_2 equivalent)*;
- greenhouse gas emissions generated by downstream transportation – Scope 3 (in metric tons of CO_2)*;
- total water consumption for "process" purposes (m^3);
- total water consumption for agricultural purposes (m^3);
- total waste production (metric tons);
- total hazardous waste production (metric tons);
- percentage of waste recovery;
- total packaging given to customers (in metric tons);
- quality of chemical oxygen demand after treatment (in metric tons per year).

Qualitative information (action or results):
- organization of the environmental initiative, in particular governance and commitments, including the LIFE 360 program;
- environmental impact of packaging and monitoring of LIFE "Creative circularity" target.

Social information

Quantitative information (including key performance indicators):
- proportion of grapes, eaux-de-vie and still wines (by kg) from its own vineyards or purchased, certified as sustainable viticulture (%)*;
- proportion of palm oil, palm kernels and palm oil derivatives (by kg) purchased from RSPO-Mass Balance or RSPO-Segregated certified supply chains (as a %)*;
- proportion of ovine and bovine leather purchases (by m^2) from LWG-certified tanneries (as a %)*;
- proportion of exotic leather (crocodile, by number of skins) purchased from LWG-certified tanneries (as a %);
- proportion of gold (by kg) purchased that is RJC COP certified (excluding Tiffany & Co.)*;
- proportion of diamonds (by carats) purchased from suppliers that are RJC COP certified (excluding Tiffany & Co.)*;
- proportion of cotton purchases (by metric tons) certified (as a %);
- proportion of fur purchases (mink and fox) (by kg) certified (as a %);
- proportion of sheep wool (merino and other species) and cashmere (by kg) certified (as a %);
- number of social and/or environmental audits conducted on suppliers and sub-contractors.

Qualitative information (action or results):
- procedure to assess and provide support to suppliers;
- procedure guaranteeing ethical business conduct.

SELECTION AND SUITABILITY OF INDICATORS

The environmental indicators published aim to capture the Group's annual environmental performance. They shed light on the environmental themes and data in accordance with the provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Raw materials

A set of indicators is applied to measure the quantity (in metric tons) of raw materials used to manufacture products, as well as the proportion of certified raw materials and the proportion of certain raw materials for which the geographic origin is known:
- Wines & Spirits: grapes;
- Fashion & Leather Goods: leather, wool, cotton, viscose, exotic leather, fur, etc.;
- Watches & Jewelry: gold, diamonds, colored gemstones, metals, etc.;
- Perfumes & Cosmetics: palm oil derivatives, etc.

Water consumption
Water consumption is stated in cubic meters. This indicator enables the amount of water consumed to be assessed by distinguishing between the following two requirements:
- agricultural requirement: measurement of the amount of water used for irrigation (banned in France), and sprinkling vines (to prevent frost damage, etc.). The water volumes used are either measured directly or, more usually, estimated;
- "process" requirement: measurement of all non-agricultural requirements (industrial and sanitary processes or cleaning).

Water pollution
Water pollution is stated in metric tons of chemical oxygen demand.
This indicator reflects the total annual flow discharged into the natural environment by sites, after treatment either on site or at a downstream facility. It applies to Wines & Spirits, Fashion & Leather Goods and Perfumes & Cosmetics only, where discharges of organic matter and other pollution from effluents are material and directly related to operations.

Waste production
All the waste produced is measured in metric tons. Waste taken into account includes hazardous and non-hazardous waste produced by the sites during the reporting period. The method of processing the various categories of waste is also identified so as to calculate a recovery ratio.

The various channels for recovering and reusing waste are:
- reuse: using the waste for the same purpose as the one for which the product was initially intended;
- recovery, which includes:
  - recycling: waste is directly reintroduced into the production cycle from which it came, as a partial or full replacement for a virgin raw material,
  - organic recovery: composting and controlled spreading of organic waste in order to fertilize soil,
  - energy recovery: incinerating the waste and recovering the energy generated by burning waste in the form of electricity or heat.

Energy consumption
Energy consumption is stated in MWh, and represents all the types of energy used by sites (electricity, natural gas, fuel oil, heavy fuel oil, steam, chilled water, butane-propane, and renewable energy) and company vehicles.

Greenhouse gas emissions
For greenhouse gas emissions related to energy consumption (Scopes 1 and 2), indicators are stated in metric tons of CO_2 equivalent and cover production, logistics, and administrative sites, as well as stores, in accordance with the 2022 reporting scope (see page 98 of the 2022 Universal Registration Document). Under its LIFE 360 strategy, the Group aims to halve its greenhouse gas emissions across Scopes 1 and 2 in absolute terms between 2019 (base year) and 2026.

For other greenhouse gas emissions (Scope 3), indicators are stated in metric tons of CO_2 equivalent and, in accordance with the GHG protocol, cover emissions generated by purchases (raw materials, packaging, stores, POS displays, window displays, show and event sets as well as advertising services), transportation (upstream, downstream, business travel and commuting), product usage and end of life, as well as investments. Emissions generated by investments were calculated in 2021 as part of a continuous improvement process.

Principal changes in methodology during 2022:
- Inclusion of Tiffany & Co. in the base year (2019) and the reporting year (2022) and exclusion of Maisons that left the scope of the Group;
- Inclusion of investments in Scope 3;
- Update to some emission factors;
- improved quality of data and reporting. In 2022, the improvements focused on classification of the waste and investments.

Under the LIFE 360 strategy, the Group aims to reduce its Scope 3 greenhouse gas emissions by 55% per unit of value added between 2019 (base year) and 2030.

Upstream and downstream transportation

This indicator is stated in metric tons of CO_2 equivalent.

A distinction is made between upstream and downstream transportation:
- upstream transportation: the number of kilometers traveled by raw materials and components from the direct supplier site to the first delivery site. At the very least, the assessment is performed on the main components and products:
  - Wines & Spirits: bottles, boxes and caps, etc.,
  - Fashion & Leather Goods: leathers, metal parts, packaging and ready-to-wear clothing, etc.,
  - Perfumes & Cosmetics: bottles and boxes, etc.,
  - Watches & Jewelry: pouches, boxes and cases, etc.,
  - Selective Retailing: store bags, envelopes and cases, etc.;
- downstream transportation: the number of kilometers traveled by all finished products from the manufacturing site to the first platform belonging to the wholesale customer or stores (for Selective Retailing businesses and brands that own boutiques).

Packaging given to customers

This indicator is stated in metric tons of materials. It includes the primary and secondary packaging given to customers by all Group Maisons. Packaging used for shipment during transportation is excluded from this indicator.

Training and awareness raising

This indicator is stated in hours. This figure includes classroom, remote and e-learning training and awareness sessions dedicated to environmental issues delivered to employees:
- training and awareness-raising sessions in environmental issues at large: fundamentals, environmental issues (including climate, biodiversity, resources), LVMH's and the Maison's environmental vision and strategy;
- specific training sessions related to employees' jobs: training sessions in responsible materials, responsible purchases, eco-design, HQSE (Health, Quality, Safety, Environment), ISO 14001, water management, waste management, regulations, etc.

Expenditure incurred and investments made to mitigate the impact of activities on the environment

This indicator is stated in thousands of euros. It includes the following expenditure incurred and investments made to mitigate the impact of business activity on the environment:
- protection of ambient air and the climate;
- wastewater management;
- waste management;
- soil protection and remediation;
- prevention of noise and vibrations;
- protection of biodiversity and other environmental protection activities;
- research and development.

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June 2023 — Design and production: **HAVAS PARIS**

Dior teamed up with Parley for the Oceans
to create a collection of clothes
using fabrics recovered
from plastic marine waste.

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