

PVH Feedback to 2019 Appeals Process

Thank you for taking part in the CHRB Appeals Process.

Of the 2 appeals submitted to CHRB, 1 was accepted by the CHRB and research team and 1 was rejected on a technical basis. None were submitted for a third review to the appeals committee panel made up of six members (Margaret Wachenfeld, Peter Webster, Daniel Neale, Lise Smit, Nadia Bernaz, Tara Van Ho¹).

Engagement Status²: Not Formally engaged

A summary of the appeal verdicts is set out below:

Company	Indicator code	Indicator title	CHRB Score (pre-appeal)	Final Score (post-appeal)	Appeal Committee involved? (Yes or No)	Change in score? (Yes or No)
PVH	A.1.3AP	Commitment to respect human rights particularly relevant to the industry	0.5	0.5	N	N
PVH	F.2	Recognised Reporting Initiatives	0	2	N	Y

A summary is included below for the appeals that were rejected by the Appeals Committee:

APPEAL NUMBER: 001	COMPANY: PVH
Indicator: A.1.3AP	Indicator Title: Commitment to respect human rights particularly relevant to the industry
Excerpt from Methodology	
Score 1 The Company has a publicly available statement of policy committing it to respecting women's rights OR to respecting children's rights OR to respecting the rights of migrant workers AND the Company's policy commitment(s) also expects its suppliers make these commitments.	

¹ Margaret Wachenfeld is an independent consultant and the co-chair of CHRB's Methodology Committee but was not involved in the actual research process. Peter Webster is the Project Director for the research (from Vigeo EIRIS and the EIRIS Foundation) and co-chair of the CHRB Methodology Committee. Daniel Neale is the former CHRB Programme Director and a member of the Methodology Committee, he now leads the Social Transformation within the World Benchmarking Alliance (WBA). Lise Smit is an Associate Senior Research Fellow in Business and Human Rights and Director of the Human Rights Due Diligence Forum at the British Institute of International and Comparative Law. Nadia Bernaz is a specialist in international human rights law at Wageningen University, the Netherlands. Dr Tara Van Ho is a lecturer and Co-Director of Postgraduate Taught Programmes in Human Rights, School of Law, University of Essex, UK.

² Companies that did not formally engage with the CHRB during the engagement and feedback phases of the assessment can only appeal formally in relation to manifest errors, not differences of opinion or interpretation, further information available at: <https://www.corporatebenchmark.org/scoring-appeal-process>

Score 2 The Company’s publicly available statement of policy committing it to respecting women’s rights also refers to the relevant part(s) of the Convention on the Elimination of Discrimination Against Women or of the Women’s Empowerment Principles **OR** the Company’s publicly available statement of policy committing it to respecting children’s rights also refers to the relevant part(s) of the Convention on the Rights of the Child or of the Children’s Rights and Business Principles **OR** the Company’s publicly available statement of policy committing it to respecting migrant workers’ rights also refers to the relevant part(s) of the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. The Company also has a publicly available statement of policy committing it to respecting the right to water **AND** the Company’s policy commitment(s) also expects its suppliers to make these commitments.

Scorecard Text:

The individual elements of the assessment are met or not as follows:

Score 1

- Not met: Women's Rights
- Not met: Children's Rights
- Not met: Migrant worker's rights: The company states that "PVH is committed to ensuring that migrant workers are recruited ethically, live decently and are successfully integrated into the factory workforce and local communities. As a condition of doing business with PVH, suppliers, factories and facilities are required to comply with all applicable national and local labor laws and regulations. If the law and guidelines within this policy conflict, suppliers, factories and facilities should comply with the stricter standard. This policy applies equally to both foreign and internal/domestic migrant workers." [CSR Supplier Guidelines: responsibility.pvh.com]
- Not met: Expecting suppliers to respect these rights

Score 2

- Met: CEDAW/Women's Empowerment Principles: The Company explicitly stated its suppliers are expected to respect the UN Women's Empowerment Principles. "More broadly, we focus on equality and women’s advancement in the workplace through our commitment to the U.N.’s Women’s Empowerment Principles and our support for organizations such as the Human Rights Campaign." [A Shared Commitment, 2018: responsibility.pvh.com]
- Not met: Convention on migrant workers
- Met: Respecting the right to water: The Company openly commits to respect the right to water. "Our Commitment: Safeguard and preserve water resources to ensure the continuity and quality of water supply for our business and the community". The company is also committed to the CEO Water Mandate. [CSR Supplier Guidelines: responsibility.pvh.com]
- Met: Expecting suppliers to respect these rights: The Company openly commits to respect the right to water. "Our Commitment: Safeguard and preserve water resources to ensure the continuity and quality of water supply for our business and the community". Suppliers are expected to respect these rights. [CSR Supplier Guidelines: responsibility.pvh.com]

**2019
Scorecard
Score:**

0.5

**Requested
Score:**

1.5

Justification from Company:

On page 120 of our Supplier Guidelines, migrant labory policy section, we state the following. Here we use the words commitment to express our commitment to the

	<p>rights of migrant laborers and that our suppliers are in partnership and collaboration on this.</p> <p>Due to the conditions associated with global movement of people and current recruitment systems, migrant workers can be disproportionately vulnerable to situations amounting to forced labor, harassment, discrimination, unsafe and unhealthy living conditions, and other human rights abuses. PVH recognizes that monitoring the recruitment practices and employment conditions of migrant workers can be challenging and involves a long-term ongoing commitment. Because of the global nature and complexity associated with the employment of migrant workers, issues involving migrant workers and forced labor can only be addressed through partnership and collaboration with our suppliers. PVH values the insight and cooperation in addressing these issues, and is committed to working with suppliers, factories, facilities and other key stakeholders to address the challenges faced by migrant workers to create positive sustainable impact for both workers and supply chains.</p> <p>Then on page 122 we state the following addressing the words human rights and what we expect of our supplier partners :</p> <p>All PVH Vendors, Factories, Facilities, and/or their subcontractors that employ migrant workers are expected to take on the following responsibilities to ensure that they comply with the Code and local laws and to safeguard migrant workers' basic human rights.</p> <p>On page 137 we also reference a right to water :</p> <p>DO make hot and cold water available for showering and washing at all times</p> <p>On page 135 we reference the right to water twice : DO NOT restrain freedom of movement of workers (e.g. restricting movement within the dormitory), or deny access to water, food, or medical care as a means to maintain discipline.</p> <p>DO ensure easy and safe access to clean drinking water in the dormitory.</p> <p>We reference the ILO conventions on page 160</p> <p>https://responsibility.pvh.com/wp-content/uploads/2019/07/pvh-cr-supplier-guidelines.pdf</p>
<p>Valid³:</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	<p>Sources from Company:</p> <ul style="list-style-type: none"> • Supplier Guidelines https://responsibility.pvh.com/wp-content/uploads/2019/07/pvh-cr-supplier-guidelines.pdf • GRI Sustainability Disclosure https://database.globalreporting.org/organizations/2544/

³ For a document to be valid, it must have been:

- Available prior to the re-submission deadline for the secondary review; and
- Referenced against the relevant indicator in feedback prior to the appeals process.

*Exceptions to the above are where a score has been adjusted during the quality controls process and, as a result, the company has been unable to provide feedback on the indicator.

Panel Decision?	Accepted <input type="checkbox"/>	Partially Accepted <input type="checkbox"/>	Rejected <input checked="" type="checkbox"/>
Justification: When considering the company request and the requirements of the indicator, the following determination was made. <u>As PVH did not formally engage with the CHRB during the engagement and feedback phases of the assessment, the company can only appeal formally in relation to manifest errors, not differences of opinion or interpretation. This appeal is therefore rejected on a technical basis.</u> Regarding the content of the appeal, while the statement in the migrant policy is good, the scope of the policy itself appears to only apply to the supply chain of PVH. The indicator A.1.3AP requires the company to make the commitment, and also extend the expectation of this commitment to its suppliers. At the beginning of the document 'CR Supply Chain Guidelines' it states "PVH's Corporate Responsibility Supply Chain Guidelines outline standards and expectations of our business partnerships with suppliers. They provide guidance on how we will support them in achieving our standards and moving beyond compliance. This document will be updated periodically to enable continuous improvement." This statement implies that all subsequent standards outlined in the document (including the migrant worker policy) only apply to the suppliers, and not PVH itself. Therefore this statement, while sufficient to convey expectations for its suppliers, does not satisfy the indicator requirements that the commitment apply to PVH itself.			
Indicator: A.1.3AP	Final Score: 0.5	Date: 21/02/2020	

As a result of the accepted appeals, PVH's overall score has increased by 2%, but the company stays in the same band:

PVH	Theme A	Theme B	Theme C	Theme D	Theme E	Theme F	Total	Change Band?
2019 Score	1.4	1.1	2.1	6.1	12.5	1.5	24.7	No
After Appeal	1.4	1.1	2.1	6.1	12.5	3.4	26.7	
Change	0	0	0	0	0	1.9	2%	

This results in a 'move up' past several companies including Lululemon Athletica.

Once CHRB has replied in detail to all companies, we will publish this feedback form on the CHRB website and, for any company whose score has increased by 2 or more points overall as a result of its appeal(s), we will update the table online as well as the downloadable data sheets.

Regards,



Camille Le Pors

Lead, Corporate Human Rights Benchmark