



LIVING WAGE STRATEGY

PVH's Commitment to Living Wage

PVH believes that every worker has a right to compensation that is sufficient to meet basic needs and provide some discretionary income. We are committed to ensuring that fair labor practices and safe working conditions are upheld throughout our supply chain. This includes workers' rights to fair compensation and the development of publicly disclosed fair compensation strategies.

PVH is committed to strictly complying with all applicable laws, conventions and regulations. Additionally, we follow global guidance provided by the following organizations:

- [United Nations Universal Declaration of Human Rights \(UN UDHR\), Article 23 & 24](https://www.ohchr.org/EN/UDHR/Documents/UDHR_Translations/eng.pdf) (https://www.ohchr.org/EN/UDHR/Documents/UDHR_Translations/eng.pdf)
- [United Nations Global Compact \(UNGC\), Principles 3, 4, 5, and 6](https://www.unglobalcompact.org/what-is-gc/mission/principles) (<https://www.unglobalcompact.org/what-is-gc/mission/principles>)
- [International Labour Organization \(ILO\) Fundamental Conventions](http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm) (<http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>)
- [Fair Labor Association \(FLA\) Fair Compensation Strategy](http://www.fairlabor.org/global-issues/fair-compensation) (<http://www.fairlabor.org/global-issues/fair-compensation>)

Our Approach

Upholding Business Partners to our Code of Conduct

PVH's commitment to living wage is rooted in our code of conduct, [A Shared Commitment \(/responsibility/policy/shared-commitment\)](#), as we hold our business partners to the following standards through an established assessment process:

- **Compensation:** Suppliers are required to take action to ensure compensation for a regular workweek is sufficient to meet the worker's basic needs and provides some discretionary income. Our business partners must pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract.
- **Freedom of Association:** Suppliers are required to recognize and respect the right of their employees to freedom of association and collective bargaining.

Achieving Living Wages Through Collective Bargaining

PVH recognizes that achieving living wage payment is a challenge across the apparel industry and that sustainable improvements can only be attained through multi-stakeholder collaboration.

In 2018, PVH became a member of [ACT \(https://actonlivingwages.com\)](https://actonlivingwages.com) (Action, Collaboration, Transformation) and is working alongside other global brand owners and [IndustriALL \(http://www.industrialunion.org\)](http://www.industrialunion.org) to support industry-wide collective bargaining agreements at a national level to establish living wages. In joining ACT, PVH is supporting the principle that employers and worker representatives should reach agreement on what constitutes a living wage through collective bargaining at the industry level, with assistance from the national government.

"The ACT initiative is an example of how companies have been working together with trade unions, governments, and others to address some of the most severe and systemic labor rights abuses in their supply chains. It illustrates the promise of collective action to leverage change. Importantly, initiatives like ACT are not just about voluntary philanthropic contributions to development, but also

the product of a recognized responsibility of companies to address severe human rights risks in their supply chains. In meeting this responsibility, ACT makes a critical contribution to sustainable development as well.”

– John Ruggie, Former Special Representative of the UN Secretary-General on Business and Human Rights

Supporting Living Wages Through our Business Practices

PVH believes that business practices can impact suppliers' abilities to promote safe working conditions and uphold living wage payments. As an [ACT \(https://actonlivingwages.com\)](https://actonlivingwages.com) member, PVH has committed to:

- Evaluate and improve our own business practices to make it possible for our suppliers to pay workers the agreed upon living wage;
- Work with our suppliers to ensure that negotiated wages are included in all costing calculations;
- Train our global associates on responsible sourcing and buying practices to embed our commitments across the company