# HERMÈS CANADA INC.

# Fighting against forced Labour and Child Labour statement for financial year ending December 2024

#### **Background**

This statement has been prepared on behalf of HERMÈS CANADA INC. (referred to as "Hermès Canada", "our" or "we") pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"). Hermès Canada is incorporated pursuant to the Business Corporations Act (Ontario). This statement applies in respect of our financial year ending December 31, 2024.

#### References in the statement to:

- "forced labour" mean any conduct which is an offence under Short Title, Interpretation, Definitions of that Act including slavery, servitude, any type of forced or compulsory labour and trafficking for the purposes of exploitation.
- "child labour" mean any labour or services provided or offered to be provided by persons under the age of 18 years under Short Title, Interpretation, Definitions off that Act.

#### The issue of forced labour and child labour

According to the International Labour Organisation (the "ILO"), more than 27 million people worldwide are subjected to forced labour. According to the ILO, in the world, 160 million children are in child labour accounting for almost 1 in 10 of all children worldwide.

#### Structure, business and supply chains

Hermès Canada is a provider of luxury goods and accessories in the retail sector. We are part of the Hermès group ("Hermès" or the "Hermès Group"), which has its head office in Paris, France. The Group has 25,185 employees worldwide and operates in 45 countries, including 144 employees across Canada.

The Hermès Group's operations are structured to ensure strong protection against violations of human rights. Approximately 55% of the Group's products are made in exclusive and in house workshops, and most of the products are manufactured in Europe (for example, in 2024 74% of products have been manufactured in France). Hermès Canada sources its products from the Group's companies mainly located in France. Further information about the Group's structure, operations and its commitment to protecting human rights across its operations and within its supply chains can be found in the Group Universal registration document, Chapter 2.

Since 2023, Hermès publishes an autonomous vigilance plan (the "Vigilance Plan") targeting its external (institutions, associations, suppliers, and service providers) and internal (employees and employee representatives) stakeholders. As a member of the Group, the Vigilance Plan is applicable to Hermès Canada.

Within the Vigilance Plan, the Group presents the risk mapping drawn up to identify, analyse and prioritise the risks of serious harm to human rights resulting from its activities. The Vigilance Plan is corresponding to 2024 is available on the "Our partners and suppliers" section of the Group's corporate website.

#### Relevant policies and documents

The Group's policies reject the use of forced labour and child labour. These engagements are part of the Group's larger commitment to encouraging ethical, social and environmental responsibility, which includes the following documents: The Ethical Charter, the Code of Business Conduct and the Supplier Code of Conduct. The Group's Supplier Code of Conduct provides that, amongst other things, suppliers and service providers should not tolerate any form of forced labour and forbid child labour in the value chain as defined by the ILO, in particular Conventions n° 138 and n° 182.

## Due diligence

We have assessed the risks related to our business and our supply chains. In 2024, we took the following steps to assess, prevent and manage any risk related to the use of forced labour and child labour in our supply chain:

- We undertook due diligence of our suppliers, which includes a risk assessment of each supplier by activity and by localisation.
- We imposed contractual obligations on suppliers under which suppliers must:
  - undertake to comply with our Supplier Code of Conduct;
  - warrant that their business and, to the best of their knowledge, their own supply chain do not use forced labour and/or child labour;
  - agree to provide us on request with responses to a self-assessment questionnaire regarding use of forced labour and steps they have taken to ensure it is not used by them or their supply chain;
  - agree to permit us and third parties acting for us to inspect their facilities, records and practices, to have access to their personnel and to audit their business for the purposes of ensuring that they comply with these obligations and that there is no use of forced labour and/or child labour; and
  - impose equivalent obligations on their own suppliers.

Hermès has set up a very strict supplier audit policy. To ensure compliance with its ethical, social, and environmental requirements throughout the supply chain, in 2024 the Group conducted:

- More than 100 audits of tier 1 suppliers; and
- More than 100 audits of tier 2 suppliers (collectively, the "Audits").

These in-depth Audits lasted at least two days each and were carried out by an independent third party, in the presence of a Hermès representative, with strict monitoring of subsequent improvement action plans covering 100% of potential findings.

The Hermès Group also performs non announced audits under SA8000 standards.

## Areas of risk and remediation

We continue to strengthen our policies and procedures to reduce risks associated with forced labour and child labour. We have identified limited risks of child labour in our supply chains to the best of our knowledge and will continue to strive to identify emerging risks. We have taken actions to prevent forced labour or child labour and associated harms from occurring.

We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

#### **Training**

Since 2023, we provided mandatory training addressing forced labour and child labour for employees responsible for purchasing activities.

# Assessing effectiveness

We acknowledge that child labour constitutes a potential but limited risk within our supply chains (given that our production is mainly located in Europe). The Group and Hermès Canada undertake various steps to address this risk, including periodically reviewing our policies and business practices to ensure that they reflect our commitment to implementing effective measures to reduce the risk of modern slavery in our business and supply chains.

## Attestation

This statement was approved by the board of directors of HERMÈS CANADA INC. pursuant to section 11(4)(a) of the Act.

Signed on May 27, 2025.

<u>"FLORIAN CRAEN"</u> FLORIAN CRAEN, DIRECTOR HERMÈS CANADA INC.