

## ***HERMÈS CANADA INC. - Forced Labour and Child Labour statement for financial year ending December 2023***

### ***Background***

This statement has been prepared on behalf of HERMÈS CANADA INC. (referred to as “we”), for the purposes of the BILL S-211, Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff.

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 of that Act.

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

According to the International Labour Organisation (ILO), more than 20 million people worldwide are subjected to forced labour. According to ILO, in the world, 160 million children are in child labour accounting for almost 1 in 10 of all children worldwide.

We do not tolerate forced labour and child labour either within our business itself or within our supply chain. We expect our supply chain (whether direct suppliers or those that directly or indirectly supply our direct suppliers) to share the same values.

### ***Structure, business and supply chains***

HERMÈS CANADA INC. is a provider of luxury goods and accessories in the retail sector. We are part of the Hermes group (“**the Group**”), which has its head office in France. The Group has over 22 000 employees worldwide and operates in 45 countries. The Group’s operations are structured to ensure strong protections against violations of human rights. Approximately 55% of the Group’s products are made “in house” or internally, and almost all products are manufactured in Europe (for example, in 2023 74% of products have been manufactured in France). HERMÈS CANADA INC., 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 2023 Registration Document](#) in particular on the chapters 2.8 on Ethics and compliance and 2.6 on Communities: suppliers & partners.

In 2023, Hermès reached a new milestone with the publication of its autonomous [vigilance plan](#) targeting its external (institutions, associations, suppliers, and service providers) and internal (employees and employee representatives) stakeholders. Within this 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. In 2024, this vigilance plan has been updated and it is available on <https://finance.hermes.com/en/ethics-human-rights-and-diversities/>

### ***Relevant policies and documents***

The group 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 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 International Labour Organization (ILO), in particular Conventions n° 138 and n° 182.

### ***Due diligence in respect of forced labour and child labour***

We have assessed the risks related to our business and our supply chains. We have taken 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 perform a due diligence which includes a risk assessment of suppliers by activity and by localisation.
- We impose contractual obligations on suppliers under which they:
  - 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;
  - impose equivalent obligations on their own suppliers.

Hermès has set up a very strict supplier audits policy to ensure commitment's implementation within the supply chain : 88% of the Hermès Group's 50 largest suppliers have been audited. These in-depth audits last at least two days each and are carried out by an independent third party, in the presence of a Hermès representative, with a strict monitoring of improvement action plans covering 100% of potential findings.

Also, we have specific training for employees in charge of purchasing activities which addresses the issues of forced labour and child labour.

Approved by the Board of Directors of HERMÈS CANADA INC.,

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