



Giesecke+Devrient

2024 Forced Labour and Child Labour Report

Giesecke+Devrient ePayments
Canada, Inc.



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1. Introduction

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("Act") requires companies to disclose their approaches to addressing the risks of forced labour and child labour within their supply chains.

This 2024 Forced Labour and Child Labour Report is presented by Giesecke+Devrient ePayments Canada, Inc. in accordance with Section 11(2)(b) of the Act. The report covers the activities undertaken during the fiscal year starting on January 1, 2024, and ending on December 31, 2024, reflecting our commitment to ethical business practices and responsible supply chain management.

2. Our Structure, Operations and Supply Chain

Giesecke+Devrient ePayments Canada, Inc. ("G+D Canada") is an Ontario business corporation formed under the Canada Business Corporations Act, with its head office located at 316 Markland Street, Markham, Ontario, L6C 0C1, and an extraprovincial registration in Quebec. G+D Canada is 100% owned by Giesecke+Devrient ePayments GmbH and is part of the global Giesecke+Devrient ("G+D") group, headquartered in Munich.

Operating as an importer of raw materials, finished, and semi-finished products, and as a manufacturer of finished products, G+D Canada is a leader in the payment and banking space. It provides both secure physical products (including the production and personalization of payment cards, public transportation cards, and identity cards) and trusted software solutions that secure payment transactions and protect identities.



In alignment with G+D's worldwide policies, standards, and practices, G+D Canada draws on the Group's global supply chain and extensive technology expertise, having adopted and implemented G+D's global policies and procedures.

Founded in 1852, G+D is a global security technology group headquartered in Munich. In the fiscal year 2024, the company generated a turnover of approximately 3.132 billion euros with around 14,435 employees. G+D is represented by over 120 subsidiaries and joint ventures across 40 countries. It develops, produces, and distributes products and solutions for secure payment, connectivity, identities, and digital infrastructures. As a technology leader in these markets, G+D serves central and commercial banks, mobile network operators, business enterprises, governments, and public authorities. G+D's product and service supply chains are extensive and global, comprising raw materials as well as semi-finished and finished products.

3. Policies and Procedures

G+D Group global policies in the area of human rights, forced labour and child labour in supply chain have been implemented by G+D Canada and include robust human rights policy commitments relevant to upstream value chain workers, guided by international frameworks such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. At the national level, our commitments are aligned with the UK Modern Slavery Act and the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). These commitments focus on:

- Policy statement on the Human Rights Strategy of the G+D Group: Our comprehensive Human Rights Management System provides for regular risk assessment, supplier due diligence, preventative and remedial measures, and a robust whistleblower mechanism. G+D expects all employees and suppliers to comply with its Code of Conduct and Supplier Code of Conduct, and takes proactive steps to address and mitigate risks related to occupational safety, working conditions, human rights, and responsible sourcing, including conflict minerals.

These efforts are continuously monitored and reviewed to ensure ongoing compliance and the protection of people and the environment across all operations.

- Engagement with value chain workers: While we have not adopted a general procedure for cooperating with value chain workers, our G+D Supplier Code of Conduct mandates our suppliers to respect human rights vis-à-vis their workforce and to prevent or mitigate potential impacts on their human rights. This Code forms a crucial part of our engagement strategy through indirect oversight. In addition, our complaints procedure and whistleblower system is available to all workers in our value chain.

Remedy for human rights impacts: We are committed to providing and enabling remedies for any human rights impacts directly or indirectly related to our operations. We conduct periodic risk assessments of our direct suppliers, based on which we implement preventive or remedial measures that help mitigate potential risks.

Our policies relating to workers in the value chain explicitly cover the issues of human trafficking, forced labour, and child labour. G+D's company-wide [Code of Conduct](#)¹ in particular confirms that we:

- respect the personal dignity, privacy and human rights of every individual, and
- reject child or forced labour and will not tolerate any working conditions or ways or treating employees that violate international agreements such as the Universal Declaration of Human Rights or International Labour Organization (ILO) standards.

G+D also expects its suppliers to comply with these values. Our expectations are set out in the [G+D Supplier Code of Conduct](#)². Under this, suppliers agree to adhere to national and international Standards regarding human rights and the environment, as well as other compliance requirements. They agree in particular:

- not to employ persons in forced or compulsory labour or any form of modern slavery or human trafficking. All work and Service must be without threat of punishment and

¹ https://www.gi-de.com/corporate/Group/Sustainability/Code_of_Conduct/13170_GD_Code-of-Conduct-en-barr.pdf

² <https://www.gi-de.com/en/group/sustainability/supplier-code-of-conduct>

be voluntary. Workers must be able to leave work or employment at any time. Furthermore, there must be no unacceptable treatment of workers, such as any forms of domination or oppression in the workplace, psychological hardship, sexual and personal harassment and economic or sexual exploitation and humiliation.

- to comply with the prohibition of the use of child labour.

G+D expects its direct suppliers also to take appropriate measures with regard to their subcontractors so that they also comply with the principles set out in the G+D Supplier Code of Conduct.

In addition, we have other formal policies intended to promote ethical and legally compliant business conduct. Policies contributing to our commitment to prevent violations of human rights such as modern forms of slavery in our business include:

- Corporate Instruction: Purchasing
- Corporate Guideline on Human Rights Organization and Management

4. Supply Chain Due Diligence

In accordance with our human rights management system (HRMS), the G+D Group conducts regular risk assessments on our own business as well as on our direct suppliers. If we identify risks that could have a material negative impact on value chain workers, we implement preventive measures to mitigate such risks. The risk analysis for direct suppliers is carried out by the Purchasing department. The responsible human rights officers monitor implementation of the risk analysis and provide advice. Due to the large number of G+D's direct suppliers, it is necessary to make a selection based on an appropriate risk-based approach. This approach is regularly reviewed with the aim of striving for a continuous increase in transparency into the supply chains. For the selected direct suppliers, the risk analysis is carried out with the support of the ESG risk management software IntegrityNext to ensure comprehensive and in-depth analysis. This software is used to determine the abstract country- and industry-related risks, based on various recognized indices. The results of the

abstract risk analysis are then evaluated and risks are weighted and prioritized. Building on the results of the abstract risk analysis, certain direct suppliers are selected for a concrete risk analysis. For this process, direct suppliers are requested to complete topic-specific questionnaires in a software-based self-assessment process. In addition, experience from the business relationship with the supplier to date, relevant negative media reports regarding potential human rights and environmental risks through our ongoing critical news monitoring, as well as all relevant information from past audits and our complaints procedure, are taken into account. Evaluation of the results, weighting and prioritization of the identified risks, and documentation are carried out by the Purchasing department. The results of the risk analysis are taken into account when starting to work with new suppliers and during an ongoing relationship. They also serve as a basis for adapting internal regulations, processes, and training at G+D if necessary. The results feed into subsequent risk analyses. In addition, ad hoc risk analyses are carried out if G+D anticipates a significantly different or significantly elevated risk situation in the supply chain (e.g. in the event of changes or restructuring of G+D's business activities).

5. Specific Risk Areas and Risk Mitigation Strategies

We regularly carry out sustainability audits among our suppliers. Auditing is conducted in accordance with internationally recognized Standards (such as the SMETA 4-pillar Standard). Through regular supplier audits, we increase transparency into our entire supply chain and ensure that we can evaluate and select our suppliers according to sustainability criteria.

After evaluating the results from our risk analyses, any necessary preventive and remedial measures are determined by the relevant department, taking into account the severity and probability of occurrence as well as the ability to influence and contribute

to the cause. The responsible human rights officers provide advice where needed. If necessary, further steps are coordinated by the Human Rights Committee on the relevant division level. Appropriate preventive measures for direct and, where applicable, indirect suppliers include in particular:

- Consideration of human rights and environmental expectations when selecting a direct supplier
- Acceptance of the G+D Supplier Code of Conduct
- Implementation of training courses
- Agreement and implementation of control measures.

If it becomes apparent that a breach of a human rights commitment or of an environmental obligation is imminent or has already occurred at a direct supplier, G+D will immediately take appropriate remedial measures to work towards preventing or ending the breach or minimizing the extent of the breach. The content of the measures to be taken depends on the individual case, such as the type and severity of the impending or actual breach and, in the case of suppliers, the ability to exert influence, legal limitations, and any contribution to causation by G+D. With regard to direct suppliers, appropriate remedial measures may include the following:

- Communication with the supplier is always initiated first in order to develop a joint solution
- If this does not remedy the situation, a corresponding improvement plan is drawn up, containing a specific timetable, measures, and responsibilities
- Other measures include the performance of audits, the temporary suspension of the supplier relationship, and termination of the business relationship as a last resort.

G+D has established a whistleblower and complaints procedure available to all G+D employees and to external individuals (e.g. employees of suppliers). Complaints can be submitted in writing or verbally via the electronic G+D whistleblowing tool or by mail, email, or in person at the Corporate Compliance Office of G+D GmbH

(anonymously if desired). Additionally, G+D employees can also contact their line managers or (local) compliance officers at any time. These options allow violations of human rights, environmental, health, and occupational safety regulations to be reported, along with other serious breaches.

In addition, our Supplier Code of Conduct obliges suppliers to provide their employees with an effective complaints procedure for raising workplace concerns as well as to protect them against retaliation.

With the aid of our Supplier Management Portal, we started to roll out the new code globally in 2023 on a risk-based approach for relevant suppliers across G+D's business sectors. The purchase of Chip cards, in particular, calls for careful investigation of conflict materials and how cobalt is procured. Accordingly, we record the materials used in chip card production and ensure that the metals used do not come from conflict zones and are DRC conflict free. In addition, smelting works that are directly or indirectly part of our supply chain must meet the requirements of the Responsible Minerals Assurance Process or a similar audit program.

6. Training and Awareness

Our employees take part in extensive e-learning programs on related topics, including our Code of Conduct. G+D's Code of Conduct specifically confirms that we:

- reject child or forced labour and will not tolerate any working conditions or ways of treating employees that violate international agreements such the Universal Declaration of Human Rights or International Labour Organization (ILO) Standards.
- do not tolerate child or forced labour, or any form of modern slavery or trafficked labour. This applies to our own companies, to our contractual partners, and to our supply chains.

Regular employee training, particularly in the areas of human rights, purchasing and sustainability, ensures a high level of quality in the implementation of G+D's human rights strategy. Due to their relevant position in relation to G+D suppliers, employees

from the Purchasing department are also trained on human rights and sensitized to the relevance of the topic in addition to processes, purchasing practices and procurement strategies. Adherence to processes is checked annually and on an ad hoc basis using a risk-based spot check approach and is covered in internal audits.

7. Effectiveness Assessment

The effectiveness of the controls described above is reviewed annually and on an ad hoc basis using a risk-based spot check approach and adjusted if necessary. Among other things, the results of previous risk analyses and audits carried out as well as findings from G+D's whistleblower and complaints procedure and critical news monitoring are taken into account in assessing the effectiveness of the controls.

8. Remediation

During the 2024 fiscal year, G+D has not identified any reportable incidents of forced labour or child labour in its activities or supply chain that would require it to take any measures to remediate or eliminate the use of forced labour or child labour, or to address any resulting loss of income to vulnerable families.

9. Approval and Attestation

In accordance with section 11(4)(a) of the Act, this report was approved by the Board of Directors of Giesecke+Devrient ePayments Canada, Inc.



Willis Morettin
President and Managing Director, *Giesecke+Devrient ePayments Canada, Inc.*
I have authority to bind Giesecke+Devrient ePayments Canada, Inc.
July 1, 2025