

Christian Dior Couture Canada Inc. - Report
Fighting Against Forced Labour and Child Labour in Supply Chains Act

Introduction

This Report is made by Christian Dior Couture Canada Inc. ("**CD Canada**"), the Dior fashion business, in response to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**"). For the Dior beauty company, please see the separate report by Parfums Christian Dior Canada Inc., which is a separate company from CD Canada.

This Report sets out a description of the measures CD Canada has taken during the previous fiscal year 2023 to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods imported into Canada by CD Canada.

Structure, Activities, and Supply Chains

Structure. CD Canada is a subsidiary of the Christian Dior fashion group, headquartered in Paris, France ("**CD group**") and a reporting entity for the purposes of the Act. The corporate office of CD Canada is in Toronto, Ontario. The CD group has subsidiaries in several countries around the world and is one of the brands of the Louis Vuitton Moët Hennessy group ("**LVMH group**"). The codes, policies and practices that apply to CD Canada emanate from the CD group and the LVMH group (as further described below).

Activities. CD Canada does not produce any of the products it sells. The manufacturing of Christian Dior products is entirely managed by the CD group and CD Canada is the importer of record of such merchandise into Canada for sale in Canada. CD Canada sells the merchandise to consumers in its boutiques or online from its website or through a Dior boutique in a department store in Canada. The merchandise is a line of ready-to-wear, leather goods, shoes and accessories, fine jewelry and timepieces, as well as home products.

Supply Chains. CD Canada engages domestic suppliers in Canada. The CD group and/or the LVMH group retains suppliers outside of Canada on behalf of CD Canada. Due diligence of these non-Canadian suppliers is done at the level of these groups, and the agreements with these suppliers are negotiated on behalf of CD Canada and other entities by either the CD group or the LVMH group. This enables CD Canada to benefit from well-established supply chains of these two groups.

Policies and Due Diligence Processes in Relation to Forced or Child Labour

Policies on Human Rights. CD Canada's aim is to eliminate any risk of forced labour or child labour in its business operations and in its supply chains. As part of the LVMH group, CD Canada supports the continual improvement of social, societal, and health conditions, which are key factors in development and in the protection of persons.

The LVMH group promotes the fundamental principles, rights and freedoms adopted by the international community, and in particular the Universal Declaration of Human Rights, the International Covenants on Civil and Political Rights and on Economic Social, and Culture Rights, the United Nations Guiding Principles on Business and Human Rights, the fundamental conventions of the International Labour Organization, the OECD Guidelines for Multinational Enterprises, especially Chapter IV., the United Nations Global Compact and the related Sustainable Development Goals, the United Nations Declaration on the Rights of Indigenous Peoples, and the United Nations Women's *Empowerment* Principles.

These standards are central to our responsible business policies and are the foundation for many of CD Canada's labor-related policies.

Code of Conduct for Employees. CD Canada requires its employees to comply with the LVMH Code of Conduct for employees ("**Employee Code**"). In performing their duties, all employees must comply with and promote human rights every day.

The LVMH group is implementing a new Employee Code to replace the prior Employee Code. CD Canada employees will be required to take a mandatory training about the new Employee Code. The Employee Code reflects our commitments to ethics and integrity, social and environmental responsibility and sets out the rules that each employee must follow in their day-to-day activity. The Employee Code informs employees that a key link in our value chain is to share our values with our suppliers, and employees must ensure that suppliers agree to comply with the requirements in the LVMH Supplier Code of Conduct ("**Supplier Code**"). If the supplier does not comply with the Supplier Code, CD Canada may demand that the non-compliance be corrected, suspend purchasing, refuse to accept deliveries or return any goods until remedial measures are being taken, and may terminate the business relationship with any such supplier.

Employees acknowledge compliance documents (Employee Code, Dior Anti-Corruption Code of Conduct, LVMH Alert Line Procedure, and Conflict of Interest Declaration) on an annual basis via an online compliance campaign. New employees acknowledge these documents upon joining CD Canada as part of the onboarding program.

Supplier Code of Conduct. Prior to engaging any new supplier, CD Canada requires its suppliers to sign and comply with the Supplier Code and to agree not to use forced labour and/or child labour. The Supplier Code is well known by our suppliers who understand that they need to comply with it. The Supplier Code also covers topics such as respect of human rights, business ethics, environmental responsibility, data protection, diversity and inclusion, and compliance with laws and regulations. It is presented to suppliers during the selection process along with an anti-corruption assessment, requiring suppliers to accept it to proceed with the selection process.

The LVMH group continues to attach great importance to ensuring that each of the entities in the LVMH Group, including CD Canada, and their suppliers share a set of common rules, practices and principles with respect to ethics, social responsibility and protection of the environment. Supplier relations are anchored in responsibility, fairness and integrity. Suppliers must respect the ethical principles presented in the Supplier Code and ensure that their own suppliers do the same. The Supplier Code has been updated overtime since it was first established in 2008.

Specifically with respect to labor standards:

"The LVMH Group does not tolerate any form of abusive or illegal labor in its supply chain such as forced labor or human trafficking. All forms of forced labor, slavery, servitude or trafficking in human beings by Suppliers, as well as withholding identity papers or work permits or requiring workers to deposit a bond or the use of any other constraint, is strictly prohibited. All workers are entitled to accept or leave their employment freely. Suppliers must respect workers freedom of movement. Suppliers cannot require workers to work to repay a debt to them or to a third party."

The Supplier Code puts suppliers on notice that CD Canada reserves the right to audit its suppliers to ensure ongoing compliance with this Code.

As noted above in the Employee Code, the Supplier Code likewise puts suppliers on notice of the demands CD Canada may have of suppliers who do not comply with the Supplier Code.

The Supplier Code is available on the dior.com Canada website: the footer “Ethics & Compliance” is the link to the LVMH site with access to the Code: <https://www.lvmh.com/news-documents/lvmh-supplier-code-of-conduct/>.

Alert Line. The LVMH alert line: this online system enables employees and third parties to report in good faith violations (or risks of violation) of various types of ethical and other concerns, including those pertaining to forced labour and/or child labour. Individuals can choose to remain anonymous when submitting a report. The LVMH Alert Line can be accessed through LVMH.com or at <https://www.lvmh.com/lvmh-alert-line/> or on dior.com via the footer “Ethics & Compliance.”

Forced Labour or Child Labour Risks and the Steps Taken to Assess and Manage the Risks

Forced labour and child labour risks in our Canadian business operations

CD Canada has strict hiring practices and does not employ individuals under the age of 18 years old. The Human Resources team has enacted processes to ensure that each new employee is legally authorized to work in Canada. We consider there is a low risk of forced labour or child labour in our operations.

Forced labour and child labour risks in our Canadian supply chains

Because of the strict prohibition in the Supplier Code against “*all forms of forced labor, slavery, servitude or trafficking in human beings by Suppliers, as well as withholding identity papers or work permits or requiring workers to deposit a bond or the use of any other constraint,*” we believe that our suppliers comply with the strict prohibition against all forms of forced labour or child labour. We have not identified any risks of forced labour or child labour.

CD Canada shall use best efforts to ensure that the CD supplier contracts contain clauses requiring the suppliers of CD Canada to comply with the Supplier Code with similar strict prohibitions. The CD group also runs periodic checks to identify if any of the suppliers of the CD group, including CD Canada, are on an international sanctions list.

Measures Taken to Remediate any Forced Labour or Child Labour

As of the date of this Report, we have not identified any forced labour or child labour in our activities and supply chains, and we believe that our activities and supply chain carry a low risk of risk of forced labour or child labour being used. As noted above, if a situation of non-compliance comes to our attention, CD Canada will immediately work with our non-compliant supplier to identify the specific issue and propose a plan of remediation. If the supplier does not correct the non-compliance, we may take further measures, as indicated above, up to and including termination of the business relationship.

Measures Taken to Remediate the Loss of Income to the Most Vulnerable Families That Results From any Measures Taken to Eliminate the Use of Forced or Child Labour in Activities and Supply Chain

CD Canada has not identified the use of forced or child labour in its activities and supply chains and has therefore not had to take any measures to remediate the loss of income to vulnerable families to remediate the use of forced labour or child labour in its activities and supply chains.

Training Provided to Employees

CD Canada requires its employees to acknowledge various compliance documents to ensure compliance with legal and human rights laws across CD Canada. Concerned employees will also have to take an anti-corruption training. CD Canada intends to implement training on forced and child labour law compliance.

Assessing Effectiveness

To assess the efficacy of the steps we are taking to identify and address the risks of modern slavery in our operations and supply chains, CD Canada regularly reviews its codes and guidelines both for employees and suppliers. CD Canada reviews any novel issues that may arise to determine how best to address and if necessary, incorporate into its compliance measures. CD Canada continues to remain committed to the elimination of any risk of forced labour or child labour in its business operations and in its supply chains. We will continue to share these values with our suppliers and to advancing this process.

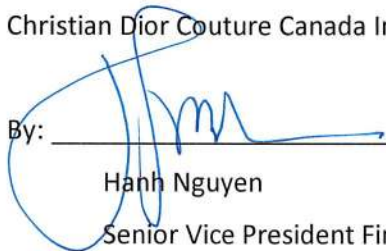
Approval and attestation

The governing body of CD Canada has approved this Report and has delegated authority to Hanh Nguyen, Senior Vice President Finance and Operations and Treasurer to sign this Report on its behalf.

In accordance with the requirements of the Act, and in particular Section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signature:

Christian Dior Couture Canada Inc.

By:  _____
Hanh Nguyen
Senior Vice President Finance and Operations and Treasurer

May 2024