

HARRY ROSEN

Report on Forced Labour

Fiscal 2023

Harry Rosen Inc. is a 70-year-old Canadian company based in Toronto that sells and distributes goods in Canada

- **Legal Name:** Harry Rosen Inc.
- **Reporting for Year** - Fiscal 2023 (January 29th, 2023 – February 3rd, 2024)
- **Other Jurisdictions:** We are a fully Canadian company; our work sites are within Canada, and we have no reporting obligations in other jurisdictions
- **Entity Status:** Harry Rosen is a corporation with sales >\$40M annually, >\$20M in Assets, and >250 Associates. The organization both imports and purchases product domestically for re-sale and distribution across Canada.
- **Industry:** Retail
- **Head Office:** Toronto, Ontario

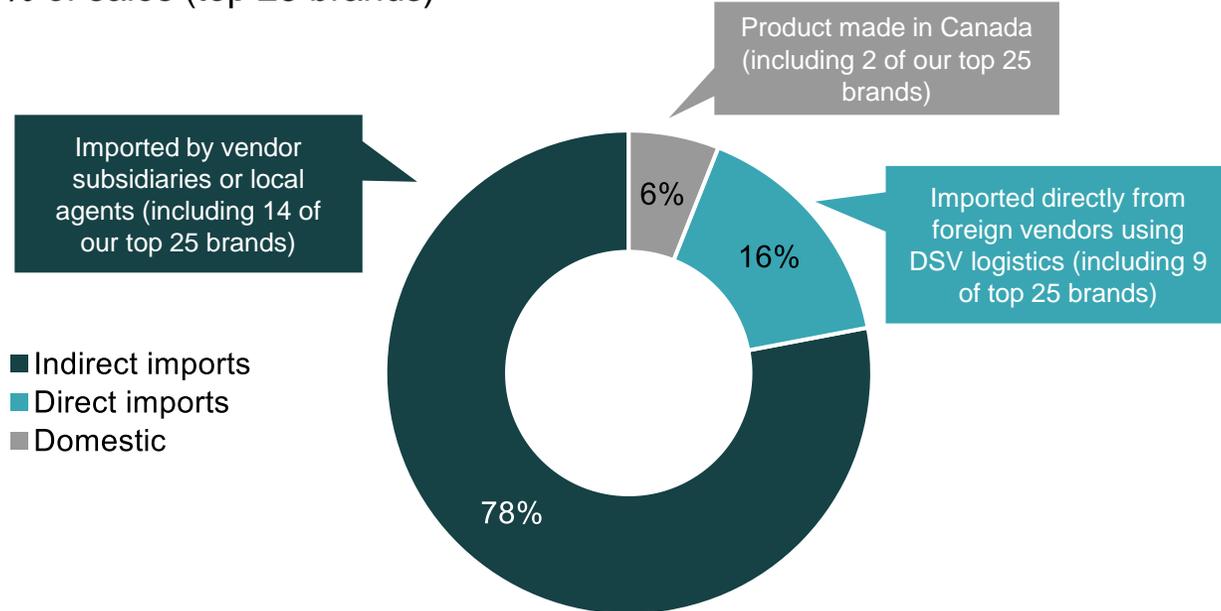
At Harry Rosen, we focus on quality rather than price, sourcing primarily from developed countries and partners with strong commitments to skilled labour

- We sell high-end, luxury product at a price point that reflects the quality of the merchandise.
- We don't typically select suppliers that prioritize opportunities to reduce production costs at the expense of quality, by operating in lower cost/higher risk regions of the world.
- Instead, most of our suppliers and manufacturers operate from either North America or Europe (primarily out of Italy) – regions of the world that are governed by well enforced labour policies such as minimum wage and minimum age for employment.
- In fact, many of our most important suppliers (for example, Brunello Cucinelli and others) exceed prescribed standards to the point where they have made a commitment to providing a 'living wage' to the members of their production and manufacturing teams.
- As a result, most of our product comes from low-risk regions of the world where the likelihood that suppliers are relying on either child or forced labour in their production process is low

The vast majority of both our direct and indirect imports come from developed markets in Europe, most notably Italy

Breakdown of sales by import source

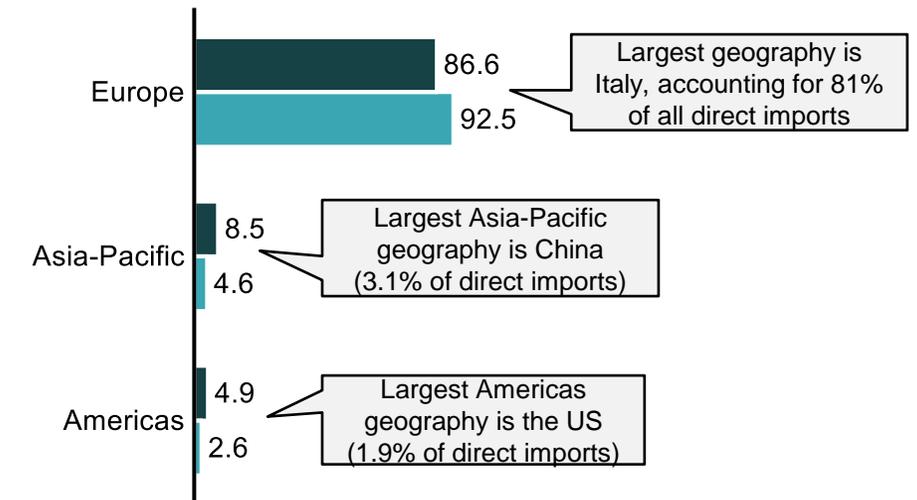
% of sales (top 25 brands)¹



Regional Breakdown

% of imports²

■ Indirect imports (sales) ■ Direct imports (value for duty)



¹ Top 25 brands account for 74% of Harry Rosen mainline sales

² Direct import geography based on Country-of-Origin provided by DSV, Indirect imports geography based on location of Vendor

For many years, we have had an informal policy of not hiring anyone at Harry Rosen under the age of 16

Internal policy

- Our historical focus has been committed to ensuring there is no forced or child labour internally, which is why we've had this informal policy (despite not being required to by law)
- In 2024, we plan on formalizing a policy prohibiting hiring anyone under 16

External supplier policies

- Historically, instead of formal policies, we have focused on choosing suppliers who focus on maintaining high quality standards in both their product and work environments, including vendors like Brunello Cucinelli ([A fair working life | Brunello Cucinelli](#)) and Zegna ([Zegna Responsibility](#))
- In 2024, we plan on taking this a step further by integrating a formal policy prohibiting forced labour among our suppliers into our vendor contract. This will ensure they are committed to the highest labour standards and preventing forced labour in their supply chains

H Risk Concentration

Among our tier one suppliers, we have identified where the greatest risk exists and taken additional steps to assess and manage that risk

Risk level	Description	Prevalence
Very low	Suppliers that produce and source materials from the developed world (e.g., Italy) with a focus on skilled labour / quality materials and clear policies against forced labour	High – key examples include Zegna , Canada Goose , Brunello Cucinelli
Low	Suppliers with operations in both the developed and developing world (e.g., Western and Eastern Europe), but have clear policies to eradicate forced labour in their supply chain	Medium – examples include Armani Group , Hugo Boss
Moderate	Suppliers that operate primarily in the developing world (e.g., China)	Low – most notable example is our private label manufacturer, based in China

For our private label manufacturer based in China, we have taken additional steps to assess and reduce the risk of forced labour:

1. **Factory visits:** a team member of ours went to visit our manufacturing partner in China to observe their production practices. The labour conditions observed were strong, with no red flags being raised
2. **Social certifications:** Our manufacturing partner in China is a member of [SA8000](#), the world's leading social certification program, based on internationally recognized standards of decent work, including the Universal Declaration of Human Rights and ILO conventions, with specific elements prohibiting Child and Forced Labour.
3. **Fabric suppliers:** we have worked with our partner to select fabrics from quality mills, primarily based in Italy. Any China-based fabric mills that work with our manufacturing partner primarily source the wool and cotton for our garments from Australia. However, any mills that source fabrics/cotton in China have qualified for the [SA8000](#) social certification

H Remediation, Training, and Assessment of Effectiveness

We have plans in place to increase our focus on training our employees and monitoring the effectiveness of our policies and procedures

Area	Current state	Plan moving forward
Training	We do not currently provide training to employees on forced and/or child labour	<ul style="list-style-type: none">• Our goal this year is to develop training for our Buying team highlighting the prevalence of child and forced labour, along with any potential red flags for them to watch when working with new and existing suppliers
Remediation	We have not identified any forced or child labour in our activities and supply chains. Thus, we have not taken any remediation measures	<ul style="list-style-type: none">• Our focus at Harry Rosen will remain on preventative measures that reduce the risk of forced and child labour in our supply chain• However, if such activities were to be identified among any of our supply partners, we are prepared to take remediation actions• This includes, but is not limited to, requiring specific actions from suppliers to prevent forced or child labour from reoccurring and/or severing ties with suppliers that demonstrate an inability to remove child or forced labour from their supply chain
Assessment of effectiveness	Despite no observations internally or externally of child or forced labour, we have not comprehensively assessed the effectiveness of our policies and procedures	<ul style="list-style-type: none">• Now that our historical position against hiring anyone under 16 has been formalized, we will better be able to internally audit team members to ensure they are not breaching this policy• By integrating a forced labour prohibition clause into our vendor contract, we will now be better able to work with suppliers to measure the effectiveness of their actions of preventing child and forced labour in their supply chains