
CHANEL AUSTRALIA

2025 MODERN SLAVERY STATEMENT

1. CONTEXT

INTRODUCTION

For over a century, Chanel has prioritised respecting and investing in the people behind our Brand. We believe everyone, within and beyond Chanel, should be treated with dignity and respect and should have the opportunity to thrive. This philosophy is an integral part of Chanel's sustainability ambition.

Chanel is committed to respecting internationally recognised human rights and takes action to advance positive social outcomes and opportunities for workers and communities throughout our value chain.

In our Australian annual Modern Slavery Statement, we set out our approach to prevent and mitigate occurrences of modern slavery, human trafficking, forced labour and child labour across our business and value chain, outlining the actions and progress made by Chanel (Australia) Pty Ltd in accordance with our obligations under the Modern Slavery Act 2018 (Cth) in the financial year ended 31 December 2025.

Within this statement, 'Chanel' refers broadly to Chanel Limited and its subsidiaries that operate under the CHANEL Brand. 'Chanel Australia' refers specifically to the Australian wholly owned subsidiary of Chanel Limited described in the section below titled "CHANEL AUSTRALIA STRUCTURE, OPERATIONS AND SUPPLY CHAINS".

Details of Chanel's global governance and examples of actions are included for broader context where deemed useful to enhance the reader's understanding of Chanel Australia's approach and progress.

CHANEL'S GLOBAL BUSINESS AND VALUE CHAIN

Chanel Limited is a private company, headquartered in the United Kingdom (**UK**). Chanel's core values are grounded in exceptional creation, commitment to excellence and striving to make a positive and lasting impact in the world. Chanel is a leader in creating, developing, manufacturing and distributing luxury creations of the finest quality and highest level of craftsmanship.

Globally, Chanel operates three main business activities: Fashion, Fragrance & Beauty and Watches & Fine Jewellery. Our products are sold worldwide in over 650 owned boutiques, select wholesale channels of distribution, under concession in department stores, and online.

Chanel is dedicated to supporting its value chain. In Fashion, this includes the preservation of craftsmanship and savoir-faire, supporting manufacturers to preserve skills such as embroidery, lacework and shoemaking. In Fragrance & Beauty, CHANEL is one of the few brands in the world that integrates every stage of perfume creation, from design to manufacturing. In Watches & Fine Jewellery, pieces of high jewellery, precious jewellery and watches are crafted and manufactured in Chanel's own workshops.

Beyond Chanel's own operations, the value chain is focused on two pillars. Firstly, the sourcing of raw materials and finished goods to manufacture CHANEL products (**direct procurement**), and secondly, the procuring of goods and services for promotional, marketing, distribution and operational activities (**indirect procurement**).

In direct procurement, Chanel worked with around 900 direct suppliers for its business activities in 2025 – 80% of which were based in Europe – and in total mapped close to 3,000 sites. In indirect procurement, Chanel registered more than 20,000 direct suppliers – with a majority providing services – in systems requiring specific environmental, social and governance (**ESG**) due diligence, adapted due diligence and priority management.

CHANEL AUSTRALIA STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Chanel (Australia) Pty Ltd ACN 000 012 153 is an Australian proprietary company, registered on 4 July 1922 whose registered office is situated at Level 31, 100 Mount Street, NORTH SYDNEY NSW 2060 (**Chanel Australia**). At year-end 2025, Chanel Australia employed approximately 628 people in Australia, who work across the main office in Sydney, the distribution centre, and the retail network. The distribution centre is based in Greater Sydney, New South Wales and receives and dispatches Fashion, Fragrance & Beauty, and Watches and Fine Jewellery products to our retail network and partners across Australia and New Zealand.

In 2025 Chanel Australia operated 16 standalone Fragrance & Beauty boutiques, 7 Fashion Watches and Fine Jewellery boutiques, 1 Watches and Fine Jewellery boutique and 2 Shoe boutiques across Australia. In addition, Chanel maintains strong, longstanding commercial partnerships with major department stores Myer and David Jones as well as some independent retailers and travel retail operators.

Chanel Australia receives Chanel's finished products directly from France, Switzerland and Italy. This includes the products it markets, distributes and sells directly to its clients in Australia through its boutique network and through selected partners. In addition, it receives other non-selling items such as point-of-sale materials (tissue paper, carry bags, etc.) and visual display materials from local and international vendors.

Chanel Australia works with local vendors for the procurement of a wide variety of goods and services such as shopfitters, architects, building and construction contractors, electricians, insurance brokers, auditors, florists, cleaning and security services, printing companies, customs brokers, media and advertising agencies, hire car services, accommodation and event room hirers, handbag, jewellery and shoe repairers, clothing alteration and IT solution vendors, landlords, talent and labour hire agencies, and stylists.

2. GOVERNANCE AND POLICIES

SUSTAINABILITY GOVERNANCE

Sustainability, including a continued commitment to ethical business conduct, is one of Chanel's

collective priorities and is embedded in Chanel's governance and decision-making at all levels, from the Board of Directors (the **Board**) of Chanel Limited through to the Executive Committee and operational teams, including operational teams in Australia.

The Board oversees, among other things, Chanel's ESG-related strategies, initiatives, goals and performance. The Board's Audit Committee oversees Chanel's ESG due diligence and business ethics programmes as well as risk assessments and controls related to our supply chain, receiving regular updates from the Responsible Supplier Programme team and the Chief Compliance Officer. The Board receives updates on programme effectiveness, material risks and internal controls.

The Board is supported by the Executive Committee, which is responsible for identifying, assessing and managing ESG-related impacts, risks and opportunities, as well as for developing and executing ESG strategies by setting targets and implementing action plans and policies. ESG topics are reviewed regularly, including through the Executive Committee's Sustainability Decision Forum and the Global Compliance Steering Committee, which both comprise senior leaders across business activities, regions and relevant functions.

Business activities, regions, markets and functions are accountable for delivering ESG initiatives aligned with Chanel's global frameworks and policies, supported by dedicated expertise. Progress is monitored by the Sustainability Leadership Team, Global Compliance Steering Committee and Executive Committee, and reported to the Board.

In 2025, Chanel introduced an ESG due diligence task force to further promote cross-functional alignment on ESG due diligence processes and practices. Chanel also continued to advance local and regional supply chain governance mechanisms, including in regions such as Asia (which oversees governance in Australia) and the UK.

In Australia, a Risk and Safety Governance Committee – comprised of key functional and divisional leaders – supports the embedding of social and environmental risk governance into Chanel Australia's core business strategy. Human rights risk is assessed annually and continually monitored throughout the year. Indirect Procurement provides visibility of supplier assessments and audit outcomes to the Risk and Governance Safety Committee, and any emerging risks are escalated through a Risk and Safety Governance Board meeting attended by the Executive Leadership Committee of Chanel Australia.

KEY POLICIES

Chanel has two overarching policies designed to promote, implement and ensure ethical business conduct globally. These policies are regularly reviewed in the context of evolving regulation, risk insights and best practice.

Our Ethics: Chanel's global code of conduct and practical guide to responsible decision-making. Our Ethics applies to people across Chanel and sets expectations for how Chanel acts with clients, colleagues, suppliers, business partners and communities. It reflects Chanel's core values and expectations of compliance with applicable laws and regulations, including those relating to labour and employment and to areas such as anti-corruption, non-discrimination, anti-harassment, anti-money laundering and health and safety. Our Ethics is available in 20 languages and is supported by mandatory e-learning.

Chanel's responsible procurement policy: Sets out the standards Chanel expects suppliers and business partners to uphold on general compliance with applicable laws, rules and regulations. The policy also references the minimum requirements of the International Labour

Organisation (**ILO**)’s eleven fundamental instruments, the United Nations (**UN**) Guiding Principles on Business and Human Rights and other relevant reference standards.

Further policies relevant to this statement include Chanel’s ESG due diligence policy, whistleblowing policy, and social sustainability in the value chain policy.

3. DUE DILIGENCE

DUE DILIGENCE APPROACH

Chanel’s due diligence approach is designed to identify and address material ESG risks and adverse impacts across our value chain, while supporting responsible growth and the continued ethical development of our business.

In 2025, Chanel introduced an ESG due diligence policy that formalises how ESG risks and adverse impacts across the value chain globally are identified, assessed, prioritised, prevented, mitigated, remediated and accounted for. The policy aligns with recognised international guidelines and reference standards including:

- the Organisation for Economic Co-operation and Development (**OECD**) Guidelines for Multinational Enterprises on Responsible Business Conduct;
- the UN Guiding Principles on Business and Human Rights; and
- the ILO fundamental instruments.¹

The policy applies across Chanel and covers relationships with both direct and indirect suppliers. It is implemented through a practical framework with four pillars: identify material topics; assess, prioritise and verify; prevent, mitigate and remediate; and effective governance and efficiency monitoring. This framework enables risk mapping and prioritisation, drives traceability, and leverages assessments such as audits to provide on-site verification. It also structures prevention, remediation and supplier capacity-building, supported by common standards, tools and procedures.

In 2025, Chanel also published ESG standards, which translate Chanel’s responsible procurement policy into concrete requirements for suppliers, support internal alignment across jurisdictions, and inform audit criteria, including in Australia.

TRACEABILITY AND CERTIFICATIONS

Chanel continues to advance the traceability of its materials, leveraging technology where possible, including blockchain for textiles and for the supply chain mapping of cosmetic raw materials. For example, 2,630 of Chanel’s Fragrance & Beauty suppliers had been mapped on the Transparency-One platform as of year-end 2025, spanning 61 countries across all tiers of the supply chain.

Chanel is also advancing responsible procurement of materials and services through certifications, integrating ESG criteria into the procurement of CHANEL creations as detailed below. In parallel, Chanel is building the capacity of suppliers to meet certification standards as well, supporting collective progress.

¹ Including, for example, ILO Convention No. 29 on Forced Labour, ILO Convention No. 138 on Minimum Age, and ILO Convention No. 182 on the Worst Forms of Child Labour.

Chanel continues to implement stringent sustainability standards across its fashion supply chain. For raw materials, Chanel prioritises the sourcing of certified materials that meet internationally recognised standards, such as Fair for Life for textiles, with the aim of ensuring safe working conditions and fair wages. At the manufacturing stage, Chanel works with the Global Organic Textile Standard (**GOTS**) certification, which requires compliance with social standards such as decent work, fair wages and health and safety. Chanel's global Fashion distribution centres are GOTS-certified and a growing share of our collections in 2025 used GOTS-certified materials, meaning these products come from fully GOTS-certified value chains.

In 2025, the CHANEL Perfume Creation and Development Laboratory renewed its Fair Trade and Fair for Life certifications for another year for its own operations. In parallel, teams continued to conduct field assessments to closely monitor action plans with suppliers, providing support to achieve Fair for Life certification.

Since 2007, Chanel has been a member of the Responsible Jewellery Council (**RJC**), a global standard-setting organisation which aims to promote responsible supply chain practices and ethical standards in the jewellery and watch industry. As part of Chanel's engagement, Chanel sits on the Board of Directors and on the Standards Committee, and in 2025 participated in a new strategic taskforce which published guidance for members to support the strengthening of diamond provenance claims and traceability systems. Since 2011, Chanel has been certified under the RJC Code of Practices (**COP**).

SUPPLY CHAIN RISK ASSESSMENTS

Chanel remains vigilant to existing and emerging risks. Chanel Australia follows Chanel's global Integrated Risk Management framework which sets out a consistent approach to identifying, assessing, prioritising, mitigating, monitoring and reporting risks. Risk assessments are conducted annually. The assessments as well as the prioritisation of risks are reviewed by the global Executive Committee and the Audit Committee and cascaded across Chanel to support effective risk management. To further address the complexity and local specificity of sourcing risks, Chanel conducts social materiality assessments to identify priority social issues by sector and geography, including issues such as forced labour and child labour. These assessments are undertaken in collaboration with external experts and incorporate internal and external stakeholder interviews to reflect the perspectives of affected stakeholders, including workers and local communities. Social impacts are mapped according to severity, likelihood and ability to remediate, leading to tailored assessments of risks and opportunities.

We recognise that Modern Slavery is a risk that can occur in any country, sector and segment of society.

To strengthen our risk-based approach in Australia, in 2025 we specifically assessed third-party human rights risks separately from our internal human rights risks. This approach enhances our ability to uphold human rights, ensure compliance with regulatory obligations and protect the integrity of our business and supply chains.

Chanel carried out a regional social materiality assessment to gain deeper understanding of local sourcing risks. In 2025, the market specific results were shared with markets and highlighted Diversity, Equity and Inclusion, Health and Safety and Forced Labour as key material topics for Australia. These assessments will inform our due diligence approach and social sustainability roadmap in Australia to enhance the focus of social impact programmes with suppliers and business partners and support internal learning plans on social sustainability in our value chain.

SUPPLIER ASSESSMENTS

Chanel has implemented tools and processes to carry out financial, legal, regulatory and reputational checks, as appropriate to the nature of the relationship, when selecting new suppliers. Alongside these checks, contracts with suppliers are reviewed so they reflect Chanel's expectations for responsible business practices. Chanel's contracts require compliance with applicable laws and regulations including those relating to labour and employment and to areas such as wages, working hours, non-discrimination, health and safety, forced labour, child labour, freedom of association and anti-corruption.

Chanel's Responsible Supplier Programme team supports operational teams in their relationships with suppliers, providing a cohesive framework including guidelines and supplier audit methodologies which are aligned with Chanel's strategic ESG initiatives and sustainability ambitions.

For direct procurement, relevant teams map the chain of production sites – comprising direct suppliers and indirect suppliers (i.e. subcontractors) – and assess supplier ESG risks in line with the supplier assessment guidelines within our global ESG due diligence framework, applicable laws and regulations, and guidance from the Legal team, to prioritise verification activities. These activities include announced, semi-announced and unannounced onsite audits, as well as partial or topic-specific visits. Internal teams and qualified external firms carry out audits, following a standard audit protocol.

In Chanel's Watches & Fine Jewellery business, the approach to due diligence is guided in particular by the RJC COP and the five-step framework in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. A structured questionnaire based on the requirements of the COP and OECD Due Diligence Guidance and focusing in particular on responsible sourcing and human rights is submitted to suppliers annually. Chanel also complies with the Kimberley Process established by the United Nations to eliminate trade of conflict diamonds, and the World Diamond Council System of Warranties.

Chanel's indirect procurement platform and a commodity-based risk framework enable consistent

vendor registration, risk mapping and prioritisation. This framework includes legal, reputational and financial checks, due diligence questionnaires and contractual controls. For higher-risk categories we use business sustainability ratings by EcoVadis (a globally recognised sustainability rating platform) and carry out onsite audits. In Australia, over 40 suppliers have been onboarded to EcoVadis.

In Australia a dedicated Indirect Procurement Manager and the Risk and Internal Control Manager work collaboratively with the Australian and New Zealand Executive Leadership Committee (ANZ ELC), and relevant supplier relationship owners to strengthen due diligence processes and advance efforts towards eliminating the risk of modern slavery practices in Chanel Australia's supply chain. In 2025, an Australia and New Zealand Head of Legal was onboarded to the ANZ ELC to enhance oversight of regulatory matters.

In 2025, Chanel Australia applied Chanel's methodology to carry out a risk-based mapping of our indirect procurement suppliers. This process was supported jointly by Australia's indirect procurement and sustainability leads and has informed the prioritisation of due diligence for suppliers in our value chain.

A standardised nonconformity scale is applied in audits: ranging from minor non-conformities to essential commitment breaches (**ECB**). Our updated ECB process, implemented in the second half of 2025, addresses situations with potential acute impacts and can trigger immediate escalation and, as a last resort, responsible exit. Following audits and when necessary, Chanel implements corrective action plans and targeted, proportionate remediation plans, which can include training, capability-building and tailored support.

In 2025, Chanel carried out extensive ESG-related due diligence activities across its global operations, completing around 730 verification actions – including approximately 480 full ESG audits across 29 markets, including Australia.

GRIEVANCE MECHANISMS

Chanel is committed to maintaining a culture where people feel safe to raise concerns and this commitment extends to our business partners. Chanel investigate concerns promptly and proportionately, prohibit retaliation, and analyse root causes to improve controls. Chanel employees are encouraged to raise concerns directly to their manager, human resources, legal contact or compliance officer.

In addition, the Chanel Ethics Helpline provides both employees and third parties with a confidential and secure way to report compliance concerns including potential and actual breaches of legal, ethical or sustainability standards. The Ethics Helpline is hosted by a third party and available 24/7 in over 20 languages, and accessible via desktop, telephone and mobile devices. The option to report an issue anonymously is available in most countries.

In Australia the Chanel Ethics Helpline is administered by Chanel Australia's Head of Legal, in collaboration with the General Manager, People & Organisation. Any grievances at a local level are dealt with in accordance with the relevant workplace and work health and safety laws.

The Global Chief Compliance Officer also has access to all cases unless there is a conflict or local law prohibits this.

Concerns raised to the Chanel Ethics Helpline are assessed and investigated in accordance with Chanel's internal investigation procedure. If an investigation confirms a reported allegation, a local compliance committee or case manager, as appropriate, makes a recommendation to the

relevant department to take appropriate disciplinary sanctions and/or corrective action. A summary of investigations is reported at global level and discussed at the Global Compliance Steering Committee. The number of compliance concerns and investigation trends are also reported annually to the Board's Audit Committee.

Chanel's global whistleblowing policy was updated in 2025, reaffirming confidentiality, non-retaliation and fair and proportionate investigations. The policy explains how employees and third parties can raise compliance concerns, including anonymous reporting where permitted by law. The policy update was supported by a new, global "Let Us Know" awareness campaign in 2025, delivered through digital communications, leadership videos, retail learning tools and in-person events across more than 20 locations. Chanel Australia has its own whistleblowing policy to reflect Australia's prescriptive whistleblower laws.

Chanel also encourages suppliers to provide accessible, fair and confidential grievance mechanisms, allowing their employees and stakeholders to report a breach or raise a concern without fear of retaliation or adverse impacts.

4. ADVANCING SOCIAL IMPACT

Chanel continues to proactively support and collaborate with suppliers and business partners on social sustainability, including through programmes which help to build socio-economic resilience, advance skills and savoir-faire and support local communities throughout our value chain.

To understand the root causes of complex social issues, Chanel conducts human rights impact assessments in selected supply chains, in collaboration with external experts and local actors.

Where feasible Chanel works with partners to carry out worker voice surveys to inform the design and prioritisation of social impact programmes.

The OnSite+ programme engages contract workers in regions such as Asia and the UK. For example, across our UK sites more than 80% of cleaners and janitors participated in a worker voice survey, providing insights that will inform joint planning with the country's cleaning provider in 2026. In Australia a risk assessment was carried out to identify supplier categories for future participation in this programme.

Chanel's Fashion business continued to advance support programmes on social and environmental topics within its network of manufacturers and supply chains, including at the agricultural, upstream level. In parallel, the business supported Fair Trade Funds as part of a supplier Fair for Life certification, for a key strategic raw material across two countries. These funds are managed by a committee of community members and are intended to finance community development and wellbeing projects.

The CHANEL Perfume Creation and Development Laboratory provides close support to its suppliers on social issues. For key raw materials, Chanel supports our supply chains through five development funds related to Fair Trade and Fair for Life certifications, contributing directly to social programmes that benefit local communities.

5. TRAINING INITIATIVES AND COLLECTIVE ACTION

TRAINING INITIATIVES

Training and awareness-raising are essential parts of our commitment to upholding ethical business conduct and respecting human rights. To deepen knowledge of Chanel's policies and processes, Chanel delivered 152 in-person training sessions, reaching more than 3,500 people globally.

Tailored training and resources were provided to procurement teams across Chanel. For example, more than 80 people in procurement teams participated in due diligence training in 2025. The training included a focus on business ethics and risks such as forced labour and child labour.

By the end of 2025, 91% of office-based Chanel Australia employees had completed training on Our Ethics. This was complemented, where relevant, by role-specific learning. For example Modern Slavery training was delivered by a specialised external consultancy to all Chanel Sustainability team members in Asia, including Chanel Australia's Sustainability Senior Manager.

COLLECTIVE ACTION

Globally, Chanel collaborates with non-governmental organisations, academic institutions, industry peers and other stakeholders to refine our sustainability approach and scale responsible practices and programmes. Examples of partnerships and collaborations driving progress within and beyond Chanel include:

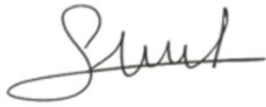
- **Shift Business Impact Programme (BIP)** – Chanel continues to participate in the BIP to inform and strengthen our approach to due diligence, particularly in relation to human rights.
- **Fair Wage Network** – Chanel's ongoing partnership focuses on the implementation of the Fair Wage approach across the value chain, from designing the appropriate methodology to providing teams and suppliers with access to expertise, data and tools.
- **The Watch & Jewellery Initiative 2030** – As a member of the Board, Chanel works with more than 80 other members to advance climate resilience, preserve resources and foster inclusiveness. Chanel chairs the Action Committee on 'Fostering Inclusiveness', collaborating with other members to drive strategy and deliver programmes that support inclusion across the sector, aligned with evolving stakeholder and regulatory expectations. In 2025 this included the development of training materials and tools to support members in their work on social sustainability.

These global partnerships inspire and inform Chanel Australia's approach as we refine and scale our local programme.

6. LOOKING TO THE FUTURE

Chanel Australia is committed to the continuous strengthening of our actions across business ethics, due diligence and social sustainability. In 2026, we will continue to leverage insights from our social materiality and supplier assessments, to refine our roadmaps and advance capacity-

building programmes to amplify impact. These actions will further strengthen our program effectiveness, and our support to people across our value chain, now and in the future.

A handwritten signature in dark ink, appearing to read 'Lucie Juhel', with a stylized, cursive script.

Lucie Juhel, Managing Director, Chanel Australia

Approved by the Board of Chanel (Australia) Pty Limited on 26 June 2026