

MODERN SLAVERY REPORT

WESTERN GLOVE WORKS - 2025

1. INTRODUCTION

This is the 2025 Modern Slavery Report (“**Report**”) issued by Western Glove Works (“**WGW**” or the “**Company**” or “**our**” or “**we**” or “**us**”), for the activities during the Company’s fiscal year ended September 30, 2025, in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (S.C. 2023, c. 9) (the “**Act**”). This Report only covers the activities and actions of WGW.

2. STEPS TAKEN TO PREVENT AND REDUCE RISKS OF FORCED LABOUR AND CHILD LABOUR

WGW is committed to protecting human rights and to providing a fair and ethical workplace for its workers. WGW has observed processes that apply globally and that address international human rights standards including the risk of forced labour and child labour in its supply chain, as discussed in further detail within this Report. WGW respects the standards embodied in the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.

WGW’s Code of Conduct (“**COC**”) which provides guidelines to ensure the highest standards of respect, integrity, and honesty are applied in WGW’s day to day activities, and a Master Vendor Agreement (“**MVA**”) which ensures that suppliers comply with minimum internationally recognized standards addressing, among other things, forced labour and child labour.

Further, during the 2025 financial year, WGW continued its engagement with reputable third-party organizations to conduct independent reviews and annual audits of its suppliers.

WGW requires that all suppliers are certified by WRAP, or an equivalent independent regulatory authority.

WRAP’s key principles for evaluating manufacturers promotes responsible business practices and sustainability in supply chain management and contributes to the advancement of the United Nations Sustainable Development Goals (“**SDG’s**”), in

particular SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production).

Furthermore, all suppliers must adhere to WGW's Code of Conduct and Master Vendor Agreement, which requires all manufacturing be free of forced labour or child labour.

WGW processes are reviewed annually to ensure that forced and child labour in our supply chain is addressed. We strongly oppose forced and child labour and will not knowingly support or conduct business with any entity involved in such activities.

3. STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

Structure

WGW is an apparel company with over one hundred years of experience manufacturing wearable products. Founded in 1921 in Winnipeg, Manitoba, WGW now operates as a partnership between the Silver family, based in Winnipeg, and the Stern Partners group of companies, headquartered in Vancouver, British Columbia.

The Company's management team, under the supervision of the Board, is responsible for overseeing WGW's sustainability, social and corporate responsibility, as well as ensuring implementation of and compliance with our Code of Conduct.

Activities and Supply Chain

WGW is a Canadian company, founded in Winnipeg, Manitoba in 1921. It is one of the oldest privately held denim producers in North America. The Company designs, sources, manufactures, and distributes high-quality denim that is marketed and sold across Canada, the United States and Europe. The Company manufactures great fitting jeans and produces approximately 2.5 million units of apparel each year. The Company's headquarters are in Winnipeg, Manitoba and goods are manufactured in Asia and Southeast Asia, including China, Cambodia, Vietnam, Bangladesh, Pakistan, and India.

4. POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

In support of our commitment to protecting human rights and to providing a fair and ethical workplace, WGW has established processes that address international human rights standards including the risk of forced and child labour in its supply chain.

i. Code of Conduct

WGW's Code of Conduct applies in every country and to all factories, employees, officers, and those of its affiliates, and provides guidelines to ensure that high standards of respect and integrity are applied in WGW's day-to-day activities. The COC also outlines how WGW's reputation as a good corporate citizen is maintained through the adherence of these high standards.

WGW's core principles embodied in the COC are commitments to promote:

- Compliance with laws, rules, and regulations
- Safe and respectful work environment
- Ethical business practices and behaviors

All suppliers receive WGW's Code of Conduct, which states that our apparel must be produced without the use of forced labour or child labour. Other topics addressed include:

- Discrimination and human rights
- Health, safety, and the environment
- Compliance with the local laws
- Child labour, Forced labour and Prison labour
- Compensation and benefits
- Legally mandated working hours
- Freedom of Association
- Discrimination and human rights

ii. Master Vendor Agreement

Our Master Vendor Agreement applies to all manufacturers that conduct business with WGW. MVA is an extra layer of due diligence that upholds WGW's high standards.

Among other topics, MVA addresses the following subjects:

- Compliance with the law
- Workplace safety
- Overtime compensation
- WRAP certified or compliance with WRAP principles.

iii. Third-Party Audit

Further to our COC and MVA, WGW requires its suppliers to be vetted and certified by the third-party auditing company Worldwide Responsible Accredited Production ("**WRAP**"). WRAP is the world's largest independent certification program focused on the apparel, footwear, and sewn product sectors.

In 2025, WRAP updated the language of its Prohibition of Child Labour principle to explicitly include forced or indentured child labour and clarified its written approach to Zero-Tolerance issues, while maintaining existing remediation and enforcement procedures.

WRAP independently monitors and certifies compliance with 12 key principles, including:

1. Compliance with laws and workplace regulations
2. Prohibition of Forced Labour
3. Prohibition of Child Labour
4. Prohibition of Harassment and Abuse
5. Compensation and Benefits
6. Hours of Work
7. Prohibition of Discrimination
8. Health and Safety
9. Freedom of Association and Collective Bargaining
10. Environment
11. Customs Compliance
12. Security

These standards ensure that WGW's products are produced under safe, lawful, humane, and ethical conditions. WRAP's key principles for evaluating manufacturers promote responsible business practices and sustainability in supply chain management and contribute to the advancement of the United Nations Sustainable Development Goals ("SDG(s)"), in particular SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production).

WRAP conducts yearly audits of WGW's supplier's factories to ensure standards are being followed. The renewal process requires that factories undergo an audit to ensure continued compliance. **Child labour and Forced labour are the top two issues of WRAP's Zero-tolerance.** Any Zero-Tolerance findings require immediate remediation and full cooperation; failure to do so may result in suspension or expiration of WRAP certification.

To continue to manage risks associated with forced labour and child labour possibilities in our supply chain, WGW, in 2026, will continue to enforce its processes, and learning which will strengthen current strategies besides what is already in effect.

- i. Require suppliers to answer the FORCED LABOUR IN SUPPLY CHAIN QUESTIONNAIRE
- ii. Work with WRAP on strengthening their inspection and onboarding process
- iii. Maintain an active role at Sourcing Journal and American Apparel and Footwear Association (AAFA)

5. FORCED LABOUR AND CHILD LABOUR RISKS

In 2025, WGW continued its assessment of the potential risks of forced labour and child labour within its supply chain. Based on current due diligence activities, audits, and ongoing supplier engagement, WGW has not identified any instances of forced labour or child labour within its direct network of manufacturing facilities.

WGW's tier-one suppliers are generally established manufacturing partners that operate at scale and supply multiple international brands. These suppliers are subject to regular social compliance audits and are required to adhere to WGW's Code of Conduct and applicable labour standards.

Notwithstanding these controls, WGW recognizes that a residual risk may still exist, particularly beyond tier-one suppliers. This risk could arise where elements of the production process are subcontracted without WGW's direct knowledge to upstream or ancillary service providers that may not be subject to the same level of oversight.

Potential areas of heightened risk include:

- Yarn and raw material suppliers, including producers of thread and other inputs
- Packaging suppliers, including vendors producing polybags and shipping cartons

To mitigate these risks, WGW works closely with its tier-one suppliers to strengthen oversight of subcontracted activities. Measures include:

- i. Requiring all suppliers to comply with WGW's Code of Conduct, which expressly prohibits forced labour and child labour
- ii. Encouraging subcontractors to obtain WRAP certification or adhere to equivalent internationally recognized labour standards
- iii. Including contractual provisions that establish corrective actions and enforcement mechanisms related to forced labour and child labour

In addition, WGW continues to reinforce its zero-tolerance position through internal and external communications, including the use of formal warning statements in company correspondence stating that forced labour and child labour are not tolerated at any level of its supply chain.

6. EMPLOYEE TRAINING

Employees who engage directly with suppliers are required to operate in strict accordance with WGW's Code of Conduct (COC), which enforces a zero-tolerance policy toward forced labour and child labour. Training and continuous professional development are key components of ensuring these standards are understood, applied, and consistently upheld across the supply chain.

In 2025, WGW strengthened its employee awareness framework through the following initiatives:

a. Targeted Compliance Training

The Compliance Manager completed specialized training on forced labour risk identification and mitigation through industry-recognized organizations, including the Canadian Apparel Federation (CAF) and the American Apparel and Footwear Association (AAFA). These sessions focused on evolving regulatory expectations, high-risk sourcing regions, and best practices for due diligence.

b. Ongoing Intelligence and Risk Monitoring

WGW maintains an active annual subscription to *Sourcing Journal*, providing continuous access to current insights on forced labour risks, regulatory changes, and global enforcement trends. This ensures that internal teams remain informed and responsive to emerging issues.

c. Industry Collaboration and Knowledge Sharing

WGW became an active member of the Social Responsibility Committee of the American Apparel and Footwear Association (AAFA). Through participation in monthly meetings, the Compliance Manager is in ongoing dialogue with industry peers on forced labour developments, regulatory updates, and collective mitigation strategies.

Continuous Improvement Commitment:

Looking ahead, WGW is committed to further enhancing its training programs by expanding role-specific training, increasing supplier engagement on compliance expectations, and integrating evolving regulatory requirements into internal processes. The company will continue to collaborate with industry partners and stakeholders to strengthen its due diligence framework and ensure its supply chain remains free from forced labour and child labour.

7. ASSESSMENT EFFECTIVENESS

WGW requires its suppliers to undergo regular third-party social compliance audits conducted by WRAP or an equivalent internationally recognized regulatory or certification body. In addition, the majority of WGW's suppliers maintain certifications under programs such as BSCI, Better Work, and the Higg Index, which provide further assurance of responsible labour practices, including the prevention of forced and child labour.

WGW uses the results of these third-party assessments, along with internal reviews and ongoing supplier engagement, to evaluate the effectiveness of its due diligence processes. The Company remains committed to strengthening its internal knowledge, monitoring capabilities, and governance frameworks, and will continue to refine its processes as necessary to ensure the ongoing effectiveness of measures aimed at preventing forced and child labour within its supply chain.

8. APPROVAL AND ATTESTATION

This Report was approved by the board of directors of Western Glove Works Ltd., a partner of WGW, WGW's fiscal year ended September 30, 2025, pursuant to paragraph 11(4)(a) of the Act.

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.

I make the above attestation in my capacity as a director of one of the partners of WGW on behalf of WGW.

Ronald N. Stern

Director

May 15, 2026

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I have authority to bind WGW