

M.I.K. Industries Ltd Forced Labour and Child Labour Statement

Introduction by the Board of Directors

At M.I.K. Industries Ltd., our commitment lies in establishing a robust and resilient supply chain that adheres to international human rights and labour standards. We understand the pivotal role we play in ensuring the well-being of the individuals involved in crafting our products and in combatting modern forms of slavery, including forced labour and child labour, across our supply chain. Our approach hinges on a comprehensive responsible supply chain program and partnerships with suppliers and collaborators who share our principles, thereby fostering positive impact and welfare. As we expand our operations, we remain dedicated to leveraging collective action to enhance our practices and propel industry-wide advancements.

This unified statement delineates our global practices, policies, and operational processes aimed at identifying and mitigating risks associated with Forced Labour and Child Labour within our operations and supply chain for the financial reporting year 2023. It has been officially adopted by M.I.K. Industries Ltd. and its subsidiary entities to fulfill Forced Labour and Child Labour obligations in Canada, also known as Bill S-211.

Organizational Structure and Operations

M.I.K. Industries Ltd. serves as the parent company to Alliance Mercantile Inc. and Harvik Rubber Industries Sdn. Bnd., along with other subsidiaries, collectively referred to as 'M.I.K. Industries Ltd.', 'we', or 'our' throughout this declaration. Primarily engaged in the manufacturing and distribution of industrial and consumer outerwear, footwear, gloves, and household items, M.I.K. Industries Ltd. is dedicated to fostering a distinctive corporate culture focused on creating high quality products and experiences that provides safety for all. Our portfolio includes the renowned Viking brand of industrial apparel. Headquartered in Burnaby, Canada, M.I.K. Industries Ltd. operates across three countries, employing over 800 individuals globally.

Our Supply Chain

While we manufacture certain products in-house, we rely on a consolidated and meticulously chosen supply chain. In 2023, we collaborated with 29 Tier 1 suppliers for finished product and co-manufacturing and 27 Tier 2 suppliers for various fabric materials and sub-contracting provision. Geographically, 43 percent of our products were manufactured in China, 37 percent in Malaysia, 8 percent in Canada, 7 percent in Belgium, with the remainder sourced from various locations.

Policies and Commitments

At M.I.K. Industries Ltd., we are deeply entrenched in supporting national and international initiatives targeting the elimination of forced and child labour, human trafficking, and modern slavery. Our stringent supplier standards are encapsulated in our Code of Conduct, which outline minimum requirements expected from each supplier facility involved in VIKING product

production. Over time, we have elevated our expectations by refining these standards, particularly focusing on mitigating forced labour risks.

Risk Assessment

As part of our due diligence strategy, we regularly conduct human rights and social risk mapping across our supply chain. We evaluate sector-specific risks and other contextual factors prevalent in particular regions or production processes. Additionally, we engage stakeholders and leverage internal expertise to ensure comprehensive risk assessment and mitigation.

Supplier Selection and Certification

We meticulously select and collaborate with suppliers who align with our values, leveraging a rigorous New Supplier Approval Process to evaluate social, environmental, sourcing, quality, and production standards at the facility level. Suppliers will be required to provide detailed information on their manufacturing facilities, policies and procedures related to forced and child labour, including age verification.

Supplier Assessments (Audits)

All facilities involved in producing for M.I.K. Industries Ltd. undergo regular assessments against our compliance benchmarks, with Tier 1 facilities assessed once every 12 months. These assessments, conducted either internally or by nominated third-party assessors, evaluate various aspects of compliance, with corrective actions implemented where necessary to drive positive change.

Corrective Actions and Accountability

Our approach to corrective action centers on root cause analysis and continuous improvement, with supplier compliance verified through document review or on-site assessments. We collaborate with suppliers to develop and implement Corrective and Preventative Action Plans, with termination of supplier relationships reserved for severe or persistent non-compliance cases.

Assessing Effectiveness

M.I.K. Industries Ltd is committed to continuous improvement in compliance efforts. We will continuously evaluate and evolve our approach to forced labour and child labour eradication, monitoring progress against established programs and indicators.

Reporting Violations

Any employee, contractor or supplier who becomes aware of a potential violation related to forced labour or child labour are encouraged to report the violation to M.I.K. Industries Ltd at compliance@alliancemerchantile.com.

Additional Information

We value your feedback on our disclosure and efforts to combat forced labour and child labour. Please reach out to us at compliance@alliancemerchantile.com. This statement was developed in consultation with relevant subsidiaries owned or controlled by M.I.K. Industries Ltd.

M.I.K. Industries Ltd. is headquartered in Burnaby, Canada

Alliance Mercantile Inc. is headquartered in Burnaby, Canada operating 4 distribution centers across Canada including 1 manufacturing location.

Harvik Rubber Industries Sdn. Bdn is headquartered in Penang, Malaysia. Harvik and its subsidiaries engage in the manufacturing of industrial footwear and gloves.

This statement has been approved by the board of directors of M.I.K. Industries Ltd.



Douglas Bell
Board Member, CEO
M.I.K. Industries Ltd,
Alliance Mercantile Inc.
Harvik Rubber Industries Sdn. Bdn.
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