

M.I.K. Group's Modern Slavery Statement – Bill S-211 Reporting

Introduction and Board Statement

At **M.I.K. Industries Ltd.** and its subsidiaries (collectively, the “**M.I.K. Group**” or “**M.I.K.**”), we are committed to building a resilient and responsible supply chain that respects internationally recognized human rights and labour standards. We recognize our responsibility to prevent and mitigate modern slavery, including **forced labour and child labour**, across our operations and supply chains. Our approach is grounded in a comprehensive responsible supply chain program, rigorous supplier expectations, and collaboration with partners who share our values. As our business grows, we remain committed to continuous improvement and collective action to drive positive outcomes and industry-wide progress.

This **Forced Labour and Child Labour Statement** sets out M.I.K.'s policies, practices, and due diligence processes for identifying and mitigating risks related to forced labour and child labour. This statement is prepared in accordance with **Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211)** and constitutes a **joint report** for M.I.K. Industries Ltd. and its subsidiaries for the financial year ended December 31, 2025.

Organizational Structure, Operations, and Activities

Legal Name: M.I.K. Industries Ltd.

Head Office: 3451 Wayburne Drive, Burnaby, British Columbia, Canada, V5G 3L1

Ownership Structure: Privately held parent company with subsidiaries, including **Alliance Mercantile Inc.** and **Harvik Rubber Industries Sdn. Bhd.**

Primary Activities: Manufacturing, wholesale trade, warehousing and distribution, and related real estate and property management activities.

M.I.K. designs, manufactures, and distributes industrial and consumer outerwear, footwear, gloves, and household products, including the well-known **VIKING®** brand of industrial apparel. While certain products are manufactured in Canada, a significant portion of our finished goods and components are sourced from international suppliers.

M.I.K. operates across multiple jurisdictions, employing approximately **52 employees in Canada, 7 in the United States, and over 330 internationally.**

M.I.K. has a business presence in Canada as it:

- Maintains a place of business in Canada;

- Conducts business activities in Canada; and
- Holds assets in Canada.

The Company meets the size-related reporting thresholds under Bill S-211, including having at least **\$20 million in assets** in at least one of the two most recent financial years.

Supply Chain Overview

M.I.K.'s supply chain is consolidated and carefully managed. While we manufacture certain products internally, we rely on external suppliers for finished goods, co-manufacturing, fabrics, and subcontracted services.

During the reporting periods:

- M.I.K. engaged approximately **29 Tier 1 suppliers** for finished products and co-manufacturing activities; and
- Approximately **16 Tier 2 suppliers** for fabrics, materials, and subcontracting.

Primary sourcing regions include:

- China
- Malaysia
- Canada
- Mexico
- Belgium

Historically, a significant portion of production has occurred in regions with elevated labour risk profiles, reinforcing the importance of robust due diligence and monitoring practices.

Policies and Commitments

M.I.K. is committed to supporting national and international initiatives aimed at eliminating forced labour, child labour, human trafficking, and modern slavery.

Key policies and commitments include:

- A **Vendor / Supplier Code of Conduct** setting out minimum labour, human rights, and ethical standards applicable to all supplier facilities involved in M.I.K. product manufacturing;
- Contractual requirements obligating suppliers to comply with applicable labour laws and prohibiting forced labour and child labour;

- A **Child Protection Policy** formalized to reinforce zero tolerance for child labour; and
- Internal policies encouraging employees and stakeholders to report any concerns related to modern slavery.

Supplier standards are reviewed and strengthened over time, with a particular focus on forced labour risk mitigation.

Risk Assessment and Due Diligence

As part of our ongoing due diligence program, M.I.K. conducts regular **human rights and social risk assessments** across its supply chain. These assessments include:

- Risk mapping by **geography and product category**;
- Consideration of sector-specific risks and regional labour law enforcement conditions; and
- Engagement with internal subject matter experts and relevant stakeholders.

These processes are designed to identify actual and potential risks and to inform mitigation strategies.

Supplier Selection, Engagement, and Certification

M.I.K. applies a rigorous **New Supplier Approval Process** prior to onboarding any new supplier. This process evaluates, at the facility level:

- Social and labour standards;
- Environmental practices;
- Sourcing and traceability controls;
- Quality and production capabilities; and
- Policies and procedures related to forced labour and child labour, including age verification practices.

Suppliers are required to provide detailed disclosures regarding their operations and compliance frameworks.

Monitoring, Auditing, and Assessments

All facilities producing goods for M.I.K. are subject to regular compliance assessments. In particular:

- **Tier 1 suppliers** are assessed at least **annually**;

- Assessments may be conducted internally or by approved third-party auditors; and
- Audits evaluate compliance with M.I.K.'s Code of Conduct, applicable laws, and contractual obligations.

Where non-compliance is identified, corrective actions are required and monitored to completion.

Corrective Actions and Remediation

M.I.K.'s corrective action approach emphasizes **root cause analysis**, continuous improvement, and supplier engagement. Corrective and Preventative Action Plans (CAPAs) are developed collaboratively and verified through document review and, where appropriate, on-site follow-up.

Termination of supplier relationships is reserved for cases of severe, repeated, or unresolved non-compliance.

To the best of M.I.K.'s knowledge, **no instances of forced labour or child labour were identified during the reporting periods**. Accordingly, no remediation actions were required and no income loss to vulnerable families was identified. If such issues were to be discovered, M.I.K.'s remediation framework would include:

- Immediate suspension or termination of supplier contracts, where appropriate;
 - Engagement with local authorities or NGOs to support affected individuals; and
 - Enhanced due diligence and monitoring.
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Training and Awareness

M.I.K. provides targeted training to relevant employees, including procurement and sourcing teams, focused on:

- Identifying indicators of forced labour and child labour;
 - Ethical sourcing and due diligence practices; and
 - Supplier compliance expectations.
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Assessing Effectiveness

M.I.K. is committed to continuous improvement and is developing internal benchmarks to measure the effectiveness of its actions. These may include:

- The percentage of suppliers assessed for modern slavery risks;

- The number of employees trained on forced labour and child labour issues; and
 - The number of reported and remediated incidents (currently zero).
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Reporting Concerns

Employees, contractors, suppliers, and other stakeholders are encouraged to report any suspected or actual violations related to forced labour or child labour. Reports may be submitted confidentially to:

compliance@alliancemerchantile.com

Approval and Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Bill S-211), and in particular section 11 thereof, the undersigned attests that they have reviewed the information contained in this report for the entities listed above. Based on their knowledge, and having exercised reasonable diligence, I attest that the information is true, accurate, and complete in all material respects for the financial year ended December 31, 2025.

Name: Douglas W. Bell

Position: Board Member and CEO

Date: May 5, 2026

Signature: 

I have the authority to bind M.I.K Industries Ltd.