



FORCED LABOUR AND CHILD LABOUR REPORT 2023

Circus World Displays Limited

INTRODUCTION

As a leading North American Product Development company with operations across Canada, the U.S., and the UK, Circus World Displays Limited (CWD) plays an important role in promoting human rights and responsible business practices. We recognize that risks of forced labour and child labour (also referred to as modern slavery) exist and acknowledge that understanding and managing these risks requires a collaborative approach with our suppliers, our workforce, and other external stakeholders.

This report constitutes the first report prepared by the Circus World Displays Limited (defined below) pursuant to Canada's new Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act").

This Report outlines our company's governance, processes, current practices, and future actions we are taking in the 2023 fiscal year to prevent and mitigate the risks of modern slavery across our supply chain.

REPORTING CONTEXT

Circus World Displays Limited is an incorporated entity subject to the legal requirements in section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act). This report was made pursuant to the Act and was reviewed and approved by Circus World Displays Limited Board of Directors (the Board) on May 27th, 2024.

For purposes of the Act, the reporting entities covered in this Report include functions, major projects, and assets that have been wholly owned and/or operated by Circus World Displays Limited from January 1st to December 31st, 2023. Non-operated assets are not included in the scope of this Report. The terms "Circus World Displays Limited", "we", "our", and "the Company" refer to Circus World Displays Limited and extend to all the entities listed in this Report.

OUR STRUCTURE, BUSINESSES AND SUPPLY CHAIN

Circus World Displays Limited is the sole parent company of the entities covered in this Report and is headquartered in Niagara Falls, Ontario, Canada. Circus World Displays operates under 4 core bands – Fluance, Electrohome, Nytrius and Magasonnic.

Circus World Displays Limited is a Product Development company selling products directly, through our own brand sites, or through our partners sites, to customers within Canada, the United States, Mexico and the UK.

The supply chain team at Circus World Displays Limited is a centralized function that supports our operations across Canada, the U.S., the UK, and Mexico and sources products and services for our projects and operations globally. A key role of supply chain is to ensure spend is tendered with suppliers who meet our qualification standards and corporate requirements. Supply chain also tracks key supplier metrics including spend, performance history, capabilities, discrepancies, and non-conformances.

Additional information related to Circus World Displays Limited's due diligence processes is provided below in the discussion of our actions to address modern slavery risks.

Circus World Displays Limited Code of Conduct also provides a framework for asking questions and highlighting resources in place to report concerns. At Circus World Displays Limited, we report (and encourage the reporting of) actual or potential non-compliances with our policies or our legal requirements. As we move to include those in relation to forced labour and child labour, so they can be addressed appropriately, Circus World Displays Limited CoFC will further strengthen our commitment to the Act. Personnel are required to report any actual or suspected violation of the law or CoFC Policy, including those in related to all health, safety and environment related hazards, through our Anti-Retaliation Policy, from any disciplinary action for good faith reporting of incidents and issues. Personnel have several avenues to report an issue depending on the nature of the incident.

REPORTING VIOLATIONS

Circus World Displays Limited's Code of Conduct (CoFC) Policy, Legal Manual and mandatory annual online CoFC training, which apply to all Circus World Displays Limited entities listed in this Report, reinforces the Company's requirements and expectations for conducting business and expected behaviours, and includes a statement on Circus World Displays Limited's commitment to human rights. Circus World Displays Limited's CoFC Policy and Legal Manual is being updated to state our position against the use of forced labour and child labour and will contribute to ensuring that no forced or child labour is used in our supply chain. Circus World Displays Limited considers the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights, and the core International Labour Organization Conventions when adopting human rights best practices. As part of our commitment to human rights, we stand firmly against the use of forced labour and child labour in our operations and across our supply chain. The CoFC Policy and Legal Manual applies to all employees, directors, officers, and contingent workforce contractors of Circus World Displays Limited and its wholly owned subsidiaries and/or operated entities in all countries where Circus World Displays Limited conducts business. It is reviewed regularly and approved by the Board.

POLICIES AND STANDARDS

Circus World Displays Limited is accountable for Circus World Displays Limited strategic objectives, including sustainability matters, as well as overseeing the effectiveness of Circus World Displays Limited's risk management systems and internal controls. Our process ensures that the Board is informed of the interrelationship between the business environment and its associated risks and is intended to facilitate and stimulate discussion of our key business risks. The Company implements a centralized enterprise risk management program to systematically mitigate and monitor material risks. The program is designed to identify and assess risks that could significantly affect Circus World Displays Limited's strategic objectives. The program operates within the guidelines of a framework which includes a comprehensive enterprise risk register, detailed risk assessments, and reporting on emerging risks. When an emerging risk escalates to an enterprise level, the leadership group examines its implications and reports the findings, along with responsible parties for governance and execution to the Board.

GOVERNANCE AND RESPONSIBILITIES

Circus World Displays Limited uses an internal supplier onboarding and vendor management tool to qualify and monitor the Company's supplier base. Upon initiating the onboarding process, a questionnaire is sent to suppliers to help determine each supplier's risk profile and understand their practices and policies related to corruption, anti-bribery, and human rights. Additionally, the questionnaire is in the process of being updated to request information from suppliers as to whether they have policies and processes that deal specifically with forced labour and child labour. In addition to the above, the supplier onboarding risk assessment process requires all vendors to go for a Technical Factory Audit (TFA) conducted through a third-party accredited agency. These independent, third-party audits provide a comprehensive due diligence screening based on global news and information sources and risk categories. For suppliers that meet a residual risk exposure level for activities connected to child and forced labour based on their questionnaire answers and third-party audits, Circus World Displays Limited follows up with further requests for information and escalation to senior management, where appropriate. Other, additional requirements or actions could include:

These processes and actions apply to all the entities outlined in this Report. In accordance with our process, suppliers that are providing materials and services for our projects and operations must register and onboard through our supplier qualifications and governance team within quality and supply chain, which conducts risk screening and monitoring in conjunction with corporate policy.

Circus World Displays Limited utilizes a risk-based model to manage modern slavery risks in our supply chain. We leverage various processes to screen and monitor suppliers and our global supply chain for human rights risks and are updating these tools to include forced labour and child labour requirements.

SUPPLIER REGISTRATION AND RISK CLASSIFICATION

- Formed a steering committee comprised of representatives from Management, Procurement and Supply Management, and Human Resources to review the impact of the Act on Circus World Displays Limited and assess the effectiveness of the governance structure, policies, and procedures of Circus World Displays Limited to address the risks of forced labour or child labour.
- Mapped our tier 1 suppliers and continued monitoring significant suppliers on environmental, social and governance (ESG) criteria, including human rights risks, through a third-party audit and inspection services platform.
- Conducted high-level due diligence assessments across Circus World Displays Limited's value chain to proactively identify, address and mitigate potential human rights issues.
- Contracted with a third-party inspection service provider to begin to assess the specific risks of forced labour and child labour in our supply chains.
- Undertook an extensive review and gap analysis of the current Circus World Displays Limited mandates, policies, procedures, and contractual clauses as they relate to identifying, addressing, and prohibiting the use of forced labour and child labour within our business and supply chains.
- Initiated ongoing improvements to internal supply chain processes, policies, and training.
- Reviewed internal worker recruitment policies and procedures to ensure all workers are recruited voluntarily.

In general terms, Circus World Displays Limited took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in its business and supply chains.

RISK REDUCTION STEPS:

Identifying and eliminating forced labour and child labour in the global supply chain is a complex social, economic, and governance issue that can only be resolved through partnership and collaboration across industry, suppliers, governments, and non-profit organizations. Collaboration is one of our core values and our supply chain partners are crucial to developing collective solutions. This requires us to deepen relationships with our supply chain partners, strengthen our contractual language at the Tier 1 supplier level, and to work together to build new levels of

LONGER TERM

While Circus World Displays Limited believes in the efficacy of our measures to prevent and mitigate forced labour and child labour within our operations and supply chain at the Tier 1 level, we will strive to maintain and continually improve our sustainable and transparent supply chain, and work to maintain a robust understanding of our complex global supply chain networks. These activities include assessing contractual terms and working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including tracking relevant performance indicators.

Currently, the Company performs an annual Code of Conduct and Legal Manual policy review with input from various stakeholders across the Company, including Executive Leadership, Supply Chain Management, Human Resources and Quality. We investigate and track all internal and external reports. We also perform risk-based assurance activities on a regular basis, which can range from external independent audits to internal supply chain-focused assurances.

Circus World Displays Limited is committed to developing a resilient and transparent supply chain where the human rights of every worker involved are respected. During 2023, our first reporting year, our focus was to review and identify any gaps that may exist in our foundational capabilities and processes and to continue to effectively manage our suppliers on critical forced labour and child labour issues to ensure human rights are not violated within our supply chain.

ASSESSING OUR EFFECTIVENESS

Upholding human rights, including both forced labour and child labour, is planned to be explicitly addressed in Circus World Displays Limited's annual online compliance and CoFC training. Every member of the Circus World Displays Limited team, is expected to read, understand, and comply with the principles and requirements set out in the CoFC Policy and is required to complete annual internally developed CoFC training. The training is approximately 45 minutes in length and contains a knowledge check test and certification.

OUR TRAINING AND AWARENESS

When identifying the risks of forced labour or child labour in the Company's activities and supply chain, Circus World Displays Limited primarily focuses on understanding the operations and supply chain of our Tier 1 suppliers and the Tier 1 and second level suppliers for our higher-risk suppliers. Since Circus World Displays Limited's processes and tools did not yield any evidence of forced labour or child labour, we did not implement any remediation measures in the 2023 fiscal year.

OUR REMEDIATION MEASURES

- Enhanced contractual terms
- Supplier certifications
- Third-party inspections in the local jurisdiction
- Termination of the relationship.

transparency throughout all tiers of our supply chain and build joint solutions to deliver value across multiple dimensions. Circus World Displays Limited is also committed to leveraging our size and spending power to educate and influence our external partners to invest in protecting human rights for every single worker in the supply chain. As a part of ongoing enhancements, we will strive to continue to identify emerging risks. The Company also intends to continue developing and implementing additional due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and child labour in our activities and supply chain.

REPORT APPROVAL AND ATTESTATION

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 or entities 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 have the authority to bind Circus World Displays Limited Corporation.

Deepak Jain
Managing Director

