



Forced Labour Report for Digital Extremes Ltd.

For the 2023 Fiscal Year.

Overview

In accordance with Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"), Digital Extremes Ltd. ("DE") is pleased to present its annual Forced Labour Report. This report outlines our commitment to eradicating forced labour and child labour from our operations and supply chains.

DE is a Canadian video game development and publishing studio with headquarters based in London, Ontario. It was founded in 1993 and is best known for creating the free-to-play, online multiplayer game WARFRAME. The company currently has over 400 employees in Canada.

We believe that modern slavery and forced labour have no place in our operations or supply chains. We do not knowingly enter into business with any organization that supports or is found to be involved in any form of forced labor or child labour.

Our Supply Chain

Our primary business is the digital development and publishing of video games for PCs, game consoles, and mobile phones. We partner with a select few digital distribution platforms to help deliver the games we develop to our players. We also sell merchandise related to our games through a third-party distributor located in the United States.

Our physical goods supply chain activity is limited and primarily relates to supporting our merchandise store and procuring work equipment for our staff. DE works with only a few select suppliers, who are concentrated primarily in Canada and the United States.

Given the nature of DE's business, we have assessed ourselves to be at low risk of forced labour or child labour in our supply chain. Regardless, we expect all our suppliers to adhere to applicable human rights and employment standards laws.

Our Policies and Due Diligence Process

DE is committed to upholding the highest standards of ethical conduct and human rights in all aspects of our business. We have the following policies that promote equal opportunities, prohibit discrimination and harassment, encourage staff to report any unethical behavior, and foster a culture of respect and inclusion:



- **DE's Global Guide of Principles** demonstrates our commitment to a respectful, safe and fulfilling work environment.
- Our **Whistleblower Policy** emphasizes integrity and ethical behavior in the workplace and allows employees to voice concerns and report unethical behavior without fear of reprisal.
- **Pay Equity Policy** communicates to staff our desire for equitable, fair wages for all of our staff.
- **Diversity in the Workplace** celebrates and welcomes the diversity of all employees, contractors, prospective employees, and others who do business with us.
- **Workplace Violence and Harassment** policies emphasize our goal for a safe, productive, and healthy work environment for all our staff.

We conduct vendor due diligence assessments to identify and mitigate forced and child labor risks within our supply chains. This includes assessing our annual import activity, and reviewing supplier policies, practices, and compliance with relevant legislation where appropriate.

Actions Taken

DE has taken the following steps to prevent and reduce the risk of forced labour and child labour in our operations and supply lines.

- Working with an external third-party consultant to assess the risks of forced labour and child labour in our activities and supply chains by reviewing a detailed assessment of our import activity.
- Developing and implementing basic due diligence processes for assessing the risk of our forced labour and child labour with our suppliers.
- Review select suppliers' policies and procedures surrounding ethical conduct and forced labour.

In 2024, we plan to take the following additional actions:

- Implementing anti-forced labour and anti-child labour contractual clauses for our direct suppliers.
- Modifying our Whistleblower policy to explicitly cover any perceived forced labour and child labour occurrences to ensure that complaints or concerns are communicated and adequately addressed.
- Developing and implementing training on forced labour and child labour for our procurement staff.
- Further development of our supplier due diligence processes.

Training

In 2024, we will implement mandatory training for employees and contractors involved in our procurement and merchandising activities. This training will include an overview of the Act, processes for evaluating the risk of forced labour or child labour, and our due diligence procedures to be followed.



Assessing our Effectiveness

DE is implementing measures to reduce the risk of forced and child labour in our supply chains. It will take time to determine how effective these measures are and what ongoing processes are needed to monitor their effectiveness. For now, we rely on procurement staff to provide feedback and notify leaders if there are gaps in our responses to the risks associated with forced labour or child labour.

Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Sheldon Carter
President
May 31, 2024

A handwritten signature in black ink, appearing to read "Sheldon Carter", written over a horizontal line.

I have the authority to bind Digital Extremes Ltd.