

MAD ENGINE STATEMENT AGAINST FORCED LABOR & CHILD LABOR

Mad Engine operates with the highest set of ethical standards in connection with its supply chain to ensure the end user consumer can have confidence when they reach for the Mad Engine label. Among these ethical standards is a zero-tolerance policy against forced labor & child labor anywhere in the Mad Engine supply chain. Mad Engine provides this statement in connection with Canada's Forced and Child Labour in Supply Chains Act, which came into effect in January 2024.

1. Company Overview:

Mad Engine is one of the United States' and Canada's largest wholesaler of licensed apparel and accessory products. It serves a wide spectrum of clientele, including direct-to-consumer, e-commerce, mass retail, mid-tier, department stores, and specialty retail, among other customers. Strategically positioned across the globe, Mad Engine operates state-of-the-art facilities dedicated to design, innovation, customer service, sales, compliance, sourcing, quality assurance and distribution. Mad Engine's Compliance Team is a permanent working unit that reports into the Chief Operating Officer. It has several employees who are dedicated fulltime to ensure that Mad Engine and its supply chain partners (i.e., manufacturers) meet Mad Engine's strict and high standards with respect to its supply chain. For a comprehensive overview of our workforce and brands, visit our [website](#).

2. Reporting

This summary report covers the period from January 1, 2023 through December 31, 2023.

3. Policies:

Mad Engine acknowledges and recognizes human rights across its organization, operations, and supply chain. We are dedicated to safeguarding the fundamental rights and freedoms of all individuals involved in our business, aligning with the United Nations Universal Declaration of Human Rights, International Labour Organization (ILO) Declaration on Fundamental Principles, Rights at Work and the Ethical Trading Initiative (ETI) Base Code Policy, the California Transparency in Supply Chains Act (SB 657) and The Forced and Child Labour in Supply Chains Act, among others. Mad Engine strictly prohibits the use of forced labor and child labor in the provision of our products or services and condemns any form of

unsafe, abusive, discriminatory, or retaliatory practices against our employees or the employees of our Manufacturing Suppliers (as defined below). These policies are outlined in our License Agreements, Vendor Agreements, Mad Engine’s Global Ethical Trading Initiative, and Company Handbook.

4. Supply Chains:

Mad Engine’s manufacturing is often outsourced to a carefully selected network of Manufacturing Suppliers. Mad Engine works with its Manufacturing Suppliers to advance environmental sustainability and respect for human rights. “**Manufacturing Suppliers**” are defined as suppliers that Mad Engine buys from directly and that provide direct materials and/or manufacturing services. The vast majority of Manufacturing Suppliers have multi-year business relationships with Mad Engine, in some cases spanning decades.

5. Certifications & Verification:

Mad Engine is committed to continuous improvement in our ethical trading practices and regularly reviews and updates its policies and procedures accordingly. Mad Engine requires its Manufacturing Suppliers to sign a Sustainability Commitment, Factory Partnership Agreement. This agreement requires that the Manufacturing Suppliers adhere to Mad Engine’s policies and that each of the Manufacturing Supplier’s subcontractors and suppliers also adopt and maintain policies that are compliant with Mad Engine’s policies prohibiting child, forced, indentured, bonded (including debt bondage) labor and human trafficking and all requisite local and country specific-labor laws.

6. Audit:

Mad Engine monitors compliance with this policy through regular third party factory audits and assessments, which produce an in-depth evaluation of the of the social, ethical, occupational health and safety and environmental performance of the facility.

7. Accountability/Remediation:

Mad Engine works with a wide range of independent monitoring organizations to carry out audits and help in remediation efforts. Audits serve as a valuable platform for strengthening accountability regarding social, ethical and environmental conduct.


8. Training:

Mad Engine communicates its policies to those with direct responsibility for supply chain management. Our policies advance the enhanced understanding and compliance with our

sustainability practices, international policies, our expectations on ethical treatment and preventing forced labor.

Mad Engine Global, LLC (BN 791409261) is submitting this joint statement pursuant to Canada Bill S-211 (the "Act"). Mad Engine Global has its headquarters in San Diego, California in the United States and serves as the true purchaser and importer of goods into Canada. Its affiliated counterpart, Mad Engine, LLC (BN 886545904), acts as the importer of record representing Mad Engine Global, LLC in Canada.

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.

By: 

Name: Noah Steinsapir

Title: Chief Legal Officer

I have the authority to bind Mad Engine Global, LLC and Mad Engine LLC.