

Forced Labour and Child Labour in Supply Chains Report

JOINT REPORT PREPARED FOR

Mayzon Group Inc.

Decolin Inc.

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

1. ABOUT THIS REPORT

This joint report covers the financial year ending December 31, 2023. It was prepared in accordance with Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") by Mayzon Group Inc. ("Mayzon") and Decolin Inc. ("Decolin", the "Company", "we", "our" or "us"). The information provided in this report applies to Decolin, a stock company created in December 2017 and governed by the Quebec Business Companies Act. Decolin's registered office is located at 9150 Park Avenue, Montreal, Quebec. Decolin import and sells product in Canada. Mayzon is a stock company created in December 2017 and governed by the Canada Business Corporations Act. Mayzon's registered office is located at 161 Bay Street, 48th Floor, Toronto, Ontario. Mayzon has no commercial activities and is the sole shareholder of Decolin.

We recognize our responsibility to respect and protect human rights, particularly in the context of an international supply chain. The company is committed to continually improving its due diligence, risk assessment, remediation and training processes.

2. ABOUT US & OUR SUPPLY CHAIN

Decolin is a global consumer products company shipping quality home product to retailers for the Canadian market.

Our catalogue of products includes shower curtain and liners, slipcovers, metals shower hooks, shower and window rods, storage solutions and bathroom accessories.

Our Structure and Operations

Decolin has its head office in Montreal with approximately 60 employees.

The subsidiaries of Decolin are:

- Maytex Mills Inc, approximately 30 employees
261 5th Ave 1701 17th , New York, NY 10016
- Zenith Home Corp, approximately 280 employees
400 Lukens drive New Castle, DE 19720
- RGI Home Holdings LLC, approximately 10 employees
261 5th Ave New York, New York 10016, US
- Maytex Global Limited, approximately 30 employees
Room 802, 8th Floor, Building, No.1, Kingland Plaza International, 395 East Shingly Road, Shaoxing, Zhejiang, 312000, China
- Maytex Philippines, approximately 20 employees
1MC Bldg. #37 Matino Street, Teachers Vill., West Quezon City, Philippines
- R. Greenspan International, approximately 10 employees
300 Xuan Hua Road, Shanghai, 200050, China

Our Supply chain

Our products are manufactured in USA, India, China, Philippines and Vietnam. Our company places great importance on developing solid business relationships with its suppliers. A small number of suppliers account for the majority of our supply volume, enabling us to maintain close ties and privileged business relationships with companies that share our values and interests.

Decolin began importing from China over 35 years ago, and over the years has developed in-depth knowledge of the market and its suppliers.

3. POLICIES AND DUE DILIGENCE PROCESS

Our policies

At a minimum, we require all our suppliers in our supply chain to respect and adhere to our *Supplier Code of Conduct* and that of our customers. Decolin has a zero-tolerance policy regarding (i) child labour (ii) forced and prison labour (iii) physical, sexual harassment and any discrimination to workers, migrant workers, minority groups and women's rights (iv) human trafficking. We expect our company, our associates, suppliers and partners globally to comply with all national, provincial, state applicable legal and professional requirements and regulations. Our supply chain policy addresses the risks of slavery and human trafficking risks and freely chosen labor.

Our continuous audit process

Decolin's Senior Compliance Auditor together with its Director of Compliance reporting to upper management and the president of the company visit the suppliers on an unannounced basis to ensure compliance of Decolin's *Supplier Code of Conduct* regarding forced labor and human trafficking. They perform haphazardly social compliance audits to ensure workers are treated properly, paid on time at or above the minimum wage applicable for each region, have access to drinking water and basic hygiene requirements, do not work excessive overtime, live in safe dormitories and work in safe conditions. Worker's interviews are conducted to validate factory's salary and working hours documentation.

Our Director of Compliance, through frequent visits to our countries of production, oversees human rights topics with our suppliers and its implementation, including our approach to human rights and its relevant policies and guidelines, such as on anti-human trafficking and modern slavery.

We expect our suppliers to comply with local legislation and regulations and conduct their activities, including their subcontractors if any, in accordance with our *Supplier Code of Conduct*.

We are aware that our suppliers have their own supply chain. Our expectations are that each level in the supply chain is responsible for ensuring compliance with applicable laws and regulations and for respecting human rights.

We expect suppliers to consistently implement compliance throughout their own supply chains.

Our supplier Onboarding process

Decolin only onboard new suppliers after they have been evaluated by our Senior Compliance Auditor and validated by our Director of Compliance after visiting the supplier.

We engage in conversation with our suppliers and evaluate their business practices regarding human rights, labor and business conduct, including their policies to evaluate and address risks of human trafficking and slavery.

Verifications are conducted either by our Senior Compliance Auditor and/or independent third-party auditors.

New suppliers undergo a social compliance audit, which includes an assessment of its practices to avoid modern slavery and human trafficking. Suppliers are expected to designate management staff to monitor their factories, production facilities and compliance with our *Supplier Code of Conduct*.

Decolin may conduct unannounced visits and/or have independent third-parties audit to help determine compliance with the *Supplier Code of Conduct*, including prohibition of slavery and human trafficking.

The number of supplier assessment is based on our risk-based approach and on the volume of business awarded to a specific supplier. Suppliers need to submit a corrective action to Decolin for all non-compliance points found during the audit. Additional unannounced onsite audits will be arranged for corrective action plan validation. Relation with the factory will be terminated if no significant improvement is noted.

Customer's Third-Party audit

In addition to Decolin's own supplier compliance audit program, our customers also request that our suppliers be audited by third party auditing firms such as Intertek, Société Générale de Surveillance (SGS), Bureau Veritas (BV) and Lloyd's Register Quality Assurance (LRQA). The suppliers are audited for BSCI (Business Social Compliance Initiative) by AMFORI , SMETA (Sedex Members Ethical Trade Audit) by SEDEX (Supplier Ethical Data Exchange), Intertek's WCA (Workplace Conditions Assessment). This is done on an annual voluntary basis. Some retailers use their own compliance audit program. Any supplier who fails any of the abovementioned audits is disqualified to make products for the retailer.

All these programs have their own audit grid, which assesses in varying degrees of detail working conditions, health and safety, and compliance with local regulations.

4.RISK ASSESSMENT & REMEDIATION MEASURES

Decolin considers the risk of forced labour or child labour to be very low in our direct operations in Canada given that all our employees are hired in accordance with, at a minimum, the applicable laws and regulations, supervised by our human resources team.

We have a whistleblower policy offered to all employees of Decolin and its subsidiaries, making it possible to report concerns and complaints, including forced labor or child labour, to inform the members of the Board or a third-party agency of any anomalies or infractions. No reports have been made to this effect.

Considering that we mostly procure our goods from suppliers in compliance with our onboarding and audit processes, we believe that the likelihood of forced and child labour being used by our direct suppliers is generally low. While we have not conducted a formal risk assessment process thus far, we acknowledge that our supply chain has a global reach

and that our direct suppliers have their own value chains that extend into countries and regions with potentially higher risks of forced and child labour, such as USA, India, China, Philippines and Vietnam

Given that we have not identified any instances of forced labour or child labour in our activities and supply chains, no measures were taken to remediate such instances or to remediate the loss of income to the most vulnerable families that may result from such measures. In the event that any allegations of forced labour or child labour are discovered in our operations or supply chains, we will take them seriously and conduct an investigation as soon as possible to address any potential risks.

5.TRAINING

We prioritize the well-being and safety of our workforce. While our employees may not receive specific training on modern slavery, all new employees are required to undergo comprehensive training on our policies, as part of the onboarding process. The *Internal Code of Conduct*, which is updated on yearly basis, include a detailed explanation of Decolin's position to not tolerate any form of forced labour and child labour

All team members must demonstrate their understanding of our policies by completing comprehensive training courses on topics such as:

- Ethical Leadership
- Religion, Spirituality and Beliefs:
- Diversity, Equity, & Inclusion in the Workplace
- Employment Law Essentials
- Social Wellness
- Intellectual Wellness
- Physical Wellness
- Drugs & Alcohol in the Workplace
- Microaggressions in the Workplace
- LGBTQ+ Inclusion
- Emotional Wellness
- Managing Difficult Employees
- Preventing Discrimination & Harassment

Further annual training is provided according to employees' needs.

Training specific to our procurement team

Where employees work directly with suppliers, they are instructed to familiarized themselves with the Supplier Code of Conduct, and to ensure suppliers understand what is expected of them under the Supplier Code of Conduct.

6. ASSESING THE EFFECTIVENESS OF OUR APROACH

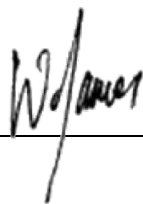
We have a process of reviewing of our practices and policies on a yearly basis. This review is aimed at strengthening our commitment to ethical and human rights standards, while assessing the effectiveness of our current approach to better inform our future decisions.

Approval and Attestation

This report was approved by the Board of Directors of Decolin Inc. on May 30, 2024, pursuant to subparagraph 11 (4)(b)(i) of the Act and constitutes our report for the financial year ending December 31, 2023.

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 entities listed in the first section of this report. 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 indicated above.

I have the authority to bind Mayzon Group Inc.



Wole James

Title: Director

Date: May 30, 2024