2023 Report on Fighting Forced Labour and Child Labor in Supply Chain Act for Roadrunner Apparel Inc.

Introduction

Roadrunner Apparel Inc. is committed to ethical practices and sustainability throughout our supply chain. In alignment with global efforts to eradicate forced labor and child labor, we are implementing stringent measures to ensure that our products are made ethically. This report outlines the initiatives and strategies Roadrunner Apparel Inc. is adopting to comply with the Fighting Forced Labour and Child Labor in Supply Chain Act, aiming to create a transparent, fair, and responsible supply chain in the clothing industry.

Structure, Activities & Supply Chain

Roadrunner Apparel Inc operates as a corporation at 2005-23rd Avenue, Lachine, Quebec H8T 1X1. The financial reporting year of Roadrunner Apparel Inc covered by this report is January 1, 2023 to December 31, 2023. Roadrunner Apparel Inc satisfies the definition of an Entity within the Act by having a place of business in Canada, conducting business in Canada, having assets in Canada and meeting two of the three size-related thresholds.

Structure

Roadrunner Apparel Inc is a Canadian wholesaler that specializes in clothing such as jeans, skirts, tops, dresses. We produce clothing for men, women and children. In addition to our commitment to quality, sustainability is a core value that drives everything we do.

We are registered with Eco Entreprises Quebec and are in the process of registering with Bluebox program of Ontario. We continuously explore ways to minimize our environmental footprint.

This is the first version of the report submitted and the report is for the entity Roadrunner Apparel Inc. There are no other reporting requirements under other jurisdictions.

Activities

We design in-house at our head office and engage agents to manage sourcing outside of the country, aside from having our goods inspected for quality before they ship to Canada, we also have our own

quality control department. We invest in making sure that the goods we sell to our customers are clean and well made. In addition to producing the clothing for major stores around the world, we also engage in research and development of fabric or any innovation that will give us an edge against competitors to meet consumer preferences and market trends.

Supply Chain

Roadrunner Apparel Inc directly procures goods from companies operating out of Bangladesh, Pakistan, India and China.

Policies & Due Diligence

Roadrunner Apparel Inc currently operates with informal procedures that, while not yet documented, foster a positive and conducive internal environment for employees.

Due Diligence

Roadrunner Apparel Inc. has a Vendor Approval policy that outlines the vendor selection procedure to prevent the risk associated with sourcing raw materials. This policy engages third party factory inspectors like SMETA, BSCI and WRAP. We also engage agents in each country who are responsible for visiting the factories onsite to make sure of the quality of production. During the initial assessment the supplier must provide product specifications and compliance certificate. Once a vendor has undergone the initial assessment, they are added to an Approved Vendors Registry.

Additionally, more than 80% of our vendors have been certified compliant by the third party inspectors. These organizations require all suppliers to sign off on a Code of Conduct, which serves as a guide for ethical behaviour and compliance with supporting laws and regulations across all of their operations. There is explicit language prohibiting the use of forced labour and child labour outlined in these documents. This added level of due diligence further mitigates the risk of forced labour and/or child labour in Roadrunner Apparel Inc 's operations and supply chain.

Additionally, the Approved Vendor Registry is reviewed monthly to ensure all supplier documentation is active and compliant. Our major customers such as Costco and Giant Tiger require this from us. The top 80% of Roadrunner Apparel Inc 's largest vendors are reviewed annually on overall performance, and a general evaluation of the relationship. This review may address concerns including invoicing, timeliness of shipments, quality, and general product condition. Roadrunner Apparel Inc reserves the right to disqualify vendors based on poor service, expired certifications, or issues related to documentation.

Risk Assessment

A risk assessment of the goods procured by Roadrunner Apparel Inc ("Roadrunner Apparel Inc ") and countries from which the goods are procured from has been performed in relation to the Act. This risk assessment used two separate indices to conclude on inherent risk of forced labour and child labour related to goods and countries — Walk Free's Global Slavery Index and the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour.

We know that based on the above reports, our vendors are from foreign countries considered "Extreme" risk, we do our best to make sure they are constantly visited on-site by the purchasing agents we engage. We also make sure that their social compliance certificates are up-to-date and compliant. This is very important to doing business with our major customers.

Additionally, the textile materials we sourced from these countries are also considered at risk. Remediation forced labour & child labour & vulnerable family income loss

Roadrunner Apparel Inc is in the process of discovering the full depth of our supply chain and is continuing to review procurement practices to enhance the rigor of our due diligence processes, including raising awareness with suppliers. To date, Roadrunner Apparel Inc has not identified or suspected any instances of forced labour or child labour within our operations or those of our suppliers. Consequently, no remediation measures were required in respect to forced labour or child labour.

Awareness Training

Roadrunner Apparel Inc does not have training in place on the subject of forced labour or child labour. However, of the policies identified above that are relevant to this Act, Roadrunner Apparel Inc is going to start a written policy and code of conduct of the company for any new employee onboarding. We will also distribute to all current employees and have them sign this policy and code of conduct to make sure everyone understands what we need to follow with respect to this Act.

Assessing Effectiveness

To track Roadrunner Apparel Inc effectiveness of procedures to mitigate the risk of child labour and forced labour, the following mechanisms are in place:

Roadrunner Apparel Inc Internal Processes

1. **Harassment incidents:** Roadrunner Apparel Inc has a zero-tolerance for discrimination and harassment. All claims made regarding harassment will be reported to Management. Where an investigation is warranted, Roadrunner Apparel Inc will ensure an unbiased, impartial investigation is conducted.
2. **Conduct and behaviour incidents:** The company aims for full compliance with Roadrunner Apparel Inc.'s Code of Conduct, which will be documented and expected of all employees.. As a condition of employment, all new employees will have to sign a Certificate of Acknowledgement, stating that they have read the Code of Conduct and understand that they are required to comply with outlined conduct and behaviour.
3. **Employee training:** Roadrunner Apparel Inc plans to implement employee training on the topic of child labour and forced labour. Content will include how to identify, assess and report perceived or actual instances of child labour and/or forced labour.

Supplier Activities

1. **Vendor Approval:** Roadrunner Apparel Inc plans to implement a clause within the Vendor Approval policy regarding a zero-tolerance for child labour and forced labour. This clause aims to identify the outcome or, disciplinary action should any instances of child labour or forced labour be reported or discovered by Roadrunner Apparel Inc.
2. **Supplier visits:** When performing onsite supplier visits, Roadrunner Apparel Inc will review an onsite questionnaire which will integrate questions related to forced labour and child labour with which suppliers will be interviewed. Roadrunner Apparel Inc will keep all questionnaires on a centralized workplace where responses can be updated for each visit. Roadrunner Apparel Inc will track responses to understand what suppliers are doing to mitigate the risk of child and forced labour.
3. **Supplier performance reviews:** Key suppliers of Roadrunner Apparel Inc are reviewed on an annual basis to ensure compliance with contract terms and conditions. These reviews can serve as an opportunity to review findings from site visits and supplier questionnaires. Record keeping for frequency of reviews and date of last review will be kept on a centralized data base to ensure these reviews are being performed.

Steps Taken to Prevent & Reduce Risk of Forced Labour or Child Labour

Roadrunner Apparel Inc has taken the following steps to prevent and reduce the risk of forced labour or child labour:

1. Conducting an internal risk assessment of forced labour and/or child labour in the organization's activities and supply chains. Roadrunner Apparel Inc has identified goods within the supply chain that have inherent risks of forced labour and/or child labour in this report.
2. Planning to implement reporting policies and procedures that create a culture where employees feel safe and capable of reporting instances of forced labour and/or child labour or any other form of suspected exploitation.
3. Addressing practices in our organization's activities and supply chains that increase the risk of forced labour and child labour: Remediation efforts related to due diligence processes have been identified to reduce the risk of forced labour and/or child labour within the supply chain.
4. Developing due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains.
5. Implementing anti-forced labour and/or anti-child labour conditions: Roadrunner Apparel Inc has identified the opportunity to integrate conditions within the Vendor Approval policies related to forced labour and child labour.
6. Monitoring suppliers: Roadrunner Apparel Inc uses supplier reviews and onsite visits for key suppliers to monitor supplier relationships. Both functions have been identified as opportunities to align reviews and onsite visits to verify whether suppliers are adhering to labour laws and regulations, specifically in relation to forced labour and child labour.
7. Enacting measures to provide for, or cooperate in, remediation of forced labour and child labour: Mitigating activities have been identified to reduce the risk of forced labour and child labour within supply chains. See risk assessment section for further explanation.
8. Developing and implementing training and awareness materials on forced labour and child labour: Roadrunner Apparel Inc has identified the opportunity to develop employee training relevant to forced labour and child labour in their internal operations.

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.

Tara Novinsky	
Full Name	**Signature**
Vice-President	May 31,2024
Title	**Date**

I have the authority to bind Roadrunner Apparel Inc and this report covers financial year 2023 and applies to Roadrunner Apparel Inc and all entities considered reporting entities in terms of the Act and any controlling subsidiaries of Roadrunner Apparel Inc if they apply.