

Modern Slavery Report

For the year ended July 31, 2023

Introduction

This report has been prepared by Soft-Moc Inc. (“SoftMoc”) to meet our obligations under Canada’s new Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

Structure, activities and supply chains

SoftMoc is an Ontario Corporation, headquartered in Whitby, Ontario. SoftMoc’s business number 128928744.

SoftMoc is a retailer of footwear products and accessories and operates 125 retail locations throughout Canada, as well as a significant eCommerce presence. Primarily selling national and international brand-name product acquired from the manufacturer’s distributors in Canada and the United States.

SoftMoc does procure its own brand of product for sale across Canada. This product is sourced through reputable agents in Canada and the United States, whom SoftMoc has worked with for many years. These agents share SoftMoc’s respect of human rights as a fundamental corporate responsibility and a value that governs our conduct in all that we do.

Policies and Due Diligence processes regarding forced and child labour

SoftMoc has conducted preliminary assessments of the risks of forced labour and/or child labour in our supply chains. As part of our assessment, all agents involved in the procurement of SoftMoc brand product have provided inspection/audit reports for all factories that produce the SoftMoc brand product. All these inspections/audits were conducted based on both local and international standards regarding labour conditions and practices.



SoftMoc is developing a Supplier Code of Conduct to formalize and reinforce our position on the essential principles that we follow and ensure a more fulsome understanding with our suppliers that such ethical practices must be followed.

Remediation Measures

SoftMoc advises that, in the review of the reports provided by our agents for this year, all of the factories involved in the production of SoftMoc product are monitored, routinely inspected and audited. In all of the reports, there has been no indication of child labour and/or forced labour. Accordingly, SoftMoc has not had reason to take any remedy to remediate forced and/or child labour and therefore, SoftMoc has not had to take any measures to remediate the loss of income to the most vulnerable families resulting from any measure taken to eliminate the use of forced labour or child labour in its supply chains.

If such a situation were to be identified, SoftMoc will assess the situation, correct it and implement measures to avoid such situations in the future.

Training given to Employees on forced and child labour

SoftMoc advises that employees involved in the procurement process of goods for sale in Canada (Inventory Management team) were briefed on the issue of identifying and reporting suspected use of forced labour and/or child labour.

SoftMoc commits to a full training of all staff involved in the procurement process with the launch of the Supplier Code of Conduct, as this will be a company-wide commitment to corporate responsibility and business practices for both SoftMoc as well as our supply chain.

Assessment of Effectiveness

SoftMoc commits to enhancement of measures during the year aimed at reducing the risk of modern slavery in its supply chains.



Further, the effectiveness of its governance, including the coming Supplier Code of Conduct, will be formally overseen by the Board of Directors, as a corporate priority.

In accordance with the requirements of the Act, and specifically section 11, I certify that I have viewed the information contained in this report for Soft-Moc Inc. Further, based upon my knowledge and having exercised due 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 above-referenced reporting year.

I make the above statement in my capacity as the director of Soft-Moc Inc., and further, I have the authority to bind Soft-Moc Inc.

/s/ Bryan Bardocz

Bryan Bardocz

Chief Executive Officer

Director

Soft-Moc Inc.

April 23, 2024

