



Superior Glove Works LTD.
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Fighting Against Forced Labour and Child Labour in Supply Chains Mandatory Reporting – Bill S-211

Joint Report for Superior Glove Works Limited (BN 123764565) and Affiliates Reporting year: June 1, 2023 to May 31, 2024

At Superior Glove, we are strongly committed to human rights and employees' rights. We believe it is our responsibility to do our part to eradicate forced labour and human trafficking, and we expect and demand the same ethical conduct from all our employees/team members and our business partners, including suppliers and contractors regardless of the country they operate in. This document summarizes our operations and our commitment to fighting Forced Labour and Child Labour.

1. Superior Glove Entities, Activities and Supply Chains

Superior Glove Works Limited (“Superior Glove”) is a Canadian Corporation and a leading innovator in the design and manufacture of safety gloves, protective sleeves, and apparel. The Company was incorporated in 1961 and it, along with its affiliates, are privately held and managed by Individual Canadian Shareholders. Superior Glove has been a leader in the hand safety industry and has been protecting workers across the globe with specialized hand and arm protection for every major market. Superior Glove is headquartered in Acton, Ontario and has over 800 employees in Canada, USA, Mexico, and Honduras. We specialize in high quality products that give upmost protection against work hazards such as cut resistance, heat resistance, puncture, arc flash, and abrasion.

The Superior Glove Works Group includes four operating entities as follows:

Superior Glove Works Limited	Ontario, Canada	BN 123764545
Superior Glove Works USA Limited	Delaware, USA	EIN 35-2491374
Superior Glove Works Mexico SA de CV	Mexico City, Mexico	RFC SGW220531HR4
Superior Glove Works Honduras SA de CV	San Pedro Sula, Honduras	Corp# 108022-0000

There are also two Holding Companies in the Group as follows:

J.D. Copeland Supply Ltd.	Ontario, Canada	BN 805324340
Etyek Holdings Inc.	Ontario, Canada	BN 751686809

This is a joint report and will cover all Superior Glove Group entities noted above. All locations and entities are governed by Superior Glove Corporate policies and procedures. The entities all share the same Board of Directors who act as the governing authority of the Group.

Superior Glove’s manufacturing facilities are vertically integrated from engineering and design to the production of engineered yarns, knitting & sewing, palm dipping and other finishing and enhancements. We have three production facilities in Canada (Acton, Ontario, Point Leamington, Newfoundland, and Springdale, Newfoundland) and two manufacturing facilities in Villanueva, Honduras producing millions of pairs of gloves and protective sleeves per year.

In addition to our own manufacturing facilities, we partner with third party factories in Asia to produce speciality designed, customized, and Superior Glove branded safety products. These finished products are imported from our Asian supplier partners in Pakistan, China, Malaysia, Bangladesh, India, and other countries and are distributed by Superior Glove primarily in North America.



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In addition to our finished goods supply chain, we partner with suppliers in Canada, USA, Central America, Europe, and Asia to purchase raw goods used in our manufacturing processes including yarns, filaments, chemicals, packaging, fabrics, and other materials. These supplier partners also provide manufacturing equipment, supplies and other contracted services used in Superior Glove manufacturing and distribution operations.

Superior Glove products are sold mainly in Canada, USA, and Mexico through major safety products distributors. End users of our products are from every major sector including mining, utilities, oil & gas, automotive, construction, food processing, health care, agriculture, forestry, fishing, manufacturing, transportation, and warehousing among others.

Superior Glove has two distribution centers in Canada (Acton, Ontario and Edmonton, Alberta), two in USA (Cheektowaga, New York and Shreveport, Louisiana) and one in Mexico (San Luis Potosi). Goods are transferred regularly between our warehouses and manufacturing plants.

2. Policies and Due Diligence Processes regarding Forced and Child Labour

Superior Glove is committed to conducting business in an ethical manner and promoting good labour, human rights, health, safety, and environmental practices across our entire business and with all our business partners.

Superior Glove has an “**Anti-Forced & Child Labour Policy**” which applies to all locations and entities in the group. This policy establishes our principles and the steps we take to ensure forced labour does not occur in our supply chain or our business. This Policy is provided to and reinforced with training to all team members working at Superior Glove in a permanent, contractual, or contingent capacity. Superior Glove also maintains a comprehensive “**Team Member Handbook**” which outlines workers’ rights and responsibilities and recently updated our “**Team Member Code of Conduct**” to summarize expectations. All documents and materials are provided to new employees upon on-boarding and training and are posted on internal websites and communication boards which are available to all team members. Copies of the Superior Glove’s “**Anti-Forced & Child Labour Policy**” and “**Team Member Code of Conduct**” can be obtained by interested parties upon request.

In addition to our Internal Policies, Superior Glove implemented a “**Supplier Code of Conduct**” in 2021 to ensure all suppliers throughout our supply chain understand our expectations and agree to comply with our standards. Within this code of conduct, our vendors must agree to comply with various social compliance requirements including but not limited to the following Labour and Human Rights Standards:

Non-discrimination - suppliers do not discriminate in any manner based on race, ethnic background, nationality, age, religion, gender, sexual orientation, disability, family responsibilities, marital status, political affiliation or opinions, membership in unions or any other legitimated organizations, diseases or any other condition that could give rise to discrimination.

Forced labour – suppliers do not use forced, bonded, trafficked, prison, or slave labour. Workers shall not be subject to misleading or fraudulent practices of recruitment or be required to pay recruitment fees to their employer, labour brokers or agents. Suppliers will not require workers to surrender possession of identity papers such as passports, ID cards, or work permits. All workers must be free to leave their employer after reasonable notice.



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Child labour - suppliers do not use child labour; suppliers act in line with Convention 138 (Minimum Age) and Convention 182 (Worst Forms of Child Labour) of the International Labour Organization.

Freedom of association - suppliers respect the right of their employees to freedom of association and collective bargaining. Suppliers will allow workers to freely elect their own representatives with whom the company can enter discussions about workplace issues and respecting the right of workers to form unions in a free and democratic way. Suppliers will not discriminate against workers because of trade union memberships and respect workers right to bargain collectively and shall not prevent worker's representative from having access to workers in their workplace or from interacting with them.

Fair remuneration – suppliers pursue a fair remuneration policy with due recognition for performance and will comply with wages mandated by government's minimum wage legislation, or industry standards approved based on collective bargaining. Wages are to be paid in a timely manner, regularly and fully in legal tender.

Working hours - suppliers do not force their employees to work excessive hours. In case employees are asked to work overtime, their extra work is compensated in line with local legislation. Any overtime shall not represent a significantly higher likelihood of occupational hazards. Suppliers shall grant their workers with the right to resting breaks in every working day and the right to at least one day off in every seven days.

No harsh or inhumane treatment - workers of suppliers shall be treated with dignity and respect. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse, mental coercion, or other forms of intimidation are prohibited.

Local community - suppliers guarantee healthy and safe living conditions to residents, support local job creation, local sourcing, education provisioning, and infrastructure development.

In January 2021, the Superior Glove Supplier Code of Conduct was issued and sent to our existing finished goods and raw materials suppliers in Asia. All our existing suppliers in Asia were required to acknowledge and sign the Code of Conduct agreeing that they understand and will follow the guidelines therein. In July 2021, our New Vendor set up process was revised to include a provision that ALL NEW suppliers must first sign the code of conduct before doing business with Superior Glove.

In addition to the Supplier Code of Conduct, all suppliers must complete a “Supplier Self Assessment” form to provide details about their operations. Among other areas, Section 2 of the self assessment focuses on Labour and Human Rights.

Copies of Superior Glove’s “Supplier Code of Conduct” and “Supplier Self Assessment” form can be obtained by interested parties upon request.

All supplier responses and signed acknowledgements are reviewed and maintained by the Purchasing Department. Any deficiencies or missing documents are followed up directly with suppliers. We monitor and assess our vendors on a regular and on-going basis through quarterly reviews, vendor scorecards and regular communication. In addition, we strongly encourage all suppliers to obtain certification with a recognized social compliance audit, such as WRAP or SA8000. We ask for regular updates on certifications and results of any compliance audits from our key suppliers.

Members of our Senior Management, New Product Development, Quality, and Procurement teams regularly visit suppliers. During visits we tour facilities and assess the supplier’s adherence to social compliance policies through discussions with management and where possible with random employees

on the production floor. We also validate original copies of certifications related to quality, social compliance, environmental and others. We are in the process of formalizing the assessment process by establishing a Social Compliance Audit Team and audit checklist for high-risk suppliers and countries. This will be a consideration for future visits to suppliers.

3. Risks of Forced and Child Labour in the Business and Supply Chains, and Steps Taken to Assess and Manage That Risk

Superior Glove has mapped our supply chain by commodity type and by region to assess and identify high risk areas for Forced and Child Labour. We identified the component of our supply chain that carries the highest risk is with our Asian supplier partners and their supply chain. Certain commodities we purchase or that are used by our finished goods suppliers are identified as more high risk or vulnerable (e.g. cotton particularly from certain regions of China).

As mentioned in Section 2 of this report, all our Asian suppliers undergo a comprehensive initial screening for social compliance through our Supplier Code of Conduct and Supplier Self Assessment procedures as a first step in monitoring and mitigating these risks.

Certain high-risk commodities such as cotton, were reviewed more closely, and we attempted to map our entire supply chain including those of our supplier partners throughout the entire chain. We found that, firstly, we buy or use very little cotton from China vendors, and secondly any of the vendors we do purchase from have proven compliant sources. Through interviews and discussions with our finished goods suppliers about their supply chains we were also able to satisfy ourselves that compliant sources are being used for these high risk commodities.

Since 2018, we have employed a third-party product and supply chain compliance service provider - Assent. Assent continually campaigns our vendors to ensure our products are compliant with certain standards, such as Prop 65, Reach and FDA. In 2023, we added the UFLPA package from Assent which increases supply chain transparency to identify and mitigate human trafficking and slavery (HTS) risks. In addition to direct campaigns and assessments, Assent UFLPA service monitors over 2 million digital sources including news media, radio, television, social networks, NGO reports, subscription services, sanction lists, government registries and others to identify potentially damaging mentions of suppliers and third parties pertaining to social compliance.

Superior Glove believes this Assent UFLPA program will help further enhance our social compliance risk management and due diligence processes through continual monitoring and assessments of our supply chain. This proactive approach will enable us to recognize potential risks so we can implement mitigation plans more quickly and efficiently.

Another area of higher risk we identified is in our Central American Supply Chain and manufacturing locations. Our entities in Honduras and Mexico are governed by Corporate Policies and Procedures including Anti-Forced & Child Labour Policy, Team Member Handbooks, Health & Safety and other Human Resources and Employee related policies. Regular visits and assessments are done by Senior Management and Superior Glove corporate personnel to ensure all locations remain compliant with all internal policies and procedures as well as social compliance and other government regulations. Whistleblower policies and procedures are in place at these locations where all team members have a direct conduit to Senior Corporate personnel. Training is provided in Spanish and required to be completed by all team members at all locations. See Section 6 for further information on training.

In addition to our internal facilities, Superior Glove has a large vendor base that supplies our Honduras manufacturing plants. We recently translated our Supplier Code of Conduct and Self Assessment into Spanish. These were issued to all Central America suppliers to follow the same procedures as mentioned in Section 2 above. Our Purchasing and Management team in Honduras maintain close relationships with vendors and visit supplier facilities on a regular basis for informal inspections. More formalized Social Compliance assessments (and potentially audits for higher risk suppliers) are being developed for Central America and will be implemented in the next year.

4. Measures Taken to Remediate Forced or Child Labour Abuses

During the reporting year, we identified one case of suspected forced labour in our supply chain. We took immediate steps by placing all purchase orders and current stock on hold until we could gather more information. Upon review of further information on the supplier and the alleged violations, we found that the supplier had signed our Code of Conduct and completed a self-assessment that did not raise any flags. The supplier also provided feedback and reports denying the alleged claims.

Despite the above, due to the uncertainty and high risk that the supplier had potentially violated our Code of Conduct and engaged in forced labour practices, we decided to cease doing business with the supplier involved. As such, all orders were cancelled, and any current stock put into quarantine. This incident occurred in April 2024, and we are currently in the process of re-sourcing products to other known and trusted suppliers.

We are also currently in the process of reviewing our compliance system to determine if the incident could have been discovered or prevented earlier. This includes an assessment our 3rd party compliance partner to confirm if pre-warnings should have been received.

5. Measures Taken to Remediate Loss of Income to Vulnerable Families That Results From Measures Taken to Eliminate Labour Abuses

As mentioned in point 4 above, we identified one case of suspected forced labour in our supply chain in April 2024. At this time, we have ceased to do business with the supplier in an effort to ensure that violations do not occur in the future. We are still assessing the situation to determine what our Company can do to remediate any losses of income to vulnerable families as appropriate.

6. Training Provided to Employees on Forced and Child Labour

To support our efforts in the area of Social Compliance and forced/child labour, we established mandatory formal training programs to all employees across all entities of Superior Glove. In January 2024, Superior Glove published an Anti-Forced & Child Labour Policy globally to outline our team members policy compliance, our expectations, and responsibilities of individuals.

In March 2024, Superior Glove Works launched team member training for Anti-Forced and Child Labour in all countries. As an organization, it's important to us to ensure our team members understand they can directly contribute to identifying and taking action as the world joins forces to eradicate anti-forced labour in all forms.



Training provides information on education, ethics, compliance, and how to take action. The following modules are included in the training.

- What is Forced Labour?
- Identifying Forced Labour
- Types of Forced Labour
- Reporting Suspicious Behaviour, including whistleblowing
- Test your knowledge – What is Forced Labour
- Test your knowledge – Examples of Forced Labour

Training is available in both English and Spanish and administrated by Human Resources with the support of Senior Management. As of May 1, 2024, 99% of all global employees have completed the training and successfully passed knowledge tests to ensure understanding. New team members complete training within the first two weeks of onboarding.

7. How Superior Glove Determines Effectiveness in Ensuring That Forced and Child Labour Are Not Used in the Organization or Supply Chain

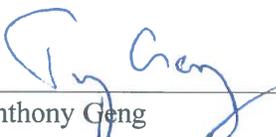
We are working to understand the effectiveness and impact of the initiatives detailed in this report. Currently we track the performance through a combination of internal and external mechanisms, and we use these mechanisms to assess the performance of each activity undertaken.

We assess our effectiveness in ensuring that forced and child labour are not used in our business and supply chains through regular review and audits of our policies and procedures, feedback from our employees, suppliers, and external compliance partners. Whistle-blower Policies and contact information are included in both our Supplier Code of Conduct and Internal Anti-Forced & Child Labour Policy to provide grievance mechanisms for employees, suppliers, and other stakeholders.

Certification of this Report

This report has been reviewed and approved by the Board of Directors of Superior Glove Works Limited on behalf of the company and each of the reporting entities listed above.

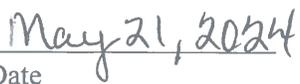
In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in the report for the entities listed above. Based on our knowledge, and having exercised reasonable diligence, we attest that the information in the report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



Anthony Geng
Director and President



Joseph Geng
Director and Vice-President



Date

We have the authority to bind Superior Glove Works Limited and its affiliates.