
2024 Annual Report Under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

This report is made on behalf of Psycho Bunny Inc. (“**Psycho Bunny**” or “**our**” or “**we**”), pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) to address the steps Psycho Bunny has taken during its last financial year, being from February 4, 2024 to February 1, 2025, to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Psycho Bunny, or of goods imported into Canada by Psycho Bunny. This report has been approved by the Board of Directors of Psycho Bunny on May 6, 2025.

Structure, activities and supply chains

Psycho Bunny is a Canadian corporation incorporated under the *Canadian Business Corporations Act* as of January 6, 2021.

Psycho Bunny operates as a direct-to-consumer business in the retail and wholesale sector and designs, manufactures and sells luxury menswear and kids wear in more than 45 points of sale in Canada, with close to 300 Canadian employees. We also have a strong US presence, with more than 600 points of sale and close to 900 employees, and partnerships in Latin America, the Middle East, the United Kingdom, South Africa and Japan.

We source our Pima cotton from suppliers in Peru and we manufacture the majority of our cotton polos, button down shirt and t-shirts in Peru. Our fleece, French terry, outerwear and select knit products and accessories are manufactured in China, and a minority of other commodities are manufactured in Portugal, Turkey or Vietnam.

Policies and due diligence processes in relation to forced labour and child labour

Psycho Bunny opposes all forms of forced labour and child labour, as further detailed in our Supplier Code of Conduct enforcing our commitment to ensure that all those involved in our supply chain are not subject to forced or child labour, benefit from a safe working environment and adequate wages. As a first step to prevent and reduce the risk of forced labour and child labour in relation with our activities and in our supply chain, we conduct periodic internal reviews of where any associated risks could be present. This review entails assessing our suppliers and requesting the contact information of any upstream factories used for manufacturing Psycho Bunny products. A third-party auditor conducts social compliance audits on our suppliers and any upstream factories, and issues any corrective action plans required subsequent to the findings of the audits. Psycho Bunny reserves its right to terminate its relationship with a supplier that fails to participate in such audits or fails to respond to the corrective action plans.

Psycho Bunny’s policies and due diligence process were strengthened during the 2024 reporting period by 1) the implementation of a Supplier Code of Conduct, 2) collecting the signatures of our suppliers on the Code of Conduct, 3) mandating an independent

accredited auditor to monitor supplier's compliance with the Code of Conduct, and 4) gathering the contact information of our suppliers' upstream factories.

Parts of the business and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage that risk

Psycho Bunny acknowledges that there is risk in not monitoring beyond the finished product manufacturer. This further upstream part of the business may pose the greatest risks for forced labour or child labour within our supply chain. We recognize that the implementation of a program requesting our suppliers to provide us with documentation tracing their procurement of the raw materials required to produce our Psycho Bunny branded products may mitigate this risk.

Measures taken to remediate any forced labour or child labour

Psycho Bunny has not been able to identify any forced labour or child labour in our activities or supply chain, and as such, this is not applicable.

Measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in activities and supply chains

Psycho Bunny has not been able to identify any loss of income to vulnerable families resulting from efforts to prevent and reduce the risk of forced labour or child labour in our activities or supply chain, and as such, this is not applicable.

Training provided to employees on forced labour and child labour

Psycho Bunny has created with an external organization a mandatory training session on forced labour and child labour for all employees. In addition, an Employee Code of Conduct covering these topics will be available as of May 2025 and will be signed yearly by all employees.

How effectiveness is measured in ensuring that forced labour and child labour are not being used in business and supply chains.

Psycho Bunny measures its effectiveness that forced labour and child labour are not being used in its activities and supply chains by a) championing its Supplier Code of Conduct which focuses on employee working conditions, benefits, health and safety, security and forced and child labour, b) requesting our suppliers to accept and sign the Supplier Code of Conduct on an annual basis, c) performing audits by independent accredited auditors and deploying a corrective action plan as needed. To further measure effectiveness, Psycho Bunny is working towards implementing an on-boarding process with vetting requirement of our suppliers, and introducing a performance score card to measure the effectiveness of suppliers regarding compliance related matters.

Psycho Bunny condemns all forms of forced labour and child labour, and remains steadfast in its commitment to preventing such practices within our operations and supply chain.

Approval

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 Psycho Bunny Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this 2024 Annual Report under the Act is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Anna Martini

Anna Martini
Chief Executive Officer
May 15, 2025

I have the authority to bind Psycho Bunny Inc.