

Forced Labour and Child Labour in Supply Chains Report

1. About This Report

This report relates to the financial year ending March 31, 2026. It is published by 9054-8553 Québec Inc. (the “Company”) in compliance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

This report highlights the key activities the Company has undertaken during the last financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods imported by us into Canada.

References in this report to “Altitude Sports”, “we”, “our” and similar terms are to the Company.

2. Preventing and Reducing Risks of Forced Labour and Child Labour

Altitude Sports is committed to sourcing responsibly and considers all activities in its supply chains that lead to human rights abuses as unacceptable.

We also recognize that we have a social and corporate responsibility to continuously improve our practices to identify and address any forced labour or child labour risk that may be present in our operations or supply chain. As a retailer, we are working to improve our practices every year and become a leader in sustainable trade.

During our last financial year, we have taken various steps to prevent and reduce the risk that forced labour or child labour be used at any step of the production of goods imported by us into Canada, including the following:

- We continued to conduct internal risk assessments of forced labour and child labour within our organization's activities and supply chain, further refining our approach.
- We maintained our audit process of suppliers and enhanced the procedures for suppliers to establish policies against forced and child labour in their operations and supply chains.
- We prioritized certified suppliers and surpassed our internal objective of getting 60% of our third-party brands to confirm they have a signed code of conduct for the factories that manufacture their products, or to sign Altitude Sports' code of conduct if they don't have their own in place already. 69% of our third-party brands did so.

Details of the above actions are set out in this report.

3. About Us & Our Supply Chain

Altitude Sports is one of Canada's leading e-commerce retailers, working and playing at the intersection of lifestyle and the outdoors, with more than 300 employees supporting its growth. The Company offers a selection of over 400 third-party brands to its clients, in addition to commercializing two owned brands: Vallier and Altitude Sports private label.

When selecting our third-party brands, we prioritize those that are committed to a sustainable, ethical and responsible approach. We have established long-term relationships with many reputable brands which are generally based in the US, Europe, Japan and Oceania.

Our Vallier and Altitude Sports clothing and equipment are made through third-party manufacturers and are sold predominantly in Canada through two web stores: Altitude Sports (altitude-sports.com) and The Last Hunt (thelasthunt.com).

Vallier is a brand of lifestyle and high-end technical clothing, accessories, and equipment for both men and women, which directly engages with manufacturers in Canada and China. Altitude Sports is the private label of the online store of the same name, offering clothing, accessories, and equipment for various outdoor activities for men, women, and children. Altitude Sports products are manufactured in China. We purchase directly from the manufacturer and import into Canada with our Company. We ceased working with an agent in the past year, as we used to do in the past.

The cotton used by our Asian and Canadian manufacturers to produce Vallier and Altitude Sports clothing is sourced from Brazil and India, with a minor portion (5%) originating from Turkey.

Over the past four years, we have made consistent efforts to decrease our reliance on foreign manufacturers. As a result, 25% of our entire collection was produced in Canada during the last financial year.

4. Policies and Due Diligence Processes

Our deep commitment to sustainability is changing the way we do business. Quality and sustainability are being prioritized over quantity, as we aim to be the opposite of fast fashion.

Part of this purposeful vision includes protecting and advancing social responsibility, compliance and human rights within our operations and supply chain, as we are embedding responsible business conduct into our policies and management systems.

4.1. Supplier Code

Our Supplier Code of Conduct (the “Supplier Code”) is an important pillar of our human rights risk management approach.

The Supplier Code sets out the values and principles that guide our actions and commitment with respect to our suppliers, from farm to garment factory, including all subcontractors and sub-suppliers, as well as all workers involved in our supply chain, regardless of their status.

The Supplier Code strengthens awareness and enforcement of the Company's ethical culture, environmental responsibility, product safety standards and community engagement. Notably, the Supplier Code provides for:

- A prohibition on engaging in any form of forced labour and strict standards applicable when employing minor workers.
- Obligation to operate in full compliance with the laws, rules and regulations of the countries of operation.
- Obligation to oversee third-party entities involved in recruitment to prevent any form of force, deception, intimidation, coercion, or punishment based on political views.
- The protection of workers' rights, freedom of association and a safe and healthy working environment.
- The establishment of mechanisms to protect whistleblowers who report violations.

The Supplier Code also includes a detailed procedure to be followed by the supplier in case of non-compliance with the Supplier Code, and Altitude Sports reserves its right to terminate the supply agreement if the identified issue remains unresolved.

4.2. Employees' Guide

We distribute our Employees' Guide to our workforce to inform them of their rights, benefits and obligations, which includes their responsibility to help maintain, through their conduct, a healthy work climate, free of psychological harassment.

In 2025, we implemented a comprehensive internal code of ethics to guide our operations and ensure ethical practices across all aspects of our business. Since then, the focus has been on small initiatives to enforce it.

4.3. Due Diligence Processes

Third-Party Brands

We prioritized certified suppliers and surpassed our internal objective of getting 60% of our third-party brands to confirm they have a signed code of conduct for the factories that manufacture their products, or to sign Altitude Sports' code of conduct if they don't have their own in place already. 69% of our third-party brands did so.

Owned Brands

When initiating collaboration with overseas manufacturers for our Vallier and Altitude Sports brands, we ensure transparency and accountability by requesting that they provide information on the latest audit conducted at their facilities.

To meet our standards, such audits must have been conducted by reputable third-party firms, covering critical aspects such as health and safety, labour standards, and human rights. These audits evaluate compliance with regulations prohibiting forced labour or child labour, ensuring freedom of association, regulating working hours and wages, and prohibiting discrimination, harassment, or abuse.

Each subsequent year, our manufacturers are required to provide confirmation that a new audit has been conducted, along with a copy of such annual audit.

All our manufacturers are audited by third-party independent auditing companies specialized in tackling social and environmental issues in global supply chains. Our audits are conducted by BSCI or SMETA (Sedex Members Ethical Trade Audits), which both cover the following topics, among others:

- Health & Safety - clean and safe environment, management of chemical substances.
- Labour Standards & Human Rights - prohibition of forced and child labour, freedom of association guarantees, adequate regulation of working hours and remuneration, prohibition of discrimination, harassment and abuse.

Both BSCI and SMETA require that subcontractors and their factories be bound by a code of conduct.

We prioritize the use of certified materials, such as Global Organic Textile Standard (“GOTS”)- and Organic Content Standard 100 (“OCS”)- certified cotton sourced from Brazil and India. Approximately 25% of the cotton we use annually is GOTS and OCS-certified. GOTS and OCS certifications are textile processing standards for organic fibres that include ecological and social criteria and are backed by independent third-party certification of the entire textile supply chain.

This commitment to using certified materials extends to many other materials, including fabrics, insulation, and zippers. The materials used from brands such as Primaloft Insulation, Pertex, Toray and Biella Yarn Suedwolle are certified by recognized third-party certification programs. We also use down, which is certified by the Responsible Down Standard (RDS) for all our products containing down. In addition, all the zippers we use are sourced from YKK®, a renowned multinational brand that adheres to a code of conduct prohibiting child and forced labour.

This year, we have implemented a Product Life Cycle Management (PLM) system for our owned brands to better track the certifications for each component of our products, their country and region of origin, the type of material, as well as the suppliers at levels 1 to 2. The system allows us to generate supplier compliance reports more efficiently, enabling better tracking, the establishment of clearer and more measurable objectives to improve the quality of our supply chain, and the identification of non-compliant suppliers requiring corrective actions.

In the past year, 6 of the 10 suppliers who received our Supplier Code have reviewed and signed it. We have not asked our Canadian suppliers to sign our Supplier Code yet, as they are already bound to strict laws regarding working conditions.

5. Risk Assessment

Altitude Sports supports its social sustainability strategy with various actions aimed at verifying and ensuring compliance with international regulations and human rights principles, including those set out in its Supplier Code. We do this in addition to working with suppliers and stakeholders to continuously improve our internal practices and those of our suppliers.

We have continued the process of identifying risks related to forced labour or child labour in our activities and supply chain, with a focus on the Company's activities and our Tier 1 suppliers.

The risks identified are primarily related to the industry in which we operate, the types of products we produce, sell, distribute and import, the locations of our activities and operations, and the raw materials or commodities used in our supply chains. We also understand that the risk of forced labour and child labour in the textile supply chain exists and that textile supply chains that extend into certain foreign countries potentially face a greater risk of forced labour and child labour.

Although we have strong oversight on our Tier 1 manufacturers, we recognize that certain of them are located in areas where there may be a higher prevalence of labour rights abuses, such as China and Bangladesh. We also acknowledge that our suppliers have their own value chains that extend into high-risk countries and on which we have limited visibility.

To mitigate such risks, we ensure that our direct suppliers are closely monitored through audits and certifications, and we ensure, to the extent possible, that our Tier 2 suppliers prioritize certified materials with ecological and social criteria, as we are committed to promoting ethical sourcing for the fabrics, insulation, and zippers we use. We continue to strive to improve our practices and processes in this respect.

6. Remediation Measures

We have not been made aware of specific instances of forced labour or child labour during the last financial year, and as such, no measures have been taken during the reporting period to remediate forced labour or child labour or loss of income in our activities and supply chains.

We nevertheless remain vigilant in this regard and continue to rely on a strict procurement process to help prevent and reduce the risk that forced labour or child labour is used at any step of our supply chain.

7. Training and Capability Building

To ensure that key members of our staff have a high level of understanding of various sustainability matters, we offer training to our employees every year.

To ensure our team maintains a comprehensive understanding of critical sustainability, compliance, and supply chain issues, we conduct annual employee training programs. We believe that ethical operations—from safeguarding human rights to minimizing environmental impact—require continuous, specialized education.

Recently, our personnel expanded their expertise through two targeted compliance and sustainability programs:

- **B Corp & Climate Action Planning:** Key stakeholders completed an intensive five-week course focused on carbon footprint measurement, reduction targets, and climate transition planning. This ensures our team is equipped to meet the rigorous climate action requirements of the updated B Corp Certification standards.
- **Bluesign® System Integration:** Our merchandising team completed dedicated training on the bluesign system to ensure responsible, safe, and traceable textile production. This comprehensive curriculum covered the bluesign system introduction and criteria, the Restricted Substance List (RSL), textile fibres and production processes, textile dyestuff, denim manufacturing, and air emissions management.

By continuously building our internal capabilities across these intersecting Environmental, Social, and Governance (ESG) frameworks, we empower our staff to enforce strict ethical standards, recognize supply chain vulnerabilities, and maintain rigorous oversight throughout our entire operation.

8. Assessing the Effectiveness of our Approach

Ensuring that forced labour and child labour practices are not taking place in our business and supply chains is and will always be a work in progress. While we have not yet taken any actions to assess the effectiveness of our measures, we intend to assess our effectiveness in preventing and reducing risks of forced labour and child labour in our activities and supply chains at a later stage.

9. Looking ahead

We are committed to further strengthening our efforts in preventing human rights abuses.

By taking these proactive steps, we strive to continually enhance our commitment to eradicating forced labour and child labour and promoting ethical practices throughout our operations.

Next year, we will go through our B Corp recertification process. We will be providing different reports in order to be audited by B Lab in July 2027. We will be updating our sustainability targets after this process, including what we intend to implement to eradicate forced labour and child labour.

Now that our PLM is allowing us to get real-time data on our suppliers, we will set more ambitious targets to improve the sustainability of our owned brands for the Fall-Winter 2027 and Spring-Summer 2028 collections.

In the next year, we will be following up with the 4 overseas suppliers that haven't signed our Supplier Code yet to insist on the importance of adhering to it. We will also be sending our Supplier Code to about 10 more suppliers, including the 4 suppliers that are based in Canada, to cover our full supplier base before the end of the year.

This report will be submitted for approval by the Board of Directors of the Company on June 11, 2026, pursuant to paragraph 11 (4)(a) of the Act and constitutes our report for the financial year ending March 31, 2026. After the approval, an updated report will be submitted to confirm its 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 the entity 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 indicated above.

I have the authority to bind 9054-8553 Québec Inc.

A handwritten signature in black ink, appearing to read "Maxime Dubois", written in a cursive style.

Full name: Maxime Dubois

Title: Co-CEO

Date: June 2, 2026