9472-3970 Québec Inc. dba Universal Distribution
Modern Slavery Act Report 2025

This Modern Slavery Act Report (the "**Report**") addresses the period from June 1, 2024 to May 31, 2025 and has been prepared in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the "**Act**").

This Report is made on behalf of **9472-3970 Québec Inc.** dba **Universal Distribution** and is not a joint report.

I. INTRODUCTION

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading business in the Games and Collectibles category, Universal Distribution recognizes the important role that it has in ensuring that the supply chains that support its operations and products adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour. This Report sets out the steps we have taken during the 2025 fiscal year to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by Universal Distribution or of goods imported into Canada by Universal Distribution.

II. CORPORATE OVERVIEW AND SUPPLY CHAINS

Universal Distribution is a division of the Jim Pattison group of companies. Universal Distribution is operated by an executive team including the President, Vice President of Sales and Operations, Vice President of Finance, Directors of Intelligence Solutions, as well as three regional General Managers. General Managers guide a group of staff who are responsible for the operations of the individual locations. The executive team provides the framework for branches to operate their locations. Universal Distribution employs approximately 100 people in its three locations in Canada.

Universal Distribution is a distributor of games, comic books and collectibles headquartered in Montreal, Quebec, Canada. We are a corporation that sells primarily to brick & mortar retailers across the country that then sell to the general public.

Our core business is supplying specialty stores with items like Pokémon Trading Cards, Magic: The Gathering, Upper Deck Hockey Cards, DC & Marvel Comics and many other items in the games and collectibles category. 95% of our sales are to Canadian retailers while the balance of 5% is to retailers located in the USA.

Universal Distribution's supply chain includes businesses that supply games, comic books and collectibles. We receive goods from our suppliers in their final form.

Almost all our direct suppliers are North American-based publishers and manufacturers. Our top three suppliers are Upper Deck, Wizards of the Coast and Pokémon which are all based in the United States.

Universal Distribution is subject to the reporting requirements under the Act, but is not required to produce similar reports under any other jurisdiction.

The head office of Universal Distribution is located at 2575 Pitfield, Montreal QC H4S 1W8. Our customers are located across Canada.

In total, we procure goods and services from approximately 120 suppliers and contractors.

Further information about our business can be found at www.universaldist.com

III. POLICIES AND DUE DILIGENCE PROCESSES

Policies

Through our Supplier Code of Conduct, Business Code of Conduct, and Whistle Blower policies, we communicate our values and expectations, setting a high bar for ourselves and our suppliers, and make it clear that we do not tolerate any forms of forced labour or child labour. We are committed to evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations, or in the operations of our suppliers, subcontractors and other business partners. We make an effort, including through carrying out our due diligence and audits, to monitor the performance of our suppliers and to prevent our activities harming human rights. Our policies were adopted in 2017 and are reviewed annually. Our relevant policies are discussed in further detail below:

Supplier Code of Conduct

Universal Distribution's Supplier Code of Conduct sets out the expectations we have of our suppliers, their supply chains, and those with whom we do business. We expect our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and consistently monitor and enforce our Supplier Code of Conduct in their own operations and supply chain.

We also expect our suppliers to share in our commitment to respect human rights and strive to meet the highest ethical business standards and international best practices for responsible business conduct. Our Supplier Code of Conduct sets forth our commitment to preventing and eliminating forced and child labour, and our expectation that suppliers engage in due diligence to identify, address and resolve risks and instances of forced or child labour in their own operations. We engage with suppliers that are committed to principles of diversity and inclusivity in their supply chains and ask that suppliers commit to these standards as a condition of doing business with us. We review our Supplier Code of Conduct on an annual basis to ensure that this policy is in line with current best practices.

Business Code of Conduct

We are committed to conducting our business lawfully and ethically. Our Business Code of Conduct is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing their job duties, Universal Distribution's employees should always act lawfully, ethically and in the best interests of Universal Distribution.

Whistleblower Policy

We are committed to maintaining high ethical standards and legitimate business practices and wish to encourage the identification and prevention of any misconduct that may affect this commitment. The Whistleblower Policy aims to provide an avenue for employees to raise serious concerns with the reassurance that they will be protected from reprisal or victimization for whistle-blowing in good faith.

Due Diligence

We expect third parties with which we work to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. Before making any commitments towards third parties, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out risk-based due diligence and checks.

To mitigate potential forced labour and child labour risk, we follow a due diligence approach that includes the following steps:

- Supplier visits;
- Supplier confirmation, including appropriate language on this issue representing and warranting that no such practices are involved or incorporated in their systems or work; and
- Embedding responsible business conduct into policies and management systems.

IV. RISK ASSESSMENT AND MANAGEMENT

Universal Distribution engages in various activities to identify, assess, and manage supplier risk. In assessing the risk of forced and child labour in our business and supply chains, we engage with our peers to discuss risks. To identify the business activities with the greatest exposure to these risks, we consider the following factors:

- Reliance on low skilled workforce;
- Dangerous or undesirable work; and
- Presence of migrant workers.

Our exposure to the risk of forced labour and child labour increases when we engage with third parties, particularly in categories such as transportation, warehousing, manufacturing and packaging. We recognize that our exposure to forced labour and child labour increases when we engage with suppliers who source goods or raw materials from countries where forced labour or child labour exploitation is known to occur. As such, we follow a risk-based approach to our due

diligence activities. Our due diligence is prioritized to the most significant adverse impacts based on severity and the likelihood of harm.

V. MODERN SLAVERY REMEDIATION MEASURES

Steps to Prevent and Reduce Risks of Forced and Child Labour

- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily;
- Prioritization to focus due diligence efforts on the most severe risks of forced labour and child labour;
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and child labour in their activities and supply chains; and
- Monitoring suppliers.

Remediation Measures

Our Supplier Code of Conduct requires our suppliers to adhere to high standards of ethical conduct. Forced and child labour is strictly prohibited. We also undertake diligence efforts (as further described in this Report) to ensure that the risk of forced labour and child labour is mitigated in our business.

If we discover any forced labour or child labour in our business and supply chains, we take the following measures to remediate such forced labour or child labour:

- Suspension or termination of a supplier, sub-supplier or contractor;
- Actions to prevent forced labour or child labour and associated harms from reoccurring;
- Actions to support victims of forced labour or child labour;
- Grievance mechanisms; and
- Formal apologies.

VI. LOSS OF INCOME – REMEDIATION MEASURES

As we have not identified any instances of forced labour or child labour in our operations and supply chain, we have not taken any measurers 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 our supply chains.

VII. TRAINING

Every new employee of Universal Distribution must complete training on our values and policies, including our Code of Business Conduct and Ethics, and is informed of how to report wrongdoing under our Whistleblower Policy. We provide employees with ongoing and periodic training opportunities to ensure that all employees have current knowledge. Included is specific training on recognizing forced labour and child labour in high-risk countries and regions that any supplier might be operating in. Universal Distribution staff are trained to interview each supplier annually to provide their views and share their own practices on combating forced labour and child labour.

VIII. ASSESSING EFFECTIVENESS

As part of our governance processes, we monitor compliance with our policies on an ongoing basis. We also review any concerns raised through our Whistleblower Policy and other informal mechanisms of employee feedback. To date, no significant concerns or complaints have been identified.

We also assess the effectiveness of our policies by:

- Setting up a regular review of the organization's policies and procedures related to forced labour and child labour; and

- Tracking relevant performance indicators, such as levels of employee awareness, number of cases reported and solved through grievance mechanisms and number of contracts with anti-forced labour and child labour clauses.

To date we have not identified any parts of our business activities or supply chain that carries the risk of forced labour.

IX. APPROVAL AND ATTESTATION

This Report was approved pursuant to section 11(4)(a) of the Act and has been submitted to Public Safety Canada

In accordance with the requirements of the Act, and in particular section 11 thereof, I, in the capacity of President of Universal Distribution, attest that I have reviewed the information contained in this Report for Universal Distribution. Based on my knowledge, and having exercised reasonable 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 reporting year listed within this Report.



Angelo Exarhakos on behalf of 9472-3970 Québec Inc. dba Universal Distribution

President, May 21, 2026

I have the authority to bind Universal Distribution