

## **Canadian General-Tower Limited**

### **1.) INTRODUCTION**

This Report is produced by Canadian General-Tower Limited (“CGT” or the “Corporation” or “our” or “we”) for the financial year ending December 31, 2025 (the “Reporting Period”) and sets out the steps taken 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 or of goods imported into Canada by the Corporation.

This Report is prepared by the Corporation pursuant to Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

### **2.) STEPS TO PREVENT AND REDUCE RISKS OF FORCED LABOUR AND CHILD LABOUR**

At CGT, we place the highest importance on respecting human rights while conducting our business activities everywhere we operate and as such, we expect the same of our business partners.

In general terms, we took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in our business and supply chains:

- Formally became a signatory of the United Nations Global Compact.
- Conducted our first Sustainability Materiality Assessment to track potential sustainability-related risks shaping our operating environment and developed sustainability performance strategies.
- Established our first formal Sustainability Report, detailing our contributions to the United Nations (UN) Sustainable Development Goals (SDGs) and performance disclosures according to the Global Reporting Initiative (GRI) standards.
- Reviewed and revised our “Human Rights Statement” policy.
- Formalized our “Prevention of Child and Forced Labour, and Human Trafficking” policy.
- Established and implemented specific training on the risks of forced labour and child labour for individuals with responsibility for material procurement; and
- Established self-assessment questionnaires for our core business partners and strategic suppliers that includes third party controls regarding about modern slavery risks.

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

### **3.) STRUCTURE, ACTIVITIES AND SUPPLY CHAINS**

#### **Structure**

CGT operates as a corporation (business number 100764984) with its headquarters in Cambridge, Ontario. The company's origins can be traced back over 150 years to Galt, Ontario, when the company manufactured wagon wheels and axe handles in 1869. CGT now employs more than 1,200 people at manufacturing, innovation and sales sites around the world. Our products are manufactured in Canada, United States of America, France and China.

#### **Activities**

CGT is a manufacturer of coated fabrics and films for automotive interiors, industrial and commercial applications. The vast majority of products manufactured are supplied as bulked rolled goods for use by our customers for further manufacturing into finished goods that are then offered for sale in the global marketplace. CGT collaborates closely with our global customers on material design, patterns, material specification and constructions, along with offering sustainable options.

#### **Supply Chain**

To support Canadian production facilities, many of CGT's suppliers are based within North America. Our North American supply chain represents greater than 80% of our total spend on raw materials within the report year. The remaining portion comes from global sources.

This diverse supplier network reflects the global nature of CGT's sourcing strategy, ensuring a broad range of products and services to meet market demands effectively. As part of the procurement resilience strategy CGT seeks active long-term relationships with major direct and indirect suppliers for the delivery of materials and services built on mutual benefit, transparency, ethical behavior.

### **4.) POLICIES, GOVERNANCE AND DUE DILIGENCE PROCESSES**

#### **4.1 United Nations Global Compact ("UNGC") and Environmental, Social and Governance Initiatives**

We are committed to embedding human rights considerations into its policies, governance framework and decision making. As such, we see the management of sustainability risks and opportunities as an inherent part of our business success strategy. In 2025, we carried out its first Sustainability Materiality Assessment to identify key sustainability-related risks influencing its operating environment and to develop strategies aimed at improving performance across sustainability and areas of human rights.

In 2025, we established our first formal Sustainability Report, a new milestone in a long history of strong sustainability practice within our Company. Within our Sustainability Report, we detail our contributions to the United Nations (UN) Sustainable Development Goals (SDGs) and present disclosures are reported with reference to the Global Reporting Initiative (GRI) Standards, enhancing the transparency of our sustainability efforts and accountability for our results.

In 2025, We formally became a signatory of the UNGC, the world's largest corporate citizenship and sustainability initiative. As such, we are committed to promoting, in our business activities,

the 10 fundamental principles of the UNGC which address protection of internationally proclaimed human rights, elimination of discrimination, environmental protection, anti-corruption and anti-bribery, and labour rights, more specifically the elimination of all forms of forced labour and abolition of child labour.

## 4.2 Human Rights Statement

Our Human Rights Statement applies to all our employees, business partners, and complements other company policies and guidelines which make reference to our human rights and environment commitments. Being a signatory of the UNGC furthers our commitment to respect international norms for human rights, support the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.

We made enhanced commitments and formalized our Human Rights Statement for use across the organization integrating the commitments into our Employee Codes of Conduct and our Supplier Code of Conduct. It is the company's position to not use forced labour or child labour. In support of this commitment, we expect all employees at all levels, as well as our business partners, to act according to our commitments and international norms.

### 4.2.1 Supplier Code of Conduct

In line with our vision for an ethical and sustainable supply chain, we have established our Supplier Code of Conduct in recognition and adherence to the 10 principles outlined in the UNGC. Our Supplier Code of Conduct outlines the company's expectations in respect of human rights, labour, legal compliance, health and safety, the environment, anti-corruption, anti-bribery, ethics, and governance. Specific requirements are as follows:

#### Prohibition of Child Labor

*Suppliers of CGT are prohibited from employing children in violation of the stipulations of the International Labor Organization's conventions (ILO Convention no. 138, 182). Suppliers must ensure that proof-of-age documentation is in place for all employees and that the rights of young employees are protected in compliance with the applicable laws and regulations.*

*The minimum age of employment for young workers shall comply with the provisions of the Core ILO Conventions. The health, safety and moral of young workers shall be protected accordingly.*

#### Prohibition Forced Labor & Protections from Human Trafficking

*All Suppliers must not, under any circumstances, resort to forced or compulsory labor, modern slavery or human trafficking.*

*All labor must be voluntary, and employees must be free to end their employment relationship at any time in line with respect of a reasonable notice period according to local law.*

*All Suppliers will ensure that employees understand their rights regarding payment of wages, overtime, retention of identity documents, etc.*

*Migrant employees, employees who are part of a group that has suffered from long-standing discrimination, young people and unskilled or illiterate employees, and women among these groups, constitute populations which may not be aware of their legal rights. Therefore, Suppliers will ensure that they are treated fairly, and their rights are respected.*

CGT expects from its Suppliers to comply with the following Ethical Recruitment Principles:

- No retaining, destroying or denying access to the employee identity documents
- No Recruitment Fees paid by employees
- Labor Contracts provided in a language well understood by the employee

If employees are recruited by third parties, it is expected that the suppliers of our partners adhere to the above principles.

#### **4.2.2 Purchasing Terms and Conditions:**

In line with our commitment to effective and transparent purchasing, we outline the terms of purchase to ensure procurement contracts maintain adherence to our expectations including respect for human rights, labour, legal compliance, health and safety, the environment, anti-corruption, ant-bribery, ethics, and governance. Specific requirements are as follows:

##### Child Labour And Forced Labour Laws:

*The Supplier for itself and its suppliers, undertakes to comply with the provisions of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act and the United Nations Treaty of November 20, 1989 regarding children's rights prohibiting child labour; and not to use, in any form whatsoever, forced or compulsory labour as defined in Article 1 of the International Labour Organization treaty of June 25, 1957 on the elimination of forced labour.*

#### **4.2.3 CGT Supplier Quality Manual:**

Furthering our commitment to upholding human rights through the supply chain, our Human Rights Statement is reiterated within our "Supplier Quality Manual" furthering our position not to use forced labour or child labour. Our Supplier Quality Manual specifically includes provisions prohibiting any form of human rights violations, as follows:

##### Social Responsibility

*Suppliers must respect and uphold human rights in their operations. This includes ensuring that their activities do not contribute to discrimination, harassment, or any form of human rights violations.*

#### **4.3 Sustainable Supply Chain Policy**

Our Sustainable Supply Chain Policy designed to enable the company to work with suppliers who share our corporate values. Our Sustainable Supply Chain Policy outlines our "Core Procurement Principles" which represent the basis for our strategic procurement strategy. As outlined, these core principles are:

- Corporate responsibility for products and services;
- Respect for the environment by preserving biodiversity, reducing water and energy consumption and atmospheric emissions, and implementing recovery and recycling programs;
- Respect for human rights, right of association, safety working condition and protection from all form of forced labour;
- Respect for employees through the implementation of adequate, fair and inclusive working conditions;
- Maintaining the company's economic sustainability;
- Transparent governance and communications;
- Examining the supply chain;
- Compliance with current social, environmental and economic legislation and international norms;
- Ethical business practices

## **5.) ASSESSING AND MANAGING OUR RISK AND VERIFICATION OF SUPPLY CHAINS**

We acknowledge the complexity of our supply chain, which encompasses multiple manufacturing locations and involves numerous domestic and international suppliers. While we strive for transparency and accountability throughout our operations, we also recognize the challenges posed by the lack of visibility in supply chain tiers. For the purposes of this report, the risk assessment was performed for raw materials used in the production of our coated fabrics and films during the reporting period.

As part of our responsible procurement strategy, we regularly review and ensure that we do not do any business with any entity listed on the '[Uyghur Forced Labor Prevention Act \(UFLPA\) Entity List](#)' that is available by the [USA Federal Register Notice](#) regarding the Uyghur Forced Labor Prevention Act Entity List.

Our risk assessment and responsible procurement strategy focuses on material good classification type and material supplier country of origin. Potential risks were assessed utilizing the 'US Department of Labor's List of Goods Produced by Child Labor or Forced Labor' to identify if inherent risks exist within the material goods used within our manufacturing process. This was done alongside an assessment of our direct material supplier "country of origin" utilizing Walk Free's Global Slavery Index. The resulting risk score determines the level of additional due diligence to be performed, including the extent of ongoing supplier evaluations.

In 2025, we implemented self-assessment questionnaires to core business partners and strategic suppliers which included questions about modern slavery risks utilizing the above-mentioned methods.

## **6.) REMEDATION MEASURES AND INTERNAL ACCOUNTABILITY**

Our Standard Purchasing Terms and Conditions, Supplier Code of Conduct, and Employee Codes of Conduct allow for employees and suppliers to raise concerns. In accordance with UNGC principles and our policies, if a situation of non-compliance is identified, we will work to develop and implement a corrective plan to improve and remedy the situation.

## **7.) REMEDATION MEASURES RELATING TO LOSS OF INCOME TO VULNERABLE PERSONS**

We recognize that any remediation measures potentially have the unintended consequence of inflicting loss of income on vulnerable persons, such as migrant labourers, unskilled labourers, women, and children. As we have not discovered any instances of modern slavery in our business and supply chain, we have not had to take any remediation measures over the course of the reporting period that would have led to loss of income to the most vulnerable families.

## 8.) TRAINING AND AWARENESS

Our employees receive regular tailored training on ethical topics and our company policies. This includes training on Employee Codes of Conduct, Collective Agreements, Prevention of Workplace Harassment and Violence, Respect in the Workplace, and Anti-Corruption and Bribery. All new office employees are assigned a mandatory onboarding training package which includes training and acknowledgement sign-off to the above-mentioned programs. Additionally, all corporate office employees are required to annually confirm their abidance by our Employee Codes of Conduct.

In addition to the above-mentioned supply chain controls, all Buyers in North America were provided selected training on the risks of forced labour and child labour within supply chains, company controls to prevent risks, supplier risk evaluation process and company mitigation policies.

## 9.) ASSESSING EFFECTIVENESS

We have in place a number of measures to prevent and reduce the risk that forced labour or child labour is used in our activities and supply chains. We started assessing the effectiveness of those measures by including modern slavery controls in supplier surveys and intend to continue to assess the effectiveness in preventing and reducing risks of forced labour and child labour in our activities and supply chain.

## 10.) APPROVAL AND ATTESTATION

This report was approved pursuant to subparagraph 11(4)(a) of the Act by Canadian General-Tower Limited's leadership.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity listed above. 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 above.

I have the authority to bind Canadian General-Tower Limited.

Per: 

Benjamin Heersink  
Chief Executive Officer  
Canadian General-Tower Limited.

Date: 20 May 2026