GDI Groupe Dynamite Inc.

California Transparency in Supply Chains Act Disclosure

August 2025

Objective

This document has been prepared as part of the formal reporting requirements under the *California Transparency in Supply Chains Act* (SB 657). It outlines the efforts undertaken by Groupe Dynamite Inc. ("GDI"), GRG USA LLC's ("GRG") parent company, together with GRG, to ensure that slavery and human trafficking are not taking place in our supply chains or in any part of our business operations.

Supply Chains Verification

GDI has developed internal procedures to assess and verify the presence of risks related to slavery and human trafficking within our supply chains. These assessments are conducted through due diligence mechanisms embedded in sourcing processes. All suppliers must undergo a factory review and documentation process prior to onboarding, ensuring that they meet our standards. GDI' `s long-standing supplier relationships—over 80% of them have been with us for more than eight years—enhance transparency and foster trust.

Supplier Audits

In 2024, GDI formally launched a supplier audit program to deepen our oversight. Partnering with QIMA, a reputable third-party firm, we conducted semi-announced audits at our top ten supplier factories. These audits were designed to evaluate compliance across key ethical criteria, including:

- Health and safety
- Environmental management
- Child labour and young workers
- Working hours, wages, and benefits
- Labour practices

Where non-critical findings were identified, such as administrative oversights, we conducted follow-up desktop audits to confirm remediation. Importantly, there were no findings related to child labour, young workers, or exploitative labour practices. These audits have set a baseline for future monitoring and will be expanded in Fiscal 2025 to additional factories.

Supplier Certification

All suppliers are required to formally acknowledge and comply with GDI's Supplier Code of Conduct and Modern Slavery Policy. These documents apply to all suppliers and factories that produce goods for GDI or any of its subsidiaries, divisions, affiliates, or agents. They establish clear prohibitions against the use of forced or child labour and mandate adherence to applicable labour laws and human rights standards. GDI also issues a workplace guideline that summarizes these commitments and must be displayed visibly within factory environments to raise awareness among workers. New suppliers are not approved until these documents are reviewed and signed.

- Supplier Code of Conduct
- Modern Slavery Policy

Internal Accountability

GRG and GDI hold both employees and suppliers accountable for upholding human rights and ethical labour standards. Our internal governance includes legal oversight, escalation procedures, and a formal mechanism to address non-compliance. Violations of these standards may lead to corrective actions, including the termination of business relationships or contracts. To support transparency, we maintain a direct reporting line—responsiblity@dynamite.ca—for workers and stakeholders to report any violations or concerns confidentially.

Training

In Fiscal 2024, GDI began the rollout of a human rights training program tailored for our Sourcing and Product Development teams. The training focuses on the identification and mitigation of modern slavery risks, supplier engagement protocols, and expectations under our Code of Conduct. Initial sessions targeted the Head Office teams, and we plan to extend the program in Fiscal 2025 to regional teams located in China and Bangladesh. This program supports our goal of embedding human rights diligence into everyday decision-making.

Publication & Updates

This disclosure is reviewed annually and updated to reflect our evolving practices. It is publicly posted on GDI's company website in accordance with the *California Transparency in Supply Chains Act*. GRG USA LLC and Groupe Dynamite Inc. remain committed to continuous improvement and to promoting transparency, ethical sourcing, and responsible business conduct throughout our global operations.