

**Introduction**

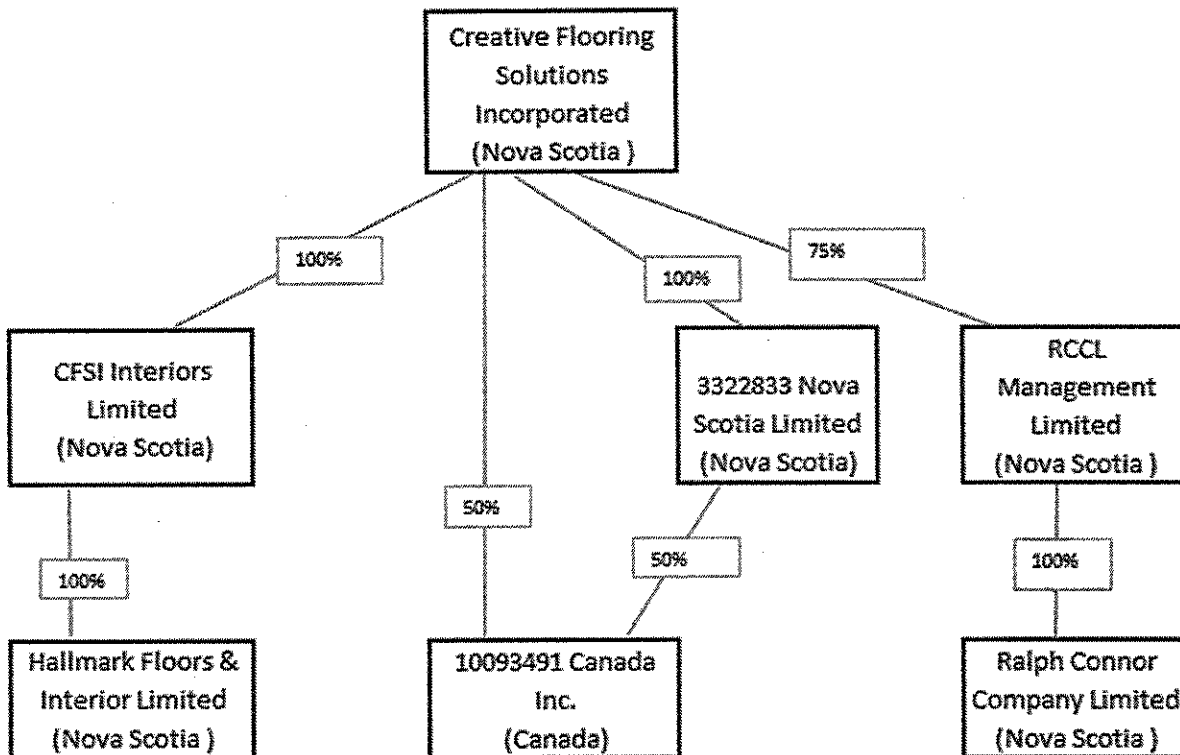
This statement sets out Creative Flooring Solutions Incorporated and its subsidiaries (the “Company” or “CFSI”) actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no child labour or forced labour in its own business and its supply chains. This statement relates to actions and activities during the Company’s previous financial year ended July 31, 2025.

As part of the flooring industry, CFSI recognises that it has a responsibility to take a robust approach to child labour and forced labour.

The Company is absolutely committed to preventing modern slavery in its corporate activities, and to ensuring that its supply chains are free from child labour and forced labour.

**1. Organizational structure, activities and supply chains**

*Organizational structure:* This statement covers the activities of Creative Flooring Solutions Incorporated in Nova Scotia, a privately held company and its subsidiaries. CFSI is headquartered in Dartmouth, Nova Scotia.



*Activities:* CFSI operates primarily in the supply and installation of both retail and commercial flooring products such as hardwood, laminate, vinyl, tile, carpet, and specialty flooring. In addition, the Company sells and installs moveable walls, gym accessories, window covering and custom kitchens.

*Supply chains:* Many of the products purchased by the Company are sourced from suppliers who also have reporting obligations under similar legislation applicable to them. All products are supplied from Canadian and US suppliers.

## 2. Policies and due diligence processes in relation to forced labour and child labour

CFSI has implemented a range of policies and due diligence measures to identify, assess, mitigate, manage and remediate modern slavery risks. These include:

- a. **Policies:** The Company operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent child labour and forced labour in its operations.
- **Whistleblowing Policy** CFSI encourages all its employees, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the Company. This includes any circumstances that may give rise to an enhanced risk of child labour or forced labour. The Company's whistleblowing procedure is designed to make it easy for individuals to make disclosures, without fear of retaliation. Employees, customers or others who have concerns can reach out by calling the Company at one of the phone numbers listed on the Company's website.
  - **Employee Code of Conduct** CFSI's Employee Code of Conduct makes clear to employees the actions and behaviour expected of them when representing the Company. The Company strives to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing its supply chain. Serious violations of the Employee Code of Conduct by an employee will lead to discipline or termination of the employment relationship.
  - **Supplier/Procurement Code of Conduct** The Company is committed to ensuring that its suppliers adhere to the highest standards of ethics and has developed a Supplier/Procurement Code of Conduct. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour. The Company works with suppliers to ensure that they meet the standards of the Supplier/Procurement Code of Conduct and improve their worker's working conditions. Serious violations of the Supplier/Procurement Code of Conduct by a supplier will lead to the termination of the business relationship.

### b. Due diligence processes:

CFSI undertakes due diligence when considering taking on new suppliers and regularly reviews its existing suppliers. The Company's due diligence and reviews include:

- evaluating the modern slavery risks of each new supplier, and
- reviewing on a regular basis all aspects of the supply chain based on the supply chain mapping.

## 3. The parts of the business and supply chains that carry a risk of forced labour or child labour, and the steps taken to assess and manage that risk

CFSI's direct suppliers are located in Canada and the United States. While the Global Slavery Index indicates a relatively low risk of modern slavery in both jurisdictions, CFSI recognizes that risks of forced labour and child labour may exist further down the supply chain in the countries where raw materials — such as hardwood, vinyl, laminate, tile, and carpet — are harvested, processed, or manufactured or labour is sourced.

CFSI has identified the following parts of its business and supply chains as carrying a potential risk of forced labour or child labour:

- upstream supply chains for flooring and related materials that may originate from higher-risk jurisdictions prior to reaching CFSI's Canadian and US suppliers; and

- labour practices within CFSI's own operations, including with respect to any temporary or contract workers engaged in installation and related services.

To assess and manage these risks, CFSI relies on its internal policies and conducts due diligence as described in section 2. All suppliers are required to comply with the Company's Supplier/Procurement Code of Conduct, which sets out obligations regarding the mitigation of forced labour and child labour risks. When new suppliers are being considered, CFSI reviews the supplier's website and publicly available disclosures to understand what actions the supplier has taken to address modern slavery risks within its own supply chain. Where such information is not publicly available, CFSI conducts additional research to determine the origin and manufacturing location of the supplier's products.

CFSI also undertakes regular reviews of its existing workforce, suppliers and supply chain mapping to identify and respond to emerging risks. Where a supplier is found to be in serious violation of the Supplier/Procurement Code of Conduct, CFSI will terminate the business relationship.

#### **4. Any measures taken to remediate any forced labour or child labour**

During the Company's financial year ended July 31, 2025, CFSI did not identify any instances of forced or child labour within the Company or its supply chains.

#### **5. Any measures taken to remediate 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 its activities and supply chains**

During the Company's financial year ended July 31, 2025, CFSI did not identify any instances of forced or child labour within the Company or its supply chains.

#### **6. The training provided to employees on forced labour and child labour**

CFSI is working to develop a training program for relevant employees on the fight against forced/ child labour and modern slavery.

The Company's modern slavery training will cover:

- The Company's purchasing practices, which influence supply chain conditions, and which should therefore be designed to prevent purchases at unrealistically low prices, the use of labour engaged on unrealistically low wages or wages below a country's national minimum wage, or the provision of products by an unrealistic deadline;
- how to assess the risk of modern slavery in relation to various aspects of the business, including resources and support available;
- how to identify the signs of child labour and forced labour;
- what initial steps should be taken if modern slavery is suspected;
- how to escalate potential child labour or forced labour issues to the relevant parties within the Company;
- what messages, business incentives or guidance can be given to suppliers and other business partners to implement anti-modern slavery policies; and
- what steps the Company should take if suppliers do not implement anti-modern slavery policies in high-risk scenarios, including their removal from the Company's supply chains.

**7. How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains**

CFSI monitors the effectiveness of its efforts to prevent forced labour and child labour through the following measures:

- reviewing the Company's Supplier/Procurement Code of Conduct compliance on a regular basis, including through supply chain mapping and periodic supplier reviews;
- monitoring reports received through the Company's Whistleblowing Policy to identify any concerns raised by employees, customers or business partners;
- tracking the number of concerns raised and the outcomes of any investigations; and
- assessing whether suppliers meet the standards required by the Supplier/Procurement Code of Conduct and terminating relationships with suppliers found to be in serious violation.

In 2026, the Company will continue its assessment of risks related to forced labour and child labour in its operations and supply chains. It will strengthen its policies and processes in this regard, including by developing and implementing its employee training program on modern slavery, and by enhancing its grievance and reporting mechanisms for employees and business partners.

**Approval**

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I in the capacity of President and CEO, attest that I have reviewed the information contained in the report for the entities 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 listed within this report.

I have the authority to bind Creative Flooring Solutions Incorporated.



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Scott Brookfield, President and CEO  
May 29, 2026