

REPORT UNDER THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

INTRODUCTION

This report has been prepared for the financial year ending April 30, 2024, pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"). This report describes the steps that The Burton Corporation ("Burton") has taken to prevent and reduce the risk of forced labour and child labour in Burton's supply chain.

Burton's Board of Directors have approved this report.

1. STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

Burton's Structure

Burton is a private, U.S. corporation that is incorporated in the State of Vermont. Burton operates in Canada via its subsidiary, Burton Canada Company.

Burton's Business & Activities

Burton is a business primarily focused on the manufacture and sale of snowboard products. Burton's headquarters are located in Burlington, Vermont USA. As of April 30, 2024, Burton employed approximately 900 individuals globally.

Burton's Supply Chain

In the fiscal year ending April 30, 2024, Burton purchased and imported snowboarding hard and soft goods from suppliers across the globe, including suppliers located in Asia, North and South America and Europe.

2. POLICIES & DUE DILIGENCE PROCEDURES

All of Burton's manufacturing contracts require suppliers to adhere to all applicable laws, including all federal, provincial, municipal, local, or other laws, rules, statutes, regulations, orders, codes, judgments, decrees, treaties or other requirements having the force of law.

Supplier Code of Conduct. Burton's Supplier Code of Conduct (the "Code") commits to a standard of excellence in every aspect of our business and in every corner of the world. It requires ethical and responsible conduct in all of our operations, respect for the rights of all individuals, and respect for the environment. While Burton recognizes that there are different legal and cultural environments where facilities operate throughout the world, the Burton Code of Conduct outlines the core rules and responsibilities that all of our agents, vendors, suppliers, and associated facilities must follow. Burton is a member of the Fair Labor Association ("FLA") and has adopted the FLA Code of Conduct. The Burton Code of Conduct is based on the International Labor Organization's ("ILO") core labor standards and requires compliance with national laws where facilities operate. Burton prefers that its business partners strive to exceed the responsibilities outlined by the Burton Code of Conduct by creating sustainable solutions and implementing best practices and continuous improvement throughout all of their facilities.

Among other requirements, the Burton Code of Conduct explicitly states, "there shall be no use of forced labor, including prison labor, indentured labor, bonded labor or other forms of forced labor. And that "no person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher."

Burton has a zero-tolerance policy for human rights violations, including modern slavery, human trafficking, and child labor. We are committed to preventing and eradicating child labor, forced labor, human trafficking, or other form of modern slavery from our global supply chain. Burton has developed multiple policies that strictly prohibit the use of forced labor in the manufacturing of our goods. These policies and standards make it clear to our suppliers that this is an issue that we take very seriously and will not tolerate. Failure to comply with the Burton

Code of Conduct may ultimately result in termination of the relationship between Burton and the supplier or manufacturer, including termination of any manufacturing, sourcing, agent, and/or license agreement. This process is outlined in The Burton Corporation Supply Chain Sustainability Policies and Standards.

We also remain dedicated to publicly sharing our standards for responsible sourcing, traceability, and verification within our supply chain in order to hold ourselves accountable. Burton believes that all workers within the supply chain are entitled to safe, healthy, and respectful working conditions.

The Burton Corporation Supply Chain Sustainability Policies and Standards, including the Code of Conduct, can be found on Burton's website, available at this [link](#).

Burton's Ethical Behavior Policy.

Burton's policy on business ethics is included as part of standards and principles outlined in Burton's Employee Handbook. This policy sets clear expectations for conduct and behavior of employees in all aspects of work as a representative of the company. This policy includes specific prohibition of all forms of forced and child labor. The policy also includes policies and procedures for employees to report ethical behavior violations, protecting the anonymity of whistleblowers, preventing retribution or retaliation, and for investigating reported violations of ethical behavior.

Burton's Workplace Code of Conduct and Fair Labor Association Membership Standards.

In 2020, Burton became an accredited member of the Fair Labor Association ("FLA"). The FLA is a nonprofit organization dedicated to protecting workers' rights and improving global working conditions. The FLA Workplace Code of Conduct is considered the gold standard for human rights compliance and social responsibility. Burton's Code of Conduct and Supply Chain Sustainability Standards follow the FLA Benchmarks and align with the International Labor Organization and UN Guiding Principles. These policies outline specific standards around labor practices that we expect our suppliers to uphold. The Burton Code of Conduct has established policies which strictly prohibit any forms of forced labor, human trafficking, or child labor in the supply chain.

All Tier 1 suppliers must agree to the Burton Supply Chain Sustainability standards (collectively, the "Standards"), which includes our Code of Conduct, prior to conducting business with Burton. Our standards clearly prohibit the use of forced, prison, or child labor in the manufacturing of our product. We assess and update these standards on an ongoing basis to ensure specific concerns related to forced labor and human trafficking are specifically addressed where we feel necessary.

Suppliers are also required to sign a Manufacturing Agreement upon entering into a business relationship with Burton. This legally binds suppliers to operate in compliance with all laws related to human rights, specifically those related to forced labor and human trafficking. Through this agreement, Tier 1 suppliers agree to ensure all subcontractors and sub-suppliers adhere to our supply chain standards as well.

Sustainability Monitoring Policy.

Burton's Sustainability Monitoring Policy aims to improve our social and environmental impact in the communities in which we conduct business throughout the world. This policy applies to all facilities that produce finished goods for Burton or any of its subsidiaries, brands, licensees, or affiliates, including Burton and Anon. Burton monitors facilities involved in the manufacturing of Burton-branded products on a regular basis. Monitoring occurs for all finished goods facilities and may also occur for raw material suppliers. Monitoring includes, but is not limited to, facility audits conducted by a Burton employed auditor or by an accredited third-party audit company nominated by Burton. Following an initial audit, Burton may audit a facility at any time, either announced or unannounced.

3. FORCED LABOUR AND CHILD LABOUR RISKS

Burton uses sustainability monitoring results as a foundational part of its sourcing and supply chain strategy, influencing how we assess, select, and evolve supplier relationships. The Burton Sustainability team is actively involved in all sourcing and supply chain decisions.

Burton has also partnered with a prominent research firm to develop a risk intelligence tool which assesses political, economic, environmental, and social data affecting our international operations. Over 50 risk-factors are assessed and aggregated to map the entire range of issues affecting the global supply chain, including risk of forced labor and human trafficking.

This tool is updated regularly and used to evaluate the risk of conducting business within a specific facility, region, or country. Burton has developed a formal process to guide how we engage with the data and determine the level of risk conducting business in certain regions presents to our supply chain and company.

Due to political, environmental, and human rights issues, there are certain geographic regions that are deemed unacceptable for the manufacture of Burton products. Burton reserves the right to restrict or prohibit sourcing from certain geographies that are identified as high risk. Risk pertaining to specific geographies is evaluated on an ongoing basis as manufacturing risk is a continually evolving situation.

In future years, Burton plans to implement practices and policies to identify and manage risks of forced labour and child labour in its supply chain, by conducting a Human Rights Due Diligence Assessment and creating action plans to address significant risks.

4. REMEDIATION MEASURES

Should Burton become aware of forced or child labour in its activities and supply chain, Burton will take immediate remedial and preventative action.

5. REMEDIATION OF LOSS OF INCOME

To date, Burton is not aware of any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains. As a result, Burton has not taken any remedial measures with respect to loss of income as a result of efforts to reduce forced and child labour.

6. TRAINING

All Burton employees participate in Code of Conduct training annually. Burton employees who engage regularly with suppliers, including members of our Supply Chain and Product teams, are also required to participate in our Burton Identification and Prevention of Forced Labor & Human Trafficking training on an annual basis. This training provides in depth information about how to define, identify and prevent forced labor and human trafficking in the supply chain. The purpose of the training is to help employees better understand these human rights abuses and how each presents a unique risk to the global supply chain. Burton also offers training for employees on other responsible sourcing topics, including Responsible Purchasing Practices.

7. ASSESSING EFFECTIVENESS

The Burton Social and Environmental Responsibility Audit is conducted to verify supplier facility compliance with the FLA Workplace Code of Conduct and Compliance Benchmarks. Burton requires suppliers to maintain a complete and up-to-date list of the local, national, and international laws applicable to operations, including the prohibition of forced labor, which is verified during the audit.

At Burton's discretion, audits will be conducted regularly for every facility. Every finished goods factory will be audited at least once within a three-year period. At Burton's discretion, a recent full on-site audit report

conducted by an accredited third-party may be accepted for review against Burton's standards. All agents that change production facilities are liable to pay for an initial audit to approve any new facility prior to starting production.

ATTESTATION

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Burton.

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 the report for the entity specified below. 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 specified above.

I make the above attestation in my capacity as a director of the Board of Directors of Burton.

I have the authority to bind Burton.

**THE BURTON CORPORATION, AS PARENT
COMPANY TO BURTON CANADA COMPANY**

Per: 
Name: John Lacy
Title: Chief Executive Officer
Date: May 31, 2024