

California Innovations, Inc.



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

FINANCIAL YEAR ENDED SEPTEMBER 30, 2024

Introduction

California Innovations, established in 1986, is a global leader in the design, manufacture, and distribution of innovative, soft-sided insulated products. Our commitment to ethical business practices and corporate social responsibility is a cornerstone of our operations. Central to this commitment is our unwavering stance against forced labour and child labour within our operations and throughout our global supply chains. This report outlines our structure, activities, supply chains, policies, due diligence processes, and ongoing efforts to assess, address, and mitigate the risks of forced and child labour. Through continuous improvement, training, and collaboration with our partners, we strive to maintain compliance with our stringent Code of Conduct and to promote a responsible and ethical supply chain. This report has been approved by California Innovations and attested in accordance with the requirements of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act.

California Innovations Overview

Established in 1986, California Innovations Inc. is among the world's largest designer and manufacturer of soft-sided insulated products. Our innovative solutions are recognized globally, delivering performance and convenience across a diverse range of categories.

Our company operates under several trusted brands, including Arctic Zone, California Innovations, Titan Deep Freeze, and Titan Pro, each known for quality, innovation, and a commitment to sustainability.

As a market leader in North America, we have also established a strong presence with major retailers in the United Kingdom, Europe, and Australia, while expanding into South America, Asia, and other global markets.

Our diverse product portfolio includes:

- Soft-sided insulated coolers and lunch packs
- Hard-sided coolers (rotomolded, injection-molded, blow-molded)
- Shopping solutions
- Food transport solutions
- Ice packs, hydration bottles, and food containers
- Diaper bags and other family-focused solutions

At California Innovations, we are proud to combine cutting-edge technology with responsible business practices, setting the standard for durability, functionality, and ethical sourcing in the insulated products industry.

Code of Conduct

California Innovations Inc. is committed to maintaining the highest standards of ethical and responsible business practices. Our Code of Conduct serves as a foundational policy document, outlining our expectations for all suppliers and business partners and ensuring alignment with our corporate values and global human rights principles.

California Innovations Inc. explicitly prohibits the use of forced labour and child labour across all levels of our supply chain. Adherence to these standards is a mandatory requirement for doing business with California Innovations.

Key provisions include:

1. **Prohibition of Forced Labour:** Suppliers and business partners must not engage in, or benefit from, any form of forced, bonded, or indentured labour. This includes, but is not limited to, involuntary prison labour, human trafficking, debt bondage, or any other form of modern slavery. Employment must be offered on a voluntary basis, and workers must be free to leave their employment upon reasonable notice.
2. **Prohibition of Child Labour:** Suppliers must ensure that no child labour is used at any stage of manufacturing, sourcing, or distribution. The minimum age for employment shall comply with the highest standard—whether it be local legal requirements or internationally recognized guidelines (such as those established by the International Labour Organization).
3. **Freedom of Employment:** Workers must be able to terminate their employment freely and without coercion. Practices such as withholding passports or identity documents, imposing recruitment fees, or enforcing unreasonable debt as a condition of employment are strictly prohibited.
4. **Safe and Fair Working Conditions:** Suppliers are required to provide safe and hygienic working conditions, fair wages, reasonable working hours, and respect for workers' rights to freedom of association and collective bargaining.
5. **Compliance and Monitoring:** All suppliers and partners must implement robust internal procedures to ensure compliance with these standards. California Innovations reserves the right to conduct audits, assessments, and site visits to monitor adherence and to address non-compliance with appropriate corrective actions.

Our Code of Conduct reflects our ongoing commitment to combatting forced labour and child labour across our operations and supply chains. Any failure to comply will result in the termination of business relationships.

Supplier Compliance and Monitoring

California Innovations Inc. employs a risk-based approach to ensure ongoing compliance with our Code of Conduct, particularly the prohibition of forced labour and child labour throughout our supply chains. Our compliance program includes:

1. **Supplier Agreements:** All suppliers have a commitment to comply with California Innovations' Code of Conduct. This is a mandatory to establishing and maintaining a business relationship.
2. **Audits and Assessments:** We reserve the right to conduct audits, which may be scheduled or unannounced, to assess supplier compliance with our standards. These audits may be carried out internally or by independent auditors to support impartiality. When conducted, audits may focus on identifying risks or instances of forced or child labor, as well as evaluating working conditions, employment practices, and supply chain transparency.
3. **Risk Assessment and Management:** We may consider factors such as geographic location, industry sector, and past performance when assessing supplier risk. Suppliers identified as presenting higher risk may be subject to enhanced audits or monitoring. The nature, frequency, and extent of these evaluations and follow-up measures are determined by us on a case-by-case basis.
4. **Training:** California Innovations may offer training to help increase awareness of forced labor and child labor risks, and to support the implementation of effective compliance measures. When provided, such training may address topics including the identification of forced labor indicators, ethical recruitment practices, and the development of grievance mechanisms.
5. **Corrective Action and Remediation:** When instances of non-compliance are identified, we work closely with suppliers to develop and implement corrective action plans. In cases involving forced or child labour, California Innovations requires immediate remediation and may terminate the business relationship if the supplier fails to demonstrate compliance.
6. **Continuous Improvement:** We are committed to continuously improving our monitoring and compliance systems to strengthen our supply chain against forced and child labour risks. This includes regular review and refinement of our risk assessments, audit methodologies, and training programs to reflect evolving global standards and best practices.

Remediation and Continuous Improvement

When instances of non-compliance with our Code of Conduct are identified, California Innovations takes immediate and decisive action to address the issues and prevent recurrence. Our remediation process is designed to restore compliance, protect the rights of affected workers, and uphold the integrity of our supply chain. Key components of this process include:

1. **Corrective Action Plans:** Suppliers found to be in violation of our Code of Conduct are required to develop and implement comprehensive corrective action plans. These plans outline the steps necessary to rectify the identified issues, with clear timelines and milestones for compliance. California Innovations would closely monitor progress and conduct follow-up assessments to ensure that the supplier achieves and sustains full compliance.
2. **Termination of Contracts for Severe or Persistent Violations:** In cases of egregious violations, such as the confirmed use of forced or child labour, or where suppliers fail to implement corrective actions, California Innovations will immediately terminate the business relationship. Our commitment to an ethical and responsible supply chain leaves no room for tolerance of such practices.
3. **Continuous Improvement of Processes and Standards:** Feedback from audits and supplier documentation is used to continuously refine and strengthen our compliance frameworks. This includes updates to our Code of Conduct, improvements to monitoring methodologies, and enhanced training and capacity-building initiatives for suppliers.

Collaboration and Advocacy

California Innovations recognizes that addressing the complex issues of forced labour and child labour requires a collective and collaborative approach. We actively engage with a diverse range of stakeholders to promote ethical labour practices, enhance transparency, and contribute to industry-wide efforts to eradicate modern slavery from supply chains. Our key activities include:

1. **Industry Partnerships:** We are active participants across our manufacturing partners to combat forced and child labour. Through these collaborations we follow global standards and leverage tools for ethical sourcing and risk mitigation.
2. **Stakeholder Engagement and Community Collaboration:** California Innovations engages with a broad network of stakeholders, including workers, suppliers and governmental bodies, to gain insights into challenges and strengthen our approach.
3. **Transparency and Accountability:** We are committed to maintaining a high level of transparency in our efforts to combat forced and child labour. This includes the public

disclosure of our annual report, which details our structure, policies, risk assessments, remediation measures, and training initiatives. We make our report readily accessible on our website and submit it as required to Public Safety Canada in accordance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

Remediation

California Innovations has not identified any instances of forced labour or child labour within our operations or supply chains during the reporting period. As such, no remediation measures have been required to date. We remain committed to continuous monitoring and proactive risk mitigation to ensure that our supply chains remain free from these practices.

Summary

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, including Section 11 thereof, I hereby attest that I have reviewed the information contained in this report for the entity identified above. Based on my knowledge, and having exercised reasonable diligence, I confirm that the information presented in this report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year ending September 30, 2024.

Jesse Lyddiatt

A handwritten signature in black ink, appearing to read 'J. Lyddiatt', with a long horizontal stroke extending to the right.

May 26, 2025

I confirm that I have the authority to bind California Innovations Inc.