

# **SHATO HOLDINGS GROUP**

## ***Fighting Against Forced Labour and Child Labour in Supply Chains Act***

**Report for fiscal year ended March 31, 2026**

## SHATO HOLDINGS GROUP

### *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

#### **Report for fiscal year ended March 31, 2026**

#### **1. Introduction**

This is a joint report for Toigo Investments Ltd. (“TIL”), Shato Holdings (PCTC1969) Ltd. (“Shato PCTC”), Shato Holdings Ltd. (“Shato”) and White Spot Limited (“White Spot”) (collectively, the “Shato Holdings Group”) in response to the requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”), for financial year ending March 31, 2026.

White Spot produces goods in Canada, and TIL, Shato PCTC and Shato either directly or indirectly control White Spot. Overall, supply chain risks are managed by White Spot directly. Unless otherwise stated, the activities and actions described in this Report are those taken by White Spot.

The Shato Holdings Group is committed to adhering to the highest standards of responsible and ethical behaviour in all of its business and corporate dealings. The Shato Holdings Group supports and promotes practices that protect the safety and human rights of persons impacted by its operations.

#### **2. Structure, activities and supply chain**

##### **a. Structure**

##### TIL, Shato PCTC and Shato

Each of TIL, Shato PCTC and Shato are companies incorporated under the British Columbia *Business Corporations Act*, and are either direct or indirect parent companies of White Spot. TIL and Shato PCTC have no operations and no employees. Shato is headquartered in Vancouver, B.C. and employs approximately 18 people. It operates as a leasing company and, through its subsidiaries, operates real estate development and hospitality businesses.

##### White Spot

White Spot is a company incorporated under the British Columbia *Business Corporations Act*. Its head office is located in Vancouver, B.C. White Spot is a food services company founded in 1928 in Vancouver, B.C. It is Canada’s longest-running restaurant chain and operates under the brand names ‘White Spot’ and ‘Triple O’s’.

White Spot has 130 locations from which it serves 17 million guests annually. Of its locations, 34 are corporate stores and 96 are franchised. All franchised locations are operated by franchisees pursuant to franchise agreements with White Spot.

The breakdown of its restaurant locations is as follows:

- White Spot locations: 52 full-service restaurants, all in B.C.; 18 corporate, 34 franchised.
- Triple O’s locations: 78 quick-service restaurants, 66 in B.C., 8 in Alberta, 2 in Ontario and 2 in Hong Kong. 16 of the Canadian locations are corporate and all other locations are franchised, including those in Hong Kong.

Across its organization, White Spot employees approximately 1,520 people, of which approximately 280 are covered by a collective agreement. All of White Spot’s employees are employed in Canada.

**b. Activities and supply chain**

White Spot’s operations are solely focused on retail food services in Canada. It relies on a variety of suppliers to provide the goods and services it needs to run its restaurants, including beef and poultry, fish, produce, textiles, electronics and other incidental goods and services. The majority of goods and services are procured from local Canadian suppliers. For fiscal year ending March 31, 2026, White Spot also procured supply from the following countries:

<b>Product</b>	<b>Country of supply</b>
Cleaning products	United States, China, Taiwan, Finland
Equipment and Smallware	United States, China, South Africa, Mexico, the European Union, Vietnam
Foodstuffs	Italy, Greece, Spain, China, United States, France, India, Thailand, Norway, Indonesia, Mexico, Peru, Japan, Brazil, Costa Rica, Chile, Vietnam, Poland, Malawi, South Africa, Zimbabwe
Paper and packaging	China, United States
Technology	United States, China, Taiwan
Uniforms	Bangladesh, China

All of White Spot’s suppliers, including its distribution partners, are expected to conduct their business ethically, legally, and in a socially responsible manner. This includes compliance with all applicable laws, rules, and regulations. In addition, suppliers must ensure that their quality management systems and processes meet or exceed industry standards for food safety and quality; this extends to White Spot’s packaging suppliers, where environmental sustainability is also a requirement.

**3. Modern slavery risk management governance**

A number of White Spot employees are tasked with oversight and management of the modern slavery risk in the company’s operations, including its executive officers, director of supply, director of human resources and internal legal personnel. These individuals and their departments have all contributed to preparation of this report.

#### **4. Steps taken to prevent and reduce risks of forced labour and child labour**

White Spot does not tolerate forced labour or child labour in its operations or its supply chain. In this reporting year, White Spot has continued to take the following steps in order to reduce the risk of forced labour and child labour:

- Diligently meets all ethical and legal standards, including laws and regulations related to forced and child labour, in the markets in which it operates;
- Training all operational managers in employment standards applicable to their area of operation;
- Providing comprehensive training to new employees on health and safety policies and maintaining a respectful and equitable workplace through orientation and onboard training;
- Surveying its suppliers to assess their commitment to developing and implementing policies geared towards preventing forced labour and child labour in their supply chains (the “Supplier Forced Labour and Slavery Prevention Survey”);
- Maintaining and updating an internal, central repository to record and track survey responses from its primary suppliers to the Supplier Forced Labour and Slavery Prevention Survey in order to ensure supplier accountability;
- Wherever possible, sourcing supply from local Canadian farmers and manufacturers and suppliers from countries with robust labour law protections;
- Engaging with its suppliers to identify risks for forced labour and child labour within their supply chains;
- Conducting an internal assessment of the risks of forced labour and child labour in its activities and supply chains;
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced labour and child labour. For example, White Spot mandates that all of its proprietary coffee products are certified by the not-for-profit organization Rainforest Alliance;
- Distributing White Spot’s Supplier Code of Conduct which explicitly prohibits all forced labour and child labour in the White Spot supply chain to any new suppliers.

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

One of the key pillars of White Spot’s philosophy is community and social responsibility. To that end, White Spot is deeply committed to its people, whether it be its staff, its guests, its farmers and suppliers or the neighbourhoods and communities in which it operates. To ensure it fulfils this commitment at every level, White Spot has embedded responsible business conduct into its policies and management systems, including how it deals with employees and suppliers. These policies and systems are consistent with international standards, including the current International Labour Organization Declaration on Fundamental Principles and Rights at Work.

At the supplier level, White Spot expects all of its suppliers to act in an ethical manner. Wherever possible, White Spot sources product from local Canadian farmers, manufacturers and suppliers where it can be assured of ethical and responsible labour practices. White Spot

also has a policy of regularly engaging with suppliers to identify potential risk for forced labour and child labour including through its Supplier Forced Labour and Slavery Prevention Survey. White Spot's Supplier Code of Conduct explicitly prohibits forced labour and child labour and is distributed to all White Spot primary suppliers and distributors.

At the operational level, all White Spot and Shato employees are located in Canada and the companies strictly adhere to all applicable labour and employment laws. Both White Spot and Shato prohibit the use of worker-paid recruitment fees and require all new employees to provide it with appropriate government issued identification (such as a Canadian social insurance number) in order to verify their eligibility for employment.

White Spot has comprehensive training and an occupational health and safety framework that ensures all employees have free and confidential access to employment assistance programs and training on health, safety, harassment and workplace bullying. Employees also have access to a confidential 'pipeline' process whereby they are able to bring forth work-place concerns and have them elevated through the appropriate channels.

#### **6. Risk of forced labour or child labour being used and the steps White Spot has taken to assess and manage that risk**

White Spot has minimal visibility over the source of raw materials for the manufactured products it procures. White Spot also recognizes that certain components of its supply chain may be vulnerable or present a risk of forced labour or child labour. This includes supply from industries prone to labour exploitation, such as textiles, electronics, seafood and coffee beans.

To assess and manage this risk, White Spot has undertaken the following actions in fiscal year end 2026:

- Supplier Survey: Through the Supplier Forced Labour and Slavery Prevention Survey, White Spot has continued to assess supplier's level of awareness and commitment to developing and implementing policies geared towards preventing forced labour and child labour in their operations and supply chains. White Spot has received replies from approximately 80% of its primary suppliers and records and tracks all responses in a central repository.
- Supplier Engagement: White Spot collaborated with certain suppliers to identify risks for forced labour and child labour within their operations and supply chain.
- Sourcing Ethical Supply: White Spot mandates that all of its proprietary coffee products be certified by Rainforest Alliance, an international not-for-profit organization committed to responsible business practices, environmental protection and promoting human rights. This ensures that all of its coffee products are produced ethically and sustainably. In this fiscal year, White Spot engaged a new uniform supplier. In selecting the new supplier, a key consideration for White Spot was that the supplier's business practices adhered to White Spot's Supplier Code of Conduct and that the supplier had third party audit certification for forced labour and child labour law compliance.

- Supplier Code of Conduct: White Spot's Supplier Code of Conduct is distributed to all of White Spot's primary suppliers and distributors. The Code explicitly prohibits all forced labour and child labour in the White Spot supply chain.

To date, there have been no identified or reported instances of forced labour or child labour in White Spot's or the other Shato Holdings Group entities' activities and supply chain and no identified or reported instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in White Spot's, or the other Shato Holdings Group entities', activities and supply chains.

## **7. Training provided to employees on forced labour and child labour**

Each of Shato and White Spot greatly values its employees and is diligent in ensuring that it adheres to all applicable labour and employment standards legislation.

### White Spot

White Spot is committed to providing a safe, healthy, inclusive and enjoyable work environment at its head office and each of its restaurant locations. While only a small number of head office employees are involved in the management of White Spot's supply chain, onboard programming for all employees includes training in maintaining a respectful and equitable workplace, fair and equitable treatment of all employees and health and safety policies. In addition, there is an expectation that the head office employees directly involved in supply and procurement will diligently monitor White Spot's supply chain to ensure, to the greatest extent possible, that all suppliers are operating in a responsible manner.

## **8. Effectiveness assessments to ensure that forced labour and child labour are not being used in White Spot's business and supply chains**

White Spot assesses the effectiveness of its actions to prevent forced labour and child labour in its operations and its supply chain as follows:

- White Spot Operations Team regularly visit restaurant locations to ensure that standard operating procedures are being adhered to in all aspects of its business, including labour practices;
- Supplier screening for both new and current suppliers;
- Engaging with suppliers;
- Surveying its primary suppliers through the Supplier Forced Labour and Slavery Prevention Survey, storing all survey responses in a central repository, and evaluating the survey responses of its high-volume suppliers to ensure supplier standards are being met; and
- Monitoring media reports related to the risk of forced labour and child labour.

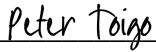
## **9. Approval and Attestation**

This report was approved by TIL's Board of Directors on May 27, 2026.

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 director of TIL, attest that I have reviewed the information contained in the report on behalf of the governing body of 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.

Dated: May 29, 2026.

I have the authority to bind Toigo Investments Ltd.

DocuSigned by:  
  
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Full name: Peter Toigo  
Title: Director of Toigo Investments Ltd.