



Joint Modern Slavery Report pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) for the year ended December 31, 2023

INTRODUCTION AND STRUCTURE

Atlas Global Brands Inc. (“**Atlas Global**” or the “**Company**”) is dedicated to upholding ethical standards and integrity in its business interactions, promoting adherence to relevant laws, and safeguarding the dignity and rights of all individuals associated with its operations. Atlas Global is firmly committed to preventing the occurrence of child labor or forced labor within our organization and supply chains.

This document marks the inaugural joint modern slavery report (referred to as the “**Report**”) in accordance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (S.C. 2023, c. 9) (the “*Supply Chains Act*”), covering the fiscal year ending March 31, 2024 (referred to as the “**Reporting Period**”).

Atlas Global, along with its direct and directly wholly owned subsidiaries, AgMedica Bioscience Inc. (“**AgMedica**”), GreenSeal Cannabis Company, Ltd. (“**GreenSeal**”), GreenSeal Nursery, Ltd. (“**GreenSeal Nursery**”) and Cambrosia Ltd. (“**Cambrosia**”), are jointly submitting and filing this Report in compliance with the *Supply Chains Act*. For the purposes of this Report, the term “Atlas Global” and the “Company” or “we” or “us” encompasses AgMedica, GreenSeal, GreenSeal Nursery and Cambrosia.

Atlas Global’s common shares are listed and posted for trading on the Canadian Stock Exchange under the symbol “ATL”.

Atlas Global acknowledges that eradicating the risks of forced labor and child labor is an ongoing endeavor that requires time and effort. This Report delineates the existing measures within Atlas Global and the initiatives undertaken to evaluate and mitigate the risks of modern slavery within its business operations and supply chain.

ACTIVITIES

Headquartered in Chatham, Ontario, Atlas Global primarily operates its business of cultivation, extraction, manufacturing, marketing, and distribution through its wholly-owned Canadian subsidiaries, GreenSeal and AgMedica. Atlas Global operates two licensed cannabis facilities in Canada, one of which has European Union good manufacturing practices, and three medical pharmacies in Israel. Atlas Global distributes its products within Canada and to eight countries outside of Canada: Australia, Canada, Denmark, Germany, Israel, Norway, Spain and the United Kingdom.

As at the end of the Reporting Period, Atlas Global employed 185 full-time employees in Canada and two full-time employees in Israel.

Further information about our business and activities can be found in our annual management discussion and analysis for the 15 month period ended March 31, 2023, which is available under the Company's issuer profile on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval+ ("SEDAR+") at www.sedarplus.com.

SUPPLY CHAIN OVERVIEW

The Company's supply chain consists of suppliers of product and non-product goods and services. Product goods we source include industrial equipment used in growing, drying, sorting and packaging cannabis and cannabis products. Non-product goods we source include raw cannabis and cannabinoids where required to meet our production needs, as well as goods used for packaging and shipping purposes such as plastic jars and pouches, rolling paper, filters, and cardboard packaging. Services sourced for our production process include laboratory testing and certification services for quality assurance purposes, licensed software for tracking and managing our cannabis inventory and production, quality auditing services, and transportation and logistics to transport our products to market.

Atlas Global seeks long-term relationships with major suppliers for the delivery of goods and services. Most of the goods and services that Atlas Global procures are sourced from suppliers with which we have existing contractual relationships. Within our supply chain, we have built relationships with suppliers that serve the burgeoning legal cannabis industry in Canada and its unique needs. As a new industry in Canada producing a product that is illegal in many other parts of the world, many suppliers that provide goods and services specific to the cannabis are based nearby as well. The suppliers we use in our Canadian manufacturing are based solely in North America, however we recognize that our vendors may subcontract other vendors overseas. The suppliers we use in our Israel business operations are sourced solely from local Israeli vendors and service providers, recognizing that these vendors and service providers may also subcontract relationships elsewhere, including overseas.

Where we are unable to source suitable goods domestically or from other G7 or European Union countries, some production inputs are sourced from suppliers that subcontract their production to businesses in regions that have been identified by The Global Slavery Index as being at a moderate or higher risk for forced labour and child labour, including China, India, Indonesia and Mexico.

POLICIES AND DUE DILIGENCE PROCESSES

During the Reporting Period, Atlas took the following steps to reduce and prevent the risk of forced labor or child labor at any step of its business operations and supply chains:

- (i) developed for implementation in the next Reporting Period, internal policies that have addressed forced labour and/or child labour which include grievance mechanisms;
- (ii) enforced age verification procedures for internal hires;
- (iii) developed for implementation in the next Reporting Period due diligence processes for suppliers and co-manufacturers.

The policy developed by Atlas Global includes reporting instructions for internal and external stakeholders to notify senior leadership and board of directors using an anonymous phone or email hotline which is operated through a third party. All reports are given to the Independent Director. Employees are encouraged and made aware of the policy and to report suspicious business activity, mismanagement, and

other areas of concerns. Any concerns concerning working conditions at any of the Atlas Global facilities are thoroughly investigated by the appropriate Human Resources officer.

FORCED LABOUR AND CHILD LABOUR RISKS

In the Reporting Period, we conducted an internal assessment to identify potential risks related to forced or child labour within our supply chain. We identified the following factors as indications that a particular supplier presents a higher risk of forced labour or child labour.

- Reliance by supplier on a low skilled workforce,
- Dangerous or undesirable work involved in producing goods/services
- Long, complex or non-transparent supply chain
- Jurisdictional risks including poverty, conflict, and enforcement of international human rights Standards.

While we do not consider our activities and supply chains to carry a significant risk of forced labour or child labour, our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as product packaging and paper products used in our pre-rolled products, as these goods are produced by suppliers in China, India or Indonesia. These suppliers are generally sub-contracted by suppliers based in Canada, the United States, or Europe that we deal directly with.

Where appropriate, Atlas Global seeks to source goods and services domestically within Canada in order to avoid the risks described above. As we continue to grow our business in Canada and internationally, Atlas Global intends to refine its approach to identifying and managing risks of forced labour and child labour in its supply chain.

REMEDIATION MEASURES

No instances of forced or child labour were identified within our supply chains, thus remediation measures have not been necessary. In line with the United Nations Guiding Principles on Business and Human Rights, we acknowledge the pivotal significance of having robust remediation strategies in place. If we were to identify forced or child labour in our supply chain, we would act quickly and ensure we have taken all measures necessary to address this.

REMEDIATION OF LOSS OF INCOME

No instances of forced or child labour have been detected within Atlas Global's supply chains, thus no measures have been required to address any resulting income loss for those affected. Should any instances of forced or child labour arise in our future activities and supply chains, we will take appropriate actions to address the loss of income for vulnerable families.

TRAINING

Atlas Global has not administered specialized training to our staff concerning forced or child labour within our supply chain but has developed for implementation in the next Reporting Period training and awareness materials on forced labour and/or child labour.

ASSESSING EFFECTIVENESS

While we have not yet taken any specific actions to assess the effectiveness of those actions, as our internal processes, systems and supply chains evolve, we will continue to take steps to monitor and assess the effectiveness of our actions in preventing and reducing risks of forced labour and child labour in supply chains including by:

- (i) continually seeking ways to improve our policies to ensure they are current and relevant;
- (ii) ensuring our policies are reviewed and acknowledged by our organization on an annual basis;
- (iii) ensuring adequate records are kept and that lessons are able to be learned and applied to improve future results across all of our entities;
- (iv) gathering feedback during our due diligence processes;
- (v) periodically evaluate the feedback of internal and external parties;
- (vi) update our processes and procedures as necessary; and
- (vii) implementing intercompany compliance reporting by Human Resources to ensure policies and procedures are being followed by all our entities.

APPROVAL OF REPORT

This joint modern slavery statement, made in accordance with the *Supply Chains Act* (Canada), by Atlas Global Brands Inc. was approved by the Board of Directors pursuant to Paragraph 11(4)(b)(ii) of the *Supply Chains Act* (Canada) on May 31, 2024.

ATTESTATION

In accordance with the requirements of the *Supply Chains Act*, and in particular section 11 thereof, I 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 *Supply Chains Act*, for the reporting year listed above.

Dated May 31, 2024.

ATLAS GLOBAL BRANDS INC.

Jason Cervi

Full Name

Chief Financial Officer

Title

31/05/24

Date



Jason Cervi (May 31, 2024 17:23 EDT)

Signature*

I have the authority bind Atlas Global Brands Inc.






Modern Slavery Reporting

Final Audit Report

2024-05-31

Created:	2024-05-31
By:	Natalie Douglas (natalie@atlasglobalbrands.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA9IRbihR0pnQ6Ctbz_hyeMhdzHtHbR8nQ

"Modern Slavery Reporting" History

-  Document created by Natalie Douglas (natalie@atlasglobalbrands.com)
2024-05-31 - 8:54:35 PM GMT
-  Document emailed to Jason Cervi (jason@atlasglobalbrands.com) for signature
2024-05-31 - 8:54:39 PM GMT
-  Email viewed by Jason Cervi (jason@atlasglobalbrands.com)
2024-05-31 - 9:22:40 PM GMT
-  Document e-signed by Jason Cervi (jason@atlasglobalbrands.com)
Signature Date: 2024-05-31 - 9:23:25 PM GMT - Time Source: server
-  Agreement completed.
2024-05-31 - 9:23:25 PM GMT