

MODERN SLAVERY ACT REPORT

ANNUAL REPORT OF TOYS “R” US (CANADA) LTD.

May 31, 2024

At Toys “R” Us (“TRU”), one of our guiding principles is to deliver joy to children of all ages, and our commitment to their safety is non-negotiable. At every turn, we look for ways to fulfill our commitment to the safety of the families we serve. We demand integrity. In doing so, we hold ourselves to the highest ethical and legal standards, and we expect our business partners, including all vendors and factories, to do the same. In addition, we collaborate closely with regulators, manufacturers and global industry organizations to continually set the bar higher in safety, improving practices where necessary and implementing international standards into our own policies and commitments related to responsible sourcing.

The Modern Slavery Act was enacted recently, without significant time allotted for compliance and reporting. As such, TRU expects to be able to provide more fulsome reporting and substantive information in its next annual report.

For this fiscal year, below is TRU’s reporting on the mandatory requirements set out in the Act.

The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity

TRU has adopted a Corporate Social Responsibility Program with the objective of ensuring that all products that it sells are produced in an ethical manner. This Program was first adopted in 2017. However, due to changes in ownership and other competing priorities, some aspects of the Program have not been implemented or are not currently being enforced. TRU intends to review its Program in this fiscal year to make appropriate updates to ensure that it can be fully implemented.

The Program includes due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization’s activities and supply chains, and requires suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains. The Program requires factory audits to be conducted at least annually and requires suppliers to abide by our Standards for Partner Conduct.

Its structure, activities and supply chains

TRU is a federal corporation. TRU is a retail organization selling goods (domestic and imported) in retail stores across Canada.

TRU is privately held, owned by Putnam Investments, a Canadian-based, family-owned company. It operates 87 stores across Canada selling toys and baby products. TRU purchases

products for resale via distributors and imports products from manufacturers based outside of Canada.

Its policies and due diligence processes in relation to forced labour and child labour

As set out above, TRU has adopted a Corporate Social Responsibility Program which aims to ensure that forced labour and/or child labour are not part of its supply chains, including a policy for its suppliers to follow.

TRU's suppliers are expected to complete a factory audit before being set up as approved vendors, and annually thereafter. Or, suppliers may provide certain valid, recognized industry certifications that demonstrate compliance. However, due to changes in ownership and other competing priorities, some aspects of the Program have not been implemented or are not currently being enforced. TRU intends to review its Program in this fiscal year to make appropriate updates to ensure that it can be fully implemented.

The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk

We have not yet started the process of identifying parts of our activities and supply chains that carry a risk of forced labour or child labour.

Any measures taken to remediate any forced labour or child labour

Not applicable, as we have not identified any forced labour or child labour in our activities and supply chains.

Any measures taken to remediate the 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

Not applicable, as we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

The training provided to employees on forced labour and child labour

Training is not currently provided.

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

No policies have yet been developed or implemented to assess effectiveness.

ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or 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 above.

Peter Ferrante
Chief Financial Officer
Date: May 29, 2024

I have the authority to bind Toys "R" Us (Canada) Ltd.