



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

FY 2025 Report

## Introduction

---

Hail & Cotton Inc. (Hail & Cotton) presents this report under the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) for the reporting period ending 30 June 2025, as part of our ongoing commitment to transparency in how we identify and address forced labour and child labour risks across our operations and supply chains. It was approved by the Board of Directors on 26 May 2026.

Hail & Cotton is proudly a family-owned global company that has been operating for more than 120 years. Our mission is to be the preferred independent supplier of sustainable, quality leaf tobacco and services while striving to improve the welfare and environment of the communities in which we operate.

We are committed to respecting all internationally recognized human rights as contained in the International Bill of Human Rights and eradicating forced labor, child labor, and other forms of modern slavery from within our supply chains. Our approach to addressing human rights impacts is aligned with the principles contained in the United Nations Guiding Principles on Business and Human Rights (UNGPs), the OECD Due Diligence Guidance for Responsible Business Conduct (OECD Guidelines), and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and other applicable national legislation. More information on our commitment in respect of human rights is included in our Global Human Rights Policy.

### ***Our Structure and Business Activities***

For the purposes of the Act, this report is a joint report filed by Hail & Cotton on behalf of itself and Hail & Cotton (Canada) Ltd, which is a wholly owned subsidiary of Hail & Cotton.

Hail & Cotton is a supplier of several types of leaf tobacco, value-added products, and services to the world's manufacturers of tobacco products. We are a leading producer of most types of tobacco through both large- and small-scale growers.

Hail & Cotton is an international business, headquartered in the United States, with operations and offices spanning 14 countries worldwide. Our team comprises more than 5,000 employees, among permanent and seasonal, across all facets of our business.

Hail & Cotton distinguishes three types of businesses across global locations:

- **Operations** – countries where production and other integral functions of the business are performed. We operate in: Brazil, Canada, Colombia, Dominican Republic, Ecuador, Indonesia, Malawi, United States, Zambia, and Zimbabwe.
- **Offices** – countries where administration, sales, and/or management functions are performed. We have offices in: China, Indonesia, Mauritius, The Netherlands, and the United States (HQ).
- **Sourcing** – countries where tobacco and related products are purchased from independent companies. Our core sourcing countries include Bangladesh, China, Honduras, India, Mexico, Paraguay, and Nicaragua.

## 1. How We Embed Responsible Business Conduct into Our Management Systems

---

### **Governance Structure**

Hail & Cotton's Board of Directors holds ultimate responsibility for the company's approach to forced and child labour, ensuring that our commitments are embedded at the highest level of the organization. The Executive Committee is responsible for setting strategic direction, translating Board-level accountability into company-wide priorities, and ensuring that sustainability principles guide operational decision making across all markets.

Local leadership teams oversee day-to-day operations in each of our sourcing countries, ensuring that global standards are applied within local contexts, and that site-level implementation remains consistent with our commitments. The Global Sustainability Team sits at the center of this structure, managing alignment across operations and ensuring compliance with international sustainability frameworks, including our obligations under applicable forced and child labour legislation.

During the reporting period, we continued to strengthen our governance foundations. Our Sustainability Approach, published in 2024, continues to guide our intentions and ambitions across environmental, social, and governance dimensions. We have also continued to expand our sustainability team by hiring dedicated Sustainability Managers for our operations. These professionals work directly on the ground, including in the fields and farming communities where the most salient human rights and labour impacts are most likely to occur, playing a critical role in identifying positive and negative sustainability impacts, coordinating responses, and ensuring that global strategy is effectively adapted to local realities.

As compliance requirements evolve and the expertise and capacity of our sustainability teams continue to grow, we are actively strengthening our governance structure to reflect these updated realities. The increased depth of sustainability knowledge across our operations, combined with heightened expectations placed on sustainability functions globally, creates the foundation for an expanded and more structured governance framework. We expect these developments to be reflected in our governance arrangements in the short term.

### **Policies**

Hail & Cotton has several policies and procedures in place to govern our approach to human rights, forced labor, and child labor. These include:

- **Code of Business Conduct, Integrity, and Ethics** – outlines the norms, rules, responsibilities, and proper practices within our organization. This includes adherence to standards set by national and international labor laws regarding working conditions.
- **Sustainable Tobacco Program (STP) Policy** – defines Hail & Cotton's current approach to human rights due diligence and meeting the requirements of the STP program.
- **Good Agricultural Practices (GAP) Statement** – establishes standards for the safe and sustainable production of crops and livestock. This includes labor management, elimination of forced and child labor, and health and safety.
- **Labor Policy: Elimination of Child Labor, Equal Opportunities, and Health & Safety USA** – sets out Hail & Cotton's standards on labor, equal opportunities, and Health & Safety in the U.S.A.

We maintain several key global policies that strengthen our sustainability framework:

- **Global Human Rights Policy** – outlines Hail & Cotton's overall approach to human rights and adherence to international standards and best practices.
- **Global Child Labour Policy** – contains detailed guidance and expectations regarding child labor.
- **Global Sustainability Approach** – provides an overview of Hail & Cotton's actions, initiatives, and ambitions to improve sustainability performance, including issues related to human rights and labor practices.
- **Global Agricultural Labour Practices Code (ALP Code)** – sets the minimum standards to be followed by growers, including labor intermediaries or crew leaders in all origins without replacing local legislation. Our ALP Code follows the International Labor Organization Declaration on the Fundamental Principles and Rights at Work and other important ILO Conventions.
- **Global Extreme Breach and Prompt Action Protocol** – establishes a structured framework for identifying, escalating, and remediating compliance violations in our agricultural supply chain, with defined timelines and accountability measures to address both severe infractions requiring immediate intervention and less urgent non-compliance issues that impact ethical labor standards.
- **Global Issue Resolution Policy** – establishes a structured program for receiving and managing communications and grievances from employees, forming a foundational element of Hail & Cotton's broader grievance mechanism approach. The 'Your Voice Matters' Program has been published and rolled out and includes an online platform enabling employees to submit reports, concerns, or any other communications to the company in their local language, through a confidential and anonymous channel, supported by a robust case management system and training materials developed in all local languages. The program includes explicit non-retaliation provisions, ensuring that employees who report concerns in good faith are protected from any form of adverse treatment because of their disclosure. In its current phase, this program is dedicated to employees across our operations. We are working toward formalizing this into a comprehensive grievance mechanism program, with plans to extend its reach to workers and stakeholders across our value chain in the short term.

We continue to work diligently on the development, review, and updating of our global policies to address our identified impacts, risks, and opportunities, prioritizing areas where standardized approaches will have the greatest positive outcome across our operations and ensuring that our frameworks remain aligned with evolving regulatory requirements and best practices.

### ***Training and Capacity Building***

Training is a core component of our supply chain due diligence compliance. Operating across diverse agricultural sourcing origins where the risks of child labour and forced labour are most acute, we recognize that a high level of awareness and capability at every level of our operations, and most importantly in the fields, is essential to the effective implementation of our sustainability commitments.

A training matrix has been designed that will consolidate the training requirements embedded across our policies, frameworks, and programs into a single structured reference. The matrix will be continuously updated as programs are developed and implemented, with training toolkits delivered in conjunction with the rollout of each individual initiative across our operations. Training modules

on Human Rights, Child Labour, and Forced Labour will feature among the mandatory topics included, with content differentiated based on each employee's role and responsibilities within Hail & Cotton.

For our agricultural supply chain, agronomy teams develop annual crop-season calendars that embed structured training for Field Technicians on our Global Agricultural Labour Practices (ALP) Code and related procedures. We are advancing a Train the Trainers model to extend this capacity beyond our own staff, reaching tobacco growers, their workers, and surrounding farming communities where relevant.

### ***Recruiting and Internal Controls***

Within our own operations, we have strict recruitment and HR processes in place to ensure that all employees, whether permanent or temporary, are of the appropriate age to work and are authorized to work. Candidates are thoroughly vetted, and documents are verified at various stages of the process for compliance. These processes are guided by local labor legislation, specifically when it comes to forced and child labor.

For operations that utilize third-party agencies for the recruitment of seasonal workers, our recruitment protocol addresses the risk of underage workers and includes necessary checks that agencies must provide at our request. Alongside the protocol, our contracts with labour agency providers strengthen the checks that are carried out and enable Hail & Cotton to audit agency practices to ensure compliance with the contractual provisions.

## **2. How We Identify and Assess Our Impacts, Risks, and Opportunities**

---

### ***Our Own Operations***

For those of our operations where processing activities occur, we apply a structured approach to assessing and monitoring social and environmental performance at the site level. Not all Hail & Cotton operations are subject to this process, as it is focused on sites where a higher degree of operational complexity and workforce concentration is present.

Through a globally recognized risk assessment platform, participating sites complete self-assessment questionnaires covering four key pillars: labour standards, environmental ethics, health and safety, and business ethics. This process enables the systematic collection of site-level data, supports the identification of risks and areas for improvement, and facilitates transparency and accountability across our own operations. The platform also enables third-party audits to be conducted and shared, providing an independent and verifiable layer of assurance over our site-level performance.

The data gathered through this process continues to inform our broader understanding of impacts, risks, and opportunities within our own operations, and feeds into our overall due diligence framework. As we continue to expand our sustainability governance and due diligence capabilities, we are working toward extending this approach to a greater number of our operating sites.

### ***Our Supply Chain and Risk Context***

Hail & Cotton sources and grows raw leaf tobacco from tobacco-producing countries across Central and South America, North America, Africa, Asia, and Europe. Our supply base primarily consists of contracted tobacco growers, who represent most of our sourcing, complemented by third-party vendors and government-regulated market floor auctions. Our Commercial and Field Operations

teams maintain regular direct communication with suppliers and other key stakeholders throughout the crop season. Our current due diligence processes are concentrated on contracted growers, where we exercise the greatest degree of oversight. We acknowledge that third-party vendors and market floor auction sources represent a scope limitation in our human right's due diligence, which we intend to address through our Global Supply Chain Due Diligence Framework currently under development.

Our upstream value chain also encompasses logistics and agricultural inputs such as chemicals and fertilizers, packaging materials, machinery, equipment, vehicles, fumigation materials, and health and safety supplies. Downstream, our value chain extends through processing, trade, and to our customers, who are primarily large multinational tobacco manufacturers.

Hail & Cotton operates with a clear understanding of the human rights risks inherent to agricultural supply chains, particularly in small-holder farming contexts. The risk of forced and child labour is assessed to be present across our sourcing origins, with varying levels of severity depending on local regulatory environments, labour market conditions, and the degree of oversight we can exercise. While risks are assessed to be comparatively lower in the United States and Canada, they are not insignificant in any context. We recognize the potential for adverse human rights impacts connected to seasonal and migrant labour, the use of labour intermediaries, and the inherent vulnerabilities of smallholder farming communities across our operations.

### *Supply Chain Due Diligence*

**Double Materiality Assessment.** During the reporting period, Hail & Cotton completed its first formal Double Materiality Assessment (DMA), developed in accordance with the requirements of the European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD), and drawing on EFRAG implementation guidance IG-1 (Materiality Assessment) and IG-2 (Value Chain). The DMA was developed in close cooperation with an external firm specializing in compliance with non-financial and sustainability reporting requirements.

The DMA follows a multi-step methodology that begins with establishing a comprehensive understanding of context, including a full value chain mapping, the development of a long list of sustainability matters derived from ESRS requirements and supplemented by industry-specific sources including the Sustainable Tobacco Program (STP), Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP), and peer reporting. A structured stakeholder analysis was conducted to identify both affected stakeholders and users of sustainability statements, and internal representatives were mapped to sustainability topics to ensure appropriate expertise informed the assessment at each stage.

The assessment identifies and evaluates Hail & Cotton's material impacts, risks, and opportunities (IROs) from two perspectives: the impact materiality perspective (inside-out, examining our effects on people and the environment) and the financial materiality perspective (outside-in, examining ESG-related risks and opportunities for the company). A questionnaire-based approach was used for the impact materiality assessment, engaging a broad internal group across functions including Agronomy, Operations, Human Resources, Finance, Compliance, and Sourcing, among others. Financial materiality was assessed in alignment with our Finance department, drawing on conventional risk management practices.

IROs were scored based on severity (comprising scale, scope, and irremediability), likelihood, and time horizon. Items near materiality thresholds were subject to additional validation sessions

involving the Sustainability team and subject matter experts. The resulting list of material topics has been confirmed at Executive Committee level.

As our first formal DMA, this assessment is treated as an iterative process, to be updated and refined on an ongoing basis as regulatory guidance evolves, stakeholder expectations shift, and our value chain further develops across the organization. Its outputs serve a dual purpose: informing the risk identification and due diligence disclosures contained in this report and establishing the material topic baseline that will underpin Hail & Cotton's sustainability reporting under the CSRD when applicable to the organization.

**Grower Management System (GMS).** During the reporting period, we conducted a global review of our data collection processes and continued the standardization of our GMS across relevant operating origins. The GMS supports the systematic collection, monitoring, and analysis of data related to grower performance, labour practices, and compliance with our Agricultural Labour Practices (ALP) Code. We are in the process of finalizing this standardization, which will strengthen our corporate risk management system and provide a more consistent and centralized view of supply chain performance. We aim to extend this global standardized approach to all operating origins in the short term.

**Sustainable Tobacco Program (STP).** Hail & Cotton has participated in the Sustainable Tobacco Program (STP) since its inception in the early 2000s. STP is an industry-wide, impact-oriented initiative with a focused approach to sustainability aspects relevant to the tobacco supply chain, including Human and Labour Rights, Crop Protection and Integrity, Water Stewardship, Biodiversity, Livelihoods, Climate Change, Natural Habitats, and Soil Health. It provides tobacco supply chains with actionable insights to drive continuous improvement, supported by third-party assessments, ongoing monitoring, and corrective action plans, when necessary.

All country-level operations, where applicable, have aligned their due diligence processes with the STP framework. Data is collected by the Field Technicians teams at farm level, analysis is conducted by local STP coordinators and supported by a global STP coordinator, and reports are systematically shared with STP Secretariat and customers, as part of their due diligence process. The Secretariat reviews this data, requests clarification if needed, and conducts In-Depth Assessments within specific origins based on a country-level risk analysis.

In Canada, all growers with substantial labour needs participate in the Seasonal Agricultural Worker Program (SAWP). Where we contract growers directly, Field Technicians conduct regular and unannounced visits to provide technical advice, discuss good labour practices, and monitor for any instances of forced or child labour, reporting findings internally and making recommendations to growers where appropriate.

**Global Supply Chain Due Diligence Framework.** Hail & Cotton recognizes that the evolving legislative and regulatory landscape requires a more formalized, centralized, and robust approach to supply chain due diligence. We are developing a Global Supply Chain Due Diligence Framework grounded in the OECD Due Diligence Guidance for Responsible Business Conduct, which provides the internationally recognized standard for identifying, preventing, mitigating, and accounting for adverse impacts across global supply chains.

This framework is being designed to consolidate our due diligence processes under a single global approach, while meeting the requirements of current and incoming regulatory obligations. It will

integrate our existing STP-based monitoring, GMS data systems, grievance mechanisms, and remediation protocols into a coherent and auditable global framework. In doing so, it will progressively extend our due diligence scope beyond contracted growers and own operations to encompass business relationships across our broader value chain, consistent with the expectations of the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance.

Driven by our shared values of integrity, mutual respect, and dedication to the communities in which we operate, this framework will embed a people-centered approach to our due diligence, prioritizing continuous and meaningful dialogue with affected rightsholders and stakeholders as a core element of how we identify, assess, and respond to adverse human rights and environmental impacts across our value chain.

### **3. How We Cease, Prevent, and Mitigate Adverse Impacts**

---

#### ***Farm Monitoring and Grower Management System (GMS)***

Farm monitoring is a core element of how we identify, prevent, and respond to adverse human rights and labour impacts within our contracted grower base. Our Field Technicians conduct regular and unannounced visits to farms across our sourcing origins and are specifically trained to identify indicators of forced labour, child labour, and other labour rights violations during these visits. Where suspected violations or field issues are identified, Field Technicians are required to formally register, report, and follow up on each case in accordance with our established due diligence process. Field operations maintain structured registers of issues identified during technical assistance visits, as well as the initiatives and corrective actions taken in response, forming a documented and traceable field monitoring record.

In Canada, given our reduced contracted grower base of 6 growers in the 2025 crop season, our Field Technician visits our contracted growers on average every other week during the growing season and at least three times during the crop season. This frequency allows for close and continuous oversight of every grower and their operations, with all visits documented and all issues recorded and reported.

The GMS is a central tool in how we operationalize our supply chain due diligence commitments at the grower level. By enabling the systematic tracking of grower compliance with our policies and procedures, STP conformance, and adherence to the social pillars of our Global ALP Code, the GMS supports both the prevention of adverse impacts and the timely identification of issues requiring corrective action. In parallel, we are developing a structured and comprehensive ALP Code program that will formalize the implementation and monitoring of these social pillars across our contracted grower base, ensuring compliance with applicable law and international sustainability frameworks. Both the standardized GMS and the ALP Code program are planned to become operational in the short term.

#### ***Good Agricultural Practices Connections (GAPC) Program***

We require all our growers in the United States to attend annual GAP Connections training. The 2025 GAPC Training Report includes statistics, training topics, and resource-building efforts for all 2025 GAPC training activities. Canadian growers are trained annually by our field technician based on GAP guidelines, materials, and updates.

The GAP Connections Certification program is a voluntary, transparent tool available to growers to verify compliance with best practice implementation. The program consists of an annual self-assessment, annual recordkeeping requirements, worker interviews, housing inspections, and an annual monitoring visit (i.e., audit or site visit). A third-party monitoring firm confirms that each grower has satisfied GAP Connections standards and best practices for the grower to become certified. This program supplements our internal STP program and provides further assurance as to the labor practices of the growers we source tobacco from.

Farm worker training is also offered through the GAP Connections program. This is a voluntary training program available to growers, giving them access to training for their H2A workers. Topics covered include Worker rights and responsibilities, Worker concern helpline, Health & Hygiene, Human Trafficking awareness & prevention, Sexual Harassment, General Farm Safety, Operation of Equipment, Personal Protective Equipment, Emergency Plans & response, Agrochemicals, and COVID-19.

### ***Grievance Mechanisms***

The Your Voice Matters Program currently serves as Hail & Cotton's primary grievance channel through which employees can report concerns and adverse impacts, ensuring these are formally received, escalated, and addressed through our case management system. The program includes explicit non-retaliation provisions, ensuring that employees who report concerns are protected from any form of adverse treatment because of their disclosure.

In the United States, workers additionally have access to the GAPC worker concern helpline, a dedicated channel through which farm-level workers can report concerns directly and confidentially.

We recognize that extending grievance access to workers and affected stakeholders across all our sourcing origins is a requirement under the frameworks to which we are aligning, including the UNGPs and CSDDD. In addition to the Your Voice Matters Program and the GAPC worker concern helpline, select operations maintain locally implemented worker hotlines that provide an additional grievance channel at origin level. We are committed to expanding accessible grievance channels progressively across all our operations, with the formalization of a comprehensive grievance mechanism program planned in the short term.

## **4. How We Track Implementation and Results**

---

### ***Monitoring and Performance Indicators***

Hail & Cotton continuously monitors the potential occurrence of human rights risks at the farm level. Managers within individual Hail & Cotton entities are responsible for overseeing the implementation of effective farm monitoring, including assessing data collected by Field Technicians to determine whether further action is required.

We aim to proactively evaluate criteria such as plot size, crop stage, and number of workers on site across our contracted grower base to anticipate situations with higher potential for human rights violations before they occur. This data-driven methodology, which includes unannounced field visits as outlined in our remediation protocol, reflects our commitment to effective risk assessment and preventative action to uphold ethical labour standards across our supply chain. We are currently in various stages of implementing this approach across our operating origins, with different operations progressing at different paces.

As our sustainability governance and due diligence capabilities continue to mature, we are committed to developing a structured and measurable basis for tracking progress across our operations and supply chain. This will include performance indicators derived from our policies, programs, and frameworks, enabling us to systematically assess the effectiveness of our efforts to prevent and reduce the risk of forced and child labour over time.

## 5. How We Communicate Advancements

---

### *Reporting and Transparency*

Hail & Cotton communicates its sustainability commitments and progress through multiple channels. Our Sustainability Approach continues to serve as a foundational reference document that clearly articulates our intentions and ambitions across environmental, social, and governance dimensions.

This report is a key mechanism for communicating our advancements to the Canadian government and the public under the Fighting Against Forced Labour and Child Labour in Supply Chains Act and is published on Hail & Cotton's website in a prominent location to ensure broad public accessibility.

Beyond formal reporting, we communicate our current standing and progress on sustainability efforts directly to our customers, suppliers, and service providers primarily through in-person engagement. This direct dialogue allows us to share updates on our due diligence processes, labour practices, and broader sustainability commitments in a manner that is tailored to the needs and expectations of each business relationship. Additionally, through the STP program, customers can visualize relevant data points, statistics, audit results, and action plans, providing transparent and structured access to our sustainability performance at the origin level.

We intend to publish more frequent formal sustainability updates that can be made available to customers, partners, and other interested stakeholders, increasing the transparency and regularity of our external communications as our programs and reporting capabilities continue to mature.

### *Stakeholder Engagement*

Meaningful engagement with affected rightsholders and stakeholders is a core element of responsible business conduct and a requirement under the frameworks to which we are aligning, including the UNGPs and the OECD Due Diligence Guidance. In practice, our Field Operations teams maintain regular direct communication with growers, workers, and communities across our sourcing origins, and our Field Technicians conduct ongoing farm-level monitoring visits that provide opportunities for direct dialogue on labour conditions and concerns.

We recognize that current engagement activities, while substantive at the operational level, do not yet constitute a formally structured rightsholder engagement methodology as envisaged by the UNGPs and other pertinent frameworks. The development of a formal stakeholder and rightsholder engagement framework, including defined methodologies for engaging affected communities in the identification and assessment of adverse impacts, is a priority component of our Global Supply Chain Due Diligence Framework currently under development and progress in this sense will be reflected in a future reporting cycle.

## 6. How We Provide Remediation

---

### ***Remediation Framework***

Hail & Cotton's approach to remediation is grounded in our Global Human Rights Policy and operationalized through our Global Extreme Breach and Prompt Action Protocol, which complements the provisions of the Sustainable Tobacco Program. Together, these instruments establish a structured, time-bound, and accountable process for identifying, escalating, and remediating adverse human rights impacts identified within our agricultural supply chain.

The protocol distinguishes between two categories of incidents. Extreme Breaches refer to severe situations involving actions that pose a significant risk to the life, physical safety, freedom, or fundamental rights of individuals, including forced labour, slavery, human trafficking, systematic abuse, and the worst forms of child labour. Prompt Actions address immediate risks arising from negligence or ignorance that require swift intervention to mitigate or cease harm before it escalates. When an Extreme Breach is identified, a defined escalation process is triggered immediately. A structured investigation ensues, involving relevant internal stakeholders, and any consequent actions are commensurate with the nature and severity of the findings. Tobacco sourced from growers under investigation is immediately segregated from compliant inventory pending the outcome.

Prompt Action incidents are addressed immediately at the field level, with the Field Technician intervening on the spot where possible or agreeing on a corrective action plan with the grower when immediate resolution is not viable. A follow-up unannounced visit is conducted within a few weeks to verify that agreed improvements have been effectively implemented. Where issues are not resolved or reflect intentional recidivist behavior, escalation and potential contract termination follow.

Hail & Cotton's remediation process is designed to be accessible, responsive, trusted, transparent, equitable, and timely, in line with the UN Guiding Principles on Business and Human Rights. Remediation aims to restore affected rightsholders to the position they were in prior to the adverse impact, drawing on a combination of redressive, preventive, and deterrent measures tailored to the nature and severity of each case and the specific circumstances of those affected, consistent with our obligations under applicable legislation, relevant international frameworks, and our commitments under the UNGPs.

Hail & Cotton's efforts to address forced labour and child labour reflect a business in active and genuine progress. The foundations are in place, our policies and frameworks are operational, our teams are working on the ground, and our governance and due diligence structures are being strengthened. In the short term, the formalization of our KPIs, the operationalization of our GMS and ALP Code program, and the development of our Global Supply Chain Due Diligence Framework will mark the next concrete steps in this journey. We are equally committed to increasing transparency through more frequent public reporting of our advancements, ensuring that our progress is accessible to all interested stakeholders.

## IX. Approval and Attestation

---

This report was approved pursuant to subparagraph 11(4)(b)(i) of the Act by the Board of Directors of Hail & Cotton Inc.

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.



---

**Patricia Rietveld**  
Chief Financial Officer  
Hail & Cotton Inc.  
26 May 2026

*"I have the authority to bind Hail & Cotton Inc."*