

## **2024 ANNUAL REPORT** *FIGHTING FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS*

### **1. INTRODUCTION**

This report is published in accordance with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “**Act**”) and constitutes the annual report of 121352 Canada Inc. (“**Technosub**”) for the fiscal year ended December 31, 2024. Technosub is a wholly owned subsidiary of Groupe Technosub inc. (“**Groupe Technosub**”), which, as a holding company, relies primarily on Technosub, as the operating entity, for the oversight and management of its activities and supply chains, as well as compliance with applicable laws and regulations.

This report provides an overview of Technosub’s governance approach, risk assessment and mitigation strategy in relation to forced labour and child labour within its supply chains.

Technosub is not subject to any reporting requirements under supply chain legislation in any other jurisdiction.

### **2. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS**

Technosub (business number: 1171906283) is a corporation incorporated under the Canada Business Corporations Act, with its head office located at 1156 Larivière Avenue, Rouyn-Noranda, Québec, J9X 4K8, Canada. Technosub is comprised of three Canadian divisions and employs approximately 200 people overall.

Technosub is a provider of customized, innovative and sustainable solutions in the field of pumping and water management. The main activities of Groupe Technosub include the manufacturing, repair and wholesale distribution of a wide range of industrial pumps across North America.

The pumps, raw materials, components and parts required for the manufacturing and assembly of Technosub’s products are purchased from suppliers primarily located in Canada, the United States, Europe and Japan, or are manufactured within Technosub’s own facilities.

### **3. POLICIES AND DUE DILIGENCE PROCESSES**

Integrity, strong ethics and leadership are key elements guiding our business operations and relationships, which are driven by our core values of Commitment, Flexibility, Creativity and Trust.

The Governance and Human Resources Committee of the Board of Directors of Groupe Technosub is responsible, among other things, for recommending the company's approach with respect to the workplace (including health and safety and training) and the broader human environment (including corporate social responsibility), and for overseeing the implementation of this approach. Although Groupe Technosub does not currently have a policy specifically dedicated to preventing and mitigating risks related to forced labour or child labour in its activities and supply chains, it has adopted various policies and guidelines aligned with an approach aimed at ensuring a respectful and safe workplace. These policies and guidelines apply to its subsidiary, Technosub, and all its divisions.

#### PAY EQUITY

Technosub has long been committed to offering competitive and non-discriminatory compensation, taking into account employees' expertise, talent and motivation. Its compensation system is designed to ensure internal equity and is subject to both internal and external reviews.

#### WORKPLACE HARASSMENT POLICY

Groupe Technosub has implemented a policy aimed at preventing harassment and addressing complaints. This policy seeks to eliminate all forms of psychological or sexual harassment within the organization. It also establishes procedures to be followed when a complaint is filed or when a concerning situation is reported. This initiative reflects Groupe Technosub's formal commitment to ensuring employees' right to dignity, respect, and a workplace free from harassment, discrimination and violence. The policy is distributed annually to employees, including a review to ensure understanding, and training on the subject is provided to all employees and managers.

#### CODE OF ETHICS POLICY

Groupe Technosub has adopted a workplace ethics policy aimed at defining ethical conduct and providing guidelines regarding expected ethical practices and decision-making processes in business. This policy promotes a culture of ethics and integrity across all aspects of its operations. Technosub is also committed to selecting business partners based on ethical standards and ensures that its suppliers adhere to values consistent with its own and demonstrate the same level of integrity. Employees are encouraged to report any suspected violations to their managers or to a member of management. The process is confidential, and any form of retaliation or intimidation against employees reporting a violation is strictly prohibited. Technosub employees are required, upon hiring and annually thereafter, to certify that they have read, understood and agree to comply with Groupe Technosub's Code of Ethics.

Moreover, as a company headquartered in Canada with operations primarily in North America, we fully comply with applicable labour laws and regulations. Technosub strives to be a responsible corporate citizen and an employer of choice, and is committed not only to meeting regulatory employment requirements but exceeding them. It should also be noted that just over 40% of our Canadian employees are covered by a collective agreement, ensuring working conditions that significantly exceed minimum regulatory requirements.

#### **4. MEASURES TAKEN TO PREVENT AND REDUCE RISKS OF FORCED LABOUR AND CHILD LABOUR**

During the financial year ended December 31, 2025, Technosub implemented the following measures to prevent and reduce the risk of forced labour and child labour in its activities and supply chains:

- i. Technosub consulted with its legal advisors regarding the application of the Act and prepared a presentation to its Board of Directors on related reporting requirements.
- ii. Technosub adopted a Code of Ethics Policy and updated its Workplace Harassment Policy, as described above. These policies apply to all employees regardless of their level within the organization.
- iii. Technosub ensures that all employees are hired, at a minimum, in compliance with applicable laws and regulations, and that individuals have the legal right to work and do so voluntarily.

#### **5. RISKS RELATED TO FORCED LABOUR AND CHILD LABOUR**

Although no formal risk identification process was undertaken during the last fiscal year, it appears, at first glance, that the risks of forced labour or child labour in our activities in North America are very low, if not non-existent (refer to Section 4 iii of this report).

It should be noted that no formal mapping or assessment of Technosub's supply chains has yet been conducted, meaning that potential risks within those supply chains have not been identified.

#### **6. REMEDIATION MEASURES FOR FORCED LABOUR OR CHILD LABOUR**

As Technosub has not identified any risks related to forced labour or child labour in its activities or supply chains, no remediation measures have been taken to date.

#### **7. REMEDIATION IN CASE OF LOSS OF INCOME**

Since no instances of forced labour or child labour have been identified, no measures have been taken to remediate potential loss of income for vulnerable families resulting from measures to eliminate such practices.

#### **8. TRAINING**

Although Technosub does not currently provide training specifically focused on forced labour and child labour in supply chains, it provides mandatory training to employees on harassment prevention and discriminatory conduct.

#### **9. ASSESSMENT OF EFFECTIVENESS**

Technosub recognizes that addressing forced labour and child labour requires ongoing commitment and continuous awareness. While no specific measures have been adopted to assess the effectiveness of its actions, Technosub regularly reviews and improves its procedures to maintain a workplace grounded in ethics and integrity, free from discrimination, harassment and violence.

## 10. OUR COMMITMENT

In the spring of 2025, Technosub, with the assistance of external legal advisors, developed a questionnaire regarding forced labour and child labour in supply chains intended for its suppliers. The objective is to collect information on suppliers' policies and practices relating to minimum working age, foreign or migrant workers, use of recruitment agencies, monitoring of forced and child labour, due diligence over their own suppliers, and grievance and remedy mechanisms.

This questionnaire will be sent during the fiscal year ending December 31, 2025 to selected suppliers identified by Technosub based on criteria yet to be determined. The objective is to target suppliers that may present a higher risk of forced labour or child labour and to allow Technosub to review and map its activities and supply chains.

## 11. APPROVAL AND ATTESTATION

This report was approved in accordance with subsection 11(4)(b)(i) of the Act by the boards of directors of 121352 Canada Inc. for the fiscal year ended December 31, 2024.

In accordance with the requirements of the Act, and in particular Section 11 thereof, I, in my capacity as a director, certify that I have reviewed the information contained in this report on behalf of the Board of Directors of the above-mentioned entity. Based on my knowledge and upon exercising reasonable diligence, I certify that the information contained in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year mentioned above.

I have the authority to bind 121352 Canada Inc.



**H EL ENE CHARTIER**

DIRECTOR OF 121352 CANADA INC.

DATE: MAY 27, 2025