

2025 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 financial year ending December 31, 2025. Technosub is a wholly owned subsidiary of Groupe Technosub inc. (“**Groupe Technosub**”). As a holding company, it relies primarily on Technosub, as the operating entity, for the oversight and management of its operations and supply chains, as well as for 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 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 1,156 Larivière Avenue, Rouyn-Noranda, Québec, J9X 4K8, Canada. Technosub consists of three Canadian divisions. Overall, Technosub employs nearly 200 people.

Technosub is a provider of customized, innovative, and sustainable solutions in the field of pumping and water management. Groupe Technosub’s main activities 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 in Technosub’s facilities.

3. POLICIES AND DUE DILIGENCE PROCESSES

Integrity, strong ethics, and leadership are key elements in the conduct of our business activities and relationships, which are guided by our core values of commitment, flexibility, creativity, and trust.

The Governance and Human Resources Committee of Groupe Technosub's Board of Directors is responsible, among other things, for recommending Groupe Technosub's approach to the workplace (including occupational health and safety and training matters) and to the human environment (including corporate social responsibility matters), as well as 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 safe and respectful workplace. These policies and guidelines apply to its subsidiary, Technosub, and all its divisions.

PAY EQUITY

Technosub is committed to offering competitive, fair, and non-discriminatory compensation based on the recognition of employees' expertise, talent, and commitment. A structured compensation program is in place to ensure fair wages aligned with market standards while maintaining internal equity. It is regularly reviewed, both internally and externally, to guide salary increases.

WORKPLACE HARASSMENT POLICY

Technosub has implemented a harassment prevention and complaint handling policy. The objective of this policy is to eliminate all forms of harassment within the organization. It also establishes intervention 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 work environment free from harassment, discrimination, and violence. The policy is distributed annually to employees, including a review to ensure understanding. In addition, training on this subject is provided to all Technosub employees and managers.

WORKPLACE ETHICS POLICY

Technosub has adopted a workplace ethics policy aimed at defining what constitutes ethical conduct at work and providing guidelines regarding expected ethical practices, as well as decision-making processes in business. The purpose of this policy is to promote a culture of ethics and integrity across all aspects of its activities. Technosub is also committed to selecting business partners based on ethical standards and ensures that its suppliers share similar values and demonstrate the same level of integrity. Employees are encouraged to report any suspected violation of the policy to their managers or a member of management. The process is confidential, and any form of retaliation or intimidation against an employee who reports a violation is 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 Workplace Ethics Policy.

Furthermore, as a company headquartered in Canada with operations primarily based in North America, we are fully aware of, and comply with, labour standards legislation. Technosub strives to be a responsible corporate citizen and an employer of choice. Accordingly, we are committed not only to complying with regulatory employment requirements but also to exceeding them. It should also be noted that nearly 40% of our Canadian employees are covered by a collective agreement, ensuring working conditions that significantly exceed minimum regulatory requirements.

4. PREVENTION OF FORCED LABOUR AND SUPPLIER ANALYSIS

a. MEASURES TAKEN TO PREVENT AND REDUCE THE 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. Responsible Hiring Practices

Technosub ensures that all its employees are hired in compliance, at a minimum, with applicable laws and regulations, and that individuals have the legal right to work and choose to do so voluntarily.

ii. Internal Policy Framework

Technosub continued to strengthen its internal mechanisms through the periodic review of its key policies and the implementation of a monitoring process conducted every two years. This work led to updates to workplace ethics and harassment prevention policies, as well as, in 2025, the introduction of a whistleblowing clause and the implementation of an equity, diversity, and inclusion policy, thereby contributing to the promotion of a respectful work environment.

iii. Supplier Engagement and Information Gathering

With the support of its external legal advisors, Technosub developed a questionnaire addressing forced labour and child labour in supply chains for its suppliers. This questionnaire aims to collect information on their policies and practices, including the minimum working age, the use of foreign or migrant workers, the use of recruitment agencies, monitoring mechanisms related to forced labour and child labour, due diligence practices regarding their own suppliers, as well as grievance and remediation mechanisms.

As part of this initiative, Technosub identified certain key suppliers based on prioritization criteria, including strategic importance, purchase value, as well as geographic and sector-specific factors. The selected suppliers represented a significant portion of Technosub's procurement and constituted a relevant sample for the purposes of this initial structured analysis.

As of the end of the 2025 financial year, the response rates observed reflected varying levels of maturity and progress in suppliers' internal processes. The analysis presented below is based exclusively on the questionnaires received, completed, and deemed usable.

b. RESULTS OF THE SUPPLIER ANALYSIS

The consolidated analysis of supplier questionnaires indicates that:

- no confirmed or alleged cases of forced labour or child labour were identified;
- all suppliers report compliance with applicable laws regarding minimum working age;
- some suppliers employ foreign or migrant workers, who are subject to valid permits, written contracts, and compliant wage standards;

the identified risks are low, indirect, or administrative in nature, mainly related to varying levels of formalization in documentation practices and to the complexity of certain international supply chains.

This initiative represents a first concrete mapping of risks related to modern slavery within Technosub's supply chains.

c. REVIEW OF SUPPLIER GOVERNANCE PRACTICES

As a complementary measure, for certain suppliers deemed strategic and that had not submitted a questionnaire by the end of the 2025 financial year, Technosub conducted a review of publicly available information regarding their general governance, social responsibility, and ESG practices, as presented on their corporate websites.

This review enabled the identification of the existence of policies, commitments, or public disclosures relating, in particular, to the respect of human rights, responsible employment practices and, for certain suppliers, the management of risks related to forced labour and child labour within their operations or supply chains.

These initiatives were intended to better contextualize the governance environment of these suppliers, without replacing the formal analysis based on supplier questionnaires. The risk assessment presented in this report is based exclusively on the questionnaires received in 2025 and deemed usable, in accordance with a progressive and proportionate approach based on available information.

5. RISKS RELATED TO FORCED LABOUR AND CHILD LABOUR

In light of the initiatives undertaken in 2025, including the preliminary mapping of supply chains, the identification of certain suppliers, and the analysis of the questionnaires received, Technosub has developed an initial structured understanding of potential risks related to forced labour and child labour.

Based on the information obtained to date from completed and signed questionnaires, no confirmed or alleged risks of forced labour or child labour have been identified. However, these efforts represent a first step and do not rule out the existence of potential risks across Technosub's entire supply chains.

Technosub considers this exercise as a baseline for the continuous improvement of its practices.

6. REMEDIATION MEASURES FOR FORCED LABOUR OR CHILD LABOUR

To date, Technosub has not identified any confirmed or alleged instances of forced labour or child labour within its activities or supply chains. Consequently, no specific remediation measures have been implemented.

7. REMEDIATION IN CASE OF LOSS OF INCOME

Given that no instances of forced labour or child labour have been identified to date as part of Technosub's initiatives, no measures have been required to remediate potential loss of income for vulnerable families resulting from actions taken to eliminate the use of forced labour or child labour.

8. TRAINING

Although Technosub does not currently provide training specifically focused on forced labour and child labour in supply chains, the company offers mandatory training to all employees on the prevention of harassment and discriminatory conduct, as mentioned above.

These training initiatives form part of a broader approach aimed at promoting a respectful, ethical, and compliant work environment. The initiatives implemented in 2025 represent an initial step enabling Technosub to assess the evolution of its awareness efforts based on identified risks and available information.

9. ASSESSMENT OF EFFECTIVENESS

Technosub acknowledges that combating forced labour and child labour requires ongoing vigilance. Although the company has not yet implemented formal mechanisms specifically designed to measure the effectiveness of its actions, the initiatives undertaken in 2025, particularly the collection and analysis of information from certain suppliers, constitute an initial baseline.

These efforts will enable Technosub to guide the progressive development of its practices. In addition, the company regularly reviews and improves its internal procedures in order to provide a workplace environment grounded in ethics and integrity, free from discrimination, harassment, and violence.

10. OUR COMMITMENT

In 2025, Technosub, with the support of its external legal advisors, developed and implemented a questionnaire addressing forced labour and child labour in supply chains, intended for selected suppliers based on prioritization criteria. This initiative aimed to gather information on suppliers' policies and practices and to support an initial mapping of potential risks.

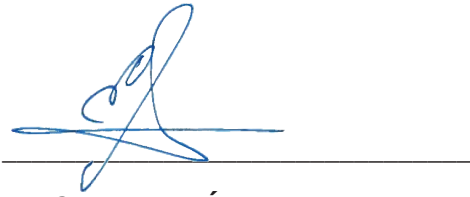
Based on the information collected, Technosub intends to continue improving its practices in a progressive and proportionate manner, particularly by further developing its approach to responsible sourcing. This will include the gradual integration of these considerations into its policies and the development of appropriate monitoring tools, as part of a continuous improvement process.

11. APPROVAL AND ATTESTATION

This report was approved in accordance with subsection 11(4)(b)(i) of the Act by the Board of Directors of 121352 Canada Inc. for the financial year ended December 31, 2025.

In accordance with the requirements of the Act, and in particular Section 11 thereof, I, in my capacity as a director, attest 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 having exercised reasonable diligence, I attest 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 indicated above.

I have the authority to bind 121352 Canada Inc.



ERIC BEAUPRÉ

PRESIDENT AND CHIEF EXECUTIVE OFFICER AND CORPORATE DIRECTOR OF 121352 CANADA INC.

DATE: MAY 21, 2026