

# Report on the Risks of Forced Labour and Child Labour

Dated 2026-05-05

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## 1. Scope

This report was prepared under *the authority of the Act respecting the fight against forced labour and child labour in supply chains* (the "Act") and concerns Exo-s Inc. and its Canadian subsidiaries.

The entities hereby report to the Minister of Public Safety on the various measures taken to prevent and mitigate the risks of the use of forced labour or child labour at any stage of the production of their goods, in Canada or elsewhere, or when imported into Canada.

## 2. Prevention and mitigation measures

**In order to prevent and mitigate the risk of forced labour and child labour in its operations and supply chain, Exo-s has implemented the following measures:**

1. Developed and implemented a Code of Corporate Ethics that includes aspects of forced labour, child labour and the whistleblowing process;
2. Established the mapping of its supply chain;
3. Conducted the internal risk assessment of forced labour and child labour in our supply chain;
4. Deployed the self-assessment process, in accordance with our Supplier Quality Manual, to all suppliers deemed at risk;
5. Establishment of an internal working group, consisting of:
  - Loic Bibeau, Director of Strategic Purchasing
  - Tammy Thompson, Corporate Quality Manager;
  - Katherine Sicacha Velez, Materials - Expert;
  - Samuel Martin, Strategic Purchasing and Logistics Manager
  - Stéphanie Roy, Legal Counsel
  - Yunaiza Lallmamode, Customs Compliance Technician

## 3. Structure

Exo-s Inc. is a corporation incorporated under the *Canada Business Corporations Act*, with its head office located in Sherbrooke, Quebec. Exo-s Inc. is owned by minority employee shareholders and an institutional shareholder (Desjardins Capital Equity Majority L.P.). It operates the plant located in Richmond, Quebec.



L'INTELLIGENCE AUTREMENT  
SMART INNOVATION

Exo-s Saint-Damien Inc. is a subsidiary of Exo-s Inc. and a corporation incorporated under the *Business Corporations Act (Quebec)*. The head office is in Sherbrooke, Quebec and operates a plant located in Saint-Damien-de-Buckland, Quebec.

8244944 Canada Inc. is a subsidiary of Exo-s Inc. MG Transformation Inc. and Exo-s Saint-Damien Inc. 8244944 Canada Inc. is incorporated under the *Canada Business Corporations Act*. The head office is in Sherbrooke, Quebec.

MG Transformation Inc. is a subsidiary of Exo-s Saint-Damien Inc. MG Transformation Inc. is incorporated under the *Business Corporations Act (Quebec)*. The head office is in Sherbrooke, Quebec.

## 4. Vision

Innovation, product expertise and speed of response will guide us to become the natural choice for our customers and propel Exo-s into a successful global supplier.

## 5. Mission

Exo-s contributes to the efficiency of our manufacturing customers by offering solutions that rely on our expertise in design, engineering and manufacturing.

## 6. Activities

With more than 50 years of experience, Exo-s is a designer and manufacturer of functional plastic systems using injection and blow molding processes to produce parts for the automotive and medical markets.

Its teams of experts have acquired unique and specific knowledge in the design, engineering and manufacture of plastic tooling and parts for highly specialized applications. Thanks to its plants located in Canada (Quebec), the United States and Mexico, Exo-s can successfully serve a wide customer base.

## 7. Supply Chain

Exo-s' supply chain consists mainly of suppliers of thermoplastic resins and various components that support the functions of the finished product.

## 8. Code of Ethics and Whistleblowing Process

The Board of Directors and all management employees of Exo-s must adhere to the Code of Ethics by agreeing to comply with the following general principles:

- Company Values
  - Trustworthy
  - Contractor
  - Teamwork
  - Balance
  - Fun
  
- Principle of fairness
  - The Company and its employees are required to comply with applicable provincial and federal laws, treat employees with dignity and respect, and conduct business with integrity and ethics. This includes, but is not limited to:
    - Compliance with supply chain transparency laws against human trafficking;
    - Avoiding all forms of modern slavery;
    - Avoiding all child labour;
    - Respect for freedom of association and collective bargaining.
  
- Conflict of interest
- Protection of confidential information
- Whistleblower protection
  - Exo-s upholds the highest standards of ethical, moral and legal behavior. To achieve this goal, the following outlines the framework for reporting suspected or known irregularities, including theft, fraud and corruption, that impact Exo-s and to protect those who report them.
  - Exo-s encourages whistleblowing and will protect the identities of whistleblowers and co-operators unless required by law.
  - A whistleblower may choose to notify their human resources department, their site's financial controller, or plant manager by phone, email, or in person.
  - All information gathered in the course of an investigation will be kept confidential, except to the extent that disclosure is necessary to
    - Conduct an impartial investigation;
    - Take any necessary remedial, disciplinary, administrative or judicial measures;
  
- Comply with applicable laws.

## 9. Supplier Code of Conduct

The following Code of Conduct is outlined in our Supplier Quality Manual (SQM), which is a contractual element of our purchasing process.

Exo-s believes in doing business with integrity, fairness and respect. We require this same standard from our suppliers and other representatives and, therefore, we require our suppliers to have policies in place relating to forced labour and child labour.

Suppliers must have a mechanism in place to report suspected or known irregularities, including theft, fraud and corruption, and protect those who report them. Suppliers should avoid situations

where they would be liable to third parties who could take advantage of such a position to obtain preferential treatment that would or could be considered a conflict of interest.

Recognizing that our supply chain spans different regions of the world, Exo-s expects its suppliers to comply with applicable laws and regulations and to have appropriate policies, procedures and systems in place to ensure respect for human rights through ethical recruitment and to support the following standards:

- The work of minors (children) and young workers, as defined by local labour law, will not be used unless it is part of a government-approved training or apprenticeship programme that clearly benefits the participants.
- All forms of forced or compulsory labour or trafficking in human beings are prohibited.
- Workers, without fear of reprisal, intimidation or harassment, should be able to communicate openly with management about working conditions. They also have the right to freely associate and join trade unions and workers' councils in accordance with local laws.
- Workers must be protected from all forms of harassment and discrimination in any form, including but not limited to gender, sex, age, religion, disability and political beliefs.
- The rights of minorities and indigenous workers to equal opportunities and treatment must be respected.
- Workers must have a safe and healthy workplace that meets or exceeds all applicable occupational health and safety standards.
- Workers must be compensated with competitive wages and benefits that comply with local legislation, including minimum wages, overtime, and legally mandated benefits.
- Working hours must comply with all applicable local laws governing working hours.
- We expect all our suppliers to maintain these overall working conditions in all their operations, while promoting the adoption of these principles with their own suppliers. Failure to comply with any of these terms and conditions of employment may prevent the award of future contracts and may result in termination of the contract in accordance with Exo-s' terms and conditions, in response to the seriousness of the violations and as Exo-s deems appropriate.

## 10. Risks

At Exo-s, all manufacturing operations as well as most of the supply chain are located in North America, where the risk of forced labour and child labour is relatively low.

Supply chain risk management is evaluated from a matrix that includes financial, geographical, performance, and certification compliance criteria. In the case of forced labour and child labour, the location criterion becomes crucial in our risk assessment. The few suppliers located outside of North America (primarily in Asia) are those that must demonstrate compliance and compliance of their own supply chain with the *Act to Combat Forced Labour and Child Labour*.

## 11. Remediation

No proven cases of forced labour or child labour have been identified to date, based on the mechanisms currently in place in our own operations, in our supply chain.

In the event that a risk is identified in our own operations, there will be disclosure to the Executive Committee.

In the event that a risk is identified in our supply chain, there will be disclosure to the Strategic Purchasing team. Subsequently, there would be either corrective actions or evaluation to change supplier. If it was a supplier that had been directed by the customer (directed-buy), there would also be a discussion with the customer.

## 12. Education

The internal working group will develop the awareness plan and identify the clientele targeted by this training. .

## 13. Measuring Effectiveness

We have not yet begun the process of evaluating the effectiveness of our prevention and mitigation measures.

## 14. Approval and Attestation

This report has been approved by the Board of Directors of Exo-s Inc. in accordance with paragraph 11(4)(a) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, the undersigned certify that they have reviewed the information contained in this report. To the best of their knowledge, and after exercising due diligence, the undersigned confirm that the information contained in the report is true, accurate and complete in all respects material for the purposes of administering the Act.



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Emmanuel DUCHESNE



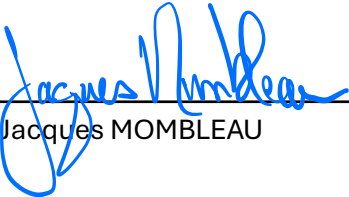
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Pierre GUILBAULT



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Eve LARIVIÈRE



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Jacques MOMBLEAU