



TOTAL POWERGEN SOLUTIONS

REPORT UNDER THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Financial Year Ended December 31, 2023

6450 KESTREL ROAD, MISSISSAUGA, ON, L5T 1Z7 1-888-870-9152



Application

This report, prepared pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “Act”), pertains to 177448 Canada Ltd. and its subject wholly owned Canadian subsidiaries, doing business under the name Total PowerGen Solutions (“TPGS”).

Total Power Limited
L.M. Generating Power Co. Ltd.
G.A.L. Power Northern Ltd.
G.A.L. Power Systems Ottawa Ltd.
Les Produits Energetiques GAL Inc.
Smith’s Diesel and Power Generation Services Ltd.
North Power Emergency Generator Systems Ltd.
Air Cooled Engine Service Limited

The above-mentioned entities hereby report to the Minister of Public Safety and Emergency Preparedness on the steps taken during their previous financial year ended December 31, 2023 to prevent and reduce the risk that forced labour or child labour is used at any step of the production of their goods, in Canada or elsewhere, or of goods imported into Canada thereby.

Measures to prevent and reduce the risks of forced labour and child labour

In the previous financial year we took the following measures to prevent and reduce the risk of forced labour or child labour in our activities and supply chains:

- TPGS Values are the cornerstone of how we do business. Our Value statements have become the lexicon of the company and have been translated into the expected awareness, actions and attributes that demonstrate these Values. Our Value statements and associated actions are regularly communicated to all employees in day-to-day business discussion and corporate training.
- In compliance with our policies, we continued conducting due diligence of our potential suppliers before entering into our contracts.
- We visited certain key supplier facilities to assess compliance with our practice and quality standards.

Activities and Supply Chains

TPGS is Canada’s largest and most trusted supplier and service provider for Power Generation systems across the country. TPGS provides a full complement of sales, rentals and service support for standby, mobile, and prime power

generator systems as well as related fuel systems installations and climate control rentals. TPGS is headquartered in Mississauga, Ontario with branch locations across Canada. TPGS employs over 400 individuals, all of which are located in Canada.

Our Values

Do what's right, do your best.

- Integrity – We do what's right.
- Accountability – We honour our commitments.
- Teamwork – We succeed together.
- Excellence – We continuously improve.

Our Activities and Supply Chains

TPGS business activity is segmented into 5 departments:

Department	Description
Equipment Sales	Sales of power generation equipment and related components to customers based on their specific needs
Parts Sales	Sales of power generation related parts
Services	Maintenance, repair and installation of power generation systems
Rentals	Rental of power generation and climate control equipment
Fuel Systems	Installation and servicing of power generation related fuel systems

TPGS sources power generation equipment, climate control systems and related parts from a variety of suppliers, the vast majority of which are located in Canada, the United States and Europe. TPGS also uses subcontractors in certain areas of the business, all of which are located in Canada.

Supplier Due Diligence Processes

All new suppliers must provide key company information as well as a description of the products and/or services offered to TPGS. As part of a new supplier setup, TPGS internally reviews the supplier to ensure:

- a. Legitimacy of the supplier's existence
- b. Favourable industry reputation
- c. Competitive pricing
- d. Meets specifications of the products or services required

The supplier must be approved by an appropriate level of management prior to the purchase of any goods or services.

Determining the Risk of Forced Labour or Child Labour

a. Among our personnel

We believe that the risk of forced labour or child labour among our personnel is negligible. Our Executive Team and the Human Resources department oversee the application of our human resource policies. Our recruiting processes ensure compliance with the standards currently in force in Canada, where all of our personnel come from.

b. Within our supply chains

We are aware that there may be a risk of forced labour at all levels of our supply chain. Currently, the processes in place within the Corporation to determine the risk of forced labour or child labour are limited to the personnel of TPGS, its subsidiaries and its first level suppliers.

In that regard, we assess the risk of forced labour or child labour as being minimal in terms of our direct suppliers. For certain types of goods and services, the prevalence of this risk increases for suppliers and sub-contractors located further down the supply chain. Identifying the risk for these indirect suppliers over which we have little control and visibility may prove to be complex.

Steps Taken to Assess and Manage the Risk Identified in Our Operations and Supply Chains

The supply of goods and services is governed by a certain number of operating philosophies and principles that guide our strategies and practices and which are consistent with our growth plan. We have a duty to use our influence to fight forced labour and child labour. That said, all members of the supply chain also have a role to play in that regard. We rely on the cooperation of all our suppliers and expect them to meet the highest standards of quality and ethics, as defined in our various policies.

The procurement process is supported by the Finance and Compliance Department which, for its part, actively participates in the negotiation of contracts while providing recommendations and opinions. The Compliance Department also makes sure that contracts comply with the legislation in force and with ethical practice standards, while guiding contracting parties on their legal responsibilities.

TPGS visits certain key supplier locations annually to assess compliance with our practice and quality standards.

Remediation Measures

In the last financial year, we have not identified any incident of forced labour or child labour in our activities or supply chain. We therefore did not need to take any measures to remediate an incident of forced labour or child labour. If we do identify incidents of forced labour within our activities or supply chains, we will consider the appropriate remediation strategies in compliance with international standards.

Training

a. Employees

All TPGS employees are required to read and acknowledge all company policies within the first week of joining the company, or upon amendment of any policies. Policies relating to the treatment of employees, contractors, subcontractors, customers and any other stakeholders include:

- Equity, Diversity and Inclusion
- Harassment & Discrimination Prevention
- Violence Prevention

b. Subcontractors

TPGS employees and officers must read and acknowledge the Contractor Management Program policy. This policy ensures all contractors, subcontractors and self-employed persons have a comprehensive health and safety plan before beginning work with TPGS or on a customer site.

Continuous Improvements and Prospective Interventions

We are committed to taking the necessary actions to convince all players in our supply chain to have a positive social impact. To that end, we will continue to improve our new supplier approval process to include more specific actions to identify and reduce forced labour or child labour risks.

Approval and Attestation

This report was approved by the Board of Directors 177448 Canada Ltd. and wholly owned subsidiaries for the financial year ended December 31, 2023, in accordance with subparagraph 11(4)(b)(i) of the Act. In accordance with the requirements of the Act, and in particular section 11 thereof, I hereby attest that I have reviewed the information contained in the report for the entities listed above. To the best of my knowledge, and after having exercised due diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



Andrew Rudderham

**Director and Chief Executive Officer
Total PowerGen Solutions
(177448 Canada Ltd. and wholly owned subsidiaries)**

May 21, 2024