

**Cincinnati Test Systems, Inc. Report Prepared Pursuant to
Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act**

1. Introduction and Identity

This report (the "**Report**") constitutes the report of Cincinnati Test Systems, Inc. ("**CTS**", the "**Company**", "**our**", "**us**" and "**we**") for the financial reporting year ended December 31, 2023 (the "**Reporting Period**"), and sets out the steps taken to prevent and reduce the risk that forced labour and child labour was used at any step in the production of goods in Canada or elsewhere or of goods imported into Canada.

This Report has been prepared and filed pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**").

2. Steps Taken During the Reporting Period to Prevent and Reduce Risks of Forced Labour and Child Labour

CTS and its subsidiaries are committed to responsible sourcing and to the prevention of forced labour and child labour in its supply chain.

This Report sets out the actions taken to prevent and reduce the risk that forced labour and/or child labour was used by the Company or in its supply chains during the financial year ended December 31, 2023.

3. Structure, Activities and Supply Chains

CTS provides high-precision leak detection equipment, function test systems, and assembly verification testing to manufacturers across the globe. CTS, an Ohio corporation, is located in Harrison, Ohio, USA, and has approximately 200 employees. CTS does not have any physical operations in Canada, but it does own all of the issued and outstanding equity of Sciometric Instruments ULC, a Canadian corporation. CTS has limited customers and sales in Canada, representing less than 3% of CTS's total revenue for the reporting period.

CTS sources over half of its materials, goods and equipment spend from local suppliers in Ohio, and approximately 95% of its top 70 suppliers are located in the United States. CTS has a dedicated procurement function, which sources materials, goods and equipment including, without limitation, testing instrumentation, electronics, sensors, tooling, machined parts, prefabricated electrical cabinets, extruded metal and piping.

4. Policies and Due Diligence Processes

The Company has policies and procedures in place, including our Code of Business Conduct, to ensure ethical business practices and compliance with applicable law by our employees.

The Code of Business Conduct requires CTS employees to comply with all laws in the jurisdictions in which CTS does business, which would include those laws regarding the use of labour. Any activity in violation of such laws may result in disciplinary action, up to and including termination of employment.

Further, the Company encourages openness and maintains a business conduct hotline through which employees may confidentially raise any concerns they may have, including any concerns about forced labour or child labour within the Company's supply chain.

CTS's standard terms and conditions of purchase require the supplier to comply with all applicable laws, and allow us to terminate our relationship in the event of a breach by the supplier.

5. Forced Labour and Child Labour Risks and Steps Taken to Assess and Manage These Risks

CTS's operations are exclusively in the United States and our employees receive a fair and competitive wage for their work, so we consider the risk of forced labour or child labour in our operations to be minimal. CTS recognizes that the risk of forced labour or child labour is likely greater in our supply chain compared to our operations, but we have not yet commenced a formal process to identify this risk in our supply chain.

6. Remediation Measures

The Company has not identified any instances of forced labour or child labour in our activities or supply chain, and, therefore, did not implement any remediation measures during the reporting period.

7. Remediation of Loss of Income to the Most Vulnerable Families

The Company has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour risks in our activities or supply chain. Accordingly, CTS did not take any measures to remediate loss of income.

8. Training

The Company's Code of Business Conduct is distributed to all CTS employees upon hire. Employees that regularly interact with business partners outside the company are required on an annual basis to certify adherence to the policies set

forth in the Code of Business Conduct, and the Company also provides training to these employees with respect to the Code of Business Conduct. The Company does not currently conduct training specific to the prevention of forced labour and child labour in our supply chain.

9. Assessing the Effectiveness in Ensuring that Forced Labour and Child Labour are not Being Used in Entity's Business and Supply Chain

At the present time CTS does not have a program in place to assess its effectiveness in preventing the use of forced labour and child labour in our supply chain.

10. Approval and Attestation

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 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 Period listed above.

Date: May 30, 2024

Name: Kevin Hansell

Title: Chief Executive Officer and Director

Signature: *Kevin Hansell*

I have authority to bind Cincinnati Test Systems, Inc.

The Report was approved pursuant to Section 11(4)(a) of the Act by the Board of Directors of Cincinnati Test Systems, Inc. on May 29, 2024.