

CEO Report on Forced Labour in Canadian Supply Chains

The following report is for Hayward Gordon ULC an Alberta registered corporation, the report applies to the business year 2023 and evidences our 2024 federal reporting obligation. Hayward Gordon is a custom manufacturer and distributor of industrial pumps and mixers. Its manufacturing plant is located in Georgetown, Ontario, Canada. Hayward Gordon sells products to domestic and international markets. Hayward Gordon imports some inputs into Canada. This report is the first edition and therefore does not include updates to prior reports. However, this report will frame the basis for subsequent reports. Hayward Gordon is legally required to issue this report as it meets the size related thresholds; 1) it has \$20 million in assets 2) It has earned at least \$40 million in revenue for at least one of its two most recent financial years., latterly, Hayward Gordon has a place of business in Canada and conducts business in Canada. The business activities consist of, manufacturing, selling, and distributing goods in Canada.

Prior to 2024 Hayward Gordon had implemented the following measures to reduce the risk of slavery in the supply chain, gathering information on worker recruitment, maintaining controls to ensure all workers were recruited voluntarily, developing, and implementing child protection policies and processes, monitoring suppliers, and developing and implementing a grievance system. These policies were reflected in previous editions of the Supplier Code of Conduct and embedded into management systems. Hayward Gordon has required disclosure of product origins, ethical and compliant hiring practices, and has full regard to the United Nations Convention on the Rights of the Child. Furthermore, in recognition of the complexities of our product and supply chain activities, which includes suppliers from Spain, Mexico, Brazil, India and China, Hayward Gordon instituted a whistleblower policy with direct access to an appropriate person.

In preparation for Bill S2-11 multiple stakeholders collaborated, including Senior Leadership, Procurement, H.R, Finance and Legal. Several key risk factors were identified; The specific risks pertinent to Hayward Gordon included, industry segment such as mining and manufacturing, the type of products produced, raw material required, use of suppliers and the consequential risks of forced or child labour. Accordingly, suppliers were classified as either domestic or international. The working view was that international suppliers by their nature carried more risk. Therefore, international suppliers have been separated from domestic suppliers and will be subject to additional monitoring as required. During the analysis no anomalies or irregularities were discovered, therefore at this time there is no need to remediate the income of affected persons.

It is acknowledged that our reporting obligations and our growth aspirations are intertwined. To mitigate risk Hayward Gordon has introduced a new system of compliance, control, and screening for all quotes and orders outside of North America. During this process the following information, product, country, entity name, significant control or ownership and end user is checked against US, Canadian and Japanese government databases to ensure legality. At this time, we have not

identified any forced labour or child labour in our supply chains, neither have we identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour.

Hayward Gordon currently provides training to all employees making contracting or purchasing decisions. And other connected departments, such as, finance and legal. It is anticipated that the training obligations will grow both in size and scope, eventually extending to all relevant employees.

To actively monitor and ensure compliance with Bill S2-11 all customers and suppliers are subject to our code of conduct. This document expressly reserves our right to both inspect supplier's premises and to sever relationships immediately. An additional measure which Hayward Gordon intends to take is the acquisition of specialist software, "LSEG World-Check" this will further facilitate the review of supply chain and customers compliance with slavery and forced labour laws.

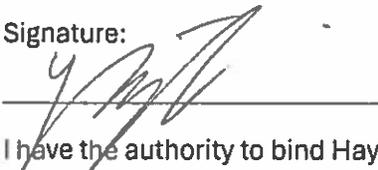
⁴Attestation In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above."

Full name: Yusuke Nagatani

Title: CEO

Date: May 13, 2024

Signature:



A handwritten signature in black ink, appearing to read 'Y. Nagatani', is written over a horizontal line.

I have the authority to bind Hayward Gordon ULC

⁴ <https://www.publicsafety.gc.ca/cnt/cntrng-crm/frcd-lbr-cndn-spply-chns/prpr-rprt-en.aspx#a4>