



## **BILL S-211**

### **An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff**

#### **Modern Slavery Statement for the Financial Year ended September 30, 2023**

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff. This statement outlines the approach and initiatives by Hydrograph Clean Power Inc. (the “Company”) to identify and address the risks forced labour and child labour in its business operations and supply chains during the financial year commencing October 1, 2022 and ending September 30, 2023.

The Company confirms it is against forced and child labour and takes compliance with this bill seriously throughout all levels of the organization.

#### **Group Structure**

The Company was incorporated under the Laws of the Province of British Columbia on September 26, 2017 as Carbon-2D Graphene Enterprises Inc. The address of the Company’s corporate office, principal place of business is 1 King Street West, Suite 4800-118, Toronto, ON, Canada, and Company’s registered and records office address is 704-595 Howe Street, Vancouver, British Columbia, Canada. In December 2021, the Company began trading on the Canadian Stock Exchange and subsequently began trading on the OTCQB in December 2022 under ticker symbol HGCPF.

As of September 30, 2023, the Company’s principal business activity was the research, development, marketing and commercialization of patented technology to produce high purity graphene, and other nano-materials, and business opportunities.

Over the past three years, the Company’s activities have focused on funding, work to develop processes to manufacture quality graphene, and to create customized graphene solutions for specific applications and customers. The Company is currently pre-revenue.

The Company has two active subsidiaries:

- HydroGraph USA, Inc.
- Hydrograph UK Ltd.

#### **Supply Chain**

Overall, the Company’s supply chain is limited. Most of the Company’s expenses are incurred through services in the production of small amounts of graphene. Of the Company’s total cash expense for the fiscal year ended September 30, 2023, approximately 92%, or US\$3.7m of a total of US\$4.0m, were related to service providers or non-tangible products (ie – insurance).

Supplies and raw materials are entirely sourced from the USA. Product is packaged in-house and supplied on a sample basis to potential customers. Staffing is less than 15 employees and consultants at any given time.



A breakdown of vendors in 2023 is as follows:

i)	Service providers	200
ii)	All other	
	a. Canada	0
	b. UK	0
	c. US	17

### Risks in Supply Chain

The Company is committed to respecting human rights and ensuring that forced labour and child labour are not a part of any product within our supply chain.

Overall, the Company is confident that risk of child labour in supply chain is extremely low based on small amounts of non-service provided spend and all service providers were based in Canada and US. Purchased amounts of local raw materials for production purposes amounting to less than \$27,000 for the previous two years (2022 and 2023).

### Actions Taken

Due to the size and nature of the Company, no formal action is taken which is standard for a company of this size. The Company continues to work with reputable local consultants for services rendered. Given the immaterial amounts of raw materials used in production, no formal agreements are in place with vendors. Employees are notified of the Company's position on forced labour and child labour.

### Risk Assessment

Given the size and nature of the Company, no formal policies are in place, which is standard for a company of this size. However, the Company is committed to a risk assessment policy over the next 12 months.

The Company has reviewed the list of questions for "Reporting Entities" and most are not applicable given the size of the Company.

### Remediation

The Company has not identified any instances of forced labour or child labour in any of its dealings with vendors or suppliers. In the event forced/child labour was uncovered, the Company would sever ties immediately with the vendor/supplier in question and notify the appropriate authorities.

### Training

Due to the size and nature of the Company, policies on forced and child labour have been communicated verbally upon hiring. The Company is undertaking formally adding policies and obtaining employee sign-off during the employee or consultant onboarding process.



Effectiveness Assessment

Given the size and nature of the Company, no formal effectiveness assessment was in place. Accordingly, the risk was considered extremely low as of September 2023. As the Company expands into new geographies and becomes revenue generating, a formal assessment will be developed and utilized.

Sign-off

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act for the financial year ending September 30, 2023. It has been issued on behalf of Hydrograph Clean Power Inc. and approved by its board of directors.

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

Name           David Williams  
Title           Chairman  
Date            May 31, 2024

Signature      DocuSigned by:  
                  David Williams  
                  B9A2A2C00BC049C...

*"I have the authority to bind Hydrograph Clean Power Inc."*