
Canadian Forced Labour and Child Labour Report

For the calendar year ending December 31, 2023

Structure, Activities, and Supply Chain

This report (“Report”) is made in compliance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) on behalf of Regal Beloit Canada ULC, an unlimited liability corporation formed in Alberta (“RBC”) and Thomson Technology Power Systems ULC, and unlimited liability corporation formed in Alberta (“Thomson”). Collectively, RBC and Thomson are referred to in this Report as the “Company.” RBC and Thomson are indirect wholly owned subsidiaries of Regal Rexnord Corporation (“Regal Rexnord”), a Wisconsin, U.S.A. corporation.

Regal Rexnord helps create a better tomorrow by providing sustainable solutions that power, transmit, and control motion. Its electric motors and air moving subsystems provide the power to create motion. A portfolio of highly engineered power transmission components and subsystems efficiently transmits motion to power industrial applications. Its automation offering, comprised of controllers, drives, precision motors, and actuators, controls motion in applications ranging from factory automation to precision tools used in surgical applications.

The Company maintains a complex, global supply chain that consists of two groups of individuals: strategic sourcing and local purchasing. The strategic sourcing group is responsible for key supplier selection, contract negotiations, and supplier performance monitoring. Members of the strategic sourcing group have global responsibilities and oversight, and as such, report to the Senior Vice President, Strategic Sourcing of Regal Rexnord. The local purchasing groups are responsible for day-to-day buying activities for their respective locations and report into their local plant management team. While these two groups do not share a common reporting structure, they work together as a cohesive team to ensure successful, streamlined operations.

Policies and Due Diligence Processes

The Company’s commitment to promoting human rights is reflected in Regal Rexnord’s core value of Responsibility, which is further defined by the Company’s commitment to care for its associates, the communities where its associates live and work, and the planet it inhabits.

The Company’s supply chain is complex and there are limits to visibility beyond first tier suppliers. However, the Company strives for more traceability and transparency throughout its global supply chain. Therefore, the Company has established a comprehensive supply chain due diligence process. The Company verifies its suppliers comply with applicable law, including forced labor statutes and regulations. The Company’s objective is to ensure that its suppliers use adequate compliance measures and health and safety practices. The Company’s [Global Human Rights Policy](#), which prohibits, among other things, the use of forced and child labor, applies to its suppliers and is incorporated by reference in its [Supplier Code of Conduct](#). Assessments are completed for all new direct materials suppliers to ensure they meet the Company’s expectations detailed in the Supplier Code of Conduct.

Also supported by the [Company’s Code of Business Conduct and Ethics](#) as well as its Anti-Corruption Policy, the Company is committed to aid in the worldwide effort to end the violence and human rights abuses associated with the mining and transport of mineral resources in the Democratic Republic of the Congo and adjoining countries and has, therefore, adopted a [Conflict Minerals Policy](#). Additional information including our Global Supplier Requirements Manual can be found at: www.regalrexnord.com/suppliers.

Employees and third parties alike are advised to promptly report any concerns regarding a potential violation of the Company's Global Human Rights Policy or Code of Conduct and Ethics by either contacting the Company's Global Ethics & Compliance Office at integrity@regalrexnord.com, or to anonymously report a concern, by using the [Company's Integrity Line web portal](#).

Forced Labour and Child Labour Risks

The Company has considered the ways in which its activities and supply chains could potentially cause, contribute to, or be linked to slavery and human trafficking. The Company uses a risk-based approach to assess and manage the risk of slavery and human trafficking in our supply chain utilizing tools such as the U.S. Customs and Border Protection Uyghur Forced Labor Prevention Act ("UFLPA") statistics dashboard and UFLPA entity list. Using such tools, the Company has screened higher risk suppliers through Altana, an artificial intelligence-based supply chain mapping tool which allows users to understand the origins of products well beyond direct suppliers, identifying potentials risks and opportunities in their labor and environmental impacts.

Remediation Measures

The Company has assessed its activities and supply chains and as of the date of this Report believes that its activities and supply chain carry minimal risk of forced labor or child labor being used. If a situation of non-compliance is identified, the Company will develop and implement a corrective plan to improve and remedy the situation.

Remediation of Loss of Income

As of the date of this Report, the Company has not undertaken any measures to remediate the loss of income or specific activities for vulnerable families to remediate slavery and human trafficking in its supply chain.

Training

The Company, in collaboration with a third party with more than two decades of experience training the world's leading aerospace, defense, technology, medical, and other manufacturing companies on compliance with U.S. and global export, import, sanctions, security, and anti-corruption regulations, has developed training to ensure compliance with the Company's standards regarding this Report. The Company will continue to develop and maintain training modules that support the Company's commitment to human rights, including prohibition of slavery and human trafficking, adherence to labor laws, adherence to truthful and trustworthy practices when dealing with employees, proper disclosure of information, and supply chain diligence, management, and verification processes.

Assessing Effectiveness

The Company evaluates slavery and human trafficking rights as part of some of its audits. It will continue to review, reassess, and further develop its anti-slavery and human trafficking plans, not only to ensure compliance with the law but also to ensure that it fulfills its core values as expressed in this Report.


Collectively, this Report, the policies, processes, and procedures described herein, are all designed to ensure the Company and its suppliers at every level are committed to maintaining a workplace and supply chain free from slavery and human trafficking.



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 this Report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable 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 report year listed above.

Signatures:



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Full Name: Fernando Ruiz

Title: Director & Secretary of Regal Beloit Canada ULC

Date:

I have authority to bind Regal Beloit Canada ULC


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Full Name: Sarah Apple

Title: Director & Vice President, Secretary of Thomson Technology Power Systems ULC

Date:

I have authority to bind Thomson Technology Power Systems ULC