



SOLACE CORPORATION

Fighting against Forced Labour and Child Labour in Solace's 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**”) by Solace Corporation (referred to in this report as “**Solace**”).

Solace is a reporting entity under the Act. This purpose of this Report is to describe Solace’s compliance with Section 11 of the Act.

This report has been prepared for the fiscal year ended April 30, 2024.

1. Description of Solace

a. Structure

Solace is incorporated in Ontario under the *Business Corporations Act* (Ontario) with Ontario Corporation Number 1953076. Solace is a wholly-owned subsidiary of Solace Parent Inc., an Ontario holding company (with no employees or operations). Solace is the operational entity and conducts business on a global basis (as described below).

b. Activities

Solace provides proprietary software and software-as-a-service (SaaS) technology solutions (known as the “**Solace PubSub+ Platform**”) to enterprise customers worldwide.

Solace provides a hardware version of the Solace PubSub+ Platform (referred to as the “**Solace Appliance**”) that provides enterprise customers worldwide with additional robustness and a lower latency technology solution. Solace purchases the components required for the Solace Appliance and assembles the Solace Appliance at its offices in Ottawa, Canada. Solace purchases the required components from a mix of both Canadian and non-Canadian component suppliers.

c. Supply Chains

Solace procures the majority of the parts for its hardware products through a small number of major electronic component distributors. The electronic components purchased from the foregoing distributors are all mass-market components sold widely to many of the world’s leading original equipment manufacturers (OEMs). The remainder of the components are purchased directly by Solace and comprised of custom components sourced by such direct suppliers such as product labels or metal enclosures for the Solace Appliance.



2. Solace Policies, Due Diligence and Employee Training

a. Compliance with the UK *Modern Slavery Act 2015*.

In July 2022, Solace approved a Modern Slavery Statement which it published on its corporate website here: <https://solace.com/legal>.

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. We have a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

b. Solace's Supplier Code of Conduct

In August 2023, Solace adopted a Supplier Code of Conduct (the "**Solace Supplier Code**") and began the process of confirming the acceptance of the Solace Supplier Code with certain of its suppliers. Among other things, the Solace Supplier Code sets out Solace's expectations of its suppliers with respect to forced labour and child labour: (1) to prohibit the use of all forms of forced or compulsory labour in relation to its workers, and to take all reasonable steps to eliminate such labour from their supply chain; and (2) not to use child labour and to support effective abolition of child labour, and to take all reasonable steps to eliminate such labour from their supply chain.

c. Due Diligence into Solace's Suppliers

As a matter of due diligence, Solace reviewed the third parties that supply goods and services to Solace. The goods and services supplied to Solace may be categorized as follows:

- Technology (hardware and software tools required by Solace employees to carry out their duties, e.g., laptops, monitors, software, and SaaS);
- Facilities (leased office premises and temporary event spaces);
- Professional services (consultants that provide legal, financial, engineering and other professional services);
- Electronic components (parts acquired for the assembly of the Solace Appliance); and
- Miscellaneous (furniture, office supplies, air travel, hotels, restaurants, catering, etc.)



d. Employee Training

At the time of hiring, Solace employees are required to review, acknowledge and accept all of Solace's policies including those related to forced labour, child labour and modern slavery. Solace employees, on an annual basis are asked to review, acknowledge and accept the same policies including any amendments made from time to time.

3. Risk Assessment and Management

Solace conducted a risk assessment of its suppliers to identify those suppliers that posed the greatest risk of forced labour or child labour in their supply chains. Solace determined that there is little to no risk of forced labour or child labour in the products and services procured from suppliers of technology, facilities, professional services and miscellaneous items. Solace recognizes a greater risk of forced labour and child labour in connection with the suppliers of components for the Solace Appliance ("**Component Suppliers**").

Solace manages the risk raised by its Suppliers by (1) requesting the supplier to acknowledge and accept the Solace Supplier Code, or (2) by ensuring that the Supplier has adopted its own code of conduct or similar policy statement (e.g., a corporate Environmental, Social and Governance (ESG) policy) with substantially similar but no less stringent requirements prohibiting forced labour, child labour and modern slavery and requiring of its suppliers to comply with all applicable laws regarding same.

Solace suppliers are screened at the time of onboarding as a new supplier to Solace and, for those suppliers that predate the adoption of the Solace Supplier Code, Solace is contacting the supplier and/or reviewing the supplier's policies for compliance as described above. In many cases, with respect to Component Suppliers, the large electronic component distributors that Solace purchases from complete their own supplier due diligence and Solace relies on the distributor's diligence in addition to the distributor's own code and policies relating to forced labour, child labour and modern slavery.

4. Remediation Measures

a. Taken to Remediate Forced Labour or Child Labour

No remediation actions have been required.

b. Measures Taken to Remediate Loss of Income

No measures have been required to remediate loss of income.

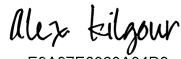
5. Self-Assessment

Solace is confident that its diligence and risk assessment processes undertaken to date are sufficient to minimize the risk of forced labour or child labour in its supply chain. Nevertheless, Solace recognizes that ongoing diligence and efforts are required. Ongoing vigilance is key and, therefore, Solace will continue to assess its new suppliers as well as existing suppliers and is committed to continuous improvement in its processes and tools.



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.

Alex Kilgour
Chief Legal Officer
May 31, 2024

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I have the authority to bind Solace Corporation.