



Fighting Against Forced Labour and Child Labour in Supply Chains Act

Annual Report of Uponor Ltd.

(Fiscal Year 2023)

Uponor Ltd. (“**Uponor**”) is on the path to fulfilling its vision of leading the construction industry towards net zero through sustainable water solutions. Uponor will achieve its vision through its People First culture. At its most fundamental level, that People First approach is premised on strong human rights protections for Uponor employees and workers throughout Uponor’s supply chain, including measures to prevent and reduce the risk of forced labour and child labour.

Pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9 (the “**Act**”), which came into force on January 1, 2024, this is Uponor’s first Annual Report regarding its ongoing efforts to prevent and reduce the risk that forced labour or child labour is used in the production of goods in Uponor’s supply chain.

This Annual Report is for Uponor’s financial year ending December 31, 2023.

Structure

Uponor was continued as a corporation under the *Canada Business Corporations Act*, RSC 1985, c C-44.

Uponor’s headquarters is in Mississauga, Ontario. We also have a distribution centre in Mississauga, Ontario, and a distribution centre in Calgary, Alberta.

Uponor is a Canadian subsidiary of the GF Building Flow Solutions division of the Georg Fischer group, which is headquartered in Switzerland.

Operations & Supply Chains

As part of GF Building Flow Solutions, Uponor’s vision is to be the leader in sustainable water solutions in Canada. Uponor is a leading Canadian provider of solutions that efficiently and effectively move water through buildings and homes. We help customers in residential and commercial construction to be more productive – and continuously find new ways to conserve, manage and provide water responsibly, unlocking its potential to provide comfort, health, and efficiency.

Our safe drinking water, energy-efficient radiant heating and cooling systems, fire safety, water service, snow ice and melting, and turf conditioning systems are sold throughout Canada.

Uponor imports and sells, but does not manufacture, PEX pipe and associated fittings, valves, manifolds, controls, tools, and other components.

Uponor acquires its PEX piping from its GF Building Flow Solutions affiliate in the United States. That PEX piping is manufactured at facilities in Apple Valley and Hutchinson, Minnesota.

Uponor acquires fittings and other components from third-party suppliers. Along with GF Building Flow Solutions, Uponor focuses on procuring goods and services from suppliers with high ethical and environmental standards.

Uponor's Supplier Policy is publicly available online.¹ The Supplier Policy states Uponor's expectations that its suppliers will:

- honour Uponor's Code of Conduct (which is discussed below);
- "support and respect internationally proclaimed human rights and make sure that they are not complicit in human rights abuses"; and
- "support the abolition of any form of forced and compulsory labor, child labor and discrimination in respect of employment and occupation."

Uponor's Policies & Supplier Code of Conduct

All Uponor and GF Building Flow Solutions employees are governed by the Uponor Code of Conduct.² The Code of Conduct emphasizes Uponor's commitment to the United Nations' Ten Principles, which include the elimination of forced and compulsory labour and the effective abolition of child labour.

The Code of Conduct expressly states that "Uponor does not allow child, compulsory or forced labour or engage suppliers that do so." Any violations of the Code of Conduct must be reported. Employees can report internally or through anonymous reporting channels, including a dedicated whistleblower site.³

Actions inconsistent with the Code of Conduct are subject to disciplinary actions, including termination of employment and payment of damages. Violations of a criminal nature may lead to criminal procedures.

Beginning in the fall of 2021, Uponor and its GF Building Flow Solutions affiliates began a project to improve responsibility and transparency in its supply chain. Part of that project included the creation of a new Supplier Code of Conduct.⁴ Uponor has been implementing that Supplier Code of Conduct throughout 2022 and 2023, and continues to do so.

The Supplier Code of Conduct reiterates Uponor's commitment to human rights and its expectations that suppliers will engage in ethical business practices. It specifically states that:

Uponor expects its suppliers not to employ workers or other personnel below 15 years of age or the national legal minimum age, whichever is higher. Suppliers need to ensure that employment of young persons above the minimum age but below 18 years does not interfere with their education, health, safety and morals.

Suppliers shall not use or benefit from forced labour in any form and they shall not retain passports or other documents of employees. Suppliers shall

¹ <https://www.uponor.com/en-ca/about-uponor/supplier-policy>

² <https://www.uponorgroup.com/en-en/legal-information/code-of-conduct>

³ <https://report.whistleb.com/en/uponor>

⁴ <https://www.uponor.com/en-en/legal-information/supplier-code-of-conduct>

recognise the employees' right to be organised, form and join a trade union or bargain collectively.

The Supplier Code of Conduct permits Uponor to require corrective actions in cases of non-compliance. Uponor reserves the right to terminate its agreement with a supplier if all corrective actions are not taken or in the case of further non-compliances.

Identification of Risks

The project that led to the development of the Supplier Code of Conduct also included building a risk assessment tool to identify possible environmental, social, and governance ("ESG") risks in our supply chain. Risk assessments related to product category, industry category, and locations were utilized in our work. This approach was used to conduct a qualitative analysis of our suppliers.

That risk assessment tool remains available to Uponor to conduct risk assessments on current and future suppliers. Where applicable, those risk assessments may include ensuring compliance with the provisions of the Supplier Code of Conduct that prohibit forced labour and child labour.

Training

Uponor regularly provides Code of Conduct training to all employees. All Uponor employees are required to complete an e-learning course biennially on topics relating to the Code of Conduct. As indicated above, the Code of Conduct specifically addressed the prohibition against forced labour and child labour at Uponor and its suppliers.

Assessing our Effectiveness

Uponor currently evaluates its measures to abolish forced and child labour in three main ways.

First, Uponor tracks completion of its biennial e-learning course regarding its internal Code of Conduct training. In 2022/2023, 99% of Uponor employees completed the Code of Conduct e-learning course.

Second, Uponor monitors the percentage of spend covered by its Supplier Code of Conduct. As a whole, GF Building Flow Solutions' goal is to have 90% of spend covered by the Supplier Code of Conduct by 2027.⁵ Uponor has already achieved that goal, as 90% of the products Uponor currently purchases are from a supplier that has signed the Supplier Code of Conduct.

Third, the Supplier Code of Conduct requires Uponor's suppliers to respond to information requests and questionnaires. Uponor can also conduct third-party audits:

⁵ <https://www.uponor.com/en-us/about-uponor/leading-sustainable-change/ethical-business-practices>



By committing to this Supplier Code of Conduct, the supplier permits Uponor to verify compliance with the requirements of this Supplier Code of Conduct through information requests and questionnaires. Suppliers are expected to address such requests without delay. Suppliers also allow Uponor or an authorised third-party to conduct audits of the Suppliers' operations, facilities and data with regards to the topics set forth in this Supplier Code of Conduct.

Uponor has not encountered circumstances that have prompted it to request information or initiate an audit of a supplier relating to child labour or forced labour.

Similarly, Uponor has not encountered forced or child labour in any of its supply chains. As a result, Uponor has not had occasion to take measures to remediate forced labour or child labour, or to remediate the loss of income resulting from measures taken to eliminate the use of forced labour or child labour.

Approval & Attestation

We attest that this Annual Report has been approved by Uponor's Board of Directors pursuant to subparagraph 11(4)(a) of the Act.

Chris Hartwick
Director, Uponor Ltd.

Reeta Harkki
Director, Uponor Ltd.