

**Bill S-211 Joint Report by
Clairvest Group Inc. and certain of its Affiliates**

Introduction

This Report is a joint report prepared by Clairvest Group Inc., an Ontario corporation and public company listed on the Toronto Stock Exchange, on behalf of itself and the entities listed in the Reporting Entities section below for the calendar year ended December 31, 2024 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 (the “Act”).

Reporting Entities

This Report is jointly prepared by Clairvest Group Inc. and the entities listed on Exhibit A (the “**Intermediate Entities**”). These entities are filing this report jointly because they are part of the same control group and, together, the reporting entities indirectly control Top Aces Holdings Inc. and Top Aces Inc., which are entities with reporting obligations under the Act. Clairvest Group Inc. is the ultimate parent company that indirectly controls the Intermediate Entities. This report covers the most recent financial year ended for each reporting entity. This Section provides information regarding each of the reporting entities.

Clairvest Group Inc.

Clairvest Group Inc. is an “Entity” as defined in the Act because it is a corporation listed on a stock exchange in Canada and because it indirectly controls an Entity (i.e., Top Aces Holdings Inc.) with reporting obligations under the Act. Clairvest Group Inc. is in the private equity industry. Clairvest Group Inc.’s financial reporting year is April 1 to March 31 and its business number is 10464 9645. Clairvest Group Inc. does not have any reporting obligations concerning the subject matter covered by the Act in any other jurisdictions. Clairvest Group Inc.’s business address is 22 St. Clair Avenue East, Suite 1700, Toronto, Ontario, M4T 2S3.

Intermediate Entities

Each Intermediate Entity (see Exhibit A) is an “Entity” as defined in the Act because it is either a corporation or partnership that, together with Clairvest Group Inc., indirectly or directly controls an Entity (i.e., Top Aces Holdings Inc.) with reporting obligations under the Act. Each Intermediate Entity is in the private equity industry. Each Intermediate Entity’s financial reporting year and business number is listed on Exhibit A. No Intermediate Entity has any reporting obligations concerning the subject matter covered by the Act in any other jurisdictions. Each Intermediate Entity’s business address is 22 St. Clair Avenue East, Suite 1700, Toronto, Ontario, M4T 2S3.

Structure, Activities and Supply Chains

This Section provides information concerning the legal and organizational structure of the reporting entities and the supply chain activities of Top Aces Holdings Inc. and its subsidiary, Top Aces Inc. See Exhibit A for additional details regarding the Intermediate Entities. See Exhibit B for the report under the Act separately prepared by Top Aces Holdings Inc. and Top Aces Inc. (the “**Independent Top Aces Report**”).

As noted above, Top Aces Holdings Inc. is an entity under the Act with reporting obligations due to its supply chain activities (as described in the Independent Top Aces Report). Clairvest Group Inc. and private equity funds (the “**PE Funds**”) that are managed by its wholly owned subsidiaries (all of which are Intermediate Entities) directly or indirectly control Top Aces Holdings Inc. and Top Aces Inc. and, accordingly, are entities with reporting obligations under the Act.

The management employees of Top Aces Holdings Inc. and Top Aces Inc. are responsible for the day-to-day operations of their businesses. The Board of Directors of Top Aces Holdings Inc. oversee the management of Top Aces Holdings Inc. and Top Aces Inc. The Board of Directors of Clairvest Group Inc. and certain employees of Clairvest Group Inc. and its wholly-owned subsidiaries oversee the indirect investment by the PE Funds in Top Aces Holdings Inc.

Clairvest Group Inc. has 46 employees, all based in Canada. The Intermediate Entities do not have employees.

Policies and due diligence processes

See the Independent Top Aces Report for a summary of Top Aces Holdings Inc. and Top Aces Inc. policies and due diligence process.

Forced Labour and Child Labour Risks

No reporting entity has identified any forced labour or child labour risks in supply chain of Top Aces Holdings Inc. and Top Aces Inc. See the Independent Top Aces Report for more information.

Remediation Measures

Not applicable. As noted above, no reporting entity has identified any instances of forced labour or child labour that would require remediation.

Remediation of Loss of Income

Not applicable. As noted above, no reporting entity has identified any instances of forced labour or child labour that would require remediation of loss of income.

Training

No reporting entity provides training with a specific focus on forced labour and child labour. See the Independent Top Aces Report for information about any training provided by Top Aces Holdings Inc. and Top Aces Inc.

Assessing Effectiveness

Given the robust supply chain-related policies and procedures of Top Aces Holdings Inc. and Top Aces Inc. summarized in the Independent Top Aces Report, the reporting entities do not independently assess their effectiveness in preventing and reducing risks of forced labour and child labour in the activities and supply chain of Top Aces Holdings Inc. and Top Aces Inc.

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 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.

By: 

Name: Kenneth B. Rotman

Title: Chief Executive Officer

Statement: I have the authority to bind Clairvest Group Inc.

Date: May 28, 2025

EXHIBIT A**Intermediate Entities**

Name	Entity Type	Jurisdiction of Formation	Financial Reporting Year	Business Number
Clairvest GP (GPLP) Inc.	Corporation	Ontario	January 1 to December 31	86090 1727
Clairvest GP Manageco Inc.	Corporation	Ontario	April 1 to March 31	86275 2763
Clairvest General Partner IV Limited Partnership	Partnership	Ontario	January 1 to December 31	85479 6661 RZ0001
Clairvest Equity Partners IV-A Limited Partnership	Partnership	Ontario	January 1 to December 31	80673 4406
CEP IV Co-Investment Limited Partnership	Partnership	Manitoba	January 1 to December 31	85479 4864
Clairvest Equity Partners IV Limited Partnership	Partnership	Ontario	January 1 to December 31	85479 5663
DA Holdings Limited Partnership	Partnership	Ontario	January 1 to December 31	81013 8081
10671541 Canada Inc.	Corporation	Canada	February 1 to January 31	76563 1718
CVG TA Holdings Limited Partnership	Partnership	Ontario	January 1 to December 31	73328 9912
CVG TA Holdings 4 Limited Partnership	Partnership	Ontario	January 1 to December 31	70839 7203
CVG TA Holdings 3 Limited Partnership	Partnership	Ontario	January 1 to December 31	79771 9614
CVG TA Holdings GP Inc.	Corporation	Ontario	January 1 to December 31	70838 7402 RC0001

Exhibit B

Independent Top Aces Report

[attached]

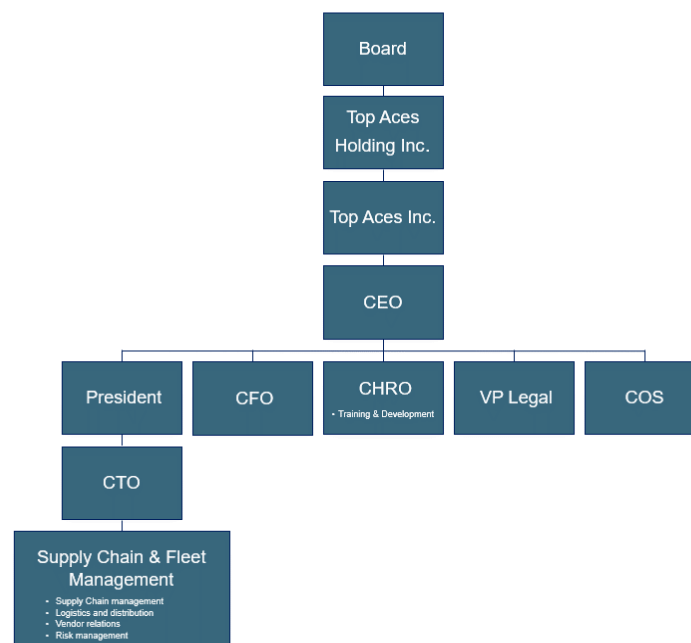


2024 Report – Fighting Against Forced and Child Labor in Supply Chains



This report, prepared by Top Aces Inc. (hereto “Top Aces” or the “Corporation”) is a joint report for Top Aces Holding Inc. and Top Aces Inc. for the financial year ended December 31, 2024 (referred to as the “Reporting Period”). It outlines the Corporation’s activities and compliance measures during the Reporting Period, focusing solely on its direct operations and explicitly excluding those of wholly owned subsidiaries. This report represents the second year of submission by the Corporation in accordance with Canada’s recently enacted Fighting Against Forced Labour and Child Labour in Supply Chains Act (referred to as the “Act”).

As a leader in global defense training, guided by our Purpose, Mission, Vision, and Values, Top Aces is committed to upholding fundamental human rights and promoting ethical practices as established by the International Labour Organization and the Organization for Economic Co-operation and Development guidelines. We remain steadfast in our stance against the use of child or forced labor in our supply chain. Top Aces is resolute in our pursuit to support policies and processes that upholds labor rights risk management within our global supply chains and operations. Our commitment is entrenched in our Code of Conduct, governing every aspect of our operations and partnerships. Top Aces has developed an Environmental, Social and Governance (ESG) Policy which is available to view on our website (www.topaces.com). It is governed by the Board of Directors which holds the crucial responsibility of stewarding the company’s operations, ensuring compliance with all laws, and adherence with all approved company policies.



Top Aces is a privately owned Canadian corporation headquartered in Montreal, Quebec, Canada, who during the 2024 fiscal period employed over 369 employees¹. The oversight of Top Aces is entrusted to the Board of Directors of its holding company, Top Aces Holding Inc. This board bears the responsibility of guiding the Corporation's operations and ensuring compliance to all legal requirements and internal policies.

As a leader in global defense training, Top Aces provides adversary air (ADAIR) and joint terminal attack controller (JTAC) technology and training to armed forces across North America and Europe. The mission-critical training offered by Top Aces enhances the operational readiness of combat forces, imparting real-world experience while generating substantial cost efficiencies and prolonging the lifespan of military aircraft fleets.

Top Aces' overarching purpose is to maximize military readiness, preparing frontline Canadian and allied military units for deployed operations. Our focus lies not merely in increasing training volume, but in enhancing training effectiveness. The Corporation's primary operating bases are currently in Canada². Top Aces owns and operates ex-military aircraft to support our government customers with their training requirements. Our flight operations and maintenance activities are regulated by Transport Canada and approved by country specific military organizations.

Top Aces is committed to advancing its ESG journey, striving to bolster environmental sustainability and integrate social responsibility and robust corporate governance throughout its operations. To achieve this goal, we established a comprehensive framework for further enhancing our sustainability efforts. This involves a continuous drive to improve our environmental practices and performance, while ensuring strict compliance with applicable regulatory requirements.

We strive to foster a work environment that creates an engaged workforce within an inclusive workplace culture that prioritizes safety, innovation, and community impact. Moreover, we uphold the highest standards of ethical business conduct, corporate governance, and regulatory compliance, thus nurturing a culture of integrity and accountability.

Top Aces employs a risk management-based approach to its operations and partnerships. As a civilian air operator providing defense services, it is bound to various programs and regulations mandating consistent reporting and rigorous audits to ensure compliance. These will encompass diverse standards including civilian and defense airworthiness, defense article export control compliance, international quality benchmarks, anti-corruption measures, as well as bribery and sanctions monitoring.

¹ This figure does not include employees from wholly owned subsidiaries located in Germany, the UK, and the USA.

² Top Aces' wholly owned subsidiaries operate bases in Germany and the U.S.A and also deploy in other countries, such as Italy and the Netherlands.

Top Aces' supply chains intersect with those supporting both modern military and civil aviation sectors, subject to stringent regulations (CAR/FAA/EASA/ISO/AS). Located within G7 countries and the EU, the bulk of our supply chain undergoes thorough approval processes aligned with the specific product or service offered. Following approval, their performance undergoes regular assessment and evaluation. Instances of defects or non-compliance are meticulously documented. If necessary, a formal Request for Supplier Action (RFSA) is issued to address the deviation, outlining both mitigation measures and long-term corrective actions. Suppliers exhibiting persistent non-performance or failure to meet our standards are subsequently deactivated.

Top Aces is in the midst of an international expansion, mainly in Europe, and is actively standardizing its global procurement and sourcing policies, encompassing contracts and supplier requirements. This initiative will continually evolve to integrate ESG standards, including risk assessments and safeguards against Child and Forced Labor. Top Aces has taken positive steps to build a framework that identifies and mitigates potential risks of forced or child labor. Top Aces has developed and launched a Supplier Code of Conduct, outlining suppliers' obligations to comply with laws and regulations regarding responsible environmental practices, lawful export/import practices, and stringent anti-corruption policies. Top Aces require its primary suppliers to acknowledge the Supplier Code of Conduct which mandates the use of fair and ethical labor practices and explicitly prohibits the use of child and forced labor within their supply chains.

Top Aces has implemented checks and balances in its procurement cycle to ensure all future procurement activities address both sustainability and human rights policies. New supplier onboarding policies require all suppliers to acknowledge Top Aces' ESG and Supplier Code of Conduct policies prior to approval. Top Aces' procurement contracts mandate that suppliers adhere to Top Aces policies and procedures, specifically complying with the Fighting Against Forced Labor and Child Labor in Supply Chains Act.

All Top Aces employees and all Top Aces contractors must undergo mandatory training covering corporate governance and relevant policies. Where required, this training is recurrent and conducted annually. Our training is administered and documented within the Top Aces Learning Management System (LMS). The content of the required training is constantly evolving to embed ESG principles and uphold fundamental human rights. Top Aces is expanding its mandatory training curriculum for impacted employees to include a comprehensive guide that explains the details of the Act and the risk mitigations employed in our supply chains.

Top Aces employs an open reporting system accessible to all employees, serving as a platform to communicate any issues deemed significant for awareness. These reports undergo regular scrutiny in alignment with our Safety, Quality, Global Code of Conduct, and Core Values.

We remain steadfast in prioritizing our ESG, Global Conduct standards, and Open Reporting Systems across all operational levels, including our supply chain. Our enhanced supplier governance and monitoring processes will continue to evolve, with a historical track record devoid of non-compliance with the Act. We pledge to diligently investigate any discrepancies and implement necessary corrective actions or viable remediation measures.

Top Aces strives to be a role model within our communities, embodying our core Purpose, Vision, Mission, and Values. Our commitment to community investment outlines our pillars of impact and guides initiatives that align with local economic and social priorities. We aim to provide support through dedicated time, expertise, and financial resources.

At Top Aces, we stand firmly behind our ESG principles, continuously assessing our practices for impact and efficacy. We remain agile, adapting our policies to meet evolving legislative and industry standards, all aimed at ensuring the highest standards across our business and supply chains.