

May 30, 2025

The Honourable Mr. Gary Anandasangaree
Minister of Public Safety
269 Laurier Avenue West
Ottawa ON K1A 0P8

RE: ANNUAL REPORT- Detailing Measures to Prevent Forced Labour and Child Labour

Dear Minister Anandasangaree,

We are writing to provide our Annual Report on the measures taken by Compugen Inc. to prevent and mitigate the risk of forced labour and child labour within our operations and supply chains, in compliance with the legislation titled, *Fighting Against Forced Labour and Child Labour in Supply Chains Act* S. C. 2023, c.9 (the "Act"). This letter provides a comprehensive overview of our company's measures to address forced labour and child labour, ensuring compliance with reporting requirements and demonstrating a commitment to ethical business practices.

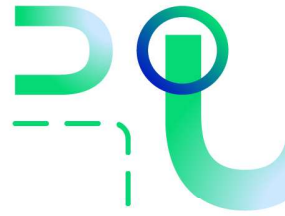
Outlined below are the efforts and strategies implemented during the previous fiscal year.

1. Structure, Activities, and Supply Chains

Compugen is privately owned and operated by Mr. Harry Zarek, its President and CEO. Under the leadership of Harry Zarek, President and CEO, David Austin, CFO, Jeremy Erlick, Chief Sales Officer and Chief Operating Officer, Stéphan Wener, Chief Customer Officer and VP Sales Central/East, and Marty Grosh, VP of Services, our corporate structure includes a sales division, service division, operations division, finance division, in addition to support functions including people and culture, marketing and communications, IT and innovation, and customer experience.

Compugen has offices and operations across multiple locations in Canada with our headquarters in Richmond Hill, Ontario. Compugen engages in IT solutions selling including product, software, and services, in addition to IT consulting and advisory services, IT asset management, data center and integration services, and implementation services.

To support its activities, Compugen works in collaboration with a diverse range of vendors, located both in Canada and the United States, to source finished goods and service parts that are essential to our business operations.



2. Policies and Due Diligence Processes

To ensure ethical labour practices, Compugen has established a comprehensive purchasing policy and a vendor code of conduct. These documents clearly outline Compugen's expectations for vendors, including strict prohibitions against forced labour and child labour. Compugen requires all vendors to comply with these policies and is currently assessing vendor compliance with the Act through surveys and public statements made by vendors and OEM's.

3. Risk Assessment and Management

Compugen's primary approach to managing the risk of forced and child labour is sourcing locally where possible. In addition, Compugen ensures that all products purchased are manufactured by larger reputable manufacturers. Compugen purchases products from both Canada and the United States, both of which have laws prohibiting the import of goods associated with the risk of child and forced labour in their supply chains. We have assessed our larger OEMs for compliance with this Act, and we plan to expand this assessment to cover other OEMs on an as-necessary basis.

4. Remediation Measures

Compugen has not encountered any instances of forced or child labour circumstances with the vendors we collaborate with and therefore no measures needed to be taken to remediate forced labour or child labour to date.

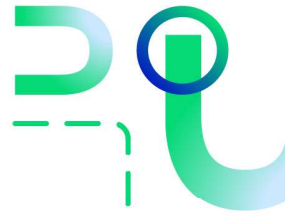
In cases where forced labour or child labour is identified, Compugen will take immediate remedial action. This includes working with suppliers to rectify the situation and ensure no recurrence or impose cease and desist as a policy.

Attached please find a copy of a letter dated March 19, 2025 indicating the steps that have been undertaken at Compugen during the current fiscal year and may be included for completeness in legislative reporting for compliance with Bill S-211.

5. Income Remediation Measures

Compugen has not encountered any instances of forced or child labour circumstances with the vendors we collaborate with and therefore no measures needed to be taken to remediate forced labour or child labour to date and this not currently applicable to our company





6. Employee Training

Compugen is committed to upholding ethical standards in all procurement activities, encompassing respect for human rights, environmental sustainability, and fair labour practices. This includes communicating the Vendor Code of Conduct policy to its staff, providing training, and ensuring employees are well informed of the policy. Recognizing the importance of ethical sourcing, Compugen is currently working on developing materials for a training program for all staff members.

7. Effectiveness Assessment

Compugen is committed to a thorough due diligence approach to assess the effectiveness of its child and forced labour policy. This includes annual vendor assessments and checks for our major vendors. Supplier contracts are reviewed to ensure policy requirements are met, while staff members are educated on policy standards for compliance. Compugen also focuses on refining purchasing practices to strengthen due diligence measures. This approach reflects Compugen's commitment to fostering a responsible supply chain, with efforts directed towards preventing child and forced labour.

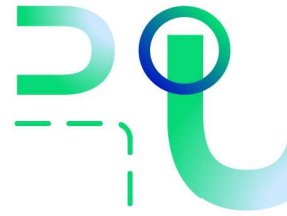
We remain committed to upholding the highest ethical standards in all aspects of our business and will continue to refine our processes to prevent and eliminate forced labour and child labour.

Should you require any additional information, please do not hesitate to contact me.

Sincerely,
COMPUGEN INC.

David Austin

Chief Financial Officer



March 19, 2025

Reporting for the Fighting Against Forced Labour and Child Labour in Supply Chains Act

TO WHOM IT MAY CONCERN,

We provide this letter in connection with Bill S-211, the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("the Act", "Bill S-211", "the Bill").

The following steps have been undertaken at Compugen during the current fiscal year and may be included for completeness in legislative reporting for compliance with Bill S-211.

1. Compugen has modified standard contract language to include the following in Representation and Warranties:
 - The goods and any services provided by the Supplier under this agreement are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada's *Fighting against Forced Labour and Child Labour in Supply Chains Act*).
2. Compugen has modified competitive procurement templates (e.g. RFP), to include the following language that suppliers/vendors bidding for business must attest to:
 - Warrants that the goods and services that the Proponent is proposing to provide to the Purchaser are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*).
3. Compugen has not been made aware of any instances where forced labour or child labour exists in current supply chains, but should such instances come to light, Compugen will inform your organization.
 - Over the coming periods, Compugen is planning iterative improvements to the activities undertaken relative to this legislation and supply chains. These include the development of internal policy and training for those in sourcing and supply chain roles.
4. Compugen is committed to sustainability and ESG practices and has created a dedicated ESG team. This group is responsible for program development to ensure our organization's ongoing dedication to sustainability.

Sincerely,

COMPUGEN INC.

David Austin

Chief Financial Officer