

Modern Slavery Report 2024- Dehumidified Air Solutions, Inc.

This Modern Slavery Report (the “**Report**”) addresses the period from **January 1, 2024**, to **December 31, 2024**, and has been prepared in compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “**Act**”). This Report is made on behalf of **Dehumidified Air Solutions, Inc (“DAS”)**.

A French version of this report may be requested from Dehumidified Air Solutions by emailing ania.boumrar@dehumidifiedairsolutions.com

1. Introduction

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading manufacturer of pool dehumidification with a mission to support making people’s lives safer, healthier and more productive, Dehumidified Air Solutions, Inc. recognizes the important role that we have in ensuring that our operations and products, and the supply chains that support these, adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour in our supply chain. This Report sets out the steps we have taken during Fiscal 2023 to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by Dehumidified Air Solutions, Inc. or of goods imported into Canada by Dehumidified Air Solutions, Inc

2. Our Business

Dehumidified Air Solutions, Inc is an entity domiciled in Montreal, Quebec, Canada. It is part of a holding of Madison Industries, Inc as part of the Madison Air family of companies. DAS averages around 255 employees located throughout Canada. As a subsidiary of Madison Industries, DAS has adopted the Madison Industries due diligence policies and practices described in this Report. “We” and “our” may refer collectively to DAS and/or to Madison Industries depending on the context.

DAS is a global leader in indoor pool dehumidification, focusing on manufacture and sale of products under the brand names of Dectron, Seresco, PoolPak & AgronomicsIQ, largely through Rep Firms across North America.

DAS’s supply chain consists of approximately 220 distinct supply chain partners, most of whom are North American based. About 6 of those suppliers originate overseas, mostly from the Asian region. Those suppliers generally provide raw materials and component pieces for use in DAS’s manufacturing process, and on occasion may provide finished goods.

3. Our Policies

Policies

Through our organizational and governance policies we communicate our values and expectations, setting a high bar for ourselves, our suppliers, and our selling partners, and make it clear that we do not tolerate any forms of forced labour or child labour. We are committed to consistently evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations or by suppliers working for us.

Dehumidified Air Solutions - Modern Slavery Report 2024

Our relevant policies are discussed in further detail below:

Business Code of Conduct and Ethics

We are committed to conducting our business in a lawful and ethical manner. Our Business Code of Business Conduct and Ethics (the Code), which is shared by all Madison Industries, Inc. Holdings, is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing their job duties, DAS employees should always act lawfully, ethically and in the best interests of the company

Anti-Corruption and Global Sanctions Compliance Policy

In addition to the Supplier Manual, all Madison Industries, Inc holdings abide by an Anti-Corruption and Global Sanctions Compliance Policy that further commits the company to conduct business in accordance with the highest ethical standards. This policy clearly and directly prohibits any entity under the Madison Industries, Inc family, including DAS, from engaging in business with any supplier that engages in unethical, criminal or suspicious behavior.

Supplier Code of Conduct

Dehumidified Air Solutions' Supplier Code of Conduct details the requirements and expectations we have of our suppliers, their supply chains, and with whom we engage. We expect our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and consistently monitor and enforce our Supplier Code of Conduct in their own operations and supply chain. Our Supplier Code of Conduct also sets forth our principles of inclusivity and accountability. We engage with suppliers that are committed to these same principles and suppliers commit to these standards as a condition of doing business with us. We review our Supplier Code of Conduct on an annual basis to ensure that this policy is in line with current best practices.

Due Diligence

We expect third parties with which we work to adhere to business principles and values like our own and to comply with all applicable laws and regulations. Before making any commitments towards third parties, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out risk-based due diligence and checks.

We acknowledge that employees working in our facilities and our supply chain are at potential risk of forced labour or child labour. To mitigate this risk, we follow a due diligence approach that includes the following steps:

- Completion of contracts with most major suppliers. These contracts include additional due diligence and set out further expectations on compliance requirements and legal requirements that assure that suppliers are held to a legal standard in working with DAS to not engage in unethical or illegal behaviors, including forced labour.

4. Assessing Our Risk

Dehumidified Air Solutions, Inc. engages in various activities to identify, assess, manage supplier risk and are focused on enhancing our assessment practices as we go forward. In assessing the risk of forced and

Dehumidified Air Solutions - Modern Slavery Report 2024

child labour in our business and supply chains, we conduct risk assessments by consistently gathering information from our suppliers on their practices and compliance.

To identify the business activities with the greatest exposure to these risks, we consider the following factors:

- Reliance on low skilled workforce
- Offshore production
- Long, complex, or non-transparent supply chains
- Presence of child labour, should we ever be made aware
- Jurisdictional risks including poverty, conflict, and enforcement of international human rights standards

At the time of this report, we have not discovered in Fiscal 2024 any circumstances of forced labour being used within our facilities, or with any third-party suppliers, and will continue to monitor those risks. Our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as sourcing raw materials and finished goods from China.

5. Our Commitments

Steps to Prevent and Reduce Risks of Forced and Child Labour

DAS recognizes the importance of ensuring our operations and supply chain practices adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour.

Over the coming year, we are committing to taking additional steps including:

- Mapping supply chains to get a deeper level understanding of high-risk components
- Auditing suppliers in higher risk areas to obtain further documentation for assessment
- Monitoring suppliers
- Developing and implementing training and awareness materials on forced labour and/or child labour

Remediation Measures

Our Code of Business Conduct and Ethics and our Whistleblower Policy require all employees and contract workers of Dehumidified Air Solutions, Inc. to report actual or possible misconduct. We also undertake diligence efforts (as further described in this Report) to ensure that the risk of forced labour and child labour is mitigated in our business. In the event that we discover any forced labour or child labour in our business and supply chains, we take the following measures to remediate such forced labour or child labour:

- Suspension or termination of a supplier, sub-supplier or contractor.
- Actions to prevent forced labour or child labour and associated harms from reoccurring.

Training

Every year, Dehumidified Air Solutions, Inc. personnel at all levels are required to complete a mandatory internal training to ensure the Code of Business Conduct and Ethics is understood and properly applied to

our daily activities. Every new employee of Dehumidified Air Solutions, Inc. must complete mandatory online training on our values and policies, including our Code of Business Conduct and Ethics.

6. Our Progress and Effectiveness

As part of our governance processes, we monitor compliance with our policies on an ongoing basis. We also review any concerns raised through our informal Whistleblower mechanisms of employee feedback. To date no significant concerns or complaints have been identified.

We have selected certain key performance indicators (KPIs) with respect to human rights, including forced labour and child labour, and such KPIs are reviewed by Dehumidified Air Solutions' senior leadership team on an annual basis. Any non-conformances identified are dealt with by the appropriate teams. Support is provided to suppliers where necessary to resolve any issues raised.

We also assess the effectiveness of our policies by:

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour.
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators

7. Approval & Signature

This Report was approved by Dehumidified Air Solutions' Board of Directors and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our company website at www.dehumidifiedairsolutions.com

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 Dehumidified Air Solutions, Inc. 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 reporting year listed above.



Stephane Banville

General Manager, May 30, 2025

I have the authority to bind **Dehumidified Air Solutions, Inc.**