



# FUTURE ELECTRONICS INC

## Modern Slavery Report 2024

*Fighting Against Forced Labour and Child Labour in Supply Chains Act*

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Published May 31, 2025

*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 (Canada)(the "Act"). This Report is made on behalf of Future Electronics and its subsidiaries.*

## 1. Introduction

*Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leader in the electronics distributions business, Future Electronics 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 the fiscal year 2024 to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods that are distributed by Future Electronics or of goods imported into Canada by Future Electronics*

*Since our founding in 1968, Future Electronics has emerged as a global leader by providing unparalleled service and expertise, steadfastly adhering to our core values, fostering strong relationships, and setting an exemplary standard in the industry. We are deeply invested in our commitment to being an excellent global corporate citizen. This includes a responsibility to respect and protect the human rights of our employees as well as those of the people in our extensive supply chain. Our commitment also extends to mitigating forced labour and child labour, and promoting ethical, safe, and fair working conditions with our supply chain partners. The goal is to continue to improve and step by step, make our world a better place.*

## 2. Our Business

*Future Electronics is an electronics distribution company of semiconductors as well as passive and other electronics components headquartered in Pointe-Claire, Quebec, Canada. We are a global organization with distribution centers, regional offices, and sales offices in 48 countries across the world. The supply chain of Future Electronics Inc includes businesses that supply goods and services to our organization, including products and transportation of these products to our distribution centers and to our customers. In total, we procure goods and services from about 400 suppliers.*

## 3. Our Policies and Statements

*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 monitor our suppliers to prevent our activities having a negative impact on human rights. Our relevant policies are discussed in further detail below:*

Future Electronics Code of Conduct and Ethics Policy

*The Future Electronics Code of Conduct and Ethics Policy states that: Honesty, integrity and trust are the foundation of Future Electronics' success. We conduct our business with highest levels of ethics and integrity. Future Electronics is committed to operate in the best interest of our Customers, our Suppliers, our Employees, our communities and in the long-term interests of our company. To this end, Future Electronics has voluntarily adopted many of the guidelines in the Responsible Business Alliance (RBA) Code of Conduct.*

*The Future Electronics Code of Conduct related policies and procedures address:*

- *Labor Standards – upholding the human rights of workers and treating them with dignity and respect.*
- *Health and Safety Standards – providing a safe and healthy work environment.*
- *Environmental Standards – maintaining an Environmental Management System in accordance with the ISO14001 Environmental Management Systems.*
- *Ethical Standards – aimed to meet social responsibilities, protect identity, follow fair business practices, respect intellectual property, and promote business integrity.*
- *Quality Standards – maintaining an ISO9001 Quality Management system which provides quality products and services that consistently meet or exceed the requirements of our customers.*

Future Electronics Policy on Forced Labour and Human Trafficking:

*We confirm that Future Electronics does not engage in forced labor or human trafficking of any kind - and to our knowledge, as a distributor, no forced labor or human trafficking was used or exploited in the direct supply chain for products sold by Future Electronics.*

*Honesty, integrity, and trust are the foundation of Future Electronics' success. We conduct our business with the highest ethical levels. To this end, Future Electronics has voluntarily adopted many of the guidelines in the Responsible Business Alliance (RBA) Code of Conduct and has implemented labor standards upholding the human rights of workers and the treatment of workers with dignity and respect.*

Future Electronics Human Rights Statement

*“All human beings are born free and equal in dignity and rights”. The Universal Declaration of Human Rights confirms to all the inalienable entitlement to economic, social, political, cultural and civil rights that underpin a life free from want and fear.*

*At Future Electronics we understand that while we maximize our business opportunities, we have to ensure that we positively impact quality of life, prosperity and prospects for all. Our*

*longstanding commitment to operating with integrity and Delighting the Customer is underscored by our recognition of the Responsible Business Alliance Code of Conduct (<https://www.responsiblebusiness.org/code-of-conduct/>) which mirrors and upholds our collective Human Rights.*

*At the core of our operations is a mindset that fully accepts that in the pursuit of our business objectives, harm can be done and therefore we have an obligation to mindfully and continuously test and correct behaviours for negative impacts.*

*Future Electronics is a place of continuous learning and improvement and remains committed to educating our workforce and directing behaviours through our policies.*

### Child Labour Statement

*Future Electronics does not use any child labour. The term “child” refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, state or province, whichever is greatest. Future Electronics respects and abides by all applicable laws in regard to employing workers who are minors. To ensure our employees are of legal working age, Future Electronics employs careful qualification of candidates during the recruiting & interview process, including checking documentation, references, and background checks.*

*The use of legitimate workplace learning programs complies with all applicable laws and regulations. Employees under the age of 18 do not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.*

### Supplier Code of Conduct Statement

*The Future Electronics Code of Conduct and Ethics Policy and the Future Electronics Global Supplier Quality Manual detail the requirements and expectations we have of our suppliers, their supply chains, and with whom we engage. We encourage our suppliers to comply with the Responsible Business Alliance (RBA) Code of Conduct and all applicable legal requirements in the jurisdictions in which they operate.*

### Third-Party Due Diligence Statement

*Our business partners are essential to the success of our Company. They are screened to ensure there are no forced labor concerns. Should there be any occasion whereby we have concerns over a business partner and their conduct, we will assess the situation and take all necessary steps as required.*

## 4. Assessing Modern Slavery Risk in our Supply Chain

*Future Electronics' reputation for integrity and transparency in its practices and business dealings is critical to earning and maintaining a relationship of confidence and trust with its stakeholders, including employees, customers, suppliers, and shareholders. Future Electronics expects its suppliers to embrace these values and to provide an undertaking consistent with the principles set out in our Future Electronics Code of Conduct and Ethics Policy which outlines Future Electronics' ethical business practice requirements, including that suppliers comply with all laws related to modern slavery.*

### Risk Assessment & Management

*In the event that Future Electronics becomes aware of any actions or conditions within its supply chain that are not in compliance with our standards, Future Electronics expects that the supplier implement corrective measures. A supplier's continued noncompliance may lead to additional remediation actions, up to and including termination of the business relationship.*

### Assessment of Effectiveness

*Based on our internal governance framework, policies, practices and foregoing methods of assessment, Future Electronics considers its actions with respect to modern slavery in its operations and supply chain to be effective.*

## 5. Our Commitments

### Monitoring & Continuous Improvement

*We conduct due diligence measures as appropriate to assist us in detecting any form of modern slavery in our operations and supply chain.*

*We are committed to reinforcing the expectations as set out in this Report, both internally and externally, and continue to explore ways in which we can enhance our efforts, including within our own policies, training requirements relative to employee position and responsibility, and additional compliance monitoring of our suppliers.*

*Future Electronics engages in various activities to identify, assess, and manage supplier risk. In assessing the risk of forced and child labor in our business and supply chains, we engage with our peers and map our supply chains to identify where there may be a greater exposure to risk.*

*The highest area of risk for child labor and forced labor is through our supply chain partners (of which we have hundreds), some of which have manufacturing facilities across the globe,*

*including in 3rd world and developing countries. However, per our ESG Policy: Future Electronics collaborates with local partners, distributors, manufacturers, and supply chains across the world. We expect the same commitment to ethical business practices as Future Electronics upholds and that effective control processes, procedures, and services are implemented and adhered, to ensure that appropriate steps are taken to eradicate any form of modern slavery or human trafficking. The workplace practices that we expect from our suppliers include:*

- *Exclusion of slave labor, illegal child labor or forced labor.*
- *Ensure that the overall terms of employment are without duress and voluntary.*
- *Demonstrate that they provide safe working conditions.*
- *Follow all local applicable laws pertaining to minimum age requirements, wages, overtime and benefits.*

*Our exposure to the risk of forced labor and/or child labor increases when we engage with third parties, particularly in categories such as transportation, warehousing, and manufacturing.*

## 6. Approval & Signature

*This report is for the entity Future Electronics and its subsidiaries subject to the Act as set out in section 1.1 (Reporting Entities) and has been approved by Luc Dufour pursuant to subparagraph 11(4)(b)(ii) of the Act.*

*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.*

*I make the above attestation in my capacity as Chief Financial Officer & Executive Vice-President of Future Electronics Inc.*

Signature



Name: Luc Dufour

Title: Chief Financial Officer & Executive Vice-President

Date: May 31, 2025

*I have the authority to bind Future Electronics Inc.*