



FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT REPORT FOR **HORIBA INSTRUMENTS INCORPORATED**

Introduction

Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") went into effect as of January 1, 2024, instituting financial year reporting requirements of certain entities to increase transparency to help prevent and reduce the risk that forced labor or child labor is used in the supply of goods produced in Canada or elsewhere, or imported into Canada.

This report ("Report") is made by HORIBA Instruments Incorporated ("HII") for the financial year ended December 31, 2024. This report is responsive to the requirements of the Act as to HII's actions to prevent and reduce the risk that child labor, forced labor or human trafficking is used in our supply chain. The following information may overlap with any disclosures under the California Transparency in Supply Chains Act of 2010 if and to the extent any are required of HII.

Our Structure and Activities

HII, headquartered in the United States, provides an array of analysis and measurement technology instruments covering the HORIBA Group's brand in the evolving fields of Energy & Environment, Bio & Healthcare, and Materials & Semiconductor (www.horiba.com) primarily in the Americas, including through support of our subsidiaries in Canada and Brazil.

As part of the group of worldwide companies under global parent, HORIBA, Ltd. (the "HORIBA Group"), we are committed to being a "good corporate citizen" and conducting business in an ethical manner, in compliance with applicable laws and respecting labor and human rights. We do not tolerate child labor, forced labor, debt labor or any form of slavery or human trafficking.

Our Supply Chains

Although many suppliers of goods and services for our products for sale are, or are funneled through, the HORIBA Group, HII may directly source suppliers for locally produced products, or for when we add supplies in the local assembly of HORIBA products. Outside our network of group companies, we largely use US suppliers for parts, assemblies, services and our operations, although our procurement teams do rely on a diverse pool of suppliers, from local businesses to foreign part suppliers to global companies.

Policies And Due Diligence Processes

HII is committed to ethical conduct and expects our employees, contract workers, directors, subsidiaries as well as our suppliers to act in an ethical manner and to comply at all times to with the laws, regulations and rules applicable to our business in the jurisdictions where we operate. As instances arise where these expectations are not met, we will strive to respond in an appropriate manner.

Our procurement teams aim to integrate and align our practices under direction of the HORIBA Group procurement policy (Group Procurement Policy) the (Code of Ethics), and the Compliance Handbook (Compliance Handbook), to reduce potential for human rights or labor rights violations, environmental harm or corruption to be in our business or supply chains, and support our group's goals to achieve responsible and sustainable growth. Suppliers are expected to conform with our group values and directives. HII terms and conditions of purchase require sellers to certify that all goods furnished shall have been produced in compliance with all applicable requirements of the Fair Labor Standards Act of 1938 and all applicable federal, state and local laws, rules and regulations governing wages, hours and conditions of labor; that, among other things, requires that sellers to perform work for HII in a manner that ensures adequate protection for workers, and to be accountable for supplier's actions and of supplier's subcontractors, agents and employees. HII has since expanded general terms and conditions to more expressly set forth the Anti-Human Trafficking and Forced Labor policy and is continuing to refine terms, policies and contracts to expand requirements generally rather than address in targeted supplier relationships.

Risks of Forced Labor or Child Labor in Our Supply Chain

HII is committed to supporting responsible sourcing of its products, parts materials from suppliers that share our values around human rights and ethics. Although HII's exposure to forced labor and child labor risks is considered low, the nature of business requires procuring a large number of supplies and materials from international manufacturers. Like other global businesses, risks in our supply chain arise because of our limited visibility into the full supply chain of upstream suppliers. To better assess country-specific risk, when possible, HII works through our affiliates to help source and manage certain international suppliers. HII is currently working to improve our processes in direct procurement from such sources. Although HII does not currently conduct verification or audits of its supply chains by third parties, in 2023, the HORIBA Group initiated steps to identify and implement improvement actions led by our global procurement and sustainability teams, which among other things, will work toward third-party support in for certain assessments or improvements. In 2024, HII started regular supply chain team meetings to make improvements in supply chain management and to further implement sustainability requirements and monitoring.

In 2024, we were not aware of any part of HII's business or supply chain that carried a significant risk of forced labor or child labor, and therefore, HII did not implement any remediation measures as we did not face situations of forced labor or child labor. We have since increased our efforts to identify such risk with our suppliers and if we find forced labor or child labor occurs, we will address the situation in accordance with our policies and standards.

Monitoring Ourselves and Our Suppliers

Pursuant to the Code of Ethics and our code of conduct, we maintain internal accountability standards and procedures to address employees, contractors or suppliers who fail to meet company standards. Those who fail to comply with our key policies and procedures may face disciplinary action, including but not limited to, termination of employment or engagement.

A whistleblower hotline system, hosted by an independent third-party reporting service, is accessible for HORIBA locations worldwide and, in 2024, HII implemented its own third-party whistleblower hotline. Those personnel using the hotline can choose to remain anonymous, and HII prohibits retaliation or disciplinary action against anyone who reports a suspected violation in good faith.

HII verifies certain new suppliers with questionnaires, including questions related to adherence with HII policies, procedures and codes, and applicable laws or contract requirements. HII may complete an audit, verification and/or other evaluation of new or existing suppliers, which may include review of supplier documentation and/or on-site visits. Although such audits and verifications are not currently conducted by independent third parties, HII is continuing to evaluate its verification and audit processes to improve its ability to identify and address risks, including the risks of child labor, forced labor and human trafficking in our supply chains.

In 2024, HII assigned its President and its head of HR/Legal to head its Compliance committee and they conducted evaluations with key associates to assess the knowledge and effectiveness of compliance policies, with the intent to bring changes and updates to policies and procedures.

Although HII has started working toward measures to prevent and reduce the risk of forced labor and child labor in our business and supply chain, to date, no actions have been taken to assess the effectiveness of these measures.

Training

HORIBA Group Code of Ethics has been integrated into various business conduct training to employees annually. In 2024, HII further integrated the Compliance Handbook into trainings, as well as rolled out anti-slavery and human trafficking awareness training for all company associates. HII is in the process of rolling out more consistent and updated training modules, and since the end of the reporting year, updated anti-human trafficking training modules have been released for all new employees and all purchasing and supply employees, and with others to be identified for training as determined.

Looking Ahead

In addition to looking for ways to share and implement the Compliance Handbook, HII has since enhanced its forced labor policies in its employee handbook and terms and conditions of purchase with suppliers. HII has also expanded its whistleblower system with a portal for external parties, to, among other things, report human right policy violations. As part of our new group and company compliance initiatives started in 2024, we have instituted regular supply group meetings to conduct gap analysis, and to work on developing and instituting more coordinated compliance initiatives for supplier policies, procedures, contracts, as well as, supplier engagement, management and review protocols, intended to among other things, help us improve our practices in identifying, addressing and prohibiting the use of forced labor, child labor or human trafficking in our business or supply chains. Such efforts are continuing.

Attestation And Approval

This Report was approved by HII's Board of Directors as of May 29, 2025 pursuant to subparagraph 11(4)(b)(ii) of the Act.

In my capacity as a Director of HORIBA Instruments Incorporated, and not in my personal capacity, I make this attestation in accordance with the requirements 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.

Toshiya Higashino

President

May 30, 2025

Toshiya Higashino

I have the authority to bind HORIBA Instruments Incorporated