



# 2025 Annual Report – Fighting Against Forced Labour and Child Labour in Supply Chain

For the year ended on March 31, 2025

This report is published pursuant to section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) and is the annual report of Héroux-Devtek Inc. (“**Héroux-Devtek**” or the “**Corporation**”) for the year ended March 31, 2025. The information contained herein related to the supply chain of Héroux-Devtek refers to Héroux-Devtek Eastern and Central divisions’ activities located in Canada.<sup>1</sup>

**Information about Héroux-Devtek, its Structure, Activities and Supply Chain**

Héroux-Devtek (Business number: 102337060) results from the amalgamation of the parent company HDI Aerospace Holding, Inc., incorporated on July 9, 2024, under the *Business Corporations Act* (Québec) (“**QBCA**”), and a company formerly known as Héroux-Devtek Inc. This latter company was itself the result of the amalgamation of 9277-4520 Québec Inc., Devtek Aerospace Inc., and such company formerly known as Héroux-Devtek Inc., which was initially incorporated on March 17, 1942, by letters patent issued pursuant to *Part I of the Companies Act* (Québec), and later became subject to the QBCA.

The Corporation has its principal and registered offices at 1111 Saint-Charles Street West, Suite 600, West Tower, Longueuil, Québec, Canada. The Corporation’s fiscal year-end is March 31<sup>st</sup>.

The Corporation is part of an international group specializing in the design, development, manufacture and repair and overhaul of landing gear, hydraulic and electromechanical flight control actuators, custom ball screws and fracture-critical components. The Corporation has also built a strong, well-recognized design engineering team. Héroux-Devtek is the third largest landing gear company in the world based on sales, supplying both the civil and defence market segments.

The Corporate Office, located in Longueuil, Quebec, is involved in all major business development decisions, including strategic and long-term goals for the Corporation, mergers and acquisitions, regulatory matters, IT technology, HR, finance, tax, legal matters and internal audit. The Corporate Office also provides valuable supervisory, administrative services and leadership monitoring to the various business units’ key management personnel. Business units le have their own operational, financial and personnel management and act in a decentralized manner under a common framework of processes and controls.

The specialization of each operating site is as follows:

St-Hubert	Québec, Canada	Center of excellence for design engineering, product support and technical expertise including a state-of-the-art testing facility.
Longueuil	Québec, Canada	Center of excellence for repair and overhaul activities and for the finishing and assembly of landing gear.
Laval	Québec, Canada	Center of excellence for manufacturing and assembly of actuators and manufacturing of small to medium landing gear components.
Montréal	Québec, Canada	Center of excellence for surface treatment of aerospace components.

<sup>1</sup> Eastern and Central divisions activities located in Canada consist of business dealing of Héroux-Devtek Inc. (the Canadian parent company). The activities of the subsidiaries of Héroux-Devtek are not considered hereunder because the statutory reporting requirements are not met.

Kitchener	Ontario, Canada	Center of excellence for manufacturing of medium to large complex landing gear components.
Cambridge	Ontario, Canada	Center of excellence for manufacturing ultra-large-scale complex landing gear components.
Scarborough	Ontario, Canada	Center of excellence for electronic enclosures, heat exchangers and cabinets.

Héroux-Devtek and its subsidiaries are fortunate and proud to be comprised of an esteemed group of about 1080 talented employees, a diverse group of professionals and experts with a depth and breadth of skills that constantly push the Corporation forward.

The raw materials, processes, components and parts required to manufacture Héroux-Devtek's products are procured from suppliers or manufactured in the Corporation's facilities. Héroux-Devtek enters into procurement agreements with its suppliers when appropriate, sometimes for short terms or covering the life of programs, aiming for terms and conditions that provide cost certainty and that are commensurate with Héroux-Devtek's customer agreements. For the parts required to manufacture its products, Héroux-Devtek only works with aerospace suppliers that are accredited under AS9100D or ISO 9001 international aerospace standards or equivalent (ex: National Aerospace and Defense Contractors Accreditation Program (NADCAP) for special processes suppliers). Such companies must maintain stringent requirements in their quality management system which tend to translate to higher standards for corporate social and human responsibility.

Héroux-Devtek has adopted general terms and conditions applying to all purchases of parts included in sold products. Under these general terms and conditions, suppliers are required to comply with all applicable laws, rules and regulations, including without limitation applicable country laws relating to anti bribery and corruption, and they must obtain all licenses, permits and authorizations required by applicable law to engage in the activities necessary to perform its obligations under the terms of purchase. Suppliers are also required to adhere to Héroux-Devtek suppliers code of conduct or, alternatively, adopt similar equivalent in principles and expectations.

### **Policies and Procedures in Relation to Forced Labour and Child Labour**

Héroux-Devtek takes corporate governance standards seriously. The Corporation believes that integrity, strong ethics and leadership are key aspects to its Environmental Social and Governance (ESG) priorities and commitments. As such, the Corporation has adopted different policies and procedures in relation to forced labour and child labour.

The Board of directors of the Corporation has ultimate accountability for managing forced labour and child labour. The Senior Management Team of the Corporation is responsible, among others, for recommending and overseeing the Corporation's approach to the work environment (occupational health, safety and training matters) and the human environment (corporate social responsibility matters).

## ***Code of Conduct for Employees and Suppliers***

To guarantee that this commitment to responsible governance is upheld throughout the entire organization, all employees, managers and members of the Board of Directors as well as suppliers are required to comply with formal codes of conduct. It is essential that all stakeholders demonstrate high ethical and moral standards in all aspects of their professional endeavours.

The codes of conduct for its employees and its suppliers are available on the Corporation's website:

Employees:

[https://filecache.investorroom.com/mr5ircnw\\_herouxdevtek\\_en/89/Code\\_of\\_Conduct\\_Employees\\_Nov6\\_2020\\_en.pdf](https://filecache.investorroom.com/mr5ircnw_herouxdevtek_en/89/Code_of_Conduct_Employees_Nov6_2020_en.pdf)

Suppliers:

[https://www.herouxdevtek.com/images/files/Supplier\\_Code\\_of\\_Conduct.pdf](https://www.herouxdevtek.com/images/files/Supplier_Code_of_Conduct.pdf)

The employee code of conduct was adopted originally in 2009 and the supplier code of conduct was first launched in 2016. Héroux-Devtek treats employees fairly and with respect, in accordance with applicable local laws and international human rights standards. Héroux-Devtek adheres to the *International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work*. Encouraging or tolerating illegal labor practices, including the use of forced or child labour, modern slavery or human trafficking is contradictory to Héroux-Devtek ethical principles and is strictly prohibited.

These codes of conduct overrule any local laws which permit something that is strictly prohibited by the codes of conduct of the Corporation.

### ***Equity Pay***

The Corporation has long been committed to providing competitive remuneration, free of discrimination, taking into account expertise, talent and motivation of employees. The remuneration system of the Corporation is also designed to provide internal equity. Moreover, like many organizations, Héroux-Devtek has undergone pay equity audits by the applicable competent authorities to ensure compliance with applicable legislation.

### ***Harassment in the Work Place Policy***

Héroux-Devtek has adopted a policy for preventing harassment and handling complaints. The purpose of this policy is to stop any situation of psychological or sexual harassment within the organization and to establish the principles for intervention when a complaint is filed, or a situation is reported. This policy reflects the Corporation formal commitment to employees' rights to dignity, respect and a workplace free from discrimination and harassment.

## ***Whistleblower Policy***

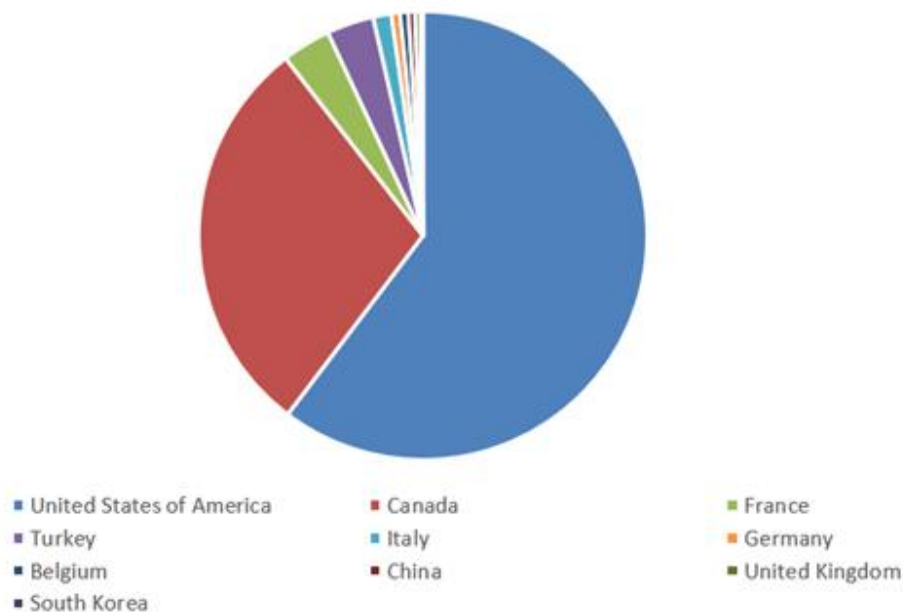
The Corporation has also implemented a whistleblower policy. This policy allows any employee to anonymously raise concerns such as any suspected violation of the code of conduct. Unless the employee chooses to identify himself or herself, the process is confidential and any form of retaliation or intimidation against such employee is prohibited. Through this policy, an employee can communicate with the Chairman of the Audit Committee of the Board of Directors to report suspicions or irregularities. Héroux-Devtek is also committed to ensuring that its suppliers uphold similar values and integrity.

## **Measures taken to Assess and Manage Risk of Forced Labour or Child Labour**

In the fiscal year ended March 31, 2025, Héroux-Devtek continued the review and mapping of its activities and supply chain. In the Spring of 2024, a questionnaire was developed and forwarded to certain identified supplier in order to gather information about policies and practices of each supplier relating to minimum working age, foreign/migrant workers, the use of recruitment agencies, oversight of forced labour and child labour, audit of their own suppliers on these matters and grievance and redress mechanisms. To date, all questionnaires forwarded to these identified suppliers have been completed and received by Héroux-Devtek.

The suppliers of Héroux-Devtek are located in the following 10 different jurisdictions and their importance in the supply chain of Héroux-Devtek for 2024-2025 is represented in the chart below:

**Total Value of Purchase Orders in 2024-2025**  
**(Easter and Central Division – Canada)**



The selection of the suppliers for this year annual exercise was based on: (i) their country of operation, (ii) the type of supplies, and (iii) the annual spend in dollars. Accordingly, some suppliers identified as being less subject to forced labour and child labour have been omitted, while we focused on suppliers that we believe represent a greater risk (ex: Suppliers located in countries on the *List of Goods Produced by Child Labor or Forced Labor* published by the U.S. Department of Labor (the “**TVPRA List**”)).<sup>2</sup>

As part of the onboarding process for each new supplier, Héroux-Devtek also collects data in order to have information on its suppliers’ supply chains. Suppliers are required to indicate where are located their own suppliers, where they are getting raw materials and if they subcontract portions of their production. Héroux-Devtek also asks its suppliers to indicate how they flow down the requirements, including the code of conduct requirement, of Héroux-Devtek to their suppliers and sub-contractors.

As a result of the internal risk assessment conducted through the mapping of its activities and the one of its suppliers, Héroux-Devtek has determined that the risk of forced labour and child labour in its activities and in its supply chain is very low. A relatively small portion of Héroux-Devtek’s suppliers are located in countries that have been identified by the International Labour Organization<sup>3</sup> or U.S. Department of Labor as being associated with high incidences of forced labour or child labour.

Based on the questionnaires collected from the subject suppliers, no red flag or substantial risk has been identified.

In any event, none of the goods procured from the subject Héroux-Devtek suppliers are identified on the TVPRA List, except certain zinc products but such material is only identified as a product exposed to child labor in Bolivia, where Héroux-Devtek has no supplier.

### **Measures Taken to Remediate any Forced Labour or Child Labour**

Héroux-Devtek in consultation with its legal advisors, has obtained advice on the revised guidance published by Public Safety Canada and its impact on the application of the Act to Héroux-Devtek and its subsidiaries.

Mandatory training of procurement employees and directors is provided to ensure understanding and application of the codes of conduct and other Héroux-Devtek policies including the onboarding process for new suppliers.

Managers and other leaders within the organization must also lead compliance efforts through frequent meetings with direct reports. They must maintain a work environment that reflects the spirit of the code of conduct and encourage employees to raise their integrity questions and

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<sup>2</sup> Source: [2024 List of Goods Produced by Child Labor or Forced Labor](#)

<sup>3</sup> Source : <https://webapps.ilo.org/flodashboard/>

concerns. Employees are reminded yearly to comply with the code of conduct is during performance review.

All suppliers are required to comply with the code of conduct for suppliers. This helps to standardize ethical practices throughout Héroux-Devtek supply chain. Additionally, periodic audits are conducted to ensure that the products, parts and components that are delivered to the Corporation meet its standards of quality, which allows the Corporation to provide a final product that maximizes the safety of passengers, pilots and crew. This type of initiative is common in the aerospace industry and is beneficial for both public perception and safety. Also, the Corporation ensures that the companies with which it does business are not included on any restricted party or sanctions list maintained by government agencies. Behaviours related to corruption, collusion, and conflicts of interest, even if they originate from a supplier, could lead to reputational risks for Héroux-Devtek. Ultimately, business ethics are an integral part of operations at Héroux-Devtek, and it is a concern that extends to all of its activities, as well as those of its partners and suppliers. Additionally, as of April 2025, all new suppliers of Héroux-Devtek are required to complete the supplier questionnaire on forced labour and child labour, which has been incorporated into Héroux-Devtek's quality procedures.

### **Measures Taken to Remediate Loss of Income to the Most Vulnerable Families**

Given that the risk of use of forced labour and child labour in Héroux-Devtek activities and its supply chain are very low, Héroux-Devtek has not taken measures to remediate the loss of income to the most vulnerable families.

### **Plan for fiscal year ending March 31, 2026**

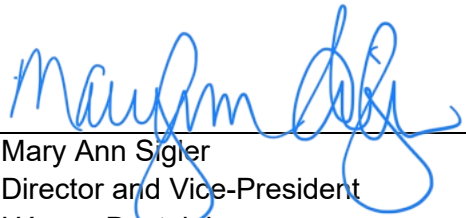
Héroux-Devtek will continue its assessment of its supply chain to maintain a clear understanding of potential exposure and, as necessary, develop additional policies and procedures, training sessions and measures to remediate any loss of income to the most vulnerable families. Héroux-Devtek will also continue to vet new suppliers.

**CERTIFICATE**

In accordance with the requirements of the Act, and in particular section 11 thereof, I, in my capacity as director, attest that I have reviewed the information contained in the report on behalf of the board of directors of Héroux-Devtek. 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 have the authority to bind Héroux-Devtek.

Signed in Beverly Hills, California, USA on May 29, 2025.

*ma*  
  
Name: Mary Ann Sigler  
Title: Director and Vice-President  
Héroux-Devtek Inc.