

ANNUAL REPORT UNDER SECTION 11 OF THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT (CANADA)

2024

Purpose

This annual report by NTI Boilers Inc. (“NTI”) is made pursuant to section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “Act”). It describes the steps taken during the reporting period, January 1, 2024, to December 31, 2024, to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or of goods imported into Canada by NTI.

Structure, Activities and Supply Chains

(a) Structure

NTI is incorporated in Canada and is a wholly owned subsidiary of Ariston Holding N.V. (“Ariston Group”), a global leader in sustainable thermal comfort solutions operating in more than 40 countries, with 28 production sites in 16 Countries, 28 R&D centres, over 10,600 employees, and distribution in more than 170 markets. Its portfolio of global brands includes Ariston, Wolf, Elco, ATAG, Brink, NTI, Calorex, Racold, Domotec, Chromogen and HTP.

Ariston Group has its legal seat in the Netherlands and its ordinary shares are listed on Euronext Milan. Its Headquarters are based in Italy.

NTI operates in North America and offers NTI-branded products. The offices and manufacturing facilities are located in the Province of New Brunswick, Canada. During the reporting period, it had an average of 125 employees, at least \$20 million in assets, and at least \$40 million in revenues.

(b) Activities

NTI specializes in high-efficiency hydronic heating and water heating solutions for residential and commercial markets. Including, but not limited to:

- **High-Efficiency Gas Boilers:** Such as the TRX, FTVN, and TFTN series for residential and commercial use.
- **Combi Furnaces & Boilers:** Dual-purpose systems that provide both space heating and domestic hot water.

These products are produced in its manufacturing facilities in Canada and imported from Third parties and other Ariston Group companies located in America, Europe and Asia.

Research & Development: Conducts state-of-the-art design and in-house testing in its on-site laboratory to pioneer high-efficiency condensing technologies.

Support & Training: Provides technical support, extended warranty programs, and specialized training for contractors through its on-site facilities and online Academy.

(c) Supply chain

NTI is interconnected with Ariston Group's supply chain, which includes the sourcing of raw materials (such as steel, copper, aluminum, plastics, and electronic components), the procurement of semi-finished and finished goods, logistics and transportation services, and various indirect goods and services. Suppliers are located in multiple jurisdictions with varying labour standards and regulatory environments.

Policies in Relation to Forced Labour and Child Labour

Ariston Group has adopted policies that address forced labour and child labour, including a Code of Ethics and a Human Rights Policy. These policies apply to Ariston Group's operations and extend to its supply chains and business partners.

The policies prohibit forced or compulsory labour, child labour, and human trafficking, and are aligned with internationally recognized standards, including the International Labour Organization's fundamental conventions, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

NTI operates within the Americas region of Ariston Group and aligns its approach to responsible business conduct with Ariston Group's global governance framework, including its Human Rights Policy, Code of Ethics, and Sustainable Procurement Policy.

Due Diligence Processes

Ariston Group has implemented due diligence processes to identify, assess, and manage risks related to forced labour and child labour within its operations and supply chains. These processes include supplier onboarding procedures, contractual requirements, supplier engagement, and ongoing monitoring activities. Where risks are identified, the Group seeks to work with suppliers to address and mitigate those risks.

Parts of the Business and Supply Chains That Carry a Risk

The risk of forced labour or child labour is considered to be higher in certain parts of the Group's upstream supply chain, particularly where raw materials and components are sourced from regions with weaker labour protections or enforcement. Ariston Group continues to monitor these risk areas as part of its broader enterprise risk management and sustainability processes.

Measures Taken to Remediate Forced Labour or Child Labour

Where Ariston Group identifies actual or potential instances of forced labour or child labour, it seeks to engage with the relevant supplier to require appropriate corrective action. If remediation is not possible or effective, Ariston Group may reconsider or terminate the business relationship.

During the reporting period, no confirmed instances of forced labour or child labour were identified within Ariston Group's direct operations.

Measures Taken to Reduce the Risk

To reduce the risk of forced labour and child labour, Ariston Group communicates its expectations to suppliers, integrates human rights requirements into supplier relationships, and promotes compliance with its policies through engagement and oversight activities.

Training

Ariston Group provides training and guidance to relevant employees on ethical conduct, human rights, and reporting mechanisms. This training supports awareness of forced labour and child labour risks and reinforces expectations regarding responsible business conduct.

Assessing Effectiveness

Ariston Group assesses the effectiveness of its actions through ongoing monitoring, review of policies and procedures, supplier engagement outcomes, and the use of grievance and whistleblowing mechanisms. These activities are intended to support continuous improvement.

Approval and Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I, in the capacity of Financial Director, attest that I have reviewed the information contained in the report on behalf of the governing body of the entity 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 within this report.



Carlos Caballero
Finance Director

I have the authority to bind NTI Boilers Inc.