



2025 Forced Labour and Child Labour Report

1. ABOUT THIS REPORT

This report relates to the financial year ending April 30, 2025. It is published by Octasic Inc. (the “Company”) in compliance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). References in this report to “Octasic”, “Company”, “we”, “our” and similar terms are to Octasic Inc.

This report provides an overview of the steps taken by the Company within its last financial year to prevent and reduce the risk of forced labour or child labour in its activities and supply chain.

2. PREVENTING AND REDUCING RISKS OF FORCED LABOUR AND CHILD LABOUR

The Company endeavours to provide a workplace in which all people are treated fairly, with dignity, mutual respect, and professionalism. We are committed to providing equal opportunities in employment, appointment, and advancement based on qualifications, requirements, and performance.

In addition to the above-mentioned commitment, the Company maintains a strong stance against forced and child labour as part of its values of integrity, which are outlined in the code of ethics. The Company has a zero-tolerance approach towards these practices and is dedicated to ensuring that its operations, as well as the operations of its suppliers and business partners, are free from any form of forced or child labour.

During the last financial year, we have taken steps to prevent and reduce risks that forced labour or child labour be used at any step of our production of goods in Canada or elsewhere or of goods imported into Canada by us, including the following:

- we continued to require that the suppliers of our semi-conductors provide a declaration that their own supply chain is free of conflict minerals, allowing us to address the risks associated with the minerals sourced from conflict-affected and high-risk areas which can contribute to human rights violations and fuel armed conflict;
- we have been gathering information on worker recruitment and maintaining internal controls to ensure that all workers at Octasic are recruited voluntarily and treated fairly; and
- we have maintained access to grievance mechanisms which enable employees to report any concerns or complaints they may have, which may include any forced labour or child labour issues.

Details of the above actions are set forth in this report.

3. ABOUT US & OUR SUPPLY CHAIN

Founded in 1998 and headquartered in Montreal, Canada, Octasic enables defense, government, and commercial clients to accelerate their go-to-market strategies with 5G and multi-waveform wireless solutions deployed for both terrestrial and non-terrestrial private networks.

The Octasic portfolio of programmable System-on-Chip (SoC) DSP devices, software defined radios, sub-systems, and engineering services, form the integral backbone to many of the world's SWaP-constrained wireless solutions used for mission-critical communications and applications.

Our mission is to develop the most advanced custom wireless solutions in the world and collaborate with leading innovators so that together we create a safer and more connected world.

While primarily based in Canada, the Company maintains offices in the United States and India serving as distributors through foreign subsidiaries. Manufacturing operations are carried out in facilities located in Montreal, Canada, with a total production workforce of around 25 specialized individuals. In addition to manufacturing goods, we conduct research and development, own intellectual property, and sell goods to our customers.

We import most of the hardware components for our technology from the US, Taiwan, and South Korea. While we have limited visibility on our suppliers' sourcing for products that contain multiple components, we limit our risks by fostering long-lasting relationships (more than ten years old relationships) with well-established and renown suppliers within the industry.

4. POLICIES AND DUE DILIGENCE PROCESSES

In our ongoing efforts to enhance diligence and mitigate risks associated with forced labour and child labour, the Company actively incorporates responsible business practices into its management systems.

Code of Ethics

Octasis has a Code of Ethics (the "Code") that applies to all directors, officers, employees, and representatives. This Code emphasizes the importance of conducting business activities with integrity and in compliance with all applicable laws, rules, and regulations. It also encourages responsible behavior in all jurisdictions, going beyond mere legal requirements.

This Code reflects the Company's commitment to a culture of quality, innovation, respect, team work, and industry-leading service. It outlines the basic principles with which directors, officers, employees, and representatives are expected to comply and provides guidance for conducting business activities in accordance with the relevant legal, ethical, and professional standards. The Code includes guidance and policies on matters such as conflicts of interest, corruption and bribery, discrimination and harassment in the workplace, environment, health and safety, and fair dealing.

The Code provides for grievance mechanisms to effectively address any concerns or complaints that may arise, while providing confidentiality to the whistleblower and offering protection against any retaliation measures. The severity of each complaint is assessed by the appropriate member of management who is not involved in the situation disciplinary measures may be imposed.

All employees receive a copy of the Code at the start of their employment with Octasic. They must confirm in writing that they have read the Code, understand its provisions, and agree to comply with its terms. Confirmation must be renewed annually through the employee focal review form. This acknowledgement is kept in every employee's personnel file. At hiring, our human resources department meets with each employee to review the Code and provide explanation.

While our employees do not receive specific training on modern slavery, we expect our workforce to always act honestly and maintain the highest standards of ethics and business conduct, consistent with the professional image of the Company. We provide training to our employees with respect to health and safety at work, especially to those who handle instruments and chemicals.

Recruitment Process

Octasic follows a rigorous recruitment process led internally, which implicitly prevents forced and child labour in the recruitment process. During the hiring process, each potential employee is interviewed, and if selected, they must provide identification information, proof of age, relevant diplomas and other degrees, and they must sign an employment agreement pursuant to which employees acknowledge that they have read the Company's Code and commit to comply with its principles. This ensures that all employees are aware of our expectations regarding ethical behavior. Additionally, the commitment to adhere to the Code is renewed on an annual basis, as outlined in the Code itself. This periodic reaffirmation serves as a reminder to employees of their ongoing obligation to comply with the ethical standards set by the Company.

The above principles are applied with the same rigor when foreign workers come to work for us. We hire them directly in accordance with applicable laws and regulations. We ensure that their work permit is in order and that they have appropriate accommodation and integration services. By managing the hiring process internally, the Company has greater control over ensuring that all employees, including foreign nationals, are treated fairly and in compliance with labour laws, thus reducing the risk of human rights violations.

Due Diligence Processes

In addition to the Company's focus on ethical recruitment practices, we also place a strong emphasis on supplier compliance with key regulations and standards. Suppliers are specifically required to adhere to RoHS (Restriction of Hazardous Substances) and REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) regulations. These regulations aim to restrict the use of hazardous substances in products and promote the safe handling and management of chemicals.

Furthermore, suppliers are expected to provide a declaration that their own supply chain is free of conflict minerals. Conflict minerals, such as tin, tungsten, tantalum, and gold, sourced from conflict-affected and high-risk areas, can contribute to human rights violations and fuel armed conflict.

By requesting suppliers to comply with these regulations and provide assurances regarding conflict minerals, the Company demonstrates its commitment to responsible sourcing and sustainable practices. This approach helps to minimize environmental risks, ensures the safety of products, and helps mitigate potential human rights abuses that may occur in the supply chain.

Collaborating closely with suppliers, sharing best practices, and providing support and guidance helps foster a culture of responsible sourcing throughout the supply chain.

5. RISK ASSESSMENT & REMEDIATION MEASURES

Octasic believes that the likelihood of encountering forced labour or child labour in our direct operations both in Canada and abroad is minimal, as we adhere to relevant laws and regulations when hiring employees and maintain a workforce consisting of office personnel, technicians and highly skilled professionals.

Regarding our procurement practices, we source hardware components for our technology from well-established countries such as the US, Taiwan, and South Korea, known for their implementation of robust labour standards, therefore limiting our direct exposure to forced and child labour.

As for our procurement activities, hardware components for our technology are purchased from suppliers in developed countries such as Canada, the US, Taiwan, and South Korea where high labour standards are applied.

That said, we are aware that our own suppliers may source their products from foreign countries and that global supply chains may present visibility challenges. This is particularly relevant for product that contain multiple electronic and mechanical components assembled by the supplier and when such components are sourced from companies outside of Canada.

We mitigate such risks by working with a number of established suppliers who have a longstanding relationship with the Company and by requiring that they provide certain ethics-related certifications. Our major suppliers have demonstrated a commitment to upholding high human rights standards and have implemented procurement policies that discourage the use of forced and child labour. Complying with human rights obligations is as much the responsibility of our suppliers as it is ours.

To date, we have not been made aware of specific instances of forced labour or child labour and as such, no remediation measures were necessary to remediate any forced labour or child labour or to remediate any loss of income to vulnerable families resulting from any such measures.

In line with the values enunciated in our Code and in accordance with our strong commitment to conduct business with integrity and fairness, any allegations, disclosures or discoveries of forced or child labour will be taken very seriously by Octasic and we will ensure that an investigation is conducted as soon as possible. In such a case and where required, we will apply appropriate corrective measures to remediate any identified risk.

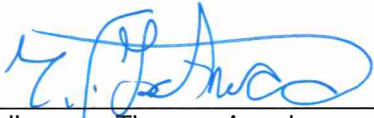
6. ASSESSING THE EFFECTIVENESS OF OUR APPROACH

We will continue working on our efforts to identify, assess, and address forced labour and child labour risks within our operations and supply chain. We intend to review our policies, procedures, and practices regularly to determine if any enhancements are needed to further strengthen our commitment in preventing forced labour and child labour in our business and supply chains. Continuously assessing and enhancing our procedures, will allow us to maintain ethical standards and promote responsible practices across all aspects of our operations.

7. APPROVAL AND ATTESTATION

This report was approved by the Board of Directors of Octasic Inc. on May 26, 2025 pursuant to paragraph 11(4)(a) of the Act and constitutes the report for the Company for the financial year ending April 30, 2025. 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 Company. 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 indicated above.

I have the authority to bind Octasic Inc.



Full name: Thomas Awad
Title: Director, Staff Coordination/Silicon Architect
and member of the Board of Directors
Date: May 29, 2025