

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

### **FY2024 Report**

#### **Orano Canada Inc.**

#### **1. Introduction**

Orano Canada Inc. (“Orano Canada”) created this report (the “Report”) pursuant to section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (S.C. 2023, c. 9) (the “Act”) for the financial year January 1, 2024 to December 31, 2024. It details the policies and procedures Orano Canada has in place to assess and mitigate the risks of modern slavery in its supply chains.

Orano Canada, which is incorporated under the *Canada Business Corporation Act*, is a wholly owned subsidiary of Orano SA. Orano SA is a Société anonyme, which is a public limited company in France and is the equivalent of a private corporation in Canada. It operates in the field of nuclear materials, and provides solutions to current and future challenges in the fields of nuclear energy and health. Orano SA and its subsidiaries (collectively the “Orano Group”) have a presence in 16 countries with a total of 17,500 employees worldwide, including 14,000 in France. Orano Group’s revenues in 2024 were €5.9 billion.

Orano Group operates and is managed as an integrated group with overarching policies, systems, and processes that are required to be applied consistently across its global operations, which are in addition to any policies, systems, and processes that are implemented at the local level, such as at Orano Canada. However, this Report is limited to discussing Orano Canada’s local operations only and does not provide any guarantees or attestations on the supply chain operations or practices of Orano Group or any of its subsidiaries.

Orano Group is required to report on topics including human rights, labour practices, forced and child labour in the French context pursuant to France’s 2016 Sapin II law (“Sapin II”). Sapin II covers transparency, anti-corruption, and economic modernization. It also requires the subsidiaries of French parent companies, such as Orano Canada as a subsidiary of Orano Group, to comply with its requirements.

In addition to Sapin II, Orano Canada is required to comply with French Law No. 2017-399 of March 27, 2017, which addresses the duty of vigilance of parent companies and orders their international subsidiaries to also be subject to its requirements. Adhering to the requirements of this duty is an integral part of the Orano Group’s corporate culture. Orano Group requires Orano Canada to provide regular reporting on its processes that comply with the duty’s requirements, and it also conducts audits of those processes periodically to identify any deficiencies or gaps.

Detailed information on the Orano Group’s compliance reporting is available at <https://www.orano.group/en>.

#### **2. Orano Canada’s Structure, Activities and Supply Chains in FY2024**

Orano Canada had an estimated 450 employees in 2024, with many being from northern communities. Its organizational structure consists of departmentation with a chain of command

originating at the executive level in its Saskatoon headquarters. It has been a leader in the exploration, mining, and milling of Canadian uranium for over 60 years.

Our presence in Canada began with uranium exploration in the 1960s and the development of the Cluff Lake mine in the 1980s, and continued with mines and a mill at McClean Lake. Orano Canada is also a joint venture participant in several other sites in the Athabasca Basin operated by another company. As of 2024, Orano Canada's operations include uranium exploration, milling, and mining preparation activities. In 2024, with all decommissioning objectives successfully met, the Cluff Lake property was transferred into the Province of Saskatchewan's Institutional Control Program for long term monitoring.

Orano Canada's supply chain management department oversees the outsourcing and delivery of necessary goods and services for the operation of its mill and for exploration activities. In 2024, the department sourced materials from around 1,219 suppliers worldwide (including Canada), with an annual expenditure of approximately \$561,000,000.

We procure a wide range of goods, materials and services. These include industrial equipment and machinery, personal protective equipment, chemicals, reagents, packaging materials, and other items and services essential for exploration and uranium milling operations, as well as furniture, equipment, and consumables to support both camps and office-based activities. We prioritize local suppliers whenever possible, especially those in northern Saskatchewan, as outlined in our "Northern Content" policy.

In 2024, approximately 99.7% of our supply chain spending was directed to 904 suppliers within Canada. This represents an annual expenditure of approximately \$559,000,000. 65 of the 904 suppliers qualify as Northern Content providers, with an annual expenditure of approximately \$43,000,000.

### **3. The Act's Additional Reporting Criteria**

Orano Canada operates under the Orano Group's global recruitment and employment framework (amended as necessary for the local law context), which requires background checks to be undertaken depending on role and location—including to verify that candidates and apprentices are at least 18 years of age. Orano Canada's site procedures do not allow anyone under 18 years of age to work on site or be present on site without express approval from authorized personnel. Orano Canada also bears the cost of pre-employment medical and background checks.

On-site contractors at Orano Canada's properties, including those who provide labour, are contractually required to adhere to all site safety procedures and the Orano Group's Code of Ethics, which contain requirements relating to the prevention of child labour, forced or compulsory labour, human trafficking and other breaches of labour and human rights.

#### **Supply Chain Policies and Due Diligences Processes**

The content below addresses the reporting criteria in sections 11(1) and (3) of the Act that are applicable to Orano Canada's operations.

Orano Canada's personnel involved in the vetting of new or renewed third party business relationships receive regular training on Orano compliance programs, including Orano's

confidential whistleblowing procedures and the Orano Group whistleblowing platform. It enables both employees and non-employees, in strict confidence, to report in good faith behaviours or situations that appear contrary to the Orano Group's Code of Ethics or in breach of applicable law and regulations, such as suspected forced and child labour activities.

Orano Canada strictly applies its code of ethics to ensure the protection of human rights. Each employee and third party must sign the Code of Ethics.

### **Other Due Diligence Processes**

Orano Canada has developed and implemented policies and procedures for procuring goods and services to manage risk and ensure compliance with laws and regulations that are applicable to our operations. These policies and procedures include, but are not limited to, our Supply Chain Management Strategy, which adopts the Orano Group's Sustainable Development Declaration for Suppliers (the "Declaration"). The Declaration is discussed in further detail below.

We comply with all employment and labour laws and support international human rights conventions, including the United Nations Universal Declaration on Human Rights. We are dedicated to creating a work environment where everyone feels safe, respected, and free from harassment, violence, or discrimination, ensuring no one feels demeaned, humiliated, or threatened. We strive to foster a welcoming, equitable, and inclusive workplace, valuing the dignity and self-respect of every individual, and we expect the same standards from our suppliers and their employees.

Our policies and procedures outline our internal expectations regarding the behavior of our directors, officers, and employees, emphasizing mutual respect. Additionally, these policies set clear expectations for our suppliers and support overall risk management in our business.

### **Supplier Selection**

Prospective suppliers must undergo a pre-qualification process that includes collecting and verifying their company information, as well as acknowledging their commitment to and compliance with Orano Group's policies. For significant purchases, a thorough supplier review is conducted, which may involve a site visit by Orano Canada personnel to the supplier's manufacturing site. Further, Orano Canada's supply chain contracts contain a compliance section that contains terms requiring suppliers to confirm their compliance with the Declaration and Code of Ethics, which are available at <https://www.orano.group/en>.

The Declaration is a sustainable development and continuous improvement initiative within the Orano Group. It asks all suppliers to participate in this initiative with regard to their own operations. Specifically, it requests that they respect human rights and labour standards, which includes forced and child labour.

The Code of Ethics describes the ethical rules to which the Orano Group and its subsidiaries adhere to in all circumstances. Similar to the Declaration, the Code of Ethics contains a section discussing respect for human rights and other commitments and includes a prohibition on participating in human trafficking, forced and child labour. Such adherence is a result of external obligations (laws and regulations) or internal requirements. They apply to all of Orano Group's employees, suppliers, and partners.

## Identifying Risks of Forced and Child Labour in Orano Canada's Activities and Supply Chain

Orano Canada is aware of the potential risk of forced and child labour being present in its supply chain, which mainly consists of procuring goods and services for its uranium mining, milling, and exploration activities. As discussed below, a program to identify and mitigate those risks has been developed and implemented.

In 2024, Orano Canada's Supply Chain Management Department engaged in an information gathering exercise regarding suppliers who frequently supply goods and/or services for our operations. The goal of the exercise was to determine how many of Orano Canada's suppliers have operations in or their own supply chains from high-risk countries where forced and child labour practices are common. We created a list of countries sourced from both Orano Group's internal risk rating guide as well as *Walk Free's* Global Slavery Index (available at [www.walkfree.org](http://www.walkfree.org)).

Once the list of high-risk countries was determined, we then expanded our information gathering to suppliers who sourced goods and/or services from those countries. From there, we created a questionnaire (the "Questionnaire") for the suppliers to complete that covered topics about mitigating the risk of forced and child labour in their supply chains, including:

- what level of visibility over their supply chain;
- whether they have a policy or policies in place regarding forced or child labour;
- where they have a designated person/team responsible for overseeing forced and child labour risks in relation to the goods and/or services they deliver;
- whether they have staff in their organization who are trained to identify, assess, and respond to forced and child labour risks;
- whether they screen new potential suppliers to assess forced and child labour risks in their operations and supply chains;
- whether they send third party suppliers a forced and child labour questionnaire as part of their due diligence processes;
- how their organization would respond to allegations of forced or child labour in its operations or supply chains;
- whether their supply chains include any organizations who have been accused of benefitting from forced or child labour, either directly or indirectly;
- whether they themselves have been accused of benefitting from forced or child labour, either directly or indirectly; and
- whether their supply chains have any associations with geographic regions prone to forced or child labour.

The responses from the suppliers in the Questionnaire ranged from being sufficiently detailed to no response provided. The consequences for suppliers who refused to participate or whose answers and risk mitigation processes were insufficient may include, but not be limited to, terminating our business relationship with them.

## **Forced and Child Labour Risk Mitigation**

### *Business Risk Model*

The Business Risk Model (BRM) is a tool used by the Orano Group for analyzing risks. It is adapted to the business of the company using it, such as mining, milling, and exploration activities for Orano Canada, and lists the risks to which it may be exposed. It is used to help identify all the vulnerabilities inherent in an activity or project. By proposing a definition for each risk and a breakdown of risks, it provides a consistent framework for risk management and mapping.

The top BRM risks, which are reviewed on an annual basis, are selected based on the decision of Orano Canada's senior management. The BRM generates action plans to address and mitigate these risks. Each risk is under the control of a manager who oversees the action plan and communicates it to relevant employees.

The BRM contains various areas of risk, including social, societal, and environmental communities. Human rights, and forced and child labour in particular, are encompassed within this area.

### **Remediation Measures**

Orano Canada employs risk mitigation strategies as part of its comprehensive compliance. If a risk involving the potential use of forced or child labour were to be identified within our operations or supply chain, these strategies would be activated to address the issue appropriately.

### **Remediation of Loss of Income**

To date, Orano Canada has not detected any instances of forced or child labour in our operations or supply chain. Consequently, there are no remediation measures currently in place, nor have we had to address the loss of income for vulnerable families that would arise from actions taken to eradicate forced or child labour in our activities or supply chains.

### **Training**

New employees at Orano Canada must complete a mandatory course on our Code of Ethics. This course emphasizes the importance of respecting human rights, explicitly prohibiting any involvement in forced and child labour. By doing so, it reinforces Orano Canada's dedication to upholding human rights and fostering a workplace free from violence and discrimination. Certain employees, particularly those in supply chain management, are required to undergo this training annually. This annual training reaffirms Orano Canada's commitment to adhering to human rights laws in all our locations and ensuring a respectful work environment for our employees.

## Assessing Effectiveness

Orano Canada evaluates the effectiveness of our current practices by incorporating risk management assessments into our operations. We conduct an annual risk assessment focusing on respectful workplace standards and protected grounds as outlined in the *Canadian Human Rights Act* as part of our compliance program. The outcomes of these assessments serve as valuable indicators of our effectiveness. We also understand that to achieve accurate and reliable results, our assessments must undergo continuous improvement and regular reviews of our existing compliance program.

As discussed above, the BRM undergoes an annual risk review, which is completed by Orano Canada's executive team.

### *International Council on Mining and Metals*

Orano Canada undergoes period audits as a member of the International Council on Mining and Metals ("ICMM") as part of ICMM's assurance and validation procedures (the "Procedures"). The Procedures establish company member requirements for independent assurance and validation. Topics that are assessed include, but are not limited to:

- ethical business;
- decision making;
- human rights;
- risk management; and
- health and safety.

The process is comprised of the following elements:

- **Self-assessment of all assets subject to validation.** First-party confirmation of the existence and integrity of systems and/or practices relating to implementation of the performance expectations, which is to the extent that they are applicable in a given context.
- **Prioritization of assets for third-party validation.** The prioritization process follows clearly defined criteria chosen by the company undergoing the audit and includes a transparent disclosure of the selection process. The selection of assets may be based on a fixed percentage of assets, market-driven by virtue of commodities or geographies of particular concern (e.g. conflict minerals), based on customer demands, or a mix of these and other factors.
- **Third-party validation.** Independent confirmation of the reasonableness and authenticity of assertions made in self-assessments. This review may take place in conjunction with third-party work on a separate system (e.g. an ISO14001 environmental management system audit).

- **Disclosure.** Members are required to publicly disclose their performance expectation validation activities on an annual basis. This disclosure can be made on a member's website or in a sustainability or corporate report. The asset-by-asset disclosures that apply to self-assessments and third-party validations from 2022 onwards will provide clear line of sight to interested parties of the status of performance expectations implementation.

These validation activities are designed to effectively evaluate the implementation of the performance expectations individually. There is no overall outcome for a given asset. The possible outcomes for the validation of an individual performance expectation are "meets," "partially meets," and "does not meet." In some situations, the outcome may be "not applicable."

Third-party validations must be conducted by qualified validation service providers ("VSP"). VSPs are professional service providers and must meet ICMM requirements for independence, experience, expertise and lack of conflicts of interest. ICMM keeps a register of VSPs that members use. Members are required to publicly disclose their performance expectation validation activities on an annual basis. The disclosure can be made on a member's website or in a sustainability or corporate report. For our most recent ICMM audit in 2022, the Orano Group utilized KPMG, a professional services firm.

More information on the ICMM assurance and validation audit processes is available at <https://www.icmm.com/en-gb/our-principles/validation/procedure>.

#### *Internal Audits*

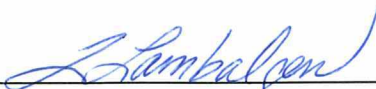
Orano Canada has an internal audit program, which is based on Orano Group's audit process requirements, for evaluating the Integrated Management System ("IMS") and related processes, including those of our supply chain management department. Our audits are performed by qualified internal employees who assess, against defined criteria, the effectiveness of the documented management processes and practices. They also assess the adequacy of how the applicable requirements have been met for a particular process.

Our audit protocols are based on the ISO 19011:2018 International Standard: Guidelines for Auditing Management Systems. Our audit program provides the guidelines for systematic analysis of IMS requirements, as they apply to departments and site, to determine the extent of management system control. In short, audits verify conformance and completeness.

Lastly, our supply chain management vendor evaluation process determines the need for audits based on various criteria related to business activities (e.g., health and safety, environmental performance, quality of goods and services, etc.). Any reason to suspect that human rights violations have occurred or may be occurring would also qualify as a reason for a vendor audit to occur.

**4. Approval and Attestation**

This Report is approved and attested as required under subsection 11(4)(a) and 11(5) of the Act.



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Tammy Van Lambalgen  
Vice President, Chief Corporate Officer  
May 6, 2025

I have the authority to bind Orano Canada Inc.