



REEL COH Inc.
Complex Lifting & Handling Systems



Modern Slavery Report for the financial year ended December 31, 2024

EXECUTIVE SUMMARY

This report is REEL COH Inc's (REEL COH) response to comply with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) for the financial year ending December 31, 2024 with the explicit goal to protect vulnerable populations from human rights abuses and exploitation.

REEL COH is incorporated federally under the *Canada Business Corporation Act* and is obligated to submit a report to the Minister of Public Safety and provide a public report in response to the Supply Chains Act by May 31, 2025. In order to comply with these requirements, REEL COH, a Canadian corporation, has prepared this report which should be read in conjunction with various documentation and procedures of the Company.

For the purposes of the Act, REEL COH meets the entity definition by having a business in Canada, doing business in Canada and meeting two of the three threshold criteria for revenue, assets and employees.

In fulfilling its duties, the company has made extensive use of the guidelines provided by the Department of Public Safety Canada available at the following address <https://www.publicsafety.gc.ca/cnt/cntrng-crm/frcd-lbr-cndn-spply-chns/index-en.aspx> as of the time of writing this report.

Following on the Government of Canada's guidance, the company has used its discretion in determining the appropriate level of detail proportionate to its size and risk profile, respecting the specified size requirements for the report.

As per guidance, the Government of Canada also recognizes that entities may be taking a range of actions related to human rights due diligence, environmental, social and governance initiatives and other aspects of responsible business conduct that are not specifically or exclusively focused on forced labour or child labour. The Company has referred to those actions in this report when appropriate.



REEL COH has one subsidiary which does not reach the threshold of the definition of an entity and thus has been excluded from the reporting obligations.

The report will be provided to its shareholders and cover the activities for the period of January 1st, 2024 to December 31st, 2024.

STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

REEL COH is one of North America's leading manufacturers of complex lifting and handling systems. The company steadily developed its reputation in several markets, such as hydroelectric, steel, aluminum, primary metals, and nuclear.

The company is privately owned and located 20 minutes north of Montréal, in Boisbriand, Quebec. It has a significant number of specialized employees and a 150,000 square foot facility, with its own engineering – civil, mechanical, electrical, instrumentation and software engineers – all in house. We also have our own machining, fabricating, and electrical shops under one roof. The company's manufacturing facilities include several high bays dedicated for testing and debugging all equipment prior to shipment to ensure minimal start-up time at its customers' production plants. We are certified ISO 9001:2015.

Product lines include production overhead cranes, electro-mechanical hoisting equipment, automatic handling equipment, gantries, telescopic aircraft maintenance platforms, transfer cars and any other specialized handling equipment involving hoisting or horizontal movement of a load by means of hooks or sophisticated grabbing mechanisms. REEL COH is also involved in the modernization market of existing custom production cranes. This wide market ranges from crane recertification and upgrade of technology to capacity increase and compliance with new regulations.

REEL COH is part of a larger group of dozen of companies, all highly specialized manufacturers (the Group). The Group is structured by industries and business lines, each company having a specialized competency or market.

PARTS OF OUR BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR OR CHILD LABOUR BEING USED AND THE STEPS IT HAS TAKEN TO ASSESS AND MANAGE THAT RISK

REEL COH has mapped their supply chain activities to identify volume, product shipping location, country of origin and type of product purchased.



Our supply chain is mostly comprised of internal payroll (subject to Canadian legislation), purchases of parts and materials (subject to Canadian, American and European legislation) and specialized subcontracting (subject to Canadian and American legislation). Due to the nature of our supply chain, the mapping of the supply chain has been done mainly with the address of the supplier.

Using two separate indices, [Global Slavery Index | Walk Free](#) and the US Department of [Labor's List of Goods Produced by Child Labor or Forced Labor](#) (Studies), REEL COH has conducted an initial risk assessment of the categories of products and services it uses and imports.

Results of supply chain mapping activities demonstrate that for the period of activity covered by the report, the supply chain of the company is mainly located in 3 countries considered low risk, namely and in order of magnitude: Canada, the United States and France. Considered as a whole, those 3 countries make up 99% of our direct supply chain.

Based on this assessment, given the geographic locations we source from, our risk assessment demonstrates that the risk related to forced labour and child labour is low since those countries are subject to stringent applicable laws, which include well developed employment laws.

POLICIES AND ITS DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

In performing its assessment of its supply chain and effectiveness, the company took into considerations that it is a well-developed organization having a complete and separate HR department, a specific department focused on health, quality and environment, a purchasing department as well as a Group legal department. All departments are staffed with experienced and knowledgeable professionals who have been aware of this new law and the contents of this Report.

While REEL COH does not yet have a specific policy related to forced labour and child labour, the intent of the law is specifically covered into a larger sphere of policies and procedures that the company has put in place over the years.

Such internal policies and procedures include a Group level ethical chart established in 2016 that specifically relates to the health and security of all its employees as well as



fostering a culture of respect among many others values. Commitments included in the ethical chart also include :

- Insuring health, security and safety;
- Develop competencies and talents;
- Respect all laws and regulations;
- Prevent and treat all injustices, discriminations or act of violence;
- Respecting the environment;
- Foster a culture of loyalty, honesty and integrity towards employees, clients and suppliers;
- Protecting data;
- Have in place a whistleblower and clear disciplinary actions;

The values and commitment of the company are specifically based on the following fundamental texts:

- The Universal Declaration of Human Rights
- The Declaration of the International Labour Organization guaranteeing the fundamental principles and rights at work. 1998
- The Rio declarations of 1992 and of Rio + 20 of 2012 on the environment.
- Organization for Economic Cooperation and Development guidelines for multinational enterprises
- The United Nations Convention against Corruption
- The United Nations Guiding Principles on Business and Human Rights
- The International Labour Organization fundamental conventions
- The Convention on Combating Bribery of Foreign Public Officials in International Business.

In addition to the ethical chart mentioned above, each employee of the company is subject to the corporate code of conduct.

The company is also publishing a detailed annual responsibility report which focuses on a number of areas in regard to its corporate responsibility. Among others, the 2023 report included sections related to governance and ethical responsibilities.

In regard to reporting mechanism, the company has a specific committee on ethics and deontology which ensures consistency in our commitments and practices. Once a year, the committee on ethics and deontology reviews questions and whistleblower alerts from employees and, if necessary, adjusts our written commitments if they appear insufficiently clear or leave excessive room for interpretation. Each committee member



may be consulted via a company liaison on matters regarding the interpretation of our ethical commitments. The maximum response time is two months. Whistleblower alerts are treated by the most appropriate member for the issue at hand. Alert processing times will depend on the complexity of the issue. In all cases, they should not reasonably exceed three months. Whistleblowers who wish to remain anonymous may use the following procedure: refer the matter directly to a committee member, clearly stating their desire to remain anonymous. In such cases, the contacted member will assess the case and/or transfer it to the other members of the standing committee without referencing the whistleblower.

The executive committee and management of the Group undertake to foster, honor, and ensure the Group ethical commitments presented above are honored. Corporate ethics governance is entrusted to the executive committee and to Group management, who undertake to foster, honor, and ensure that the Group's values and ethical commitments are honored.

MEASURES TAKEN TO REMEDIATION ANY FORCED LABOUR AND CHILD LABOUR

While REEL COH has not identified any instances of forced and child labour in its supply chain and has therefore not taken any specific remediation measures, we understand the importance of proactive measures to ensure our continued success and resilience. As part of our commitment to excellence, we diligently implement measures to reduce risk of forced and child labour, drawing on comprehensive risk assessments and industry best practices, including through deployment of the policies and procedures outlined in the section above.

By anticipating potential challenges, we strengthen our operational framework, increasing confidence with our partners and ensuring that we are prepared to deal with risk if it does arise. By assessing and monitoring the conduct of our partners, we not only mitigate potential threats, but also position ourselves for sustainable growth and adaptability in an evolving landscape.

REEL COH will explore opportunities to increase auditing and monitoring of suppliers to reduce the risk of forced and child labour. If specific incidents of forced and child labour are identified, REEL COH will work with suppliers to determine and implement remedial action.



MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES

REEL COH has not identified any instances of child or forced labour in operations or supply chains, and therefore no measures have been taken to remediate the loss of income to vulnerable families.

TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR

The employees are subject to annual training requirements based on their position within the organization. As part of those requirements, the company is intending to increase its awareness of the specific subject of the *Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act* in the following months.

HOW THE ENTITY ASSESSES ITS EFFECTIVENESS IN ENSURING THAT FORCED LABOUR AND CHILD LABOUR ARE NOT BEING USED IN ITS BUSINESS AND SUPPLY CHAINS

In addition to the processes and policies above - operationally speaking - in assessing the risk profile of the company, we have also taken into consideration that each of our supplier must go through a complete internal verification that includes a quality control process and supplier evaluation assessment.

Considering a supply chain almost exclusively in three countries with well-defined laws and regulations, we have assessed our risk to low and our actions effective. We also assess as effective our policies based on our historical records of complaints received on the subject.

Due to the nature of our activities - our clients being mainly highly sophisticated organizations including governments - our actions are also externally validated. While not annual, we have been subjected to various suppliers' audits or ESG assessments over the years. All of which have been found satisfactory.

APPROVAL AND ATTESTATION

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.

I have the authority to bind REEL COH inc.

A handwritten signature in blue ink that reads "Sebastien Darveau".

/s/ Sebastien Darveau

Sebastien Darveau
Executive Vice President North America Division / President REEL North America
Board member and on behalf of the Board of directors
May 31, 2025