

FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS REPORT 2024

INTRODUCTION

ROSEN Canada Ltd. (“ROSEN”, “we” or “our”), as a Canadian-based business committed to ethical sourcing and corporate social responsibility, recognizes the critical importance of eradicating forced and child labour as defined in the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”), within our activities and supply chain. This report outlines ROSEN’s approach to these issues through its internal policies and due diligence measures and reflects Company’s efforts and intentions.

This report aims to provide a comprehensive overview of the steps ROSEN has taken during its previous financial year (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 elsewhere by ROSEN, or of goods imported into Canada by ROSEN. This report demonstrates ROSEN’s dedication to upholding the principles outlined in the Act and contributing to the eradication of forced labour and child labour in Canadian supply chains.

ROSEN STRUCTURE, OUR BUSINESSES, AND SUPPLY CHAIN

ROSEN has fully functioning operations in Canada with over 200 employees protecting critical oil and gas infrastructure through market leading inspection services, data quality, and integrity management. ROSEN is incorporated under the *Business Corporations Act* (Alberta). ROSEN is a wholly owned subsidiary of HORONA Inc., a Delaware corporation registered with the Delaware Secretary of State.

Our services include the provision of asset inspection and integrity assessments for thousands of kilometers of energy transport pipelines, storage tanks, and piping across Canada. In order to provide such services, ROSEN imports certain finished goods like pipeline inspection equipment and spare parts.

ROSEN’s supply chain includes suppliers of finished goods used in the day-to-day operations of its services. The overwhelming majority of goods imported by ROSEN come from established businesses in Germany (64%) and the USA (32%). Thirteen other countries represent the remaining 6% of imports.

POLICIES AND DUE DILIGENCE PROCESSES FOR FORCED LABOUR AND CHILD LABOUR

At ROSEN we uphold a zero-tolerance policy towards forced and child labour. Our integrated management system, certified under ISO 9001, 14001, and 45001 includes:

- **Code of Conduct:** ROSEN’s Code of Conduct describes the rules and standards that we at ROSEN follow, and which we honor as the common guidelines for our behavior and our decisions. It supplies us with a framework inside of which we can breathe life into the attitude described therein as we go about our daily work and in our interactions with each other. ROSEN’s Code of Conduct applies to all executives, employees, regardless of where we work, and are to be honored by our suppliers and contractors, regardless of their collaboration with ROSEN. The Code of Conduct includes the following principles: (1) we abide by the law, (2) we respect human rights, (3) we take responsibility for our employees, (4) we conserve natural resources, (5) we promote fair competition, (6) we avoid conflicts of interests, and (7) we protect our know-how.

- **Human Resources Policy Manual:** ROSEN's Human Resources Policy Manual includes provisions with respect to Business Ethics, Conflicts of Interest, Representative Conduct, Whistleblowing, Data Privacy, Anti-Harassment, Anti-Violence, Fair Employment Practice, and protection of company and employee property, all these policies outline fair labour practices and employee rights.
- **Anti-Bribery Policy:** ROSEN's Anti-Bribery Policy describes the rules and standards adopted to reduce the risk and avoid the appearance of bribery and corruption and aims to ensure integrity in all our business dealings. ROSEN believes in fair competition on the merits of our products and services and we strive to avoid even the impression of improper conduct with our customers, government officials, or any third party. ROSEN is dedicated to ensuring its business is conducted in an ethical and transparent manner. ROSEN has a strict zero-tolerance approach in respect of Bribery and Corruption in any form, whether it be active, passive, direct or indirect. ROSEN is committed to complying with all relevant anti-bribery and anti-corruption laws where we do business. These laws generally prohibit bribes, kickbacks, or illegal payments to influence business transactions.
- **ESG Statement of Priorities:** ROSEN's Statement of Priorities defines ROSEN's ESG priorities and guides our business in setting its ESG goals, action plans and specific ESG initiatives demonstrating our commitment to environmental, social responsibility and governance goals. By incorporating the United Nations (UN) Sustainable Development Goals (SDGs) into our business strategies and practices, ROSEN is not only upholding its basic responsibilities to people and the planet but also setting the stage for long-term success. We align our companywide ESG sustainability strategies to specific SDGs where we can make the greatest impact. For example, ROSEN aligns business practices with the UN Guiding Principles on Business and Human Rights and ensure that human rights considerations are integrated into our ESG governance mechanisms.
- **Contractor Management:** The intent and purpose of ROSEN's guidelines for Contractor Management is to consistently apply management of Health, Safety and Environment (HSE) and Quality responsibilities during the contractor procurement process, execution of the work, and ongoing evaluation. The four key elements are: (1) Contractor Pre-qualification – the process of qualifying and accepting contractors to perform work; (2) Contractor Selection – the process of selecting an acceptable contractor to perform a specific scope of work prior to work commencement; (3) Mobilization/Work in Progress – the process of implementing work activities to achieve the successful completion of the scope of work; and (4) Contractor Performance Evaluation – the measures used to periodically evaluate contractor performance against HSE requirements and goals and adherence to our ethical standards.
- **Compliance Reporting:** We encourage any employee or business partner who knows or suspects a potential violation of law or of the ROSEN Code of Conduct to report this immediately. All reports are thoroughly investigated and subjected to the appropriate action. The information reported is treated as confidential and every person can report without fear of any retaliation, as set forth in the ROSEN Code of Conduct. We conduct regular Management Reviews to review the effectiveness of this reporting process and involve our legal and business operations teams to monitor it regularly and to adapt this process as necessary to the changing needs of our business.
- **ROSEN Modern Slavery and Human Trafficking Statement:** This Statement outlines our commitment to preventing forced and child labour and includes the commitments to get more comprehensive audits and supplier engagements.

Non-compliance with our policies may lead to cessation of business relationships unless a detailed corrective action plan is provided and implemented. We expect that each one of our suppliers comply with Canadian legislation, and through that expectation, we hope to further the efforts to eradicate any chance of risk of forced labour and child labour presence in our supply chains.

RISK ASSESSMENT AND MANAGEMENT

We recognize that importing from sources outside of Canada results in a higher risk of forced labour and child labour involvement, thus such suppliers are closely monitored.

If a risk is identified from any region, supplier or otherwise, ROSEN takes certain measures, such as evaluating, avoiding, mitigating or monitoring these risks. This risk assessment is an on-going process.

ROSEN will continue to develop and enhance our policies, procedures and mandates regarding how we diagnose the risk of forced labour and child labour in our organization and with our suppliers.

In addition to the processes laid out above, we will continue to further develop our policies of mitigating risk of forced labour and child labour by reviewing, when necessary, the processes of our supply chain partners and assisting them, when needed, in implementing their own risk assessment programs.

TRAINING

ROSEN provides all employees with general education and training with respect to our corporate policies and due diligence processes described above. Each new employee of ROSEN must complete mandatory training on our values and policies and is informed of how we report wrongdoing within our organization and observed at our suppliers. In addition, in fiscal 2024, ROSEN determined that it would begin to ask our business partners to provide training to their staff and suppliers to create a high level of understanding of the risks of modern slavery and human trafficking in our business and supply chains.

REMEDIATION

No forced labour or child labour was identified in ROSEN's activities or supply chains in the last fiscal year. As such, no remediation was required with respect to forced or child labour or the loss of income to the most vulnerable families that may result from remediation efforts.

ASSESSMENT OF EFFECTIVENESS

While no forced labour or child labour was identified in ROSEN's activities or supply chains in the last fiscal year, we continuously seek to improve our practices by (i) regularly reviewing and updating policies and procedures related to labour practices, (ii) continuing to provide general education and training with respect to our corporate policies and due diligence and (iii) improving our supplier attestation processes and compliance reviews. As part of our governance processes, we monitor compliance with our policies on an ongoing basis. We also review any concerns raised through our employee feedback mechanisms described above. However, we acknowledge that we have not yet undertaken a formal assessment of the effectiveness of our measures to prevent and mitigate the risks of forced labor and child labor.

APPROVAL AND ATTESTATION

This Report was approved by ROSEN's Board of Directors on May 15, 2025, pursuant to paragraph 11(4)(a) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in the report for the entity listed above. Based on our knowledge, and having exercised reasonable diligence, we 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. Signed on ROSEN's behalf by:

Brian Renaud
Director and Vice President,
Business Execution

Shaun Kelly
Director and Vice President,
Business Collaboration



We have the authority to legally bind ROSEN Canada Ltd.