

SEL Schweitzer Laboratories Inc.

Modern Slavery Report 2024

I. Modern Slavery Report

This Modern Slavery Report (the “Report”) addresses the period from January 1, 2024, to December 31, 2024 (the “Reporting Period”), and has been prepared in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). This report is made on behalf of SEL Schweitzer Laboratories Inc. (“SEL-Canada”).

II. Steps Taken During the Reporting Period

As described in this Report, SEL-Canada sells goods in Canada that are manufactured by its parent company in the United States. SEL-Canada does not produce goods in Canada and is filing this report as a result of its importation activities. During the Reporting Period, SEL-Canada has continued to comply with applicable laws relating to labour and employment in the jurisdictions in which it carries on business and has continued to comply with the policies and procedures of its parent company aimed at preventing and reducing the risk of forced labour or child labour in its supply chains.

III. Structure, Activities and Supply Chains

SEL-Canada is incorporated under the *Canada Business Corporations Act* with offices in Alberta, British Columbia, Ontario, and Quebec and focuses on sales, customer service, and engineering services in Canada. It is a wholly-owned subsidiary of Schweitzer Engineering Laboratories, Inc. and has 58 employees.

Schweitzer Engineering Laboratories, Inc. (“SEL-US”) is a Washington corporation headquartered in Pullman, Washington with five manufacturing facilities in the United States located in Pullman, Washington; Lewiston, Idaho; Moscow, Idaho; Lake Zurich, Illinois; and West Lafayette, Indiana, and office locations in several other states. It also has subsidiaries, including SEL-Canada, and branches in 22 countries. SEL-US and its subsidiaries (“SEL-Global”) provide products and services in 173 countries. SEL-US has over 4,300 employees, and there are over 7,000 employees in all of the SEL-Global entities worldwide.

SEL-US designs, manufactures, and supports a complete line of products and services for the protection, monitoring, control, automation, and metering of utility and industrial electric power systems. SEL-US’s global supply chain consists of goods and services suppliers. SEL-US does business with a wide range of suppliers, sourcing materials and services locally and globally, where required. The majority of the procurement activities for products produced by SEL-US occur in the US.

SEL-Canada purchases products manufactured by SEL-US in the US and sells them in Canada. SEL-Canada’s supply chain for direct purchases is primarily SEL-US although it may occasionally purchase goods and services necessary to support business operations from suppliers in Canada and the United States. As noted above, SEL-Canada also provides customer service and engineering services to Canadian customers.

IV. Our Policies

SEL-Global attempts to adhere to high standards of ethical and social practices. The philosophies and values in the SEL-Global Principles of Operations guide the business activities of SEL-Canada. SEL-Canada expects all employees and suppliers to operate in accordance with these principles. In support of its commitment to protecting human rights globally, SEL-Global has implemented multiple policies, to which SEL-Canada is subject, including the following:

(a) Principles of Operation, which includes the following provisions:

Integrity

We practice unquestionable ethics.

- Make clear promises to customers and exceed their expectations.
- Assume responsibility; be accountable.
- Depersonalize problems to solve them.
- Treat each other with dignity and respect at all times.
- Understand that it is just as important to be a good customer as it is to be a good supplier.

(b) Code of Conduct. The SEL-Global Code of Conduct is located in the global section of the SEL-Canada employee handbook and is applicable to all employees worldwide. It contains the following provisions specific to child labour and forced labour:

4.6. Employing Minors

SEL does not use or authorize child labor under any circumstances. SEL shares its principles of ethical behavior with employees, suppliers, and customers and expects the same ethical standards. We may work with minors, when and as authorized by applicable laws.

4.12. Relationship with Suppliers

Selecting suppliers must always be based on technical, professional and ethical criteria, aligned with SEL values and conducted through the Supplier Review Process.

We are committed to protecting and advancing the human rights of everyone, and we insist that our supply chains are free of child labor, forced labor, and any form of human trafficking.

4.1. Compliance with the Law

All employees must agree to abide by the laws, rules and regulations applicable to SEL activities.

(c) Supplier Code of Conduct, which includes the following provisions that are typically incorporated into supplier purchase orders:

Labor and Human Rights

SEL expects its suppliers to support and protect human rights in the workplace, to comply with all applicable labor and immigration laws, and to ensure that all workers are treated with dignity and respect and provided with safe and humane working conditions. Expectations include the following:

- Freely Chosen Employment: Suppliers shall ensure that all work is voluntary and that all members of the workforce shall be free to leave the workplace or to terminate their employment at any time. Suppliers shall not use nor contribute to slavery, servitude, forced or compulsory labor, and human trafficking. Workers shall not be required to surrender any original government-issued identification, travel documents or work permits as a condition of employment.
- Child Labor: Suppliers shall not employ any workers under the minimum legal age for employment in the country or under the age for completing compulsory education, whichever is greatest. Suppliers may use legitimate workplace apprenticeship programs such as student internships. Workers

under the age of 18 shall not perform work that may expose them to hazards, including night shifts and overtime.

V. Due Diligence

To make efforts to ensure that no modern slavery is taking place within any SEL-Global operations or supply chain, SEL-US follows a risk-based due diligence approach that may include the following steps:

- conducting supplier qualification checks on all new suppliers to ensure compliance;
- conducting regular audits of existing suppliers;
- incorporating the Supplier Code of Conduct into its terms and conditions, requiring suppliers to confirm compliance;
- using its procurement team to strengthen supplier engagement and maintain effective links with suppliers to ensure compliance with any relevant industry and international standards; and
- sharing knowledge and improving understanding among its workforce.

SEL-US also provides an anonymous reporting feature on its website that allows employees to report on potential breaches of policies and procedures.

VI. Risk of Modern Slavery

SEL-Canada's employees are all legally employed and are entitled to the protections of relevant employment, labour and human rights laws, with which SEL-Canada is compliant. Employees of SEL-US are similarly entitled to relevant employment protections. SEL-Global's workforce outside of the US is largely comprised of office workers and professional skilled workers. We believe there is a low risk of forced labour or child labour in our Canadian operations.

Given that a majority of SEL-Canada's spend is with suppliers in the US and Canada (primarily SEL-US), we consider the overall risk of modern slavery being present with our direct suppliers to be low. However, we understand that many of our indirect suppliers produce products that originate from other jurisdictions and have their own global supply chains, so additional monitoring may be required to further assess, understand, and reduce this risk.

VII. Remediation Measures

To date, SEL-Canada has not identified any cases of forced labour or child labour in its operations or supply chain. For this reason, SEL-Canada has not had to take any remediation during the Reporting Period. If a situation of non-compliance is identified, SEL-Canada will work to develop and implement a corrective plan to improve and remedy the situation.

VIII. Training

While onboarding new employees, SEL-Canada provides training on our Principles of Operations and Code of Conduct, and employees are required to adhere to these principles and policies.

SEL-Canada employees receive regular training on ethics topics and our policies. All employees annually receive an updated employee handbook containing the Code of Conduct.

IX. Our Progress and Effectiveness

We monitor compliance with our policies on an ongoing basis. To date, no significant concerns or complaints have been identified. SEL-Canada understands that it has a responsibility to assess and report on the risk of modern slavery in its operations and supply chain. SEL-Global previously established an internal working group composed of representatives from Legal, Security, Purchasing, and Supplier Quality which continues to review the impact of the Act and similar obligations arising in other jurisdictions on SEL-Global and assess the effectiveness of actions taken to address the risk of modern slavery.

X. Approval

This Report was approved by the Board of Directors of SEL-Canada.

In accordance with the Act and, in particular, section 11 thereof, I attest that I have reviewed the information contained in this Report for SEL-Canada. Based on my knowledge and having exercised reasonable diligence, I attest that the information in this Report is true, accurate, and complete in all material respects for the purposes of the Act for the Reporting Period.

Signed by:

David E. Whitehead

David E. Whitehead

Director and President