

**TEPCO RESOURCES INC.**

2024 Modern Slavery Report

For financial year ended December 31, 2024.

## **Introduction**

Tepeco Resources Inc. (“Tepeco Resources”) is committed to upholding the highest standards of ethical conduct and integrity in its business practices. This report is prepared in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* S.C. 2023, c. 9, (the “Act”), which mandates transparency and actions against modern slavery and child labour within supply chains. This report pertains to Tepeco Resources’ statement for the financial year ending December 31, 2024. Tepeco Resources does not currently report under similar legislation in any other jurisdiction.

### **1. Company Structure and Supply Chains**

Tepeco Resources was incorporated on April 1, 1997, under the Canada Business Corporations Act (“CBCA”), and continued under the Business Corporations Act, (British Columbia), on December 15, 2014. Tepeco Resources is 100% owned by the Tokyo Electric Power Company (“TEPCO Group”), which was created on May 1, 1951, as a joint stock company under the Companies Act of Japan.

Tepeco Resources is involved in the exploration, development, and production of mineral resources and their operations are limited to Canada.

#### **Canadian Operations:**

Tepeco Resources’ sole Canadian-based operation is their 5% interest in the Cigar Lake Joint Venture, a significant uranium mining project located in northern Saskatchewan. The Cigar Lake project is managed and operated by Cameco Corporation, which adheres to stringent regulations and standards regarding labour practices and environmental stewardship. We work closely with our partners to ensure compliance with our ethical standards and the requirements of the Act.

#### **Global Supply Chains:**

Our supply chains are extensive and involve numerous suppliers and contractors who provide goods and services ranging from raw materials and equipment to logistical support. Given the nature of our operations, we recognize the complexities and challenges in managing and monitoring these supply chains to prevent modern slavery and child labour. Our supply chains for Tepeco Resources’ Canadian operations can be categorized as follows:

- **Equipment and Machinery:** Sourced from suppliers in North America, Europe, and Asia, including specialized drilling equipment and safety materials.
- **Technical Services:** Engaged with contractors providing geological surveys, environmental assessments, and engineering services.
- **Logistics and Transportation:** Collaborated with logistics providers for the transportation of equipment and materials to project sites.

### **2. Policies and Due Diligence Processes**

Tepeco Resources is dedicated to ensuring that there is no forced labour or child labour in our supply chains or in any part of our business. Tepeco Resources adheres to and implements TEPCO Group’s global policies, which reflect Tepeco Resources commitment to act ethically and with integrity in all our business relationships.

## TEPCO Resources Policies:

- **Supplier Code of Conduct:** TEPCO Group’s Supplier Code of Conduct was overhauled in May 2021 to explicitly establish the organization’s expectations regarding human rights for their suppliers. The Supplier Code of Conduct outlines the expectations for all suppliers to comply with laws regarding forced labour, child labour, and human trafficking, among other sustainable procurement guidelines developed and implemented by TEPCO GROUP. Each supplier of Tepco Resources must complete and submit to Tepco Resources a “Confirmation of Compliance with Sustainable Procurement Guidelines.” Further, in alignment with Cameco’s practices at the Cigar Lake operation, the operator requires all suppliers to adhere to all human rights, labour, and employment laws in the countries where they operate.
- **TEPCO Group Human Rights Policy:** Commits to upholding international human rights standards, including the principles set out in the United Nations Guiding Principles on Business and Human Rights, which explicitly prohibits any human trafficking, forced labour, or child labour. The Policy was established in August of 2021, and is based on international human rights norms and principles (e.g., the International Bill of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the Children’s Rights and Business Principles), and by incorporating opinions of external experts.
- **Whistleblower Policy:** Provides a confidential reporting mechanism for employees and suppliers to report any concerns related to unethical practices, including modern slavery and child labour. The policy also sets out that TEPCO Group will protect any client or employee who reports under the policy, and it explicitly prohibits unfavorable treatment and retaliation against them. Specific to Tepco Resources Cigar Lake operations, Cameco also implements and supports an anonymous ethics hotline, which is made available to all employees, contractors, and suppliers to report any concerns related to unethical practices.

## Due Diligence Processes

To identify and mitigate the risk of forced labour and child labour in our supply chains, Tepco Resources has implemented the following due diligence processes:

- **Risk Assessment:** Regular assessments of our supply chains to identify areas at high risk for modern slavery and child labour and regularly consulting the Global Slavery Index to identify areas that may be considered high risk for modern slavery or child labour.
- **Supplier Audits:** Conducting audits of high-risk suppliers to ensure continued compliance with our Supplier Code of Conduct. Tepco Resources does not knowingly directly engage suppliers located in countries identified in the Global Slavery Index as having the highest prevalence of modern slavery in 2024.
- **Training and Capacity Building:** Providing training for employees and where applicable, our suppliers, to recognize and address issues related to modern slavery and child labour.
- **Stakeholder Engagement:** Engage in dialogue with all stakeholders, including workers’ representatives, suppliers and other business partners, and local communities, so that we can understand and respond to the human rights-related impacts of Tepco Resources’ operations from the perspective of the affected stakeholders. This includes regularly

engaging with industry groups, NGOs, and other stakeholders to stay informed about best practices and emerging issues related to modern slavery and child labour.

- **Reporting Mechanism:** Tepco Resources maintains appropriate mechanisms for its stakeholders to report or raise concerns should they suspect or witness unethical or unlawful behaviour, which is formalized through our Supplier Code Conduct, Human Rights Policy, and Whistleblower Policy. These documents outline the processes in place for directors, officers, employees, and third parties to promptly report any suspected violation of our codes and policies, or of any law, rule, or regulation.

### **3. Risk Assessment and Management**

Tepco Resources continues to take steps in furtherance of its commitment to the protection of human rights, and the prevention and reduction of the risks associated with forced labour or child labour in our supply chains. In 2024, Tepco Resources conducted a comprehensive risk assessment to identify potential risks of forced and child labour within its operations and supply chains.

#### **Risk Identification:**

Findings:

- **Geographical Risks:** Identified moderate risks associated with suppliers operating in regions with known labour rights concerns.
- **Sector-Specific Risks:** Recognized potential risks in the procurement of personal protective equipment (PPE) and electronic components, which may involve complex supply chains.

Mitigation Strategies:

- **Enhanced Due Diligence:** Implemented stricter vetting processes for high-risk suppliers, including third-party audits and certifications.
- **Supplier Engagement:** Initiated dialogues with suppliers to address identified risks and encourage the adoption of ethical labour practices, if not already implemented.

At the Cigar Lake operation, Cameco reported that approximately 85% of direct suppliers for its Canadian operations were based in Canada, with an additional 13% in the United States. The remaining suppliers were primarily located in Europe. Cameco has stated that they do not knowingly purchase goods or materials from countries identified by the U.S. Department of Labor or the Global Slavery Index as having high prevalence of forced or child labour.

#### **Measures to Address Identified Risks:**

In connection with Tepco Resources comprehensive risk assessments, we additionally take proactive steps to address and mitigate any identified or potential risks related to forced labour or child labour within our supply chains. Tepco Resources mitigation strategies are implemented based on the risk assessment and may include:

- **Enforcement of Supplier Code of Conduct:** Enforced adherence to TEPCO Group's Supplier Code of Conduct, which outlines expectations regarding labour practices and human rights.

- **Increased Monitoring and Auditing:** Established monitoring mechanisms to ensure ongoing compliance, including periodic reviews and audits of supplier practices.
- **Remediation Plans:** Developed action plans with suppliers found to be non-compliant, setting clear timelines and expectations for corrective measures. If these plans are not adhered to Tepco Resources will take steps to terminate the contracts with non-compliant suppliers.

At the Cigar Lake operation, Cameco has implemented similar measures, including the use of a Supplier Code of Conduct and Ethics and conducting supplier assessments to ensure compliance with human rights standards.

#### **4. Remediation Measures**

In 2024, Tepco Resources did not identify the need to terminate any contracts with its suppliers due to non-compliance with Tepco Resources policies and procedures. Further, in 2024, Tepco Resources has not identified any instances of the use of forced labour or child labour within our operations or supply chain. Therefore, no remediation measures are currently in place, nor have we been required to remediate the loss of income to the most vulnerable families that results from measures taken to eliminate the use of forced labour or child labour in our activities or supply chains.

#### **5. Training and Capacity Building**

To reinforce its commitment to ethical labour practices, Tepco Resources, through TEPCO Group, has continually invested in training and capacity-building initiatives for its employees and suppliers:

- **Awareness Training:** General awareness about forced labour and child labour, including indicators and reporting mechanisms. As well as ensuring our suppliers are aware of TEPCO Group's Corporate Governance, Human Rights and Whistleblower Policies through their compliance with our Supplier Code of Conduct.
- **Role-Specific Training:** The TEPCO Group provides tailored training for employees in procurement, supply chain management, and compliance roles. TEPCO Group implements human rights training from the top of their parent organization downward; continuing and furthering broad initiatives related to the protection of human rights which was initiated in 2022. All newly hired employees and executives of TEPCO Group are trained in all TEPCO Group policies as part of their onboarding process.
- **Supplier Engagement:** Providing consultation and sharing TEPCO Group resources with our suppliers to help them understand and comply with our policies and legal requirements. This includes distribution of our human rights training materials, soliciting direct feedback from our suppliers via sustainable procurement surveys and our requirement that suppliers confirm their compliance with our Sustainable Procurement Guidelines.

As the operator of the Cigar Lake Joint Venture, Cameco also provides training to its employees and suppliers, including mandatory Code of Conduct and Ethics training and Indigenous Awareness Training.

## **6. Effectiveness and Performance Indicators**

Tepeco Resources employs a systematic approach to monitor the effectiveness of its measures:

- **Key Performance Indicators (KPIs):** Established KPIs to track compliance rates, training completion, and incident reports.
- **Regular Reviews:** Conducted quarterly reviews of supplier performance and internal processes to identify areas for improvement.
- **Stakeholder Feedback:** Sought feedback from employees, suppliers, and other stakeholders to assess the impact of implemented measures.

As the operator of the Cigar Lake Joint Venture, Cameco similarly monitors the effectiveness of its programs through regular assessments and stakeholder engagement.

### **Conclusion**

Tepeco Resources is committed to continuously improving our practices to combat modern slavery and child labour within our operations and supply chains. We will regularly review and update our policies and procedures to ensure they remain effective and in line with the latest legal requirements and industry standards.

### **Approval and Attestation**

This report was approved by the board of directors of Tepco Resources Inc. on May 30<sup>th</sup>, 2025, in accordance with section 11(4)(b)(i) of the Act.

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 am providing this attestation in my capacity as a director and officer of Tepco Resources Inc. and not in my personal capacity. I have the authority to bind Tepco Resources Inc.

**TEPCO RESOURCES INC.**

A handwritten signature in black ink, appearing to read "S. Isaki", is written over a horizontal line.

Name: So Isaki

Title: President & Secretary

May 30, 2025