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

Fiscal Year Ending January 31, 2026



April 2026

Groupe LOU-TEC Inc. (LOU-TEC) is a leading Canadian provider of heavy equipment rentals. The company offers a comprehensive range of construction and industrial equipment designed for a wide variety of applications and tailored to meet the needs of a diverse customer base.

At LOU-TEC, the adoption of responsible practices and ethical conduct is deeply embedded in the organizational culture. The established governance framework takes into account the expectations of all stakeholders and supports the long-term sustainability of operations as well as the company's financial performance.

LOU-TEC's core values are: **safety first, respect, integrity, pride, and a passion for the customer.**

I. Statement of Commitment

LOU-TEC places paramount importance on its social responsibility and is committed to conducting its business activities in accordance with the highest ethical standards. The policies implemented by LOU-TEC are designed, among other things, to prevent the use of forced labor and child labor within its supply chains. This report applies to all individuals acting on behalf of the company, regardless of their role or function.

This report has been prepared by LOU-TEC in accordance with the **Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act** and covers the financial year ending **January 31, 2026**.

II. Business Activities and Supply Chains

LOU-TEC operates a network of 20 locations across Canada and employs nearly 500 people. The company serves more than 3,500 active customers, primarily ranging from large multinational corporations to well-established local contractors. Its customer base includes participants from the construction and industrial sectors, service companies, as well as government entities, including municipalities.

LOU-TEC conducts its operations through the following operating entities:

- LOU-TEC operates primarily in Québec;
- LOU-TEC operates two locations in Ontario under the Torcan Lift Equipment brand;
- Together, these two entities generate 100% of the company's total revenue.

Although LOU-TEC sources goods and services from a broad network of suppliers, the company prioritizes the acquisition of new equipment from suppliers recognized for the quality, performance, and reliability of their products.

The vast majority of sourcing is carried out with Canadian and U.S. suppliers, while a limited portion of goods is imported from Europe or Asia. Given the complexity of supply chains, LOU-TEC does not have full visibility into all underlying activities and business relationships associated with its products and services. Nevertheless, the company is committed to improving this transparency. In this regard, its key suppliers have been contacted to confirm their compliance with applicable legal requirements. They have signed the LOU-TEC Supplier Code of Conduct, confirming their commitment to fully comply with it and to ensure that their employees, subcontractors, and relevant partners do the same.

Beyond the procurement of goods and services, LOU-TEC's primary expenses relate to its workforce, which remains a central element of its operations and overall performance.

III. LOU-TEC Policies

LOU-TEC relies on a Code of Ethics and Professional Conduct (the "Code") that defines its commitment to the highest ethical standards and governs the management of its business relationships in accordance with its organizational values.

More specifically, the Code addresses, among other things, the responsibilities of employees and managers with respect to the Code, the obligations and standards aimed at maintaining a healthy, safe, and respectful work environment, as well as the requirements related to the adoption of ethical, lawful, and responsible professional practices. It also sets out reporting mechanisms in the event of any breach or violation of the Code.

In addition, LOU-TEC conducts its business in accordance with a whistleblowing policy that encourages all stakeholders to report any practice deemed illegal, unethical, or contrary to the company's values. The reporting and investigation procedures associated with this policy are implemented with diligence and rigor.

As of January 31, 2026, nearly 100% of employees had signed the Code. LOU-TEC has also adopted a policy on combating forced labor and child labor in supply chains, an ethical procurement policy, and a Supplier Code of Conduct. These policies were all adopted prior to December 31, 2025.

For information purposes, LOU-TEC's policy on combating forced labor and child labor in supply chains specifically addresses: the primary objective pursued, scope, LOU-TEC's commitments, supplier selection and evaluation, reporting and potential disciplinary measures, as well as the confidential reporting process.

Finally, an online training course on fighting forced labor and child labor in supply chains has been identified (via the OpenSesame platform). This training will be completed by a leader of the procurement team. Based on the leader's assessment, key learnings may subsequently be shared with the relevant employees by December 31, 2026.

IV. Risk Assessment

To date, LOU-TEC has not formally undertaken a risk assessment specifically related to forced labor and child labor. However, at a global level, the company considers the risk associated with these practices within its supply chains to be low.

In addition, a comprehensive organizational risk identification exercise was recently conducted by the executive management team. This exercise is carried out every two years. The risks deemed most critical have been, and continue to be, addressed through action plans aimed at mitigating their impact and ensuring appropriate management. An update on the identification and management of risks is periodically presented to the company's Audit Committee.

At this stage, LOU-TEC has not yet implemented a process to assess the effectiveness of measures designed to prevent adverse human rights impacts in its operations and supply chains. However, following the adoption of the new policies and the Supplier Code of Conduct, the company plans to conduct periodic reviews to ensure their relevance and effectiveness. For example, an annual signature of the Code will be required from key suppliers, both existing and new. Furthermore, since no cases of forced labor or child labor have been identified to date within LOU-TEC or its supply chains, no specific measures have been implemented to address potential loss of income affecting vulnerable families.

Finally, following research conducted using public sources regarding LOU-TEC's key suppliers, none were found to be listed among sanctioned entities or recognized as having committed offenses related to forced labor or child labor.

V. Employee Recruitment

LOU-TEC employs nearly 500 people across Canada.

All individuals joining LOU-TEC are subject to a rigorous pre-employment screening process. This process includes, among other things, the collection of professional references as well as the verification of candidates' eligibility to work.

The recruitment process includes the following activities:

- During pre-screening: verification of the candidate's status (work permit, citizenship, etc.);
- During selection: background checks and verification of driving records, where required based on the position;
- Upon hiring: completion of an employee profile containing the personal information of the hired individual.

As noted above, through an online training course identified on the OpenSesame platform, employees performing procurement-related tasks will now be made aware of efforts to combat forced labor and child labor in supply chains.

VI. Whistleblowing

LOU-TEC provides its employees and third parties with a fully confidential whistleblowing service, administered by an independent external provider, allowing them to report any concern or situation deemed problematic.

When a report is received and considered sufficiently detailed and admissible, an investigation is conducted and/or coordinated by a representative of the company's Audit Committee.

A summary report of investigations conducted is periodically presented to the Audit Committee of LOU-TEC's Board of Directors.

VII. Key Priorities for the Coming Years

LOU-TEC acknowledges that risks related to forced labor and child labor are constantly evolving and that the company must continue its monitoring efforts and pursue continuous improvement in this area. Over the coming years, priority actions will notably focus on:

- conducting a formal risk assessment specifically related to forced labor and child labor;
- follow-up on process put in place to assess the effectiveness of measures deployed to prevent forced labor and child labor within its operations and supply chains.

VIII. Approval of This Report

This report was approved by the Board of Directors of Groupe LOU-TEC Inc. on April 24, 2026, in accordance with subsection 11(4)(a) of the Act, and constitutes the company's report for the financial year ending January 31, 2026.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this report for the entity or entities referred to above. To the best of my knowledge, and having exercised reasonable diligence, I confirm that the information presented herein is true, accurate and complete in all material respects, for the purposes of the application of the Act for the relevant reporting year.



Marie-Claude Boisvert
Chair of the Board of Directors
Groupe LOU-TEC Inc.
April 24, 2026