



ETALEX +
COMMITTED to the CORE

Forced and child labor risk report

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ETALEX
8501 JARRY EAST, QUEBEC, H1J 1H7



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Scope

The report included in this document was prepared under the Act to combat forced labor and child labor in supply chains (the “Act”) and concerns Groupe SJM inc. as well as its subsidiaries Etalex inc and Équipement Boni inc. (Collectively “Etalex”). It presents the measures taken to prevent and reduce the risk of forced labor or child labor in its Canadian operations as well as its supply channels in Canada or elsewhere.

This report constitutes the first report produced by Etalex. None of the entities mentioned in this report are subject to similar supply chain requirements in any other jurisdiction. The company’s executive committee has taken note of these procedures and will ensure their maintenance in the future on behalf of Etalex.

Measures to prevent and reduce the risks of forced labor and child labor

We categorically reject forced labor and all forms of modern slavery. Our recruitment practices guarantee freedom and fairness for all our employees, with full respect for human rights. We require all of our suppliers, subcontractors, and other external workers to adhere to the same high standards. Any failure to comply with these requirements will be considered with the utmost seriousness and could result in re-evaluation or termination of business relationships.

During the financial year ended December 31, 2023, Etalex undertook the following measures to prevent and reduce the risk of forced child labor in its activities and supply chains:

- The supplier code of conduct was revised and given to our partners in March 2023. After signing, they had to undertake as well as their business partners to respect human rights under international conventions issued by the United



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- Nations and the International Labor Organization. In addition, they must conduct their Canadian activities in accordance with local laws and regulations where they operate.
- We comply with applicable forced labor laws in our Canadian operations.

Between January 1, 2024 and the publication of this report, Etalex took the following measures:

- The refusal of the use of forced labor or any other forms of slavery has been added to our corporate code of ethics;
- We have started to analyze our supply chain and begin mapping this chain;
- We have started using a tool on forced labor indicators ([walkfree.org](https://www.walkfree.org)) and we are starting the search for a tool to assess the risk of forced labor and child labor.

Future actions:

Development of training for our employees (2024)

Development of a disclosure procedure (2024)

Selection of a forced labor indicator tool and a forced labor risk assessment tool

Structure

Etalex is made up of 3 companies in the name of Groupe SJM inc, Etalex inc and Équipement Boni inc. These companies are incorporated under the Business Corporations Act (Quebec). The group's head office is located in Montreal.

The main shareholder of the company is Capital régional et coopératif Desjardins (majority) and several other Canadian individual shareholders make up all the shareholders.



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Activities

Employing more than 530 employees in three factories located in Montreal and Saint-Bruno-de-Montarville, Etalex has been providing commercial design and industrial warehousing solutions to the North American market since 1966.

Mission and value

In partnership with its clients, ETALEX designs, manufactures and markets quality products for commercial display and warehousing systems.

Collaboration: Supported by over 55 years of experience, we achieve our goals by sharing our knowledge and learning experiences. We work closely with our colleagues, partners, and clients.

Open-mindedness: We listen to others and their ideas. We encourage diversity in all its forms.

Respect: This is what makes us proud. We are all responsible for our actions, our words, and for completing the tasks entrusted to us, empowering ourselves and others in the process. Contributing to the success of our employees, our clients and our providers as at the heart of our motivation.

Engagement and supply chains

Etalex is committed to building a sustainable supply chain that reflects its corporate culture and its values and behaviors advocated by its group and its shareholders.

The main suppliers making up the Etalex supply chain are in the steel, paint products and wood markets.



Risks

Etalex considers that the risk of forced labor or child labor is extremely low in its activities. All employees are hired in accordance with applicable laws and regulations. The necessary checks to ensure that individuals have the right to work are carried out rigorously.

Etalex has a predominantly Canadian sourcing strategy. A reflection was initiated in 2024 on the development of a preliminary analysis of our supply chains in order to target the potential risks of local and foreign suppliers.

Corrective actions

Etalex has not identified any risks linked to forced labor or child labor in its organization. In addition, the company has not identified any specific risks in its supply chain at this time. Etalex has not taken any action related to the loss of revenue at this time since we have not yet identified any risk situations.

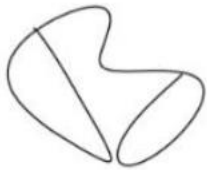
Training

We are currently establishing training for employees who could be involved in soliciting business partners or potential employees in order to have knowledge of the risks and behavior to adopt.



Approval and attestation

This report was presented and approved by the board of directors of Groupe SJM inc and its subsidiaries Etalex inc and Équipement Boni inc. dated May 2, 2024. In accordance with the requirements of the law, I certify that I have reviewed the documents. To the best of my knowledge, and after having exercised reasonable diligence, I confirm that the information contained in the report is true, accurate and complete in all material respects for the purposes of the Act, for the above-mentioned reporting year.



Thierry Lachappelle – ETALEX President - CEO