

PLACEMENT GROUPE MI INC.

REPORT ON CANADA'S FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

1. This report is for which of the following?

- Entity
 Government institution

2. Legal name of reporting entity or government institution

PLACEMENT GROUPE MI INC.

3. Financial reporting year:

Start Date: January 1, 2023

End Date: December 31, 2023

4. Is this a revised version of a report already submitted this reporting year?

- Yes
 No

5. For entities only: Business number(s): 771091519

6. For entities only: Is this a joint report?

- Yes
 No

6.1. If yes, identify the legal name of each entity covered by this report.

PLACEMENT GROUPE MI INC.
INDUSTRIES MAILHOT INC.
MAILHOT HOLDINGS USA INC.
JARP INDUSTRIES, INC.

6.2. Identify the business number(s) of each entity covered by this report, (if applicable)

PLACEMENT GROUPE MI INC.: 771091519
INDUSTRIES MAILHOT INC: 887161560
MAILHOT HOLDINGS USA INC.: 7455823 (Delaware File Number)
JARP INDUSTRIES, INC.: 1J01225 (Wisconsin Entity ID)

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7. For entities only: Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction?

- Yes
- No

7.1. If yes, indicate the applicable law(s). Select all that apply.

- The United Kingdom's Modern Slavery Act 2015
- Australia's Modern Slavery Act 2018
- California's Transparency in Supply Chains Act
- Other, please specify:

8. For entities only: Which of the following categorizations applies to the entity? Select all that apply.

- Listed on a stock exchange in Canada
- Canadian business presence (select all that apply):
 - Has a place of business in Canada
 - Does business in Canada
 - Has assets in Canada
- Meets size-related thresholds (select all that apply):
 - Has at least \$20 million in assets for at least one of its two most recent financial years
 - Has generated at least \$40 million in revenue for at least one of its two most recent financial years
 - Employs an average of at least 250 employees for at least one of its two most recent financial years

9. For entities only: Which of the following sectors or industries does the entity operate in? Select all that apply.

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- Other, please specify:

10. For entities only: In which country is the entity headquartered or principally located?

Canada

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10.1. If in Canada: In which province or territory is the entity headquartered or principally located?

Québec

Annual Report - Reporting for entities

1. What steps has the entity taken in the previous financial year 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 the entity or of goods imported into Canada by the entity? Select all that apply.

- Mapping activities
- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing an action plan for addressing forced labour and/or child labour
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Developing and implementing child protection policies and processes
- Developing and implementing anti-forced labour and/or -child labour contractual clauses
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- Auditing suppliers
- Monitoring suppliers
- Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour
- Developing and implementing grievance mechanisms
- Developing and implementing training and awareness materials on forced labour and/or child labour
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour
- Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks
- Information not available for this reporting period
- Other, please specify:

2. Please provide additional information describing the steps taken.

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In connection with the preparation and approval of this Report, the Corporation is considering potential steps to be taken in the current financial year, including the development and implementation of policies and procedures, in order to help the Corporation and its subsidiaries better assess and manage the risk of forced labour and child labour in its business operations and supply chains.

3. Which of the following accurately describes the entity's structure?

- Corporation
- Trust
- Partnership
- Other unincorporated organization

4. Which of the following accurately describes the entity's activities? Select all that apply.

- Producing goods (including manufacturing, extracting, growing and processing)
 - in Canada
 - outside Canada
- Selling goods
 - in Canada
 - outside Canada
- Distributing goods
 - in Canada
 - outside Canada
- Importing into Canada goods produced outside Canada
- Controlling an entity engaged in producing, selling or distributing goods in Canada or outside Canada, or importing into Canada goods produced outside Canada

5. Please provide additional information on the entity's structure, activities and supply chains.

Placement Groupe MI Inc. is a holding company and, directly or indirectly, the sole shareholder of all other entities reporting under this Report, namely Industries Mailhot Inc., Mailhot Industries Holdings USA Inc. and Jarp Industries, Inc. Placement Groupe MI Inc. and its subsidiaries are manufacturers of hydraulic telescopic and rod cylinders, with operations in Canada, the United States and Mexico.

Mailhot's supply chain is focused on purchases of raw materials and components from Canada, the United States and Asia as well as services in support of the manufacturing process and sales of its cylinders.

6. Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour?

- Yes
- No

6.1. If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply.

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Ceasing, preventing or mitigating adverse impacts
- Tracking implementation and results
- Communicating how impacts are addressed
- Providing for or cooperating in remediation when appropriate

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7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour.

In connection with the preparation and approval of this Report, the Corporation is considering potential steps to be taken in the current financial year, including the development and implementation of policies and procedures, in order to help the Corporation and its subsidiaries better assess and manage the risk of forced labour and child labour in its business operations and supply chains.

8. Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used?

- Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.
- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.
- No, we have not started the process of identifying risks.

8.1. If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply.

- The sector or industry it operates in
- The types of products it produces, sells, distributes or imports
- The locations of its activities, operations or factories
- The types of products it sources
- The raw materials or commodities used in its supply chains
- Tier one (direct) suppliers
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour
- The use of forced labour
- The use of child labour
- None of the above
- Other, please specify

9. Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply.

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing

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- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- None of the above
- Other, please specify

10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk.

In connection with the preparation and approval of this Report, the Corporation is considering potential steps to be taken in the current financial year, including the development and implementation of policies and procedures, in order to help the Corporation and its subsidiaries better assess and manage the risk of forced labour and child labour in its business operations and supply chains.

11. Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains?

- Yes, we have taken remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour.

In connection with the preparation and approval of this Report, the Corporation is considering potential steps to be taken in the current financial year, including the development and implementation of policies and procedures, in order to help the Corporation and its subsidiaries better assess and manage the risk of forced labour and child labour in its business operations and supply chains.

13. Has the entity taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains?

- Yes, we have taken substantial remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.

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- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

14. Please provide additional information on any measures the entity has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

In connection with the preparation and approval of this Report, the Corporation is considering potential steps to be taken in the current financial year, including the development and implementation of policies and procedures, in order to help the Corporation and its subsidiaries better assess and manage the risk of forced labour and child labour in its business operations and supply chains.

15. Does the entity currently provide training to employees on forced labour and/or child labour?

- Yes
 No

15.1. If yes, is the training mandatory?

- M Yes, the training is mandatory for all employees.
 Yes, the training is mandatory for employees making contracting or purchasing decisions.
 Yes, the training is mandatory for some employees.
 No, the training is voluntary.

16. Please provide additional information on the training the entity provides to employees on forced labour and child labour.

In connection with the preparation and approval of this Report, the Corporation is considering potential steps to be taken in the current financial year, including the development and implementation of policies and procedures, in order to help the Corporation and its subsidiaries better assess and manage the risk of forced labour and child labour in its business operations and supply chains.

17. Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains?

- Yes
 No

17.1. If yes, what method does the entity use to assess its effectiveness? Select all that apply.

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour
 Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and -child labour clauses
 Partnering with an external organization to conduct an independent review or audit of the organization's actions
 Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators
 Other, please specify.

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18. Please provide additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains.

In connection with the preparation and approval of this Report, the Corporation is considering potential steps to be taken in the current financial year, including the development and implementation of policies and procedures, in order to help the Corporation and its subsidiaries better assess and manage the risk of forced labour and child labour in its business operations and supply chains.

Attestation by Placement Groupe MI Inc.

This report has been reviewed and was approved by the Board of Directors on May 28, 2024.

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 listed above. 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 year listed above.

Charles Massicotte

Charles Masicotte
President and Director

Date: May 28, 2024

I have the authority to bind the corporation

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