



MODERN SLAVERY REPORT 2024

GALVION UK LIMITED



*This Modern Slavery Report (the “**Report**”) addresses the period from January 1, 2024, to December 31, 2024 and has been prepared in compliance with the UK Modern Slavery Act. This report is a joint report made on behalf of Galvion UK Limited located in Womble Bond Dickinson (UK) LLP 4, More London Riverside, London, United Kingdom, SE1 2AU and its parent company, Galvion Inc. located in 3800 Saint-Patrick, Suite 200, Montreal, Quebec H4E 1A4 along with its affiliates.*

Galvion Entity	Place of Incorporation	Date of Incorporation	Business Registrations
Galvion Inc.	Canada	12/7/2001	Canada:400502-1 Quebec: NEQ - 1160524246 Canada: 795532-4
Galvion Research & Development Inc.	Canada	8/25/2011	Canada: 795532-4 Quebec: 1174751645 GST: 80412 4519 QST: 1226767025 TQ0001
Galvion Power Systems Inc.	Canada	1/28/2002	Canada: 400395-1 Ontario: 001577666
Galvion Ltd.	USA	9/26/2019	Delaware: 7584239 - 09/26/2019 New Hampshire: 829139 - 10/23/19 Massachusetts: 001466969 - 10/26/2020 North Carolina : 2620583 - 4/25/2023
Galvion Soldier Power LLC	USA	8/13/2018	Delaware: 7037382 - 8/30/2018 Massachusetts: 001413063 - 11/25/2019 California: 202360014522 - 12/07/2023
Galvion Ballistics Ltd.	USA	4/27/2012	Delaware: 5133648 - 04/27/2012 Washington State: 604697817 Vermont: 0092849 - 05/15/2012 New Hampshire: 872994 - 06/02/2021 Colorado: 20201610418 - 10/15/2020 Florida: F21000002953 - 06/01/2021 New Jersey: 0451052827 - 11/28/2023
Galvion Focused Solutions LLC	USA	11/7/2022	Delaware: 7123804 - 07/11/2022 Massachusetts: 001618704 - 14/11/2022
Galvion Technologies LLC	USA	2/17/2011	Vermont: 003689 - 02/17/2011 New Hampshire: 893369 - 02/14/2022
Galvion UK Limited	UK	7/31/2015	England & Wales 9713398 - 07/31/2015



INTRODUCTION

Galvion UK Limited “Galvion”, is committed to ethical and responsible business behavior. Our core values are centered upon the principles of fair dealing and ethical conduct through careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and integrity. As a leader in providing protective solutions and equipment that enhance the overall agility and survivability of the modern warfighter, tactical operator, and peacekeeper, we understand the role we play in the supply chain and ensure that our processes and policies incorporate industry best practices to ensure safeguards against forced and/or child labour are firmly adhered to. Our trusted products are designed and manufactured through the Galvion network at facilities across Canada, the United States, and Europe (see chart below for facilities & activities).



At Galvion, we consider our exposure to modern slavery to be low due to the nature of our business, the strict regulations, and policies we need to follow, the marketplaces that we and our suppliers operate in, and our company’s policies and procedures for combatting modern slavery. This report sets out the actions our organization has taken to ensure slavery and human trafficking is not taking place in any part of our operations or supply chain.

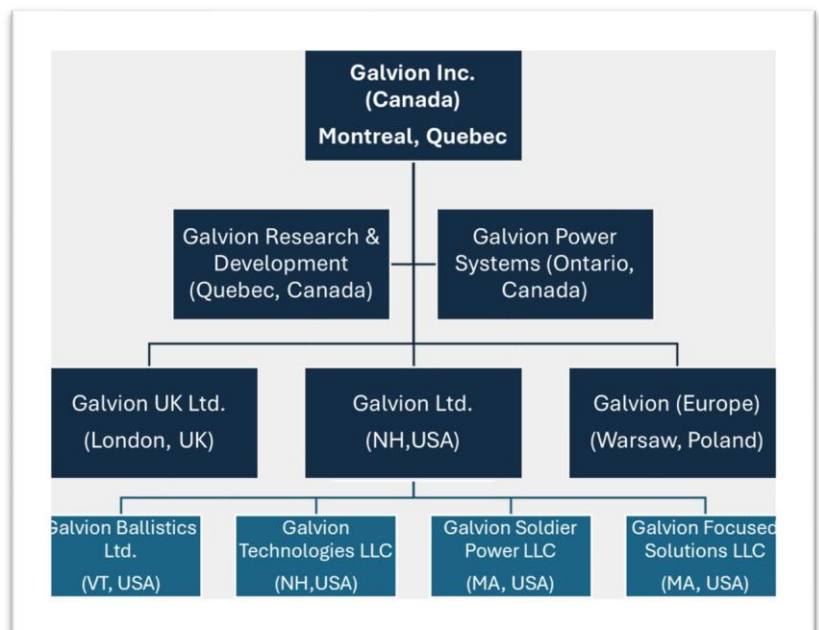


CORPORATE STRUCTURE

Galvion is a Canadian Corporation headquartered in Montreal, Quebec, with subsidiaries in Canada, the United States, the United Kingdom, and Poland, and employs 450 people engaged in design, development, and delivering best-in-class head systems, as well as innovative power and data management solutions for military and tactical operators worldwide. We engineer advanced concept, integrated systems critical to meet the challenges of tomorrow and beyond (see our Corporate Structure pictured below). This activity is limited to the manufacturing, professional, scientific, and technical services sectors, with a gross revenue for 2023 of \$120M USD.

As a vertical organization, Galvion is governed by a Board of Directors which flows down authority through the Chief Executive Officer, who in turn flows authority to the Senior Leadership Team based upon their functional charters of responsibility. Leadership is centralized with a transparent chain of command and each Senior Leadership role has well-defined areas of responsibility. Each Senior Leader has a defined scope of control, decision-making authority within their scope of responsibility, and Departments within the organization.

In addition to overseeing all members of specific teams, the senior leadership team oversees managing risks, promoting teamwork, managing complex challenges, and setting clear goals in line with the Board's vision.



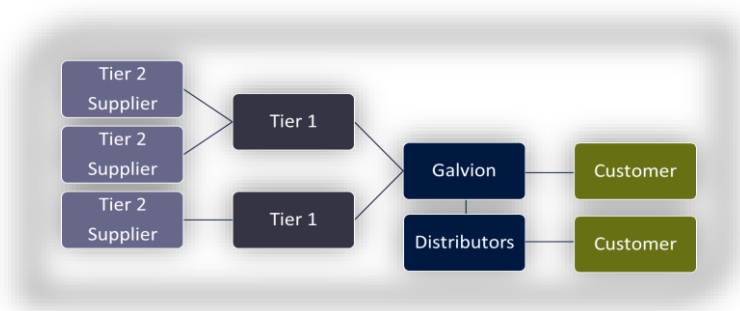
SUPPLY CHAIN

Galvion has an integrated supply chain where procurement of raw materials to production, quality control to packaging, distribution to final delivery is seamless and inseparable. Our supply chain network involves five key areas: external suppliers, Galvion and supplier production facilities, distribution centers, demand zones, and transportation. Galvion has a hierarchical supply chain with tiered sources of supply, and supplies goods and services both direct to customers and through



authorized distributors. Our supplier base is managed through formal business terms and industry best practices depending on the nature of the commodity.

Galvion has an international supply base that goes through a supplier or vendor vetting prior to engaging in purchasing activities. This vetting screens for several factors, one of which is ascertaining whether the supplier shares Galvion's values and commitment to upholding statutory and regulatory compliance. Our vendors fall into two categories:



- Product suppliers or direct suppliers—those that support the delivery of services and products to our customers.
- Non-product suppliers or indirect suppliers—those that support our operations.

The products we procure to support delivery of goods to our customers are generally high-end components, commercial off-the-shelf products, or build to spec parts. Galvion sources from business that are large multinational companies, medium-sized firms, and small businesses. We focus on building strategic relationships with suppliers that are reputable, responsible and share the same ethical business standards.

REPORTING OBLIGATIONS

Due to its structure and operations, Galvion is subject to supply chain reporting requirements in Canada, the United States, and the United Kingdom. Specifically, the following applicable laws apply:

- Fighting Against Forced Labour and Child Labour in Supply Chains Act – Canada
- Modern Slavery Act 2015 – the United Kingdom
- Combatting Trafficking in Persons – US Federal Acquisition Regulation 52.222-50

POLICIES & DUE DILIGENCE

Galvion approaches compliance proactively, embedding responsible business conduct directly into our policies which are the bedrock of our processes and workflows. Through our organizational and governance policies we communicate our values and expectations, setting a high bar for ourselves, our employees, and our suppliers, and make it clear that we do not tolerate any forms of forced labour or child labour. We are committed to consistently evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations or by suppliers working for us. We make every effort, including through carrying out due diligence and audits to monitor the performance of our suppliers, to prevent our activities having a negative impact on human rights. Our program to prevent modern slavery is centered around the following core corporate policies, every Galvion employee must follow:

- Galvion Policy HR 2017 - Code of Ethics
- Galvion Policy 501 - Supply Chain Policy
- Galvion Policy 502–Policy Against Human Trafficking and Slavery
- Galvion Policy 503–Anti Bribery and Corruption
- Galvion Policy 513 – Environmental Social Governance Policy

Code of Ethics: Galvion’s Code of Ethics Policy establishes the ethical values our business implements in our policies and expectations of staff in conducting business on behalf of the organization no matter what the activity. Our code of ethics is designed to be a guiding force for tackling any situation that our employees may face and to prevent unethical business practices, both deliberate and inadvertent, including forced labor. Every employee is required to read and acknowledge our Code of Ethics upon hire and is reminded during routine refresher training.

Supply Chain Policy: Galvion’s Supply Chain Policy recognizes that our supply chain activities have a broad impact and that our responsibilities extend beyond our own operations and into those of our suppliers. We also recognize that there are local and national differences in standards in relation to many aspects of both our business and that of a supplier’s. However, there are several minimum standards that must be achieved by all and are set out in this policy which is applied globally.

The Supply Chain Organization’s core mission is to guarantee the continual availability of the commodities, components and services needed by our internal customers through the creation of an efficient, durable supply chain and by sourcing suppliers who meet our stringent technical, quality and cost requirements, as well our expectations concerning social issues and environmental goals. It is Galvion’s policy to work only with suppliers that provide us with the goods and services that we need whilst not exposing our employees, their employees, or their local environment to



unacceptable risks. A key part of our sourcing decisions are based on adherence to Human Rights, ethically sourced/tested, Safety, Health & Environmental policies, procedures and best practices.

All Galvion suppliers and the entire supply chain must comply with or exceed the following requirements regarding labor:

- No forced, bonded or involuntary prison labor will be used;
- No children are to be employed, consistent with the UN Convention on the Rights of the Child;
- No forms of modern slavery, servitude, forced nor compulsory labor, nor human trafficking are to be employed, consistent with the UK's Modern Slavery Act; and
- Employees of our suppliers shall be paid wages for standard working hours that meet or exceed local or national minimum requirements.
- Every employee is required to read and acknowledge our Supply Chain Policy upon hire and is reminded during routine refresher training.

Policy Against Human Trafficking and Slavery: Galvion is committed to a work environment that is free from human trafficking and slavery, which, for purposes of policy, includes forced labor and unlawful child labor. Galvion will not tolerate or condone human trafficking or slavery in any part of our global organization. This policy is consistent with Galvion's Business Ethics and Conduct and our core values to protect and advance human dignity and human rights in our global business practices.

Galvion employees, contractors, subcontractors, vendors, suppliers, partners, and others through whom Galvion conducts business must avoid complicity in any practice that constitutes trafficking in persons or slavery. This Policy applies to all who are employed by or engaged to provide services to Galvion, including, but not limited to, Galvion's employees, officers, temporary employees, contingent workers (including agency workers), casual staff, and independent contractors.

Every Galvion employee is responsible for reading, understanding, and complying with the Policy. Galvion managers are responsible for ensuring that employees who report to them, directly or indirectly, comply with this Policy. Employees are required to read and acknowledge our Policy Against Human Trafficking and Slavery upon hire and are reminded during routine refresher training.

Anti Bribery and Corruption: Galvion is committed to applying the highest standards of ethical conduct, integrity, and corporate governance in its business activities. We take a zero-tolerance approach to Bribery and Corruption, elements that tend to facilitate child and forced labor, and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. Galvion abstains from conducting business with service consultants, distributors or representatives that do not adhere to and support the Galvion's Anti-Bribery and Corruption Policy and objectives.

Galvion carries out business in a transparent and ethical manner and strives to ensure honest, open, and fair competition in its business operations. Galvion endeavors to lead the market through



innovation and delivery of excellent services and products to its customers while maintaining compliance with respective laws and regulations regarding bribery, corruption, and corrupt practices.

Galvion will comply with all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. We remain bound by local, national, and international laws.

As a Company, Galvion is incorporated in and conducting its business in Canada, the United States of America, and the United Kingdom, therefore obliged to comply with the domestic laws of these respective countries, including but not limited to, the Canada's Corruption of Foreign Public Officials Act (CFPOA), the United States of America's Foreign Corrupt Practices Act of 1977 and the United Kingdom's UK Bribery Act, 2010. Galvion respects and adheres to international laws and instruments promulgated and adopted by the United Nations, OECD and the European Union. Every employee is required to read and acknowledge our Anti Bribery and Corruption Policy upon hire and is reminded during routine refresher training.

Non-Discrimination, Harassment, and Retaliation Policy: Galvion expects team members to report ethical issues when they first learn of them and encourages this behavior through prohibiting retaliation against those that make reports. Galvion extends this policy to third parties doing business with Galvion and will take immediate action upon learning of retaliation.

Business unit heads, VPs, directors and managers are responsible for educating employees on their individual responsibility to maintain a workplace free of discrimination, harassment, and retaliation. With the cooperation of the staff of every business unit, directors, managers, or supervisors are also responsible for identifying risk factors, to decide or recommend actions to be taken to prevent risk situations, to follow up, to intervene informally or formally to resolve risk situations and finally to decide on or recommend actions to be taken because of an intervention.

DUE DILIGENCE

Galvion exercises due diligence in all its business functions and operations. Our main line of safeguards is through the application of policies in everything we do. We expect every employee to read and acknowledge our policies during the onboarding process and conduct training throughout the year to reinforce understanding.

Before entering into any relationships with both customers and suppliers, Galvion vets parties to assess whether they conduct business in line with Galvion's values. This is done through a review of where and how they do business, in addition to evaluating how long they have been doing business and the maturity of their business processes. Specifically relating to our supply chain, we take the following actions:



- Supplier visits
- Supplier certifications (ISO of Applicable Industry Certifications)
- Third-party audits
- Regulatory/statutory flow down
- Denied party screening
- Business partners analysis

All supply chain relationships are formally executed with the appropriate contractual documentation. An important element of the due diligence process is to ensure that there is written documentation setting out the nature of services being provided, costs and, where relevant, commissions, fees and preferred means of remuneration.

Generally, Suppliers are managed according to ISO 9001:2015 Quality System standards based on:

- QM-04 Quality Management System Manual
- PR-10 Supplier Evaluation and Purchasing Procedure
- SQM-001 Galvion Supplier Quality Manual -Rev 1.3
- F-86 Supplier Assessment Form
- F-77 Supplier Scorecard
- SCARs Supplier Corrective Action Reports

OUR RISK

As a global organization, our biggest risks are those we can't directly control. Our second- and third-tier suppliers who we may never directly engage with pose the highest risk, especially those outside of North America and the United Kingdom. This is why we take cautious steps to vet our first-tier suppliers rigorously and ensure they hold the same values and embed similar business practices into their operating procedures with their sources of supply. As a safeguard, chain of custody and or sub tier certifications are often required and Galvion may also conduct downstream analysis on:

- Country of origin
- Presence of stable governments
- Offshore activity



- Precedence of season workers
- History of child labor
- Regional demographics

MITIGATION AND PREVENTION OF OUR RISK

Throughout this report, Galvion has outlined the many measures and steps it takes to assess and safeguard child and forced labor in its business dealings. Our first line of safeguards is ensuring our standards and values are communicated through policies that every employee knows and employs to make ethical business decisions. Our second line of safeguards is process and due diligence screenings, check points, and analysis. Our third line of safeguards is requirement flow down, supplier certification, and attestations, both annual and prior to the award of new business. Galvion ensures these measures are effective through routine and randomized audits conducted electronically and in person through site visits.

Specific actions Galvion has taken over the course of the year include:

- Raise internal and external awareness regarding our corporate policy condemning and prohibiting the use of child and forced labor;
- Seek to do business with reputable, responsible suppliers that are committed to the highest standards of ethics and business conduct;
- Require our suppliers, through our standard terms and conditions of purchase, to represent that they will comply with all applicable laws and regulations including those that prohibit forced labor and modern slavery;
- Provide employees with training resources designed to increase awareness of ethics and compliance matters generally, as well as on recognizing and mitigating the risks of human trafficking and modern slavery in supply chains;
- Through our Compliance Office, thoroughly investigate any concerns or allegations of misconduct submitted and, if substantiated, resolve through appropriate corrective action; and
- Monitor the development of new regulations relating to the prevention of modern slavery and human trafficking, to ensure that our policies and procedures remain current and compliant.

Additionally in 2023, Galvion launched a new Ethics and Employee Concern Anonymous Hotline for reporting possible ethics violations, including child and forced labor. The purpose of this service is to ensure that any employee wishing to submit a report can do so anonymously and without fear of retribution. We know that our employees are critical in alerting us of any activity that goes against our code of ethics and provide as many communication channels as possible to ensure they feel



comfortable reporting. The link to our anonymous reporting program is: https://report.syntrio.com/_StandardCustomURL/LHILandingPage.asp

In addition to reviewing policies during the onboarding process, every employee always has access to Galvion's policies from our internal Gateway network.

TRAINING

All Galvion employees are required to read and acknowledge company policies during their onboarding process, including the policies specifically addressed in this report. Additional training is administered by department managers based on the employee's roles and responsibilities. Refresher training is provided at the company and department level at regular cadences and Galvion provides information on our Anonymous Hotline consistently throughout the year to reinforce this resource to our community.

EFFECTIVENESS

Galvion measures effectiveness as part of our corporate governance program, which includes monitoring compliance with our policies described in detail above, processes, and standard operating procedures. Each member of the Senior Leadership team champions compliance within their respective lines of functional responsibility and the Compliance function acts as a safeguard in holding the Leadership Team and Organization accountable. Policy is reviewed annually to assess whether updates are needed and if deemed necessary, adjusted, and communicated to our employees electronically and verbally.

Questions or concerns raised through the above-described reporting mechanisms would be directed to Compliance for a thorough investigation. No such reports or concerns were made during the Reporting Period, and we have not otherwise identified any instances of modern slavery or human trafficking in our business or in our supply chain. This is consistent with our assessment that overall, our exposure to human trafficking and modern slavery is low.



ATTESTATION

This Report was approved by Galvion Senior Leadership Team as well as Officers of the Board on 27 May 2024. This Report will be available on our company website at **www.galvion.com**.

“In accordance with the requirements of the UK Modern Slavery Act 2015, and in particular section 54 (Transparency in Supply Chains), 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.”

A handwritten signature in black ink that reads 'Christina Mouradjian'.

Christina Mouradjian

Senior Director, Contracts & Compliance