GVS Investments Inc. & Guide Valve Limited

Fighting Against Forced Labour and Child Labour in Supply Chains

(Fiscal Year 2025)

Introduction

This report has been prepared and issued in accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"). The report is submitted jointly by Guide Valve Limited ("GVL") and GVS Investments Inc. ("GVS"), the parent company of GVL (collectively referred to as the "Companies").

In compliance with the Act, this report relates to the Companies' 2025 fiscal year. The fiscal year end for GVS is August 31, 2025, while the fiscal year end for GVL is September 30, 2025. As a holding company, GVS primarily carries out its Canadian business activities through GVL.

GVL is committed to advancing technology and innovation in the development of valve products that reflect its "better by design" philosophy. The company continuously works to deliver high-quality products and services that meet or exceed customer expectations. In pursuing these objectives, GVL promotes a workplace culture centered on safety, collaboration, continuous improvement, and respect for the environment, as well as for its employees, suppliers, customers, and broader business community.

The Companies' Structure, Activities, and Supply Chains

Corporate Structure

GVS Investments Inc. ("GVS") is a privately owned Canadian holding company and the sole shareholder of Guide Valve Limited ("GVL"). Both entities are incorporated in Ontario and maintain their principal offices at 51 Terecar Drive, Unit 1, Vaughan, Ontario, Canada.

Business Operations

Originally established in 1980 as a valve distribution business, GVL has expanded over the years into a recognized manufacturer of industrial pipeline valves and actuator distributor. The company supplies its products directly to end users as well as through third-party distribution networks.

GVL primarily supports the oil and gas sector in Canada and international markets. The company is dedicated to delivering reliable, high-quality valve and actuator products and related accessories, guided by its "better by design" philosophy, which emphasizes safety, performance, and product integrity. To support these objectives, GVL maintains quality management systems certified to ISO 9001 and CSA B51 standards for the design, manufacture, and servicing of valves used in the oil and gas industry.

GVS owns and oversees GVL and, through its subsidiaries, owns and operates Guide Valve Wuxi ("GVW") located in Wuxi, Jiangsu, China. GVS is also a shareholder in Guide Valve Taiwan ("GVT") located in New Taipei City, Taiwan and Trutorq Italia Srl located in Rovato, Italy. Manufacturing activities for the majority of GVL's products are carried out through operations in Ontario, Italy, Taiwan and China.

During the 2025 fiscal year, GVL employed approximately 36 employees in Canada. Guide Valve Wuxi employed 60 employees, based in China. In addition to the above international manufacturing facilities, GVS subsidiaries also maintained sales offices in the United States and Mexico employing a combined total of six personnel responsible for marketing and supporting GVL products within those regions.

Supply Chain

GVL maintains oversight of key manufacturing activities in order to support the quality and reliability of its products. GVW's office and production facilities in China are operated in accordance with standards that meet or exceed applicable Canadian expectations.

The Companies source materials and components from suppliers located throughout North America, Asia, and Europe. Raw materials are procured from established suppliers and foundries that are appropriately licensed and/or certified to ISO 9001 standards. Components and materials are subsequently machined, assembled, and finished at the Companies' facilities in Vaughan, Ontario, Taipei, Taiwan and Wuxi, China.

Suppliers undergo a formal assessment process. Evaluation criteria include certifications, industry reputation, references, historical performance, quality standards, audit results, and operational capability. Approved suppliers are added to an authorized vendor list and are subject to periodic review and ongoing performance monitoring to help ensure continued compliance with GVL's standards and expectations.

GVL also engages a limited number of subcontract manufacturers located in Taiwan, with whom it has maintained longstanding business relationships. These facilities are reviewed and visited periodically, as appropriate, to support quality assurance and operational oversight.

Prevention and Reduction of the Risk of Forced Labour & Child Labour: 2025

GVL's Code of Conduct reinforces the company's commitment to maintaining a safe and healthy workplace while ensuring compliance with all applicable domestic and international trade laws, regulations, and standards.

The Companies do not utilize child labour, forced labour, or migrant labour within their operations. All employment is undertaken voluntarily. GVL's Hiring and Human Resources Management Policy establishes procedures for recruitment and onboarding through the company's human resources department. Prospective employees are assessed based on established qualifications, experience, and job-related requirements, and all new employees receive training regarding company policies and expectations. In addition, GVL's Employee Training and Awareness Policy requires annual reviews to evaluate the effectiveness of employee training programs.

GVL has implemented a Risk Management System designed to identify, evaluate, and categorize operational and compliance risks, while also establishing appropriate mitigation and management strategies.

The Companies' operational processes are reviewed annually through internal audit procedures conducted by trained personnel, as well as through independent third-party audits performed in accordance with ISO 9001 standards by Intertek and API Q1 standards by the American Petroleum Institute (API).

In China, Guide Valve Wuxi ("GVW") operates in accordance with applicable local laws and internationally recognized standards. Employees are hired, trained, and compensated in a manner consistent with local labour market practices and with due regard for employee rights and workplace protections. All employment at GVW is voluntary. The Wuxi facility maintains internationally recognized occupational health and safety standards and is subject to regular internal audits to support ongoing compliance. GVW also communicates its occupational health and safety

expectations to suppliers and encourages adherence to comparable standards throughout its supply chain.

The Companies maintain ongoing oversight of their supply chains through the monitoring and evaluation processes described above. Suppliers are expected to comply with applicable occupational health and safety requirements and may be subject to audits and periodic reviews to assess continued compliance with the Companies' standards.

To date, GVL has not identified any instances of child labour or forced labour within its supply chains or business operations.

Current Policies, Risk Assessment and Due Diligence

The Companies are committed to complying with all applicable domestic and international laws and regulations relating to unlawful labour practices, including forced labour, child labour, and human trafficking. As part of this commitment, the Companies seek to avoid entering into or maintaining business relationships with organizations, suppliers, or employers that fail to meet applicable labour standards or that are known to be in breach of relevant labour laws.

Both GVL and GVW have implemented formal Ethical Trading Policies and Illegal Labour Policies that reinforce the Companies' commitment to preventing forced labour, child labour, and human trafficking within their operations and throughout their supply chains.

The Companies' policies and procedures are guided by recognized international principles and legal standards, including:

- The United Nations Guiding Principles on Business and Human Rights (UNGPs)
- The Universal Declaration of Human Rights
- International Labour Organization ("ILO") conventions
- Applicable human rights legislation and labour laws in the jurisdictions in which the Companies operate

Internally, the Ethical Trading Policy and Illegal Labour Policy are communicated to employees throughout the organization to promote awareness and accountability. GVL regularly reviews its employment practices to help ensure ongoing compliance with ethical labour standards and internal protocols. Employees are provided with training and practical guidance regarding the risks and impacts associated with unlawful labour practices, including forced labour and child labour, and are informed of the procedures for identifying and reporting potential non-compliance concerns.

The Companies recognize that certain risks relating to forced labour and child labour may arise due to GVW's operations and supplier relationships within Asia. These potential risks are identified and documented within GVL's Risk Assessment Register. GVL conducts quarterly risk assessment reviews to evaluate identified risks, assess the effectiveness of mitigation measures, and determine whether additional controls or actions are required. Adherence to the Companies' policies concerning forced labour and child labour is also reviewed as part of GVL's internal audit program.

The Companies' policies are also communicated to suppliers and subcontract manufacturers as part of their supplier engagement and oversight processes. Compliance with the Illegal Labour Policy is incorporated into GVL's supplier approval procedures and evaluation criteria. Supplier monitoring and due diligence measures include pre-qualification assessments of suppliers and sub-suppliers, as well as periodic site visits and audits intended to support ongoing third-party compliance with applicable labour and ethical standards.

Suppliers and subcontract manufacturers are also expected to provide confirmations regarding their employment practices, initiatives to prevent forced labour and child labour, and the policies and controls implemented within their own organizations.

To date, the Companies have not identified any instances of forced labour or child labour within their operations or supply chains. Accordingly, no remediation measures have been necessary, and the Companies are not aware of any related loss of income or adverse impacts affecting workers, families, or local communities arising from such practices.

Training

The Companies have developed and implemented employee training programs in both Canada and China focused on the identification, prevention, and reporting of unlawful labour practices, including forced labour and child labour. The Companies remain committed to regularly assessing the effectiveness of these training initiatives and to enhancing their programs on an ongoing basis through internal review processes, compliance monitoring, and periodic audits.

Approval and Attestation

This Report was prepared in compliance with *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c. 9 and approved pursuant to subparagraph 11(4)(b)(ii)&(ii) of the Act by the sole Director of GVS Investments Inc. and Guide Valve Ltd., Calogero (Charles) Lo Cicero.

Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, I attest that I have reviewed the information contained in this Report. 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.



Calogero (Charles) Lo Cicero

President & Director, Guide Valve Limited

Director, GVS Investments Inc.

May 27, 2026