



Dejero Labs Inc.  
410 Albert Street, Suite 200  
Waterloo, ON, Canada N2L 3V3

## Dejero's Fighting Against Forced Labour and Child Labour in Supply Chains Report

To meet the applicable requirements of Fighting Against Forced Labour and Child Labour in Supply Chains Act ("the Act")

### Introduction

The act requires certain entities to disclose actions the entity is taking to reduce and prevent the risk that forced labour and child labour are used in the entities' supply chain. The purpose of this newly enacted legislation is to solidify Canada's commitment to contribute to the fight against forced labour and child labour in the international community and require these certain entities to meet defined reporting obligations. This report (the "Report") is provided by Dejero Labs Inc. (the "Company"), a Corporation incorporated in the Province of Ontario under the Business Corporations Act, and its subsidiaries, Dejero Inc. (USA), Dejero Europe Limited (UK), and Dejero S. de R.L. de CV (Mexico) for the financial year ending December 31, 2023. This Report was approved by the Board of Directors of the Company on May 31st. The Company is opposed to all forms of forced and child labour and is continuing to strengthen its policies and procedures to fight against any forced labour and child labour in its supply chain if identified.

### Our Company

Dejero is in the network communications, and internet connectivity industry, and delivers real time video and networking solutions that provide resilient, uninterrupted internet connectivity for critical communications. The Company uses proprietary intelligent network aggregation technology to combine diverse networks including 4G/5G cellular networks, GEO/MEO/LEO satellite, and fixed broadband, to create a software-defined "network of networks" managed in the cloud. The result is enhanced reliability, expanded coverage, and greater bandwidth for our global customers.

In order to deliver the reliable connectivity to its customers, the Company engages in light touch manufacturing of its portfolio of mobile transmitters, network devices, and return servers. The bare metal boxes are produced by Dejero's suppliers predominantly in the United States and Taiwan, and then shipped to Waterloo for imaging, testing, and quality assurance (and in some cases final assembly with peripheral parts) before being shipped to the end customer. The remainder of Dejero's product offerings fall under the "services" category and include software

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services (“SaaS”), cellular and satellite connectivity, hardware and software maintenance and support, and cloud services.

Founded in 2008, the company is privately held, and headquartered in Waterloo, Ontario, Canada. The Company’s Senior Management and Board of Directors (the “Board”) are located in Ontario, Canada and provide governance and oversight of the Company to ensure compliance with laws, and a strong approach to ESG practices and corporate social responsibility.

## Our Supply Chains and Business

Dejero procures a number of high technology assemblies, subassemblies and component parts from a variety of suppliers. The bulk of the value is from 20 main suppliers, composed of large reputable companies, which make up 86% of component value purchased in the year ended December 31, 2023. These suppliers provide the semi-finished assemblies, which Dejero then finalizes at their facility in Waterloo, Ontario. Dejero completes a vendor qualification form to qualify any new vendor before the first order is placed.

While there is some risk of forced labour and child labour in the supply chain given the number of companies making component parts, and the geographic dispersion of these companies, Dejero is careful to work with companies which uphold high levels of Corporate Governance and ESG practices.

Employees who are part of Supply Chain Management (“SCM”), which includes select employees from Operations, Procurement, Logistics, Production, R&D, and Finance, who interact with vendors, are involved in the vendor qualification process. These employees, and their respective managers, adhere to the Company’s Internal Compliance and Ethics Guidelines, and are often subject to additional ethical responsibilities and Codes of Conduct as part of their respective professional bodies. Upon learning of any alleged or prospective forced or child labour violations, these SCM employees would raise the issue to the Executive Leadership Team (ELT) to be handled accordingly.

## Addressing Forced and Child Labour in our Supply Chains and Business

### **Policies and Processes**

Dejero has a number of corporate policies and processes to ensure the Company is in compliance with all laws and regulations, is managing risk appropriately, and upholds the highest level of Corporate Social Governance. As the Company grows, and the global

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geopolitical, legal, and environmental landscapes change, so do the Company's policies and processes to adapt to these changes. The Company had the following policies and processes in place during the year ended December 31, 2023, which are currently being updated to specifically address various aspects related to forced labour and child labour and address specific requirements of the Act. The Company has initiated the process to work with a professional consultant in 2024 to identify gaps in the current policies, and to develop a roadmap to address them.

### **Risk Mitigation and Control Program**

Dejero has a comprehensive risk management process and framework whereby overall risks are identified, rated and ownership assigned. Each risk has an associated number of mitigating controls to support the management of the risk. A risk review is conducted with each team on a scheduled periodic basis. For all risks identified, management determines the appropriate path to address the risk – accept, mitigate, avoid, transfer and retire. For any forced labour and child labour risks identified, management would elect to mitigate the risk, and implement appropriate controls to achieve this outcome. The operational effectiveness and design effectiveness of the controls are measured on an annual basis. For the reporting period ended December 31, 2023, Dejero did not have any risks identified relating to forced or child labour across our supply chain.

A further, more detailed assessment of the potential risks across the Dejero supply chain will be undertaken during 2024 and incorporated into the risk management plan.

### **Employee Code of Conduct**

Dejero employees are expected to uphold Dejero's business practices, our core values, and maintain a respectful and safe work environment throughout the course of their employment by conducting themselves in an ethical and professional manner. We believe it is a shared responsibility of all Dejero employees to work towards the constant improvement of our workplace. It is important to exercise good judgment and common sense, and always consider the need to protect the confidentiality and reputation of Dejero and of Dejero's customers. This code of conduct should be upheld at all times including, but is not limited to, when working in the office or in a remote office, attending trade shows, when working with customers, and interacting with coworkers.

### **Compliance with Laws, Rules, and Regulations**

Employees are required to adhere to the laws, rules and regulations that govern Dejero business, including but not limited to, the applicable laws and regulations of their province, state, region, and country prohibiting insider trading, bribery, and improper payments.

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## Vendor Qualification Procedure

Prior to being listed as an approved Dejero supplier, the Company completes a supplier qualification checklist. As discussed above, various departments are responsible for the completion of the checklist. While a review of forced labour and child labour was not a specific item on the checklist for the year ended December 31, 2023, the checklist provides for a fair amount of diligence to be completed on the vendor, and an opportunity to identify illegal or unethical labour processes. In 2024 the Company is planning to revise the checklist to incorporate specific diligence procedures to address the risk of forced and child labour in the supply chain. All new vendors will be required to be compliant with the checklist. The Company will also create a roadmap to re-certify existing suppliers, by tiers, based on risk and significance in the Company's supply chain.

## Corporate Performance Review ("CPR")

On a monthly basis the senior leadership team of the Company meets to discuss each business department's objectives and key results, as well as select KPIs. As part of these monthly meetings the Production and Supply Chain Management team provides an update, and if identified would discuss any instances of forced labour or child labour in the supply chain, as well as remediation and next steps with the broader senior leadership team. To date there have been no instances, or suspected instances of forced labour or child labour in the supply chain.

## Remediation Measures

In the event that the Company becomes aware of a potential or confirmed presence of forced labour or child labour in its supply chains, the Company will take appropriate actions to address this behaviour. The Company will investigate the alleged presence, and upon confirmation, take the appropriate remedial measures, including ceasing, preventing or mitigating any adverse impacts in line with the Act.

The Company did not identify any instances of forced labour or child labour in our supply chains during the period ended December 31, 2023, and therefore no remedial measures were taken, including measures related to remediating the economic impact on any individuals or their families.

## Training

All employees are trained on and attest to the fact that they are to conduct themselves in accordance with our code of ethics and with all legislation. This includes conducting themselves

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in a manner that is free from any illegal or damaging actions. Employees understand that should they unknowingly or knowingly engage in any illegal behaviour through the course of their work or interactions with coworkers, customers, vendors, etc., their actions will be subject to disciplinary actions. Dejero takes its legal responsibilities very seriously and has ingrained that responsibility into our values as an organization.

## Monitoring and Compliance

For the year ended December 31, 2023, all programs discussed above operated as intended, with no significant deficiencies. Furthermore, through the operation of these programs, no instances of forced labour child labour were identified. As the Company continues to make the controls, processes, and policies related to forced and child labour more robust, additional KPIs and measurement will be put in place to monitor compliance. The Company has initiated discussions with a third-party professional consultant to develop, implement and measure these new controls and processes.

## Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Dejero Labs Inc. In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the 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 for the purposes of the Act, for the year ended December 31, 2023. I have the authority to bind Dejero Labs Inc.

Lisa Melchior  
Board Chair  
May 31, 2023

DocuSigned by:  
  
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Bruce Anderson  
CEO & Member of the Board  
May 31, 2023