

May 22, 2025

## **Introduction**

As required by the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, Zurn Industries Limited ("ZIL"), Filamat Composites Inc. ("Filamat"), and Hadrian Solutions ULC ("Hadrian"), submit this joint report regarding their continuing efforts to prevent and reduce the risk of forced labor or child labor in the supply chain. Collectively, ZIL, Filamat and Hadrian are referred to as "Zurn Canada" or the "Company".<sup>1</sup> This report is made for the fiscal year running January 1, 2024 through December 31, 2024 during which time Zurn Canada has continued to prevent and reduce the risk of forced labor or child labor in our supply chain through reliance on our existing policies and due diligence processes.

## **Business Structure and Supply Chain**

ZIL, Filamat and Hadrian are corporations engaged primarily in the industry business of Construction, Manufacturing and Wholesale Trade with four Canada based facilities operating in Ontario and Alberta, Canada.

They design, procure, manufacture and market a broad portfolio of water management products. ZIL, based in Brampton, Ontario, imports and exports Zurn Canada products domestically and internationally, and houses a customer service center. Meanwhile, the Filamat and Hadrian facilities are responsible for manufacturing design and fabrication in facilities in Burlington, Ontario, Calgary, Alberta and Mississauga, Ontario. Our supply chain is characterized by a globally diverse set of manufacturers focused on machined and assembled cast or forged products of cast iron, brass and bronze; stampings and fabrications of carbon and stainless steel, as well as electro-mechanical assemblies comprised of electronics, plastics and various metals. For each product category, our supply chain is global with the majority concentrated in Southeast Asia, North America, and Western Europe.

## **Policies and Due Diligence Processes**

Zurn Canada is committed to the highest ethical standards in all our business practices. We have a comprehensive [Code of Business Conduct and Ethics](#) that guides our actions across Zurn Canada. We also have a Human Rights Statement, Supplier Code of Conduct and a Supplier Excellence Manual that help ensure the integrity of our supply chain, including as related to forced and child labor. Those policies prohibit suppliers from using forced or involuntary labor or engage in any form of human trafficking.

The Code of Business Conduct and Ethics incorporates and references our [Human Rights Statement](#), which establishes our commitment to the elimination of all forms of child and forced

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<sup>1</sup> ZIL, Filamat and Hadrian are part of a larger group of companies owned by Zurn Elkay Water Solutions Corporation ("Zurn Elkay") and the activities and policies described in this report include policies or steps taken by Zurn Elkay to the extent they relate to the Zurn Canada business operations or supply chains.

labor. Specifically, our Human Rights Statement reinforces our commitment to respecting, protecting, and supporting human rights throughout our operations and supply chain including the elimination of all forms of child and forced labor, adherence to the principle of non-discrimination in the workplace, compliance with wage and working hour laws, freedom of association and assembly and the right to collective bargaining. The Statement also highlights our alignment to and support of internationally recognized human rights standards, including the Universal Declaration of Human Rights and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

The Company's Code of Business Conduct and Ethics sets forth our commitment to fair employment practices in every aspect of our business. All of the Company's associates are required to comply with all applicable laws, including those related to labor and employment, and are expected to report any known or suspected violations of such.

As part of our commitment to these practices, we also maintain a reporting program that allows associates, vendors, and third-parties to report claims through various methods, including a 24/7 confidential hotline, website, email, mail, in person or externally through government regulators. This same reporting program is accessible to associates to report interactions and transactions with suppliers and other supply chain partners and is available in local languages.

We have established processes to ensure that we address and confidentially investigate all hotline and whistleblower concerns in a timely fashion and then report out to the appropriate level of the organization.

We also have a [Supplier Code of Conduct](#) requiring, among other things, our suppliers to agree:

- that they will not use forced or involuntary labor or engage in any form of human trafficking;
- that they will not use any person who is under the minimum working age of the jurisdictions in which they do business;
- that they will comply with all applicable laws and regulations regarding the employment of minors;
- that they will not engage in or support any actions that abuse human rights as set forth in the United Nations Universal Declaration of Human Rights, including discrimination, freedom of association, coercion, harassment or abuse;
- that they comply with all applicable laws and regulations regarding the minimum working age and terms and conditions related to the employment of minors; and
- that they comply with all applicable wage and hour laws and regulations, including those relating to minimum wage, overtime and other items of compensation and provide all legally mandated social benefits.

We require all suppliers to certify compliance with our [Supplier Code of Conduct](#) annually and expect compliance as part of our business partnership. In the event an incident or practice of noncompliance is identified as part of our supplier audit process or otherwise, we engage the supplier and review their plan to reach compliance. If their efforts are unsuccessful, our Risk and Quality Teams work with our Supplier Management and Governance Council to evaluate the business relationship and take appropriate corrective action, which may include

further training, a formal development project to reach compliance, cancellation of a purchase order or termination of the business relationship. Failure of a supplier to adhere to the Supplier Code of Conduct is grounds for corrective action, up to and including termination.

### **Forced Labour and Child Labour Risks**

The Company has begun identifying the risks of human trafficking and forced labor risks within our supply chain to the best of our knowledge. We perform on-site audits of our manufactured goods suppliers at least once every three years to ensure ongoing alignment with the Supplier Code of Conduct requirements. Using a risk matrix measuring eight categories, suppliers are categorized as high, medium or low risk and monitored accordingly. In the event an incident or practice of noncompliance were to be identified, we would engage the supplier and review their plan to reach compliance. If their efforts were unsuccessful, our Risk and Quality Teams would work with our Supplier Management and Governance Council to evaluate the business relationship and take appropriate corrective action, which could include further training, a formal development project to reach compliance, cancellation of a purchase order or termination of the business relationship. We performed 15 audits of suppliers to our Zurn Canada entities in 2024. The Company has begun engaging with our supply chain partners on the issue of addressing forced and child labor to raise awareness among our suppliers and their employees of the risks of child and forced labor, and to reinforce our expectation that suppliers cooperate with remediation measures should it be deemed necessary.

### **Remediation Measures**

We have not identified any forced labor or child labor in our activities and supply chains and therefore have not had the need for any remediation. As noted above, if forced labor or child labor activities were identified within our supply chain, we would engage the supplier and review their plan to reach compliance. If their efforts were unsuccessful, we would evaluate the business relationship and take appropriate corrective action, which may include further training, a formal development project to reach compliance, cancellation of a purchase order or termination of the business relationship. Failure of a supplier to adhere to the Supplier Code of Conduct is grounds for corrective action, up to and including termination.

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

### **Training**

We require all employees to complete annual training in the Code of Business Conduct and Ethics and Human Rights. We annually rotate the focus of our human rights training to cover topics such as modern slavery in the supply chain and child labor.

### **Assessing Effectiveness**

To help ensure the integrity of our supply chain, we are dedicated to overseeing the critical areas of supplier diversity, supply chain sustainability and supply chain risk. In line with our core value of Continuous Improvement, our team is always looking for enhancements that

can improve our management of these topics while balancing the complexities of domestic and global supply chains across our global supplier base.

Our Supplier Management and Governance Council, established in 2023, meets monthly to review current supplier risks and ESG and sustainability initiatives. The council helps develop action plans, take appropriate corrective actions and evaluate the business relationship if necessary.

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I attest that this report was approved by the board of directors of ZIL, Filamat and Hadrian for the reporting year ending December 31, 2024 in accordance with section 11(4)(b)(i) of the Act. Signed this 22 of May, 2025.



Dan Klun

Director of:

Zurn Industries Limited  
Filamat Composites Inc.  
Hadrian Solutions ULC

I have the authority to bind the above entities.