

March 6, 2026

Forced Labour and Child Labour Report 2025

TOROMONT

TOROMONT FORCED LABOUR AND CHILD LABOUR REPORT

Toromont supports and respects internationally recognized human rights throughout its operations as demonstrated in its human resource policies, commitment to employee health and safety and expectations of both employees and suppliers as further described in our [Human Rights Statement](#), [Code of Conduct](#) and [Supplier Code of Conduct](#). Toromont's [Human Rights Statement](#) is guided by internationally accepted principles including, without limitation, the principles of the UN Global Compact.

This Forced Labour and Child Labour Report (the “**Report**”) is intended to meet the requirements of *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”), for the January 1, 2025 to December 31, 2025 reporting period and is made for the purposes of the Act by Toromont Industries Ltd. on its own behalf and for each Reporting Entity it owns or controls (collectively, “**Toromont**”) as defined in the Act.

OUR CORPORATE STRUCTURE & OPERATIONS, GOVERNANCE AND SUPPLY CHAIN

Corporate Structure & Operations

Reporting Entities

Toromont Industries Ltd., including the following operating divisions: Toromont Cat, Battlefield Equipment Rentals, Toromont Material Handling and CIMCO Refrigeration and its wholly owned subsidiaries:

- Toromont Energy Ltd.
- SITECH Eastern Canada Ltd.
- CIMCO Refrigeration Inc.

Toromont Industries Ltd.

Toromont Industries Ltd. (TSX:TIH) is a Canadian company which operates through two business segments: The Equipment Group and CIMCO.

The Equipment Group

The Equipment Group includes one of the world’s larger Caterpillar Inc. (“**Caterpillar**”) dealerships by revenue and geographic territory, in addition to industry-leading rental operations, a complimentary material handling business and the manufacture of power system enclosures, used primarily for data centres.

Toromont Cat (“**Toromont Cat**”) has a network of branches in Ontario, Quebec, Manitoba, Newfoundland & Labrador, Nova Scotia, New Brunswick, Prince Edward Island and most of Nunavut, providing a broad range of equipment supply and customer service capabilities. The Caterpillar dealership represents a broad range of Caterpillar products including, earthmoving and construction equipment, paving machines, mining equipment, industrial and marine applications, lift trucks and power generation. In addition to the sales and service of equipment, operations include the distribution of replacement parts for Caterpillar products and other equipment lines, and the remanufacture and repair of engines and engine components. The Toromont Cat dealership also represents products from other manufacturers in equipment lines not served by Caterpillar.

Battlefield Equipment Rentals (“**Battlefield**”) is a single-source supplier of rental equipment, specialty tools, building products, safety supplies and safety training programs for construction contractors, tradespeople, plant maintenance contractors and homeowners. Battlefield sells brand name products and is the authorized distributor for such brands as Spectra Precision / Trimble, Wacker Neuson, Stihl, Honda, SkyJack, Genie, Husqvarna, Atlas Copco, Bosch and Gorman-Rupp. Battlefield also operates Jobsite Industrial Rental Services, which provides equipment for the plant maintenance, factory and industrial industries, focusing on the electrical, mechanical, welding, millwrighting and rigging trades.

Toromont Material Handling is a dealer of material handling equipment in Saskatchewan, Manitoba, Ontario and Quebec, providing products from a number of large lift truck and battery manufacturers (including Logisnext, Kalmar, AUSA and Hoppecke) targeted to a range of industries including paper product manufacturers, ports and terminals, railways, automotive parts and components manufacturers, food and beverage makers, third party logistics and home and hardware retailers.

SITECH Eastern Canada Ltd. (“SITECH”) sells and services Trimble GPS machine control and guidance systems, laser survey equipment and provides professional services to the earthmoving and mining segments. SITECH operates from locations in London, Ontario; Burlington and Vars (Ottawa), Ontario; Trois-Rivières, Québec; Dartmouth, Nova Scotia; and Winnipeg, Manitoba.

Toromont Energy Ltd. (“Toromont Energy”) develops distributed energy projects and provides solutions for emerging renewable energy in the healthcare, agricultural, mining and manufacturing sectors. Its core business is the design, construction, operation and maintenance of all energy assets. In addition to providing a range of services for power generation projects, Toromont Energy, on a selective basis, participates in project ownership. Toromont Energy operates plants throughout Ontario that supply energy to hospitals, district energy systems and landfill gas to energy plants. Toromont Energy also provides plant operations services to a number of customers in Ontario.

AVL Manufacturing Inc. (“AVL”) is a leader in the design and fabrication of power generation and storage enclosures. AVL currently serves the data centre market across eastern North America. AVL has operations in Hamilton, Ontario and in Charlotte, North Carolina. Toromont Industries Ltd. currently owns 60% of AVL. AVL files a separate report under the Act.

CIMCO

CIMCO Refrigeration (“**CIMCO**”) is a North American supplier of industrial-grade thermal management solutions for the monitoring and control of environments utilizing natural refrigerants, which help reduce energy consumption and emissions. It provides full-service capabilities including design, engineering, manufacture, installation and after-market service. CIMCO provides full-service capabilities including design, engineering, manufacture and installation services. Markets served include food and beverage, cold storage, skating, ground freezing and district heating and cooling.

Governance

Toromont’s Governance and Sustainability Committee (“**G&S Committee**”) and Human Resources and Health & Safety Committee (“**HRHS Committee**”) are standing committees of its Board of Directors, comprised of independent Directors. The G&S Committee is responsible for oversight of Toromont’s approach to ethical and legal compliance matters including human rights and forced and child labour. It reviews and monitors relevant company policies, practices and procedures addressed in this Report, such as the Company’s [Code of Conduct](#), [Supplier Code of Conduct](#) and [Human Rights Statement](#). The HRHS Committee provides oversight of human rights and forced and child labour matters as it relates to employment matters. Both Committees receive regular reports from management regarding the effectiveness of, and compliance with practices, policies and procedures responsive to forced and child labour matters.

The G&S Committee, in collaboration with the HRHS Committee, reviews, approves and recommends approval of this Report by the full Board of Directors.

Supply Chain

Toromont’s principal business offerings consist of internationally recognized, industry-leading high value capital goods with sophisticated engineering, product support and servicing of same. Toromont sells heavy equipment and associated components used in a variety of industries as previously described in this Report.

Toromont’s primary supplier is Caterpillar, which is headquartered in the United States and has operations

globally. Toromont is also a distributor for other manufactured goods from a variety of suppliers who are primarily North American or European based. These goods generally support or complement our existing Caterpillar product offerings. Toromont maintains direct relationships with its key manufacturers.

Relative to equipment and components sales, elements of Toromont's supply chain related to operations, product support and services represent a much smaller portion of our procurement and core business expenditures. These consist largely of facilities, fleet, product support and service supplies and professional services. We maintain facilities, vehicle fleets and procure supplies such as tooling, oils, lubricants and other consumables, office supplies, IT and communications equipment and software to facilitate operations. Toromont uses various professional services to assist in our operations such as accounting, legal, engineering, administration, fleet management and other consultants and sub-contractors to support serving our customers.

FORCED LABOUR AND CHILD LABOUR RISK IN OPERATIONS AND SUPPLY CHAIN

Toromont operates primarily within Canada. Our CIMCO division and AVL operate in Canada and the United States. Our core suppliers are predominantly North American or European based. Each of these jurisdictions have robust pre-existing labour, employment and human rights legislation that mitigates the risk of forced and child labour in our operations and supply chain. This is enhanced by our own governance framework, as set out in this Report.

Forced Labour and Child Labour Risk in Operations

Toromont has established a comprehensive internal governance framework, including policies, practices and training programs for our daily operations to address ethical business conduct, the protection of human rights, health and safety, and the management and compensation of employees, all in accordance with applicable laws and our ethical standards.

Policies & Practices:

Toromont's [Code of Conduct](#): This is a central element of our governance framework and sets out:

- Employee behaviour and expectations;
- Our stance on universal human rights and labour practices, including those aimed at reducing and eliminating forced and child labour in our operations and supply chain;
- Toromont's core set of values: 1) shared responsibility for a safe and respectful workplace; 2) social responsibility; and 3) integrity; and
- *Speak up without fear*: employees are able to speak up without the fear or threat of reprisal and are encouraged to report any concerns they believe are inconsistent with the [Code of Conduct](#).

Health & Safety: Our health and safety program is an integral part of maintaining a healthy and safe workplace for all employees and emphasizing our commitment to prevent any form of forced and child labour within our operations. Relevant policies and practices integrated into our health and safety program include:

- Employer, supervisor and employee-specific health and safety policies;
- Internal portal and reporting system for employees to document hazards, near-misses, and incidents;
- Routine email communication to all employees respecting health and safety best practices;
- Violence, harassment, discrimination & bullying policies, and associated grievance handling mechanisms;
- Parental and sick leave policies; and
- Employee Assistance Program (EAP).

Human Rights Statement: We are committed to recognizing and valuing the inherent dignity and worth of every person, providing for equal rights and opportunities. Consistent with this commitment, we have adopted our [Human Rights Statement](#), which embodies our unique approach to respecting nationally, and internationally recognized human rights.

Freedom of Association: We respect and recognize the right of employees to collectively bargain.

Hiring Policies:

- Job grading and salary reviews: we engage in salary benchmarking and assess existing pay and other entitlements to maintain compliance with applicable employment standards legislation and/or any applicable collective agreement(s); and
- Transparent hiring practices: we provide applicants with adequate information respecting the nature of the work they undertake and their associated working conditions.

Whistleblower Policy: We are committed to upholding the highest standards of ethics in our relationships with customers, employees, suppliers, shareholders, regulators and the business communities we serve.

Training: Toromont has robust education and training programs to advance employee understanding of their rights and responsibilities in their respective roles and duties. We provide job-specific training, including at various levels of management to maintain compliance of our policy framework. This culture of learning and enablement assists Toromont in further building its capacity to detect risks of forced and child labour in our operations and supply chain, and strengthens expectations, both internally amongst our employees and externally within our supply chain.

In particular, annual [Code of Conduct](#) training is mandatory for all Toromont employees. This training includes an acknowledgement by employees that they are aware of their responsibilities provided in the [Code of Conduct](#).

Forced Labour and Child Labour Risk in Supply Chain

Toromont's reputation for integrity and transparency in its practices and business dealings is crucial to earning and maintaining a relationship of confidence and trust with its stakeholders, including employees, customers, suppliers, shareholders and the communities it serves. Toromont expects its suppliers to embrace these values and to provide an undertaking consistent with the principles set out in our [Supplier Code of Conduct](#) which outlines Toromont's ethical business practice requirements, including that suppliers comply with all laws related to forced and child labour.

Risk Assessment & Management

Toromont reviews its operations and conducts an assessment of its supply base for forced and child labour risks, including suppliers in areas that we consider to be higher risk. We assess and evaluate their scope and degree of due diligence as it relates to their own supply chain and reporting of forced and child labour. We engage in reviews of their existing measures taken to identify and mitigate against the risk of forced and child labour, including current policies designed to address forced and child labour, health and safety, and compliance with employment and labour legislation as well as expectations of their own suppliers. Where appropriate, additional due diligence measures are undertaken, including the requirement for suppliers to complete a detailed questionnaire or respond to additional follow up questions. In the event that Toromont becomes aware of any actions or conditions within its supply chain that are not in compliance with our standards, Toromont's expectation is that the supplier implement corrective measures. A supplier's continued non-compliance may lead to additional remediation actions, up to and including termination of the business relationship.

In 2025, Toromont assessed its supply base enterprise-wide to identify core suppliers and evaluate their respective approach to forced and child labour, including within their supply chain. We compiled data summarizing payments made to vendors using our accounts payable records and cash disbursement registers/systems. Based on the foregoing, Toromont identified and assessed its key suppliers of goods accounting for approximately 80% of its payments to suppliers of core goods, with Caterpillar representing a substantial majority of our supply. Caterpillar undertakes rigorous due diligence processes to assess and

identify forced and child labour risks in its supply chain and has published its own Slavery and Human Trafficking Statement. Similarly, other key manufacturers set out in this Report have undertaken comparable measures to mitigate against their respective exposures to forced and child labour.

Assessment of Effectiveness

Based on our internal governance framework, policies, practices and foregoing methods of assessment, Toromont considers its actions with respect to forced and child labour in its operations and supply chain to be effective.

Monitoring & Continuous Improvement

We continue to monitor and conduct due diligence measures as appropriate to assist us in detecting any form of forced and child labour in our operations and supply chain.

We are committed to reinforcing the expectations as set out in this Report, both internally and externally, and continue to explore ways in which we can enhance our efforts, including within our own policies, training requirements relative to employee position and responsibility and additional compliance monitoring of our suppliers.

REPORTING FORCED LABOUR AND CHILD LABOUR CONCERNS

Toromont encourages reporting by any party who has a good faith belief that entities or individuals covered under this Report have engaged in conduct that is inconsistent with the principles set forth herein.

Reporting may be completed on a confidential and anonymous basis by calling the **Toromont Compliance Hotline, 1-866-254-2730** or via **Secure Web Form** at www.openboard.info/tih. The hotline is operated by an independent organization.

CONCLUSION & APPROVAL

Based on the foregoing and the actions described in this Report, **Toromont is not aware of any instances of forced or child labour within its operations or supply chain, and believes the risk of forced and child labour is low.**

The G&S Committee has oversight responsibilities for matters relating to the Act. In accordance with the Act, this Report has been approved by Toromont's Board of Directors.

"Richard Roy"

Richard Roy
Chair
Board of Directors
March 6, 2026