



## REPORT ON MODERN SLAVERY

This report, made on behalf of EXFO Inc. ("EXFO"), constitutes our declarations and achievements with respect to combatting modern slavery and trafficking in persons for the fiscal year ending August 31, 2025 (the "Fiscal Year 2025"), in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and as approved by EXFO's Board of Directors.

This report illustrates our commitment to ensuring that all our activities are conducted in accordance with ethical, professional and legal standards, and to challenging and combating the use of compulsory, trafficked, forced or child labor within our organizations and supply chains. EXFO has a zero-tolerance approach to modern slavery and trafficking in persons within its operations and supply chains, and is committed to acting ethically and in accordance with its legal obligations.

### 1. STRUCTURE, BUSINESS AND SUPPLY CHAIN

EXFO, a Canadian corporation duly incorporated under the Canada Business Corporations Act under number 1330375-6, is the headquarters of the international EXFO group, which consists of EXFO and its subsidiaries.

EXFO develops smarter test, monitoring and analytics solutions for the global communications industry. Our customers rely on our unique equipment, software and services to accelerate the digital transformation associated with the deployment of fiber optics and mobile networks.

Our manufacturing plants are located in the following countries:

- Quebec, Canada;
- Shenzhen, China;
- Lannion, France;
- Queretaro, Mexico; and
- Oulu, Finland.

Depending on the commodities required to manufacture our products, components are sourced from suppliers around the world. Our supply chain is made up of two categories: (1) custom components, which we buy directly from manufacturers; and (2) ready-to-use components, which we buy largely through distributors. Buying components through distributors does not prevent EXFO from tracing the country of origin to meet customs requirements. In addition, for components with EXFO specifications, supplier qualification audits are carried out on site in order to (1) observe manufacturing operations; and (2) carry out an evaluation based on the criteria mentioned below.

Supplier selection and evaluation are based on the following factors:

- Quality;
- Price;
- Delivery times;
- Quality of customer service;
- Quality of communication;
- Environmental, social and governance (ESG) factors.

The types of components purchased can be divided into the following categories, which are ranked in descending order of importance by purchase value for Fiscal Year 2025:

- Optics;
- Electronic components;
- Machining, sheet metal and plastic injection;
- IT;
- OEM finished products;
- Battery and power source management; and
- Packaging products and accessories.





## 2. RISK ASSESSMENT AND DUE DILIGENCE

EXFO expects its suppliers not to tolerate any form of exploitation in any part of their supply chain and operations.

Our Purchasing Department implements a robust due diligence process to assess and verify suppliers' compliance with our commitments to prevent modern slavery and human trafficking within our industry. As a condition precedent to entering into any business relationship with EXFO, all suppliers are required to complete onboarding documentation and formally acknowledge compliance with EXFO's Agent Code of Conduct, Policy on Modern Slavery and Combating Trafficking in Persons, and the United Nations Global Compact Principles. EXFO will not engage with, or continue any business relationship with, a supplier that fails to demonstrate such commitment.

EXFO has conducted a risk analysis of its supply chain. For Fiscal Year 2025, EXFO analyzed the risk related to the country of origin of components from its Tier 1 suppliers. Thus, 80% of our purchases were analyzed according to country of origin, and the results were compared with the global slavery index for 2025 published by the Minderoo Foundation's Walk Free initiative.<sup>1</sup> The risk index is an estimate of the prevalence of modern slavery and the number of people who are victims of modern slavery, an analysis of the factors that make communities vulnerable, and an assessment of government responses to modern slavery. In this analysis<sup>2</sup>, the top 10 countries with the highest prevalence in 2025 are:

1. North Korea
2. Eritrea
3. Mauritania
4. Saudi Arabia
5. Türkiye
6. Tajikistan
7. United Arab Emirates
8. Russia
9. Afghanistan
10. Kuwait

The results show that 80% of the value of our purchases in the following countries, ranked from most to least risky:

Country	Risk index <sup>3</sup>
Malaysia	6.2
China	4
United States	3.3
Canada	1.8
Taiwan	1.7
Japan	1.1

Based on the analysis of its data, and considering the countries of origin of the majority of our components, we consider that the risks related to modern slavery in our supply chain are low.

<sup>1</sup> <https://www.walkfree.org/global-slavery-index/map/#mode=DATA:dimension=p>

<sup>2</sup> <https://www.walkfree.org/global-slavery-index/map/#mode=data>

<sup>3</sup> The higher the number, the higher the risk of the prevalence of modern slavery and the number of people who are victims of modern slavery.





### 3. POLICIES<sup>4</sup>

EXFO is committed to conducting its business in a socially responsible manner by respecting fundamental social principles, reducing the environmental impact of its economic activities, and applying strong ethical rules to its relationships with both employees and partners. That's why EXFO's management and operations are guided by *ISO 26000 - Guidelines for Corporate Social Responsibility*, and by *the principles of the United Nations Global Compact*. EXFO chooses business partners who share its values and principles in terms of corporate governance, ethics, social responsibility, environmental protection and occupational health and safety. This practice is integrated into our supply chain management and reflected in our procurement policies, requirements and principles.

For example, we have implemented various policies to combat modern slavery within our supply chain and organization:

#### 3.1 Modern Slavery Policy and Combatting Trafficking in Persons ("Modern Slavery Policy"), and its compliance plan

This Modern Slavery Policy illustrates our commitment to challenging and confronting the use of compulsory labor, human trafficking, forced labor or child labor within our organization and supply chain. It helps EXFO to comply with its obligations under various laws on modern slavery.

#### 3.2 Policy Regarding Conflict Minerals

Through its Policy Regarding Conflict Minerals, EXFO is committed to sourcing from environmentally and socially responsible suppliers. It is our policy not to purchase minerals from known sources of conflict, and we expect our suppliers to meet the same standard. To meet the challenge of mineral traceability, EXFO has adopted the Electronic Industry Citizenship Coalition's (EICC) standard conflict minerals reporting format and asks its suppliers to use the same format to report on the status of their supply chain.

#### 3.3 Agent Code of Conduct

Our Agent Code of Conduct reflects our commitment to a culture of honesty, integrity and accountability, acting ethically and complying with applicable laws and regulations, including the various laws on modern slavery, of the countries in which EXFO does business or in which business is conducted on EXFO's behalf. Our suppliers, service providers, consultants, distributors and representatives, as well as any other business partners, are required to comply with our Agent Code of Conduct.

#### 3.4 ISO 26000 - Guidelines on social responsibility

EXFO's management and activities are guided by the ISO 26000 standard, which provides companies worldwide with a framework for acting ethically and transparently, and contributing to the health and well-being of society. Although ISO 26000 is not a certifiable standard, it provides valuable guidance and recommendations to assist companies in strengthening and advancing their corporate social responsibility practices.

#### 3.5 Corporate Social Responsibility Procurement Policy

This policy applies to all purchases made by EXFO. It requires EXFO's Purchasing Department to consider the labour practices of the suppliers in the selection process, including compliance with international labour standards and prohibition of child and forced labour.

### 4. RECRUITMENT

Our transparent recruitment practices are reviewed regularly. We communicate directly with candidates to discuss employment opportunities and to confirm details of the offers made. We have procedures in place for vetting candidates, confirming their identity and, where possible, paying directly into an appropriate personal bank account of our employees. Recruiters are required to adhere to the recruitment practices set out in our Modern Slavery Policy a, as well as our Combating Trafficking in Persons Compliance Plan, both of which apply

<sup>4</sup> The policies set out in this section can be found in the "Documents" section at the following address:  
<https://www.exfo.com/en/corporate/ethics-governance/>





to EXFO.

## 5. AWARENESS-RAISING AND TRAINING

All EXFO employees have been informed of the Modern Slavery Policy, including prohibited behaviors, consequences of violations and mechanisms for reporting suspected violations, through its publication on our intranet and website. Each new EXFO employee is informed of the Modern Slavery Policy through mandatory training provided upon arrival, during which the employee must read the Modern Slavery Policy and confirm compliance by signing it. The latest modern slavery video training campaign was launched in fiscal year 2024. During Fiscal Year 2025, EXFO distributed a compliance package comprising a set of corporate policies, including Modern Slavery Policy, to all employees. Each employee was required to review these materials and formally acknowledge their compliance. As of the date of this report, 71% of EXFO's employees have confirmed their adherence to the Modern Slavery Policy.

## 6. ACHIEVEMENTS AND OBJECTIVES

Our efforts to prevent and address modern slavery are ongoing and continuously evolving. As part of this commitment, EXFO's Purchasing Department is currently reviewing and strengthening its processes to enhance risk assessment, due diligence, and supplier monitoring.

In addition, EXFO's Purchasing Department is in the process of implementing a biennial evaluation of its Tier 1 suppliers to ensure that principal partners comply with our sustainability standards and support our broader social responsibility objectives. The first evaluation is expected to be launched in Fiscal Year 2026.

## 7. CERTIFICATION OF SIGNATORY AND SIGNATURE

In accordance with the requirements of the Act, and in particular section 11 thereof, I certify that I have reviewed the information contained in this report for the entity mentioned above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the abovementioned reporting year. I have the authority to bind EXFO Inc.

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Germain Lamonde  
CEO and Executive Chairman of the Board of  
Directors

Date: May 31st, 2026