



Forced Labour and Child Labour Report

May 27, 2024

FORCED LABOUR AND CHILD LABOUR REPORT

INTRODUCTION

Hypercharge Networks Corp. (the “**Hypercharge**”) is committed to combatting modern slavery in all forms, including but not limited to forced labour and child labour in its supply chains. Hypercharge recognizes the rights of all individuals and is committed to ensuring its business operations and supply chains are free of exploitation and any forced labour or child labour. Hypercharge is dedicated to upholding high standards of ethics and integrity in all aspects of its operations and, as a Canadian entity, Hypercharge abides by the applicable laws and regulations set forth by the Canadian government, including those related to the eradication of modern slavery.

This report (the “**Report**”) outlines Hypercharge’s governance processes, existing measures, and progress made in the fiscal year April 1, 2023, to March 31, 2024 (the “**2024 Fiscal Year**”) to prevent and mitigate the risk of modern slavery across the supply chain it utilizes.

REPORTING CONTEXT

Hypercharge is an entity that is incorporated in the province of British Columbia and is listed on the TSX Venture Exchange [TSXV: HC]. Hypercharge is subject to the legal requirements in section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”).

This Report is a joint report filed by Hypercharge on behalf of itself and the following subsidiaries pursuant to the Act covering the 2024 Fiscal Year: Hypercharge Networks Inc., Spark Charging Solutions Inc., Cosource Information Technology Inc., and 2836601 Ontario Ltd. The term “Hypercharge” refers to Hypercharge and extends to all the entities listed in this paragraph.

This Report was approved by the Hypercharge’s Board of Directors (the “**Board**”) on May 27, 2024.

ABOUT HYPERCHARGE

Corporate Structure and Business Activities

Hypercharge is the sole parent company of the entities covered in this Report and is headquartered in North Vancouver, British Columbia.

Hypercharge is a leading provider of smart electric vehicle (EV) charging solutions that offers turnkey technology to residential and commercial buildings, fleet operations, and other rapidly growing sectors in Canada and the United States. Driven by its mission to accelerate EV adoption and enable the shift towards a carbon neutral economy, Hypercharge is committed to providing seamless, simple charging solutions by offering industry-leading equipment and a robust network of public and private charging stations.

In the provision of EV charging solutions, Hypercharge is guided by the principles of the Act and is dedicated to ensuring that all elements of modern slavery are eradicated from its supply chain.

HYPERCHARGE GOVERNANCE, POLICIES & DUE DILIGENCE

Modern slavery is a complex issue and Hypercharge regularly reviews its policies and procedures that take a multifaced approach to identify, prevent and reduce the risk that forced labour or child labour was used in any step of its importation of goods into Canada. Hypercharge has embedded principles of responsible business conduct in its policies and management systems, which will be discussed in this section:

Governance and Responsibilities

Hypercharge's Board is accountable for Hypercharge's strategic objectives, including sustainability matters, as well as overseeing the effectiveness of Hypercharge's risk management systems and internal controls. Hypercharge's process ensures that the Board is informed of the interrelationship between the business environment and its associated risks, and is intended to facilitate and stimulate discussion of our key business risks.

Hypercharge has implemented and is continuing to refine its risk management program to monitor material risks. The program is designed to identify and assess risks that could significantly affect Hypercharge's strategic objectives. When an emerging risk escalates to an enterprise level, the management examines its implications and reports the findings, along with responsible parties for governance and execution to the Board.

Code of Business Conduct

Hypercharge's Code of Business Conduct (the "**Code**"), which applies to all of the Hypercharge entities listed in this Report, reinforces Hypercharge's requirements and expectations for conducting business and expected behaviours, and includes a statement on Hypercharge's commitment to honest and ethical business practices.

The Code reiterates Hypercharge's position against the use of forced labour and child labour and contributes to ensuring that no forced or child labour is used in our supply chain. As part of Hypercharge's commitment to honest and ethical business practices, Hypercharge stands firmly against the use of forced labour and child labour in its operations and across its supply chain. The Code applies to all employees, directors, officers, and consultants of Hypercharge (collectively, "**Personnel**") and its wholly owned subsidiaries. The Code is reviewed and updated annually.

Expectations on reporting violations

The Code also provides a framework for asking questions and highlights resources in place to report concerns. Personnel are required to report any actual or suspected violation of the law or the Code, including those in the context of forced labour and child labour.

Hypercharge takes every report seriously and provide immunity from disciplinary action for good faith reporting of incidents and issues. Personnel have several avenues to report an issue depending on the nature of the incident, including the use of anonymous and confidential reporting by mail. Alternatively, Personnel can also submit a report on a confidential basis to the Chairman of the Audit Committee.

Hypercharge's Risk Exposure and Due Diligence

Hypercharge's potential risk exposure to forced labour and child labour is through suppliers, and the primary sources of these risks come from procuring goods in higher-risk countries. However, the risk is alleviated due to the fact that EV chargers and the related accessories are generally not goods that are manufactured by forced labour or child labour or in high-risk countries for forced labour or child labour (based on Hypercharge's review of various sources including the list of goods produced by Child Labour and Forced Labour that is maintained by the United States' Bureau of International Labor Affairs (ILAB)). While Hypercharge's supply chains are not at high risk for child or forced labour, Hypercharge monitors the overall inherent risk of its supply chains for any indication that risk factors have changed.

Further, despite the low to minimal risk of modern slavery in Hypercharge's supply chain, Hypercharge is committed to: (i) engaging in due diligence with its suppliers to promote ethical labour practices, and (ii) ensuring compliance with all applicable law and regulations.

Hypercharge has taken steps (and is continuing to take steps) to minimize the risk by conducting a review of its current supplier network. Hypercharge is in the process of assigning internal risk levels to various categories of suppliers. Through this review, Hypercharge is aiming to reduce or eliminate the potential of forced labour or child labour in its supply chain.

In the coming year, Hypercharge plans on expanding its review of its supply chain by:

- Enhancing due diligence and risk management activities related to key sustainability issues, such as forced labour and child labour;
- Ongoing mapping of its supply chain with suppliers who have directly contracted with Hypercharge for higher-risk suppliers;
- Building out Hypercharge's processes and policies for preventing forced labour and child labour in the supply chain, which may include implementing and updating: (i) procurement policies, and (ii) the processes related to supplier due diligence, onboarding, and compliance;
- Implementing and updating internal educational training; and
- Updating supply chain contract templates for language that prohibits forced labour and child labour.

More work is underway internally to monitor supplier activities efficiently and effectively with respect to modern slavery, and Hypercharge's risk assessment as set out in this

section may change as more information becomes available through Hypercharge's ongoing review and diligence.

REMEDIATION MEASURES

Since the risks of forced labour or child labour in Hypercharge's activities and supply chain is low to minimal and Hypercharge's ongoing review of the risks did not yield any evidence of forced labour or child labour, Hypercharge did not implement any remediation measures in the 2024 Fiscal Year.

Having said that, if a supplier was found to have violated the law or presents risk exposure, Hypercharge will attempt to work with the supplier concerned to correct the violation or risk exposure. Suppliers are then required to develop a corrective action plan to bring its operations into conformance with the applicable law so that the supply of goods to Hypercharge may continue. Where a supplier does not develop such a plan, or fails to implement it within a reasonable cure period, Hypercharge may, in its sole discretion, terminate the business relationship with the non-compliant supplier.

TRAINING & AWARENESS

Upholding human rights, including both forced labour and child labour, is explicitly addressed in Hypercharge's Code. All Personnel, including those working for all the entities listed in this joint Report, are expected to read, understand and comply with the principles and requirements set out in the Code and are required to participate in future annual training programs once developed and provide an annual attestation that they have reviewed and understand the Code.

TRANSPARENCY & REPORTING

Hypercharge is committed to being transparent about its efforts to combat and limit forced labour and child labour in its supply chains. Hypercharge recognizes that combatting modern slavery in the supply chain is an ongoing process requiring continued improvement. With that in mind, Hypercharge will continue to update its processes and policies as needed and will conduct the appropriate due diligence as required and address any progress or challenges that may arise to ensure its protocols remain effective.

EFFECTIVENESS ASSESSMENT

Hypercharge has not yet conducted an effectiveness assessment, as some of the processes, policies and protocols were implemented in the past year and a half, and Hypercharge is still working on expanding its due diligence and risk management activities related to key sustainability issues, such as forced labour and child labour. Hypercharge is planning to start assessing the effectiveness of its processes, policies and protocols this year and make the necessary changes.

REPORT APPROVAL AND ATTESTATION

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 for the entity or entities listed above. 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 reporting year listed above.

I have the authority to bind Hypercharge.

Hypercharge Networks Corp.
<i>David Bibby</i>
Per: _____
Name: David Bibby Title: President and CEO I have the authority to bind the corporation

Date: May 27, 2024

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