



Report on Measures Taken by
UAP Inc. to Prevent and Reduce
the Risk of Forced Labour and
Child Labour in its Supply Chain
during its Fiscal Year 2024



INTRODUCTION

This report is produced by UAP Inc. (or “UAP,” the “Company,” “our,” or “we”) in accordance with subsection 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). The report describes the measures taken during our fiscal year ended December 31, 2024, to prevent and reduce the risk of forced or child labour being used at any stage of the production of goods, in Canada or elsewhere, or when goods are imported into Canada by the Company.

This is the second report produced by the Company under this Act. UAP is not subject to reporting requirements under supply chain legislation in any other jurisdictions.

1. UAP Inc.

Origin and Structure

UAP Inc., a subsidiary of Genuine Parts Company (“GPC”), is a Canadian company incorporated under the Business Corporations Act (Quebec) in 1926 that distributes and markets automotive parts and replacement accessories for cars and heavy vehicles. We have several different brands to meet the specific needs of consumers, automotive maintenance and repair shops, and fleet managers. We are proud to be part of the world’s largest vehicle parts distribution network.







Our head office is in Montréal, Québec, and our workforce comprises 5,060 employees (2024). We do not have any employees outside of Canada.


Parent Company

Our parent company, GPC, is based in Atlanta, Georgia, in the United States. Studies and analyses relating to the risk of forced labour and child labour were carried out by GPC for the purposes of this report.

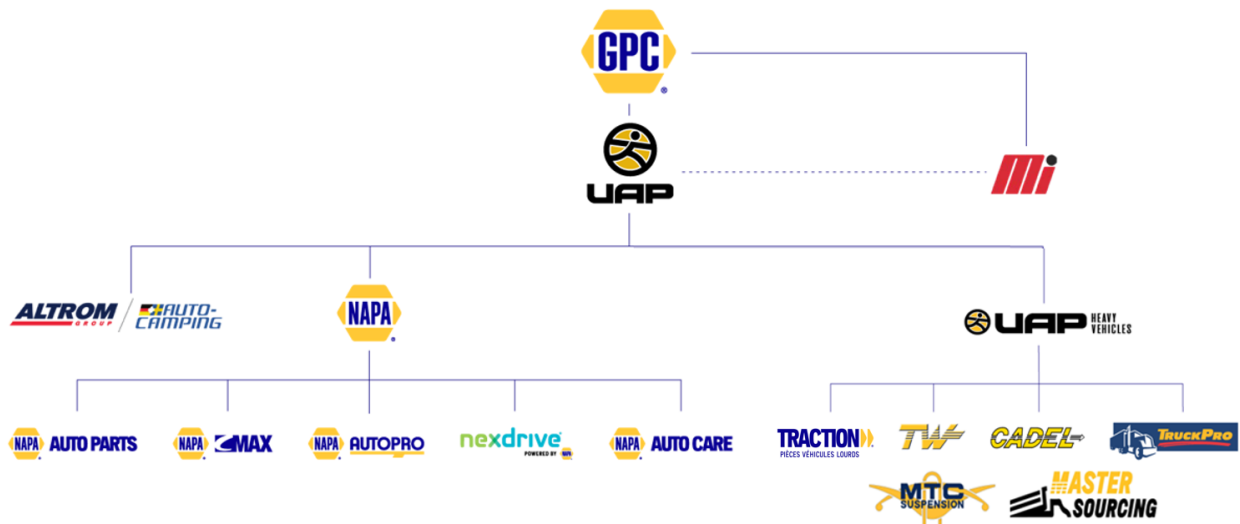
Our Divisions

Our market has two distinct segments: automotive parts and heavy vehicle parts.

<u>Market</u>	<u>Division</u>	<u>Brands</u>
Automotive parts market	<p>This division is made up of corporate and associate stores that sell auto parts, accessories, and paint and body shop supplies, as well as affiliated mechanical maintenance and repair service centres.</p> <p>It also includes NAPA and Altrom/Auto Camping distribution centres.</p>	 PIÈCES D'AUTO  AUTO CARE  AUTOPRO  MAX  

<p>Heavy vehicle parts market</p>	<p>This division includes associate and corporate Traction stores, affiliated TruckPro repair shops, and TW and Cadel distribution centres, which distribute parts, accessories, tools, and equipment for heavy vehicles and supply specialized parts and accessories for diesel engines and for the following industries: road transport, buses, mining, forestry, and railroads.</p> <p>Our MTC plant in Chambly, Québec, manufactures leaf springs and threaded rods. Its products are intended for the replacement market and are sold through TW distribution centres as well as to direct customers.</p> <p>Our Master Sourcing subsidiary is located in the Montréal area and specializes in the distribution of hydraulic and pneumatic products for trucks and dump trucks.</p>	
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Organization Chart of UAP Divisions





2. Activities

UAP imports, manufactures and distributes automotive parts and replacement accessories for cars and heavy vehicles.

We have an extensive distribution network across Canada through our NAPA, TW, Cadel, and Altrom/Auto Camping distribution centres. These distribution centres supply our associate and corporate Traction and NAPA stores and affiliated TruckPro service centres across Canada.

Our MTC plant manufactures rods and springs from raw materials, a minority of which are imported. The raw materials are processed and assembled to create a finished product, which is then sold to customers.

Our Master Sourcing subsidiary distributes its products directly to customers (small truck-box manufacturers, service and repair centres, end customers) and to our associate and corporate Traction stores.

3. Our Supply Chain

Our supply chain includes suppliers of raw materials, automotive and heavy vehicle parts, as well as our factory and service providers.

In 2024, most of the raw materials and products we imported for our divisions came from North America, Asia, Europe, and South America.

We work with carriers and freight forwarders based in North America, as well as with the North American subsidiaries of international carriers.

4. Supply Chain Risk Assessment

Our parent company, GPC, assesses and analyzes our supply chain risk. To determine which parts of our supply chain are considered to be at high risk of forced and/or child labour, our supply chain teams perform mapping activities, using frequently updated resources from internationally recognized or governmental bodies. After assessment and analysis, a collective decision is made regarding the degree of risk for each region.

For UAP, the risk of forced and child labour is due mainly to our purchase of products and raw materials from international suppliers that may be located in areas considered to be high-risk. The processes taken to mitigate these risks are detailed in section 5 below.

We are also aware of the risk associated with the international carriers used in our operations. While we may use intermediaries that coordinate international transport, we verified that the marine transportation companies used have a code of conduct covering the actions they take to combat forced and child labour.

5. Due Diligence Policies and Processes

GPC and UAP have adopted organizational and governance policies that communicate the companies' values and expectations. GPC's policies apply to GPC and all its subsidiaries, including UAP. GPC's and UAP's policies set a high bar for the organization, our suppliers, and our selling partners and make it clear that we do not tolerate any form of forced or child labour. GPC and UAP are committed to constantly refining and improving our approaches.

We make every effort to prevent our activities from having a negative impact on human rights, namely through our due diligence process and supplier performance audits. Our relevant policies are discussed in further detail below; these continued to be a mainstay of our business practices in 2024:



a. GPC's Code of Conduct

The principles set out in GPC's Code of Conduct apply to GPC's Board of Directors, to GPC's employees and all GPC's subsidiaries' employees, in all countries, and to its consultants, agents, suppliers, vendors, distributors, and business partners ("third parties"). All are expected to comply with the obligations set out in the Code of Conduct and as well as the spirit of the Code of Conduct. The purpose of GPC's Code of Conduct is to guide and encourage all employees to make ethical decisions. It includes an overview of important topics, decision-making tools, examples of integrity at work, and recommendations on what to do if you see or experience a bad situation or misconduct.

This Code of Conduct addresses the importance of promoting the safety, health, and welfare of everyone in the communities in which GPC and its subsidiaries operate. It stresses the importance of monitoring the Company's relationships with business partners and to never knowingly do business with any individual or company that participates in human rights abuses. Some examples of human rights abuses that are addressed in the Code of Conduct are forced labour, unlawful child labour, and human trafficking or slavery among others. There is also a section on GPC's hotline for anonymously reporting Code of Conduct violations.

b. Social Responsibility Standards and Policy

GPC seeks to understand how its activities and those of its business partners may impact its stakeholders (customers, employees, suppliers, people involved in the supply chain, local communities, and society as a whole), whether negatively or positively.

The Social Responsibility Standards and Policy is a document that underscores GPC's high standards and expectations. It provides a clear statement of GPC's expectations and requirements concerning the assessment of its suppliers, the expectations for suppliers, and the consequences of non-compliance. It requires that suppliers meet certain social standards relating to, among other things, forced labour/prison labour, child labour, and compliance with law. Any vendor who fails or refuses to comply with the Social Responsibility Standards and Policy may be subject to the immediate cancellation of all outstanding orders, refusal or return of any shipment, and termination of its business relationship with GPC and/or its subsidiaries.

c. Human Rights Policy

GPC is committed to respecting human rights and the fundamental principles of human rights as defined by the Universal Declaration of Human Rights. GPC's Human Rights Policy sets out GPC's commitment to ending human rights abuses at all levels of its organization.

GPC does not and will not tolerate child labour, forced labour, or human trafficking, and GPC does not purchase parts or services from, or maintain relationships with, companies that do. Its Human Rights Policy is aligned with the Universal Declaration of Human Rights, and GPC expects its suppliers, partners, and affiliates to respect these rights. As such, selecting suppliers who share the same values is essential.

Under the Human Rights Policy, GPC takes affirmative steps to ensure that its suppliers, vendors, and service providers are compliant with all applicable laws and with GPC's human rights and equality standards. Where national law and international human rights standards differ, GPC follows the higher standard.

d. Supplier Code of Conduct

GPC is committed to excellence, ethics, and responsible conduct in its operations and requires our suppliers to adhere to the Supplier Code of Conduct. In so doing, each supplier undertakes to comply with the provisions set out in the Code of Conduct, two of which explicitly prohibit the use of forced labour and child labour. The Supplier Code of Conduct also requires compliance by our suppliers' subcontractors.

e. Engagement with Service Providers

It is important to ensure that not only our parts and raw materials suppliers, but also our service providers, demonstrate responsible business practices. With this in mind, during our 2024 fiscal year, we began a dialogue with our carriers about the measures, policies, and codes of conduct they have in place to combat forced and child labour.

f. Supplier Sourcing and Selection

We expect any party with which we work to adhere to business principles and values similar to our own and comply with all applicable laws and regulations. Before making any commitments toward suppliers, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out risk-based due diligence and checks. In addition to risk mapping, our experienced teams use government resources to obtain relevant information about potential suppliers.

After gathering this information, and before deciding to enter into a business relationship, GPC carries out a full audit process for international direct supplier prospects located in geographic areas at high risk of forced and child labour.

The audit process includes a full quality assurance audit and a social audit to assess suppliers' compliance with GPC's Social Responsibility Standards and Policy. It may also include onsite surveys conducted by GPC personnel.

- Quality assurance audit

Quality auditing ensures that suppliers meet our strict quality standards.

- Social audit

The social audit is carried out by recognized external auditing firms in accordance with the SA8000® social certification standard. SA8000® is the international certification standard for factories and companies worldwide. It enables organizations to demonstrate their commitment to developing, maintaining, and adopting fair labour practices. This independent standard is considered the most universally accepted in the workplace.

In addition to setting global labour standards, SA8000® also includes conventions from the International Labour Organization, the United Nations Convention on the Rights of the Child, and the Universal Declaration of Human Rights.

A thorough audit report is provided by the auditing firm to the supplier and GPC, including a recommended corrective action plan, if needed. A follow-up audit is carried out to confirm that corrective measures have been taken by the supplier, identifying an appropriate remedy for any workers harmed by the supplier's practices, where applicable.

g. Assessment of the Effectiveness of Prevention and Reduction of the Risks of Forced Labour and Child Labour in our Activities and Supply Chain

GPC's audit process is ongoing and is updated regularly to ensure our suppliers meet our high social and human rights standards as set out in our policies described above. We are also committed to continually identifying, assessing, preventing, reducing, and remedying impacts on human rights associated with our business.

To determine our effectiveness in preventing forced labour and child labour in our supply chain, we hire external certification organizations to conduct monitoring audits of our suppliers' practices. The GPC team may also conduct on-site visits.



These checks are carried out regularly, and suppliers are informed of the results. If corrective action is required by suppliers, we expect it to be taken as soon as possible. If a supplier does not comply with our policies or refuses to take corrective action to ensure compliance, we reserve the right to terminate the business relationship.

In our fiscal year 2024, we engaged in increased dialogue with GPC to better understand and improve the supplier audit process at both the GPC and UAP levels.

In 2024, GPC published a report on its commitments to corporate sustainability, including actions taken as part of the ESG (environmental, social, and governance) initiative. It can be found on the GPC website, at <https://www.genpt.com/sustainability>.

h. Due Diligence Policies and Processes for Controlled Entities

In our fiscal year 2024, we decided to review the audit process of our Master Sourcing subsidiary. We drafted a plan with the GPC team to conduct social and quality assurance audits covering suppliers geographically located in high to very high-risk areas.

i. Prevention and Awareness Within our Network

As previously stated, our network includes associate stores. In our 2024 fiscal year, we verified whether any of our associate store groups were subject to the Act and whether they had filed any reports as a result.

We have continued to raise awareness of this issue within our teams and have set up an internal supplier assessment that includes a section on fighting against forced and child labour in supply chains.

6. Remedial Measures and Employee Training

a. Measures Taken to Remediate Forced Labour and Child Labour

During our 2024 fiscal year, we did not have to take any measures to remedy the use of forced or child labour or measures to remedy actions that caused loss of income for the most vulnerable families.

b. Employee Training

When hired, all UAP employees, whatever their reporting level, are required to complete a series of training courses that include training on GPC's Code of Conduct.

Employees receive an attestation that they have read the Code of Conduct and that they understand the responsibilities incumbent upon them. The attestation is updated every two years, and employees must redo the training.

The latest renewal period for our anti-corruption policy and GPC Code of Conduct began in fall 2024. As a result, GPC and all its global subsidiaries received additional training on the principles of combatting forced and child labour, among other topics. Our Code of Conduct is unique; not only does it ensure uniformity, but it also sets the highest standards for rules of conduct and ethics.

This shows how important it is for GPC and UAP to promote values that put people first and to transmit those values to our employees, from the moment they are hired and throughout their careers.

Some of our employees also attended webinars about the Act, hosted by Public Safety Canada and auditing firms.

c. Legal Advice

In 2024, we consulted with legal counsel and the GPC team to ensure our legal compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.



CONCLUSION

UAP and GPC care deeply about our social responsibility and the impact of our business practices. We are staunchly opposed to forced labour and child labour, as well as any action contrary to the respect of human rights. Our commitment is demonstrated in our due diligence, and in the policies and standards we have established. To this end, we continually assess and improve upon our training and policies, as well as assess the effectiveness of our actions, as appropriate, in order to continue our efforts in the prevention and reduction of the risk of forced labour and child labour in our supply chain.

APPROVAL AND ATTESTATION

This report was approved by the Board of Directors of UAP Inc., pursuant to subparagraph 11(4)(a) of the Act.

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I, in the capacity of President and Director of UAP Inc., attest that I have reviewed the information contained in the report on behalf of the governing body of UAP Inc. 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 within this report.

I make the above statement in my capacity as a member of the Board of Directors of UAP Inc., for and on behalf of the Board.

A handwritten signature in black ink, appearing to read "Alain Masse", is written over a horizontal line.

Full name: Alain Masse

Title: President and Director

Date: May 12th, 2025

I have the authority to bind UAP Inc.