DEMERS AMBULANCES

CRESTLINE

2025

FORCED LABOUR AND CHILD LABOUR JOINT ANNUAL REPORT

by Demers Ambulances Manufacturer Inc. & Crestline Coach Ltd.

TABLE OF CONTENTS

INTRODUCTION & CONTEXT

Demers Ambulances Manufacturer Inc. ("Demers") and its Canadian subsidiary, Crestline Coach Ltd. ("Crestline"), are committed to preventing and addressing the risks of forced labour and child labour within their operations and supply chains. We condemn all forms of forced labour, including human trafficking, modern slavery, and involuntary servitude, and remain dedicated to upholding human rights, ethical business conduct, and responsible corporate citizenship.

This report is submitted pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) and covers the transitional fiscal period from April 1, 2025, to December 31, 2025.

In June 2025, Demers Ambulances Manufacturer Inc. and its affiliated entities were acquired by JB Poindexter & Co. (JBPCO), a privately held organization headquartered in Houston, Texas. As part of this acquisition, the fiscal year was modified to align with a January–December reporting cycle, effective January 1, 2026. Accordingly, this report covers a nine-month transition period.

This is a joint report filed on behalf of:

- Demers Ambulances Manufacturer Inc. (Canada)
- Crestline Coach Ltd. (Canada)

Unless otherwise stated, references to "we," "our," and "Canadian facilities" refer to Demers (Beloeil, Québec) and Crestline (Saskatoon, Saskatchewan).

There were no significant changes during the reporting period to the nature of operations or to the organisation's overall risk related to forced labour or child labour.

1. STRUCTURE, ACTIVITIES, AND SUPPLY CHAIN

(Act – Part 2 (3)(a))

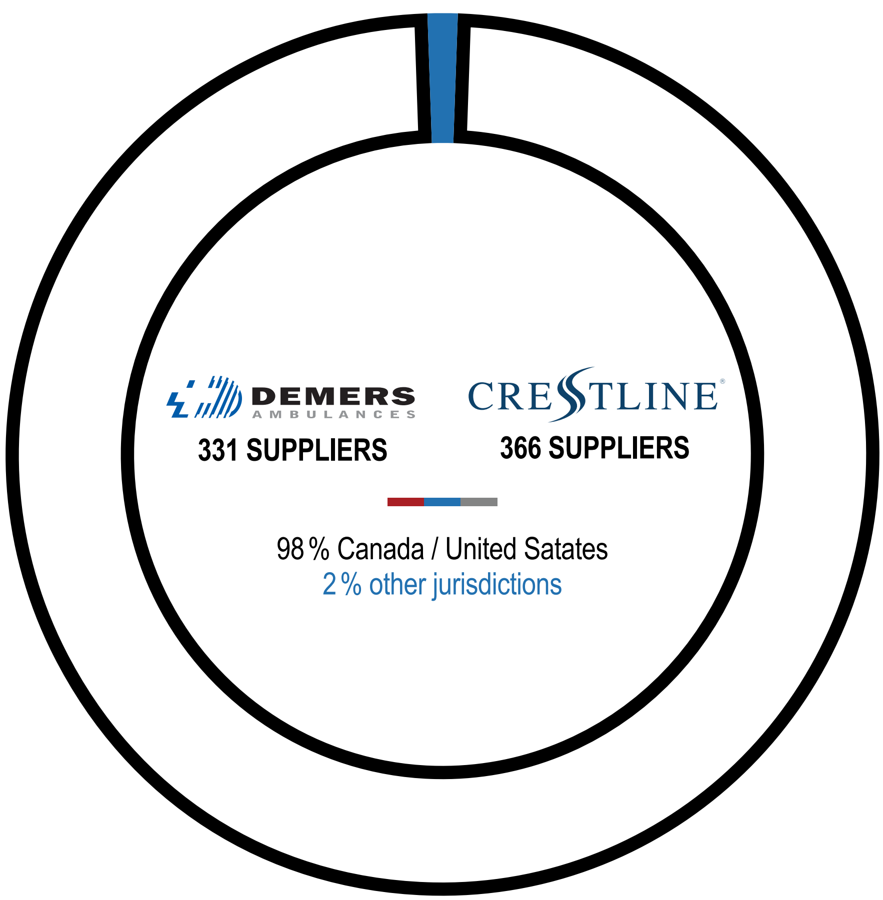
Demers Ambulances Manufacturer Inc. and Crestline Coach Ltd. operate as part of a broader North American group that includes affiliated entities in the United States. As of June 2025, the Canadian facilities operate under the ownership of JBPCO, headquartered in Houston, Texas. The broader organization employs approximately 1,607 individuals globally, including approximately 852 employees in Canada.

The Canadian facilities operate within the transportation manufacturing sector and are engaged in ambulance design, manufacturing, remount services, and the conversion of OEM chassis into emergency vehicles. Crestline Coach Ltd. also distributes buses within Canada. Across the broader organization, approximately 4,000 vehicles are produced annually. Sales are primarily concentrated in the United States and Canada, with limited international distribution.

The Company's supply chain is predominantly North American. Approximately 98 percent of procurement spend originates from suppliers located in Canada and the United States, and less than 2 percent originates from other jurisdictions. Demers maintains approximately 331 direct suppliers, while Crestline maintains approximately 366 direct suppliers. The majority of these suppliers are located in Canada and the United States.

Primary materials and components include aluminum, fiberglass, electrical harnesses, electronic components, lighting systems, OEM chassis, etc.

The Company currently maintains direct (Tier 1) supplier visibility. While country-of-origin information is collected where available, comprehensive mapping beyond Tier 1 suppliers is not yet fully developed. Enhancing sub-tier supply chain visibility remains an area for future improvement.



2. POLICIES AND DUE DILIGENCE PROCESSES

(Act – Part 2 (3)(b))

The Company is committed to the absence of forced labour and child labour within its operations and supply chains. This commitment is reflected in internal policies, supplier requirements, and governance oversight mechanisms.

During the reporting period, the Company maintained an Anti-Forced Labour Policy, a Supplier Code of Conduct, a Supplier Forced Labour Policy, a Supplier Self-Assessment Questionnaire, and formal due diligence and incident reporting procedures. Following the June 2025 acquisition, the JBPCO Code of Conduct was integrated into governance practices.

These policies prohibit forced labour, child labour, human trafficking, and involuntary servitude. They require compliance with applicable laws, respect for internationally recognized human rights, and ethical recruitment practices. Policies are available in English and French for Canadian operations and are reviewed annually.

Policy development and implementation are informed by international standards, including ILO Labour Standards, Human Rights, Canadian Bill S-211, and relevant U.S. legislation such as the Uyghur Forced Labor Prevention Act.

Supplier compliance is reinforced through contractual clauses, mandatory acknowledgment of policies, and completion of a Supplier Self-Assessment Questionnaire. Oversight of policy implementation is provided through a cross-functional Steering Committee and executive leadership review.

3. RISK MANAGEMENT

(Act – Part 2 (3)(c))

The Company conducts an annual risk assessment led by the Supply Chain Manager and reviewed by the Steering Committee. Risk assessment considers geographic risk indicators, sector risk guidance, commodity-specific risk information, supplier concentration by spend, and supplier questionnaire responses.

Risk indicators include geographic regions identified in the UN Global Slavery Index, higher-risk sectors identified by international guidance, and commodities listed by the U.S. Department of Labor as potentially associated with forced or child labour.

Given that the majority of suppliers operate within Canada and the United States, that the Company operates within a regulated manufacturing sector, and that it does not directly source from high-risk extraction regions, the overall risk of forced labour and child labour within the Company's direct supply chain is assessed as low.

Potential theoretical risk exposure may arise through sub-tier suppliers providing electronic components or metal inputs sourced through complex global supply chains. However, no specific high-risk suppliers were identified during the reporting period.

No instances of forced labour or child labour were identified during this transitional fiscal period.

4. DUE DILIGENCE, GRIEVANCE MECHANISMS AND REMEDIATION

(Act – Part 2 (3)(d) and (e))

The Company applies a risk-based due diligence framework that includes supplier pre-screening, mandatory completion of a Supplier Self-Assessment Questionnaire, manual screening against restricted entity lists, including those maintained under UFLPA, contractual forced labour clauses, and annual monitoring of suppliers.

If a concern were to be identified, the Company's incident response protocol would include investigation, documentation, engagement with the supplier to implement corrective measures, and potential termination of the business relationship where remediation is not satisfactory. Escalation to executive leadership would occur as appropriate.

Employees and stakeholders may report concerns through confidential reporting channels, including an anonymous reporting hotline and direct reporting to Human Resources or management. Reports may be submitted anonymously and are reviewed in accordance with established investigation procedures.

No incidents of forced labour or child labour were identified during the reporting period. Consequently, no remediation measures or income-loss mitigation measures were required. The Company has nevertheless identified potential remediation approaches that would be evaluated on a case-by-case basis should a violation be discovered in the future.

5. TRAINING

Act – Part 2 (3)(f))

During the reporting period, employee awareness sessions were conducted at the Saskatoon facility. These sessions covered the definition and indicators of forced labour, reporting mechanisms, and the Company's compliance expectations. Training sessions were delivered across multiple work shifts to ensure accessibility.

Executive leadership receives regular updates through the Steering Committee, which met seven times during the reporting period.

The Company also engaged directly with more than twenty suppliers to reinforce awareness of forced labour expectations and due diligence requirements. A standardized virtual training module is being developed for implementation beginning in 2026 to further strengthen and formalize training delivery.

6. ASSESSING EFFECTIVENESS

(Act – Part 2 (3)(g))

Oversight of forced labour risk management is provided by the Principal Manager of Global Trade Compliance, Supply Chain leadership, the cross-functional Steering Committee, and executive management.

Effectiveness is assessed through monitoring supplier engagement levels, completion of supplier questionnaires, delivery of internal training sessions, and progress against identified annual action plans. At the conclusion of the reporting period, approximately 29 percent of identified improvement actions had been completed.

No forced labour or child labour incidents were identified, and no corrective actions were required.

For 2026, the Company intends to expand supplier engagement to cover approximately 80 percent of total procurement spend, implement a standardized virtual training program, enhance supplier mapping efforts, and further integrate governance processes under JBPCO ownership.

7. ADDITIONAL INFORMATION

The primary focus of this transition period was to:

- Maintain compliance during organizational change
- Integrate governance following the JBPCO acquisition
- Strengthen supplier awareness and documentation
- Prepare for the transitional fiscal year reporting of 2025

Given the low risk profile, efforts focused on prevention, awareness, and structured oversight.

BOARD OF DIRECTORS STATEMENT

In connection with our obligations under the Act, we have established a steering committee composed of key functions in human resources, supply chain management, strategic procurement, trade compliance, administration, and executive team members.

The governance committee meets periodically and is tasked with overseeing Demers' response to the Act, including:

- Reviewing and discussing progress in forced labour risk management;
- Ensuring compliance with relevant laws and regulations;
- Fostering collaboration and accountability among committee members;
- Preparing, reviewing, and approving policies, documentation, and the annual report.

In the last fiscal year, the steering committee met eight times. In addition to our steering committee, Canadian facilities have a five-year plan to ensure continuous improvements in our efforts to reduce forced labour risks in our supply chains and improve compliance with the Act. We also developed a forced labour supplier management strategy for Canadian and U.S. facilities.

ATTESTATION

This report was presented to our administrative board.

In accordance with the requirements of the Act, and particularly section 11 thereof, I attest that I have reviewed the information contained in this report for the entities listed 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 reporting year listed above.

I have the authority to bind Demers Ambulances Manufacturer Inc. and its subsidiary.

Michael Postma
President
DBCM LLC.

Dated: May 11th, 2026.

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