# 2026 Annual Report on Forced Labour and Child Labour in Supply Chains

## VODA Backyard Leisure Group

This report has been prepared in accordance with the Fighting against Forced Labour and Child Labour in Supply Chains Act. It outlines the policies and procedures that VODA Backyard Leisure Group (hereafter referred to as "VODA") will implement to prevent and reduce the risk of forced labour and child labour in our supply chain. VODA ensures that all its employees are treated with respect and dignity, are working of their own free will, and are being properly compensated for their efforts. VODA is committed to social and environmental responsibility and has zero tolerance for forced and child labour. VODA is committed to continually improving its practices to combat human trafficking and slavery.

### 1. Organizational Structure, Activities and Supply Chains:

VODA operates within the consumer product distribution and retail trade sectors in Canada. We specialize in the distribution and e-commerce sales of pool, spa, and backyard products including inground and above-ground pool kits, hot tubs, equipment, chemicals, toys and accessories, and patio furniture. The overwhelming majority of our employees are based in Canada, with the exception of three employees from our Club Piscine division, one of whom is a Director, who are based in China and oversee the procurement of patio furniture from China. Commercial activities are strictly North American-based, with the majority of sales occurring domestically.

We partner with vendors that are predominantly from Canada and the United States, many who are established manufacturers in the pool and spa industry and are publicly traded. While we predominantly source from North America, certain patio furniture and accessory product lines are sourced from China-based manufacturers. In such cases, we ensure that our policies hold both manufacturing vendors and brokers accountable to ethical sourcing standards.

Our organizational structure includes a CEO at the helm, supported by a COO who oversees the Presidents of each VODA division and their respective operations, Sales and Marketing, and support teams. Additionally, we continue to make solid progress establishing consistent processes and organizational design across key functional areas including Finance, IT, Human Resources, and Procurement. This exercise will result in more streamlined and consistent

operations across all VODA divisions, providing both the CEO and COO with improved strategic oversight across all functions.

We are committed to ethical sourcing practices and compliance with all relevant regulations, ensuring the integrity and sustainability of our supply chain. Our organizational structure supports efficient distribution and quality control, with specialized teams ensuring excellence in procurement, quality assurance, and logistics.

## 2. Steps Taken in the Previous Financial Year to Prevent and Reduce the Risk of Forced Labour and Child Labour:

VODA was formed in 2022 with the consolidation of Pioneer Distribution Inc., Pool Supplies Canada Inc., Le Club Piscine Plus Quebec C.P.P.Q. Inc., and Aquiform Distributors Ltd. and since then has been diligently building and scaling the business for continued growth.

We recognize that products sourced from Chinese manufacturers present a higher risk for forced and child labour. As a result of this elevated risk, we have existing processes designed to reduce the risk of forced labour or child labour within our Chinese-based supply chains particularly for our Club Piscine division. This process includes the following:

- Basing a Director, who has a deep understanding of the Chinese patio furniture manufacturing industry, in China.
- Working with Chinese manufacturers who we have built long-standing relationships with over decades and are not "fly by night" manufacturers.
- Sending an annual delegation of three Canadian employees to China for a three-week period to meet onsite with patio furniture manufacturers. These visits include:
    - Hands-on observation of manufacturing facilities and working conditions.
    - Meetings with senior leaders from multiple departments (Sales, Operations, Executives) of patio furniture manufacturers to discuss product line changes, operational improvements and health and safety results.
    - Immediate cessation of business with any manufacturer if forced labour and/or child labour is encountered.

In the past year, our operating teams have increased their efforts working with overseas suppliers to ensure that the partners we work with do not utilize any forced labour and child labour resources.

## 3. Additional Actions to Address Forced Labour and Child Labour:

In addition to the current process established for procurement from China, moving forward we continue to undertake the following additional actions to further address these critical issues:

**Conducting an Assessment:** We will undertake a comprehensive assessment of all risks related to forced labour and/or child labour within our activities and supply chains, irrespective of supplier location. This assessment will provide us with valuable insights and identify areas for immediate improvement.

**Developing and Implementing Policies:** We will create a policy based on our current processes incorporating any additional elements uncovered through the assessment process, to create a comprehensive supplier-agnostic policy designed to address forced labour and child labour. This policy will include specific measures to identify and mitigate practices that could increase the risk of forced labour and/or child labour in our activities and supply chains.

**Due Diligence Policies and Processes:** We will develop and implement due diligence policies and processes designed to identify, address, and prohibit the use of forced labour and/or child labour in our operations.

**Supplier Requirements and Monitoring:** We will require our suppliers to establish their own policies and procedures for identifying and prohibiting the use of forced labour and child labour. To ensure compliance, we will regularly monitor our suppliers through continuous engagement, periodic audits, and thorough reviews of their anti-slavery and human trafficking statements.

VODA is dedicated to enhancing our efforts to assess and manage the risks of forced labour and child labour. We are committed to implementing these measures quickly and effectively, ensuring the integrity and ethical standards of our supply chains.

**4. Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour:**

We are committed to preventing forced labour and child labour through stringent employment screening procedures. Prospective employees must complete a job application, a detailed questionnaire, resume screening, and an employee profile in our HR system. The screening process includes verifying the candidates' eligibility to work in Canada, confirming possession of a valid social insurance number and/or driver's license, and conducting age verification when necessary.

**5. Parts of the Entity's Business and Supply Chains that Carry a Risk of Forced Labour or Child Labour:**

As a distributor of pool, spa, and backyard products, VODA recognizes that the greatest risk of forced or child labour within our business lies within products procured from suppliers in China, namely patio furniture manufacturers and a small proportion of our equipment and chemical suppliers.

To enhance our efforts in this area, we are committed to implementing the following measures:

**Supplier Contracts and Compliance:** We will revise our contracts with suppliers to include stringent clauses ensuring adherence to ethical sourcing standards. We will request letters of compliance from major suppliers attesting to their commitment to preventing forced labour and child labour in their supply chains.

**Review of Supplier Statements:** We will initiate a thorough review of the anti-slavery and human trafficking statements from major suppliers and other key manufacturers. This review will help ensure our suppliers are committed to ethical practices.

**Ongoing Engagement and Dialogue:** We will establish regular engagement with our suppliers to ensure they are actively preventing forced or child labour in their manufacturing processes. This will include regular communications and periodic audits as necessary.

**Risk Assessment:** We will conduct regular risk assessments of our supply chains to identify any areas of concern. This will involve monitoring sourcing practices, particularly in regions where forced or child labour is more prevalent.

**Transparency and Reporting:** We will enhance transparency in our supply chain practices and commit to reporting any findings or concerns related to forced or child labour. We will work collaboratively with our suppliers to address and resolve any issues that arise.

**6. Measures Taken to Remediate Any Forced Labour or Child Labour:**

No specific instances of forced labour or child labour have been identified within our operations or supply chain. Should we identify any instances, we are committed to responding promptly to address the issue.

**7. Measures Taken to Remediate the Loss of Income to the Most Vulnerable Families:**

No measures have been necessary in this area as no vulnerable families have been identified as experiencing a loss of income due to actions taken by the entity to eliminate forced labour or child labour from our supply chain.

**8. Training Provided to Employees on Forced Labour and Child Labour:**

Our Procurement departments will undergo training in the next year to understand our policy and procedures on forced labour and child labour once implemented.

**9. How We Assess Our Effectiveness in Ensuring That Forced Labour and Child Labour Are Not Being Used in Our Business and Supply Chains:**

To the best of our knowledge, no instances of forced or child labour have been identified within our operations or supply chain. We commit to continuous monitoring and assessment of our operations and supply chain to prevent the incorporation of unethical practices.

**Approval of our Report**

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.

Name Andrew Gordon

Title Chief Operating Officer

Date May 31, 2026

Signature:

“I have the authority to bind VODA Backyard Leisure Group"

**Canada Bill S-211 - Fighting Against Forced Labour and Child Labour in Supply Chains Act**

**Policy Statement**

VODA Backyard Leisure Group is a leading distributor of pool, spa, and backyard products to dealers and retailers across Canada and directly to Canadian customers via the Pool Supplies Canada and Club Piscine divisions. The business has been serving the pool and spa industry across Canada for over three decades. We proudly pledge our unwavering support for Canada Bill S-211 - the Fighting Against Forced Labour and Child Labour in Supply Chains Act. Recognizing the profound importance of this legislation, we are dedicated to ensuring that every aspect of our supply chain is free from forced labour, prison labour, and child labour.

As a distributor, we operate under contracts for many of our products, which are covered by agreements. We refer to our suppliers' submissions for specific details on their compliance with ethical standards.

**Our Commitments:**

**Transparency and Accountability:** VODA Backyard Leisure Group commits to upholding the spirit of Canada Bill S-211 by meticulously documenting and publicly disclosing our efforts to combat forced labour, prison labour, and child labour within our supply chains. Our commitment to transparency includes diligently providing detailed reports and ensuring full compliance with all legislative requirements.

**Supplier Engagement:** We will work closely with our suppliers to ensure they have policies and procedures in place to prevent forced labour, prison labour, and child labour. We will regularly review and monitor our suppliers' compliance with these standards.

**Continuous Improvement:** We will continuously assess and improve our policies and practices to address the risks of forced labour and child labour. This includes conducting regular risk assessments and implementing necessary changes to enhance our supply chain's integrity.

**Employee and Stakeholder Education:** We will educate our employees and stakeholders about the importance of preventing forced labour and child labour, ensuring that everyone involved in our operations understands and supports our commitment to ethical practices.

By adhering to these principles, VODA Backyard Leisure Group aims to set a standard for ethical business practices within our industry. We believe that maintaining a supply chain free from forced labour, prison labour, and child labour is not only a legal obligation but a moral imperative.