

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR REPORT



MAY 31, 2026

DI-CORP
DOWN TO EARTH BUSINESS

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MESSAGE FROM OUR CEO DIRK LEPOOLE

Di Corp recognizes that forced labour and child labour remain serious global challenges that can exist within complex international supply chains. As a Canadian organization engaged in manufacturing, sourcing, and distribution activities, we acknowledge our responsibility to take meaningful and proportionate action to prevent and reduce these risks.

This report represents Di Corp's third annual submission under Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act. The foundations of Di Corp's approach were established in earlier reporting periods through the development of policies, supplier risk mapping, due diligence processes, and employee awareness initiatives. This report builds on those foundations and reflects the continued integration of forced labour and child labour considerations into Di Corp's governance and supply chain management practices.

During the reporting period, Di Corp focused on reinforcing existing processes, strengthening supplier engagement, and ensuring that oversight of forced labour and child labour risks is embedded into routine supply chain activities and management discussions. While no instances of forced labour or child labour were identified within Di Corp's operations or supply chain, the company recognizes that ongoing diligence and continuous improvement remain essential.

This report summarizes the actions taken during the previous calendar year and outlines Di Corp's approach to managing these risks on an ongoing basis

REPORTING IDENTITY DI-CORP

Di-Corp is a Canadian corporation with its head office based in Edmonton, Alberta, Canada and given its size of activities and business is thus 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 made in accordance with the Act and was approved by the Shareholder on May 31, 2026.

STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

1. OUR STRUCTURE AND OPERATIONS

Di-Corp is the sole parent of DI-CORP USA Inc., Jentech Drilling Supply Inc., and Di-Corporative de Mexico S.A de C.V. Di-Corp is the only Canadian company and will form the basis for this report.

Since 1960, Di-Corp has proudly developed a reputation for meeting and exceeding the expectations of our customers in the mining, energy and throughout other drilling-intensive industries in North America.

We build relationships that focus not only on down-to-earth customer service but the capabilities and expertise of our staff as well.

We know that all relationships require integrity and partnership, and we believe that having dedicated staff providing personalized service along with our focused product lines will lead to success. We are committed to leadership in importing, manufacturing and distribution of materials starting with the integrity of our supply chain.



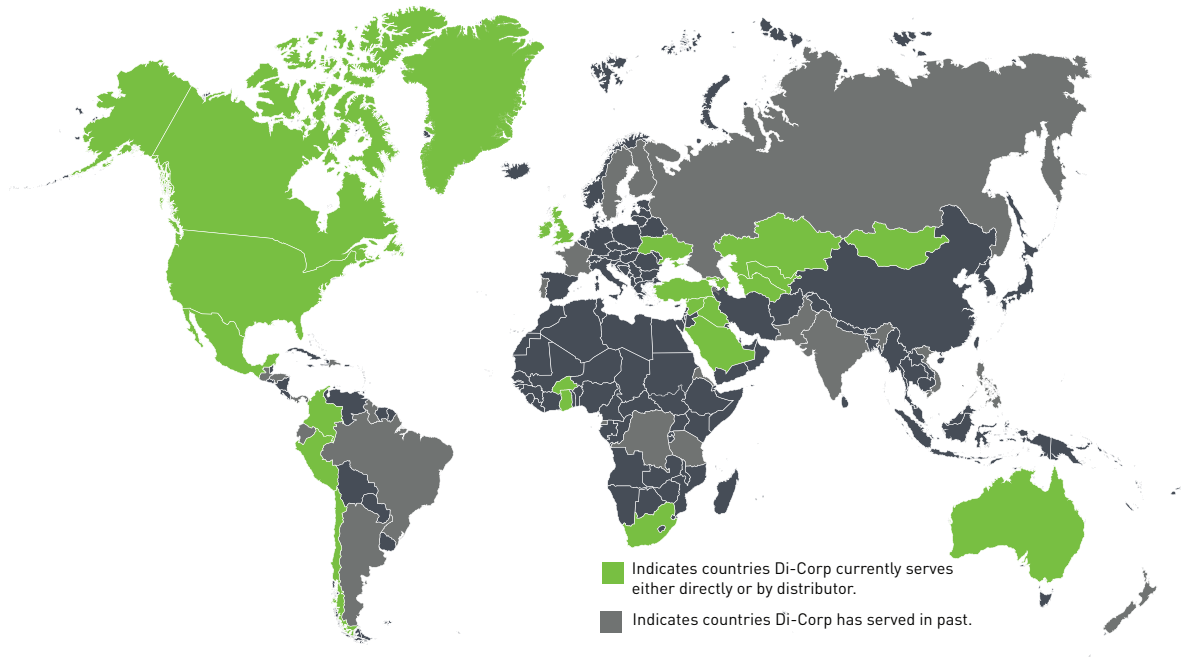
1. OUR SUPPLY CHAIN

Di-Corp has an international supply chain with manufacturing, distribution, and service locations in Canada and the United States and multiple international distributors serving South America, Europe and Central Asia, the Middle East, and Australia.

Di-Corp procures products for both resale and for manufacturing of its own products while sourcing products from manufacturers and distributors all over the world. Approximately two-thirds of our suppliers are from Canada, while additionally we import products from United States, Mexico, South America, Europe, Asia-Pacific, and Australia.

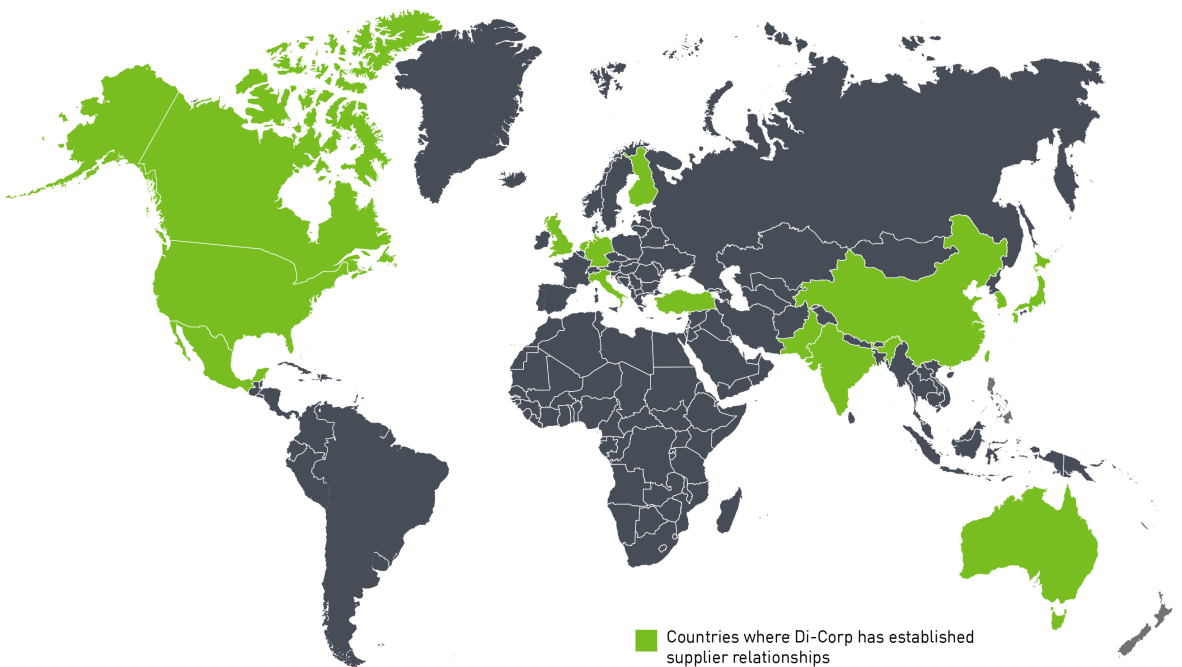
Below you will find a graphical representation of our global footprint in terms of supply to our end-user customers as well as our supply chain activities.

Global Footprint – Serving our Customers



The geographic diversity of Di Corp's supply chain increases complexity and requires a structured, risk based approach to supplier oversight. Di Corp continues to refine its governance practices to ensure that potential risks related to forced labour and child labour are identified, assessed, and managed appropriately across its operations and supply chain.

Global Footprint – Supply Chain



POLICIES AND DUE DILIGENCE PROCESSES

POLICIES

Di Corp has established policies and processes designed to prevent and reduce the risk of forced labour and child labour within its operations and supply chain. Key elements of Di Corp's approach include:

- **Policy Framework**
 - o Di Corp's commitment to respecting human rights and opposing forced labour and child labour is reflected in its internal policies and standards. During the reporting period, Di Corp finalized a comprehensive Supplier Code of Conduct that consolidates expectations related to ethical business practices, human rights, and compliance with applicable laws. Formal rollout and implementation of this Code is planned for the upcoming year.
- **Risk Based Supplier Due Diligence**
 - o Supplier due diligence is conducted using a risk based approach, including the use of supplier self assessment questionnaires and follow up engagement on site for audits and discussions where appropriate. This process and the structure and subsequent approach of tiering our supply base can be found in previous reports.
- **Procurement and Contractual Controls**
 - o Supplier compliance expectations are embedded within procurement processes, including supplier acknowledgment of Di Corp's standards and requirements. This will be further strengthened in the coming years with the Supplier Code of Conduct.
- **Governance and Oversight**
 - o Oversight of forced labour and child labour risks is managed within the Supply Chain function, with engagement from senior leadership as part of broader enterprise risk management discussions.

C

FORCED LABOUR AND CHILD LABOUR RISKS

Di Corp recognizes that the risk of forced labour and child labour varies depending on factors such as supplier location, industry, and the nature of goods or services provided.

To support effective risk management, Di Corp applies a tiered supplier risk framework that categorizes suppliers based on geographic and operational risk factors. This framework allows Di Corp to apply proportionate due diligence measures and prioritize engagement with suppliers operating in higher risk environments.

Di Corp did not identify any confirmed instances of forced labour or child labour within its operations or supply chain during the reporting period. The company recognizes, however, that risk profiles may change over time and continues to monitor supplier relationships accordingly.

REMEDIATION MEASURES/ REMEDIATION OF LOSS OF INCOME

During Fiscal Year 2026, we did not find any evidence outlining that child labour or forced labour were being employed in our supply chain, and as such, no actual remediation measures have been taken.

In the future, if such situations arise, actions will be taken at that time consistent with relevant regulations, industry standards and Di-Corp internal policies.

During the reporting period, Di Corp undertook the following actions to prevent and reduce the risk of forced labour and child labour:

- Continued application and review of supplier self assessment questionnaires, with a focus on suppliers operating in higher risk jurisdictions
- Follow up engagement with suppliers to clarify or address responses where additional assurance was required
- Ongoing refinement of supplier risk categorization and documentation including initial investigation into utilizing our newly launched ERP to act as a repository for this information.
- Integration of forced labour and child labour considerations into routine supply chain risk discussions
- Completion and internal approval of the Supplier Code of Conduct
- Maintenance of internal records supporting supplier due diligence and compliance activities
- Integration of training into the Di-Corp 'Corporate Policies – Worldwide' training program which will systematically provide forced labour training for all new hires and require recertification every 3 years. This will ensure that the training is consistently applied and renewed throughout the organization.

These actions reflect Di Corp's continued shift from initial compliance activities toward a more structured and repeatable governance framework.

No instances of forced labour or child labour were identified during the reporting period that required remediation and as such, no measures were required to remediate loss of income to vulnerable individuals or families.

Di Corp has processes in place to respond appropriately should such instances be identified in the future. These processes would include supplier engagement, corrective action plans, escalation where necessary, and potential termination of supplier relationships if remediation is not achieved.

TRAINING

Di Corp recognizes that employee awareness is an important component of effective risk management.

During the reporting period, employees involved in supply chain and procurement activities continued to receive guidance related to ethical sourcing and supplier compliance expectations. Management reinforced the importance of identifying and escalating potential risks within supplier relationships.

Di Corp intends to continue enhancing training and awareness initiatives as part of its ongoing program maturity.

ASSESSING EFFECTIVENESS

Di Corp assesses the effectiveness of its actions through ongoing governance, oversight, and periodic review rather than through one time or project based milestones.

Effectiveness is evaluated using a combination of qualitative and procedural indicators, including:

- Review of supplier due diligence responses and supporting documentation
- Ongoing evaluation of supplier risk categorization
- Management oversight of supply chain risks as part of broader enterprise risk management discussions
- Follow up engagement with suppliers where additional assurance is required
- Periodic internal review of policies, procedures, and controls

This approach supports a proportionate, risk based framework that is adaptable to changes in supply chain composition and external risk factors.

REPORT APPROVAL AND ATTESTATION

In accordance with the requirements of the Act, I attest that I have reviewed the information contained in this report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information is true, accurate and complete in material respects for the purposes of the act.



Scott Sawyshyn
President

Date: May 31st, 2026