

Fighting Against Forced and Child Labour 2023 Report

1. INTRODUCTION

This is a joint report encompassing the entities of **Matcor Metal Fabrication Inc.**, for the activities from January 1, 2023, to December 31, 2023 (the “Reporting Period”).

This report describes Matcor’s policies and activities to mitigate the risk of forced and child labour in the production and importation of goods in Canada pursuant to Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) of the Canadian Ministry of Public Safety. This is the first report prepared for the Act. Matcor does not have any other reporting obligations in other jurisdictions.

2. STEPS TO PREVENT AND REDUCE THE RISK OF FORCED AND CHILD LABOUR

The following steps were taken to prevent and reduce the risk of forced labour and child labour for the reporting period:

- Reviewed our corporate code of conduct to strengthen the wording in the human rights section.
- Expanded our supplier quality manual to include governance around forced labour and child labour.
- Trained members of our purchasing team on the governance around forced labour and child labour in the supply chain.
- Examined products imported and mapped locations for level of risk.

3. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Matcor Metal Fabrication Inc., is a private company headquartered in Ontario, Canada.

Matcor is a fully integrated supplier of manufacturing and engineering services providing steel components and complex, high value-added assemblies for the agricultural, construction, mining, energy, heavy truck and other industrial sectors in Canada and United States.

Our supply chain consists of products used in direct manufacturing, mainly steel, fasteners, machined products, and mechanical equipment for production. The majority of these products come from North American sources, but some are manufactured in China, Taiwan, India, Korea, Japan, and Europe. Matcor imports some of the items used in production. Indirect supplies and services are primarily sourced locally.

4. POLICIES AND DUE DILIGENCE PROCESSES

Code of Ethics

Matcor believes that operating in a socially responsible, ethical manner which is in compliance with the laws and regulations of those countries in which we operate is fundamental to our long-

term success. As our Company continues to grow and change, our business becomes more complex and doing the right thing has become more complicated. This means that it is more important as our business boundaries reach across the globe, for the Company to adopt fair employment practices, protect safety in the workplace, support and foster environmental consciousness and fully comply with applicable laws. This Code of Conduct and Ethics is intended to give our associates the information they need to guide their actions in an ever-challenging environment. It is critical that Matcor associates conduct themselves with the highest ethical standards so that we can earn the trust of our customers, suppliers, and associates as well as the communities in which we operate. Following these guidelines will not only help us do the right things but will help us enhance our reputation as an outstanding and responsible corporate citizen. Our future success depends on it. This Code of Conduct and Ethics and the provisions contained in the related policies, guidelines and procedures apply to all Matcor associates, suppliers, contractors and visitors.

Supplier Code of Conduct

Social responsibility is an inescapable element of the long-term success of our Company, just as it is for our stakeholders, business partners, associates, and our customers. A plan for true sustainability requires not only that we are a good global citizenship but that we remain competitive in the long term. True social responsibility is not an obstacle but an enabler to this end. These principles are followed by our Company and our suppliers worldwide. The Matcor supplier quality manual documents our corporate social responsibility beliefs and expectations, to which it notifies every supplier and contractor that they must share in the adherence of these practices.

Human Rights

We respect and support compliance with internationally accepted human rights policies and laws.

Forced Labour / Recruitment

We condemn all forms of forced and compulsory labour. All recruitment efforts, including recruitment efforts by recruiters will comply with applicable labour laws. Labour must be voluntarily and freely chosen. All suppliers, including recruitment agencies used by a supplier, must verify the legal employment eligibility of all persons to work and not use any prison, indentured, forced, involuntary, bonded or slave labour.

Child Labour and Young Workers

We support the effective abolition of exploitative child labour and Young Workers. Suppliers will not employ individuals in violation of local mandatory school age or under the legal employment age in each country where they operate.

5. FORCED LABOUR AND CHILD LABOUR RISKS

Matcor annually assesses risk of forced labour and child labour in our supply chain by identifying the type of goods and manufacturing country for products purchased. The research Matcor has done shows that the risk for the types of goods are low from the manufactured locations.

Matcor will continue to monitor the risk with research reported by notable agencies and assess accordingly if emerging threats affect our sourcing strategies.

6. REMEDIATION MEASURES

Matcor did not identify any risk or occurrences of forced labour or child labour in our business or in our supply chain during the Reporting Period. Therefore, no remediation measures were taken, including those related to remediation of loss of income on the most vulnerable families.

7. TRAINING

Matcor employees have been provided the code of conduct. Key purchasing staff are aware of the governance around forced labour and child labour prevention & risk management. Suppliers have been informed through the supplier quality manual located on the supplier portal.

8. ASSESSING EFFECTIVENESS

Matcor continues to enforce the social importance of our code of conduct and the obligation to be responsible corporate citizens. This flows through our employees and our supply chain. Matcor will continue to annually review our policies and procedures related to forced labour and child labour.

9. 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 Matcor Metal Fabrication Inc.



Sandeep Jain
Director of Finance
May 27, 2024