

2247260 Ontario Limited- Precision Stamping Group

Forced and Child Labour Report- Modern Slavery Act

Completed for Reporting Year: 2024

1.) About Us

Company Structure

Precision Stamping Group (PSG) is a 3 plant Windsor-based corporation that primarily supplies automotive metal stampings to various customers across both Canada and the US. The company operates under the direction of ownership, who also act as the President and Vice President of the company. Each plant's workforce is governed by Unifor Local 195.

Activities

The primary functions of the company include: procuring raw materials, processing raw materials into finished goods and the subsequent shipping of these parts to customers.

Supply Chain

PSG's supply chain is separated into 3 sections: raw material procurement, production and shipping. Raw materials are primarily imported from the United States, and the majority of the parts produced are exported to the United States.

2.) Applicable Policies

Due to the new nature of this program, PSG is in the "gathering information" phase and is currently working towards identifying any potential area of concern in our supply chain. While gathering information, we are ensuring to implement tentative mitigating policies to ensure we're compliant at all times.

PSG has always operated under strong ethics and social responsibility guidelines and have had procedures in place for many years that align with the objectives of this act. The following policies/procedures demonstrate our understanding and dedication to mitigating these risks:

Code of Ethics: Outlines our dedication to the safeguarding of our people and strives to ensure that employees always act with these values in mind.

Corporate Social Responsibility: Specifically outlines our dedication to the fair treatment, safety and dignity of our workers. Also highlights our stance on following all laws, and ensuring that we do not engage with companies that threaten human right's abuse or any other law breaking/unethical activity.

Background Check Policy: Includes the verification of potential employee information to ensure alignment with corporate policies.

Contractor Management: Highlights our expectations of suppliers and ensures we only utilize people/companies that abide by our country's laws and our company's code of ethics.

3.) Due Diligence

At PSG every employee is expected to read, comprehend and facilitate all company policies and procedures at all times. Due diligence should be exercised in every applicable circumstance to ensure wrong assumptions aren't made and compliance to all laws/ethics policies are followed.

As we educate ourselves on this new act, we will be implementing additional processes and checks to constantly adapt to the changes we see along our supply chain. Through this exercise, we have noted that we should be more specific with our checks/balances to ensure consistency in our approach to thwart these issues. This will be a focused area for us.

4.) Areas of Concern + Mitigation Taken- Previous Year

Below we will highlight areas in our supply chain that we have identified to be a potential risk and how we mitigated these risks in the previous year.

Hiring:

Temp Worker Agencies- Temp agencies hire workers through their business and subsequently find them work at various companies throughout their local area. As we do not get to put these employees through our internal process, there is a trust placed amongst agencies to ensure workers information is correct and valid.

Mitigation- Discussions with management at the agency about their policies/procedures, reviewing ethics/CSR policies to ensure alignment and compliance with our company standards.

Internal Hires- Potential risk of hiring children, with the threat of lying about their age.

To ensure we are following all child labor laws- valid identification is to be provided if employment is offered. Children are not hired under any circumstances at PSG.

Purchasing:

Supplier Working Conditions- There is potential risk that suppliers we use have sub-standard working conditions.

Mitigation- Read employee reviews, question supplier management on their ethics codes, review online mission statements and policies.

There is potential for us to improve in this area.

5.) Risk Reduction Efforts

We did not note any forced or child labour situations this year, but below represents efforts to further improve our company to prevent this further.

Excessive Overtime- Due to the nature of our business, large fluctuations in demand can happen at any time, and OT is necessary as required. Additionally, many employees seek out OT to raise

additional money, and often prefer vacation payouts instead of taking the actual time. We are working diligently on policies and monitoring of employees to ensure that vacation time is used alongside any payouts. As a company we believe it's important for our employees to take breaks from work to ensure they do not burn themselves out.

Working Conditions- Proudly one of the few stamping facilities with air conditioning and heat. As extreme temperatures have hit the area in the past year, efforts have been made to improve the plant conditions to be worker friendly.

New Foreign Workers- PSG is proudly diverse and employs a wide range of employees from many different cultures. This has become a recent challenge, and efforts have been made to translate all of our procedures/policies to Spanish to assist our employees with their understanding of legislature. We also added additional HR staff to our largest plant to specifically assist our workers with any requests/questions they have about Canadian or PSG specific policies/laws etc.

Temporary Worker Orientation- PSG noted gaps in policy education from our temporary employees. We have made it mandatory for all agencies to

6.) Remediation Measures- Forced Labour/Child Labour

No remediation measures were required in our previous year.

7.) Remediation Measures- Loss of Income to Families

No remediation measures were required in our previous year.

8.) Employee Training

Internal Orientation- As mentioned above, we have many procedures that touch on these topics, and we have implemented a mandatory orientation with our new HR person to cover these procedures and answer any questions. Additionally, the Union in place and it's steward at each plant, look out for the safety of their workers up and above PSG.

Temp Employee Orientation- One of our noted weaknesses was that temporary employees coming in were ignorant to our procedures and policies. The mandatory orientation given to them upon placement has alleviated a lot of the concerns that we had. Our HR staff has done an excellent job filling in any remaining gaps in our education coverage.

Existing Employees- Existing employees have been previously trained on policies and procedures and have access to any new/modified policies. However, we have noted that this may be a potential weakness and can address this through a company town hall meeting or wide-spread email.

9.) Measurement Effectiveness

Internal measurement- Our current measurement of effectiveness is management findings. As we have had no incidents or reporting in recent memory, any findings in this area would be a major issue between us, employees, and the union. We will continue to get better, and develop internal methods to measure effectiveness, but we run a zero-tolerance policy and will not accept any other number.

External Measurement- As we run a zero-tolerance policy, any findings would be major and would be addressed accordingly. However, ignoring the issue and turning a blind eye to it, does not mean it does not exist. We are still learning, gathering data and ultimately trying to understand industry best practices to mitigate all concerns in this area. When the first wave of reports are published, the management team will look to our peers for ideas to better ourselves going forward.

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 2247260 Ontario Limited- Precision Stamping Group

Full Name Stephen Read

Signature 

Date: 5/16/24