

Report filed pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Breaker Technology Ltd. ("**Breaker**", business number 894105923 RM0001) is pleased to present its report (the "**Report**") under section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") for its financial reporting year ended December 31, 2023. This Report also references Astec Industries, Inc. ("Astec", 62-0873631) where appropriate (collectively referred to as "**Astec Group**").

The Astec Group is committed to ensuring that its business activities and supply chains do not undertake any activity which contravenes the Act and promotes honesty and integrity in all aspects of its business. We expect our suppliers to promote environments of respect for all individuals worldwide and to also operate in a manner that imposes honour and integrity in all aspects of business.

Structure, Activities and Supply Chains

Since 1972, Astec has been connecting communities by providing innovative rock to road solutions for our customers. Astec is a leading global manufacturer of specialized equipment for asphalt road building, aggregate processing and concrete production.

Astec is a publically traded corporation listed on NASDAQ (ASTE). Breaker is a wholly owned subsidiary of Astec. Astec released a statement pursuant to the California Transparency in Supply Chains Act. Astec's head office is located in the State of Tennessee, United States, and Breaker's head office is located in Ontario, Canada.

Breaker meets the definition of "entity" under the Act. Breaker produces goods in Canada, sells goods inside and outside Canada, distributes goods inside and outside Canada and imports goods into Canada. Breaker has a place of business in Canada, does business in Canada and has assets in Canada. In addition, Breaker meets two out of three of the size-related conditions for its two most recent financial years: it has at least \$20 million in assets and has at least \$40 million in revenue.

The Astec Group has taken the following steps to prevent and reduce the risk of forced and child labour in its supply chains:

- **Verification:** The Astec Group verifies its supply chains through the supplier onboarding and contracting process and under our Conflict Minerals program. As part of these programs, the Astec Group's suppliers are expected to respect all individuals and promote the core values of dignity and honour in their operations. This includes zero tolerance for human trafficking and illegal labour practices in the supply chain.
- **Monitoring and Audits:** The Astec Group monitors its suppliers for adherence to our Core Values and Code of Conduct and Ethics. We reserve the right to perform audits of suppliers to evaluate any risks in the supply chain in violation of the Astec Group's policies, including activities related to human trafficking or illegal labour practices.

- **Certification:** As part of the Astec Group's contracting process, suppliers must agree to comply with all governing laws and regulations. This includes all prohibitions against forced, involuntary or child labour and any form of human trafficking.
- **Accountability:** Only suppliers who comply with the expectations detailed in the Astec Group's Core Values, Code of Conduct and Ethics, Conflict Minerals Policy and contract terms and conditions will be permitted to supply materials or services to the Astec Group. If non-compliance with these standards (including human trafficking and modern slavery prohibitions) is found and verified, such suppliers will be removed from the Astec Group's supply chain.
- **Training:** The Astec Group's employees are familiar with the company's conduct, ethics and values expectations. Employees are encouraged to report any possible violations of the Astec Group's supplier policies through our corporate compliance office. See "Training" below for further details.

Further, as part of our worker recruitment policies, we believe in and provide competitive compensation packages to attract, motivate and retain employees. The Astec Group believes in fair market based pay and through external benchmarking, we study each market to ensure our level of competitiveness. In addition to base wages, we provide additional benefits for the well-being of our employees and their families.

Policies

The Astec Group has employed policies related to forced and child labour, including embedding responsible business conduct into policies and management systems, and ceasing, preventing or mitigating adverse impacts.

The Astec Group's Conflict Minerals program and supplier onboarding and contracting process was designed to verify its supply chains. As part of these programs, the Astec Group's suppliers are held to the high standard of respect of employees and individuals and promoting dignity and honour in their operations. As such, the Astec Group is proud to abide by a zero tolerance policy for any human trafficking and illegal labour practices in its activities and supply chains, including but not limited to zero tolerance for the use child and forced labour in its activities and supply chains.

The zero tolerance policy is enshrined in Astec's Code of Conduct and Ethics, which explicitly prevents the employment of children or forced labour. The Code of Conduct and Ethics states that the Astec Group refuses to do business with suppliers or other third parties who employ such practices.

Astec's Supplier Code of Conduct prevents suppliers from using forced, bonded, involuntary, prison or indentured labour and requires suppliers to comply with all applicable local laws with respect to child labour.

The Code of Conduct and Ethics and the Supplier Code of Conduct apply equally to all members of the Astec Group.

Forced Labour and Child Labour Risks

The Astec Group has not yet begun the process of identifying risks of forced and child labour in its activities and supply chains. As such, the Astec Group has not yet taken any measures to assess or manage any forced labour or child labour in its activities and supply chains.

Remediation Measures

Since the Astec Group has not yet begun the process of identifying risks, we have not undertaken any remediation measures.

Remediation of Loss of Income

The Astec Group has not identified any loss of income to the most vulnerable families resulting from any measure taken to eliminate the use of child or forced labour. Therefore, we have not undertaken steps to remediate any such loss of income.

Training

The Astec Group's employees are familiar with the company's conduct, ethics and values expectations. Employees are encouraged to report any possible violations of the Astec Group's supplier policies to our corporate compliance office at compliance_officer@astecindustries.com.

All employees are required to review our Code of Conduct and Ethics and acknowledge compliance with it. Key stakeholders also acknowledge it annually. Human rights awareness courses are provided to employees through our online training systems.

Assessing Effectiveness

The Astec Group currently does not employ methods of assessing its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains.

Signed Attestation

This report was approved by the Board of Directors of Breaker Technology Ltd. on May 31, 2024.

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 noted above.

DATED as of May 31, 2024.

I have the authority to bind Astec Industries, Inc. and Breaker Technology Ltd.

by 

Name: Edward T. Gilbert Jr.

Title: General Counsel & Corporate Secretary