

May 29, 2024

CANADA FORCED LABOUR AND CHILD LABOUR IN THE SUPPLY CHAIN ACT

REPORT OF BROSE CANADA, INC

May 29, 2024

Brose Canada Inc., a Canadian corporation with business identification number 88328 1107 and located at 1500 Max Brose Dr. London, ON N6N 1P7 submits this report in compliance with Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"). While Brose Canada, Inc. has been reducing its operations in London, Ontario since 2023, this report will cover the period of January 1, 2023 to the present. Brose Canada, Inc.'s fiscal year runs from January 1 to December 31.

Pursuant to the requirements of subsections 11(1) and 11(3) of the Act, Brose Canada, Inc. provides the following information:

1. Brose structure, activities and supply chains

Brose Canada, Inc. is a Canadian Corporation. It is wholly owned by Brose SE.

Brose Canada, Inc. has a number of sister corporations in North America. However, each of those entities is separately incorporated and does not exercise control over Brose Canada, Inc. Brose does maintain functional ties and dotted line reporting structures with Brose North America, Inc., located in Auburn Hills, Michigan. Brose exercises control over no other entities. *Reference to Brose Canada, Inc. will be referred to as "Brose" for the remainder of this report.*

Prior to Brose's reduction of operations in London, Ontario in 2023, Brose's main purpose was the manufacture and assembly of various electronic controlled components, such as seat adjusters and small adjuster motors, stamped metal products, as well as the welding, assembly and coating of metal products. Since Brose's reduction in operations in 2024, Brose's processes include the stamping of metal products, specifically seat rails for the automotive industry.

Brose is managed by a plant manager, Jason Boucher, who in turn reports to Niclas Pf Fuller, Chief Operations Officer for Brose facilities in North America. Reporting to the plant manager are individual managers in the areas of Human Resources, Quality, Logistics, Production Systems and CIP, Production Management, and Facility Management.

In 2023, Brose had 346 employees at its facility. After a reduction in force, Brose now maintains 61 at this facility in a reduced footprint.

To the best of our knowledge and belief, Brose's primary input material is steel sourced from the United States and European Union. Our suppliers are as follows:

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Bilstein Cold Rolled Steel
1491 Commonwealth Blvd.
Bowling Green, KY 42101

The Worthington Steel Company
1127 Dearborn Drive
Columbus, OH 43085

Waelzholz North America, LLC
5221 West 164th Street
Cleveland, OH 44142

We are in the process of getting written confirmation from these suppliers that their raw steel is sourced from suppliers in the US or European Union.

Brose purchased approximately 11 million kilograms of rolled steel was purchased as a production input material in 2023.

Hydraulic and coating oils necessary for press operation are sourced locally within Canada.

Finished goods from Brose Canada Inc are sent to sister facilities in the US and Mexico only.

2. Brose Policies and Due Diligence Processes in Relation to Forced and Child Labour

Brose maintains a number of policies that prohibit the use of forced and child labor both within Brose or within its supply chain. Please reference the highlighted sections of the following:

Brose Code of Conduct

Brose Code of Conduct for Suppliers

Copies of both of these documents have been uploaded into the Questionnaire.

3. Parts of Brose Business and Supply Chains that Carry a Risk of Forced or Child Labour and Steps Taken to Assess and Manage that Risk.

Brose provides regular training to its employees on code of conduct matters, and also maintains a rigorous vetting and audit process for its suppliers. Suppliers are provided training regarding the Brose Supplier Code of Conduct, and fully apprised of Brose's expectations to adhere to laws regarding forced and child labour, and are subject to audit at any time.

4. Measures Taken to Remediate any Forced or Child Labour

Not applicable. Brose has not identified any forced labour or child labour in our activities and supply chains.

5. Measures Taken to Remediate the Loss of Income to Vulnerable Families Resulting from Measures Taken to Eliminate the Use of Forced and Child Labour

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Not applicable. Brose has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

6. Training Provided to Employees on Forced and Child Labour

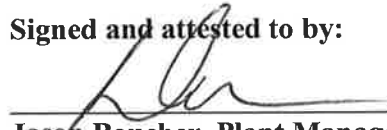
All employees receive training throughout the year on the Brose Code of Conduct, and special training is provided to new hires and Purchasing employees on the Code of Conduct.

7. Assessment Efforts to Assess Effectiveness in Preventing Use of Forced and Child Labour in Brose's Operations and Supply Chain

Please see response to Section 3 above.

This report is respectfully submitted on behalf of Brose Canada, Inc. through uploading to the related Questionnaire on this 29th day of May, 2024.

Signed and attested to by:



Jason Boucher, Plant Manager of Brose Canada, Inc.

ATTESTATION ON BEHALF OF BROSE CANADA, INC.

May 29, 2024

In accordance with the requirements of the Act, and in particular section 11 thereof, I, Jason Boucher, as Vice President and Plant Manager of Brose Canada, Inc., attest that I have the authority to bind Brose Canada Inc., and have reviewed the information contained in the report for the entity 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.

BROSE CANADA, INC.

By: _____


Jason Boucher

Its: Vice President and Plant Manager

Responsible: NN/NN

Issuer: LON/VMU/Williston, Shane

File: Canada Forced Labour Act Attestation of Jason Boucher

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