

ERIE ARCHITECTURAL PRODUCTS INC.

Modern Slavery Report

Introduction

This report is made pursuant to the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) by Erie Architectural Products Inc. (“**Erie**”).

This report relates to the financial year ended March 31, 2024 (“**Reporting Period**”).

Steps taken during the Reporting Period

During the Reporting Period, the following steps were taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Erie or of goods imported into Canada by Erie.

Erie began the process of updating and enhancing its supplier-based resources and supplier processes. This initiative, while ongoing, includes the following:

- reviewing Erie’s existing supplier terms and conditions and considering updates and enhancements in relation to, among other things, existing prohibitions on the use of forced labour or child labour;

- drafting a form of supplier code of conduct that, among other things, reinforces Erie’s commitment to human rights and specifically prohibits the use of child labour or forced labour, in line with Erie’s existing supplier terms and conditions and any updates or enhancements to those terms and conditions;

- developing an enhanced supplier audit process; and

- designing an online portal to consolidate and make more readily available to our suppliers, information on Erie’s expectations of them.

Erie began the process of developing and implementing a formal human rights policy. In that regard, among other things, Erie reviewed the existing policies of YKK AP Japan (as defined below) relating to human rights generally and forced labour and child labour specifically. As a member of the YKK Group of Companies, Erie is already subject to such policies as an internal matter, but is considering formally adopting such policy, with such changes as may be necessary to comply with Canadian law.

Structure, activities, and supply chains

Structure

Erie is a corporation incorporated under the *Business Corporations Act* (Ontario). Erie is a wholly-owned subsidiary of YKK AP America Inc. which itself is a wholly-owned subsidiary of YKK AP Inc. (“**YKK AP Japan**”). The ultimate parent of Erie (and the parent of YKK AP Japan) is YKK Corporation, a privately owned Japanese company. Erie does not have any subsidiaries.

Activities

Erie designs, engineers and assembles its custom-made proprietary ENVIRO|FACADES® curtain wall systems at its office and facility located in Lakeshore, Ontario. Erie sells its products to clients in North America.

As discussed in further detail under the “Supply Chain” heading below, Erie sub-contracts the manufacture of the metal components of its products to metal fabricators located in Canada or the United States. The glass components of Erie’s products are purchased by Erie’s clients directly from glass manufacturers located in Canada, Europe or the United States. The metal and glass components are delivered to Erie’s Lakeshore facility where curtain wall facades are engineered and finished. For some clients, finished components are assembled at the Lakeshore facility and then delivered to site for installation. For other clients the finished components are delivered un-assembled for assembly and installation on site.

Erie has approximately 350 employees, both salaried and hourly. All of Erie’s employees work at the Lakeshore office and manufacturing facility in Ontario. Erie project managers and technical service supervisors visit client job sites from time to time. Erie’s employees are engaged in the jobs necessary to support the business, including sales, design, accounting, procurement, human resources, management, engineering, finishing and assembly, logistics and site maintenance.

Supply Chain

Erie has four main components to its supply chain, being purchased metal materials, logistics and customs, equipment and services. Each of these is discussed below.

Metal Materials

Erie’s main purchased input is manufactured metal components, primarily made of aluminum and steel, manufactured to specifications provided by Erie. All of the manufactured metal components are purchased from suppliers located in Canada and the United States. Based on information provided by direct suppliers of manufactured metal components, approximately 99% of those manufactured components are manufactured in Canada or the United States.

Because of the bespoke nature of Erie’s products, Erie works with a relatively small group of key metal materials suppliers and seeks to maintain long-term relationships with them.

Logistics and Customs

Erie retains third party providers for transportation, customs brokerage and information technology/data protection services, and has Tier II benefits under the voluntary Canada/United States Customs-Trade Partnership Against Terrorism program (“CTPAT”). All of Erie’s logistics and customs service providers are located in Canada or the United States but may not necessarily be part of the CTPAT program.

As part of its participation in CTPAT, Erie periodically assesses the security systems in place at its logistics and metal materials suppliers and makes up to five site visits annually in this regard.

Equipment

Erie periodically purchases equipment necessary for the engineering, finishing and assembly of manufactured metal components, including CNC machines, rollers, forklifts and lifts. This type of specialized equipment does not need to be replaced very often, and as such, equipment purchases are not a regular feature of Erie's supply chain. Equipment of this nature is generally purchased from manufacturers located in North America, Germany and Italy.

Services

Erie engages third parties to provide professional services (including legal, engineering, drafting, IT and accounting services), facility services (including electrical services and equipment maintenance) and site maintenance. The majority of Erie's professional services are provided by service providers located in Canada with a smaller volume of services being provided from service providers located in the United States. All of Erie's facilities and site maintenance needs are provided by suppliers located in Canada.

Policies and due diligence processes

Policies

Supplier Terms and Conditions

Erie has a standard set of supplier terms and conditions. When possible, subject to commercial considerations, these terms and conditions are incorporated by reference into purchase orders. These terms and conditions include the following:

- a provision confirming that Erie will not conduct business with suppliers who do not comply with, among other things, applicable laws relating to prohibitions on child labor and forced labor; and
- a provision that suppliers only purchase raw materials that were manufactured in either Canada or the United States, unless written approval from Erie is provided.

Human Rights Policy

As noted above, Erie is an indirect, wholly-owned subsidiary of YKK AP Japan. Erie is subject to the policies and procedures of YKK AP Japan as an internal matter. As noted above, during the Reporting Period, consideration was given to formally adopting a number of YKK AP Japan policies, including its Human Rights Policy. The YKK AP Japan Human Rights Policy was adopted by the board of directors of YKK AP Japan in March 2023 and expresses a broad commitment to human rights globally.

As stated in its Human Rights Policy, YKK AP Japan supports and endeavours to respect international standards relating to human rights, including the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work as based on the United Nation's Guiding Principles on Business and Human Rights. In all its corporate activities, YKK AP Japan

is committed to fulfilling its responsibilities in respecting the human rights of all people impacted by its business activities.

In particular, the YKK AP Japan Human Rights Policy addresses a commitment to reduce the risk of forced labour and child labour, discrimination, harassment and abuse in its business and reinforces how YKK AP Japan recognizes the importance of freedom of association, diversity and safe working conditions.

Employee Whistleblower Hotline

Employees of Erie and its immediate parent company, YKK AP America Inc., have access to an employee whistleblower hotline which they may use to anonymously report on workplace violations. To date, no such reports have dealt with matters relating to forced labour or child labour.

Due diligence processes

Since Erie sells to clients in the United States and participates in CTPAT, our non-commercial supplier due diligence is focussed on security issues. Consideration would be given to expanding our diligence processes to include forced labour and child labour concerns in situations where a risk was identified.

Forced labour and child labour risks in our business operations and supply chains

Forced labour and child labour risks in our business operations

There is little to no risk of forced labour or child labour in our direct business operations. All of our employees work on site in Lakeshore. Erie's employees enjoy the protection of Ontario employment, labour and human rights laws, including those relating to employment standards, workplace safety and anti-discrimination.

Forced labour and child labour risks in our supply chains

Any assessments taken to date in relation to the risk of forced labour or child labour in our supply chains has focussed on our Tier 1, or direct metal suppliers, all of which are located in Canada or the United States. Our risk assessments and diligence processes have focused on product and supplier site security. Some of our suppliers, including those that manufacture in North America, do or may purchase raw materials from other jurisdictions and additional work may be required to understand whether there is a risk in this regard.

Remediation measures

Erie has not identified a circumstance in relation to its business or supply chains in which remediation of forced labour or child labour was necessary.

Employee Training

During the employee onboarding process, new Erie employees are required to read each of Erie's workplace policies, including its workplace harassment policy and workplace violence policy.

New employees are required to confirm in writing that they have read and understood the foregoing policies and agree to comply with them. Erie periodically holds employee training sessions on matters related to workplace rights and responsibilities, human rights and other matters of relevance to our workforce. Erie is in the process of reviewing and updating certain of its workplace policies.

Due to the nature and location of Erie's workforce we do not provide training specifically focussed on the risks of forced labour or child labour in our supply chain. Those of our employees who are engaged in procurement and logistics receive training in relation to supply chain security, and consideration would be given to providing those employees with training in relation to forced labour or child labour should circumstances require.

Assessing the effectiveness of our actions

As noted above, Erie's direct business operations carry little to no risk of forced labour or child labour. In relation to Erie's supply chain, as also noted above, a number of initiatives were started during the Reporting Period to attempt to further reduce the risk that forced labour or child labour is used in our supply chains. We will monitor the effectiveness of these actions as necessary.

Attestation

This Report was approved by the board of directors of Erie Architectural Products Inc. for the financial year ended March 31, 2024, pursuant to paragraph 11(4)(a) of the Act.

I make the following attestation in my capacity as a director of Erie Architectural Products Inc., for and on behalf of the Board.

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 Erie Architectural Products Inc. 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.

May 7, 2024

Signature:



Michael L. Turner

Member of Board of Directors of Erie Architectural Products Inc.

I have authority to bind Erie Architectural Products Inc.