

2075929 Ontario Inc. and Subsidiaries Joint Report

Legislation: *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Reporting Year: 1

Period: July 1, 2022 – June 31, 2023

Accountable Signing Authority: Emmie Leung and Paulina Leung

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Company Overview

In accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9 (the “Canadian Act”), this statement outlines the measures implemented by 2075929 Ontario Inc. and its subsidiaries (also known collectively as “Emterra Group”) to address the risks of modern slavery, including but not limited to forced and child labour¹ within our operations and supply chain.

This Report is a “joint report” with the following other entities (i.e. subsidiaries): Halton Recycling Ltd., Emterra Tire Recycling, and Canadian Liquids Processors Limited. 2075929 Ontario Inc. is the holding company of the subsidiaries and owns 100% of the subsidiaries.

At 2075929 Ontario Inc., we actively uphold human rights and work to prevent any violation of others’ human rights through the policies and procedures we have established. The following relevant policies and procedures are in place:

- Internal Code of Conduct
- Modern Slavery/Anti Human Trafficking/Child Labour/Forced Labour Policy
- Emterra Group Values
- Bullying and Harassment
- Anti Bribery and Corruption
- Diversity, Equity and Inclusion

We are committed to establishing safe, inclusive, and respectful work environments wherever we conduct business. We value the fundamental rights of our employees and all who work within our supply chain, which encompass freedom from slavery and child labour, equal opportunities for all, a safe and healthy workplace, and freedom from discrimination and harassment.

2075929 Ontario Inc. and our subsidiaries continue to develop and expand our understanding of the risks associated with the complex issue of modern slavery and to identify areas within our operations and broader supply chain that may be impacted by such challenges. We collaborate across our business and supply chain to implement appropriate practices that mitigate and address potential risks, recognizing that human rights issues require multifaceted approaches.

Modern slavery is completely unacceptable within our organization and supply chains. 2075929 Ontario Inc. and our subsidiaries acknowledge our responsibility to uphold the rights of individuals working for our organization, as well as those associated with suppliers and business partners who prioritize human rights for their own employees.

¹ As these terms are defined pursuant to section 2 of the Canadian Act.

Part I – Structure, Operations and Supply Chains

Our Structure

This Report is a “joint report” with the following other entities (i.e. subsidiaries): Halton Recycling Ltd., Emterra Tire Recycling, and Canadian Liquids Processors Limited. 2075929 Ontario Inc. is the holding company of the subsidiaries and owns 100% of the subsidiaries. All named organizations here are corporations registered in Ontario. 2075929 Ontario Inc. and our subsidiaries are also known collectively as “Emterra Group”.

Emterra Group’s vision is to improve people’s lives through regenerative economies and ecosystems and our mission is to be a leader in creating and delivering products and services that enable people and businesses to become stewards of the environment and the future. Collectively, the entities provide circular solutions, integrated recycling, and waste management solutions to the industrial, commercial, and institutional (ICI) sectors and local and provincial governments in British Columbia, Saskatchewan, Manitoba, and Ontario and the state of Michigan and employ approximately 1,100 people.

The business numbers and registered offices are as follows:

Entity	Business Number	Registered Office
2075929 Ontario Inc.	832687743	567 Michigan Drive, Suite 100, Oakville, ON L6L 0G4
Halton Recycling Ltd.	140159211	1122 Pioneer Road, Burlington, ON L7M 1K4
Emterra Tire Recycling Ltd.	817622160	8 Bramwin Court, Brampton, ON L6T 5G2
Canadian Liquids Processors Limited	886192384	15 Biggar Ave, Hamilton, ON L8L 3Z3

2075929 Ontario Inc. is an “entity” according to the Canadian Act because it meets the following tests:

- The Reporting Entity has a place of business in Canada, does business in Canada and has assets in Canada and meets the following conditions for its two most recent financial years:
 - It has at least \$20 million in assets;
 - It has generated at least \$40 million in revenue; and
 - It employs an average of at least 250 employees.

Our Operations

2075929 Ontario Inc. and our subsidiaries operate within the recycling and waste to resource/waste management sector. We provide circular solutions, integrated recycling, and waste management solutions to the industrial, commercial, and

institutional (ICI) sectors and municipal and provincial governments in British Columbia, Saskatchewan, Manitoba, and Ontario and the state of Michigan. We collect, transfer, haul, receive, and/or process non-hazardous materials, including printed paper and packaging, food and yard waste organics, used tires, and non-hazardous liquids primarily at our material recovery/recycling facilities and to a much lesser extent, at third party material recovery/recycling facilities that are located within the same province/state/country. Material recovery/recycling facilities process these waste materials to become raw materials for downstream manufacturing of new products and packaging by our customers or their customers. These activities create circular supply chains within a local circular economy, thereby reducing the extraction and use of virgin materials. In the reporting period, we collected, transferred, hauled, received, and/or processed approximately 1.4M tonnes of materials.

Our Supply Chains

Over 99% of our supply chain is located in Canada. Suppliers of goods and services that are not in Canada are primarily based in the USA. Because of the nature of the business we are in, raw materials (i.e. supply) to our operations include waste materials, including recyclables (e.g. printed paper and packaging, used tires) and organic material (e.g. food and yard waste). The suppliers of these raw materials include municipal and provincial governments, as well as organizations in the industrial, commercial, and institutional sector (e.g. schools and universities, multi-family buildings, offices, restaurants, factories, etc.).

Part II – Policies and Due Diligence Processes

2075929 Ontario Inc. and our subsidiaries have a robust set of policies, codes, and procedures addressing our obligations to treat our team members, clients and suppliers with the highest possible level of dignity and respect. These documents include:

- Internal Code of Conduct
- Modern Slavery/Anti Human Trafficking/Child Labour/Forced Labour Policy
- Emitter Group Values
- Bullying and Harassment
- Anti Bribery and Corruption
- Diversity, Equity and Inclusion

In addition, 2075929 Ontario Inc. and our subsidiaries will put in place new policies, procedures, and due diligence measures specifically to address the complex problems of forced labour and child labour, including a Supplier Code of Conduct, ensuring fair and ethical workplace standards across our supply chain, and including clauses prohibiting the use of forced labour, and requiring compliance with forced labour and modern slavery laws. 2075929 Ontario Inc. and our subsidiaries support the goals of the Canadian Act and take seriously our responsibility to act with due diligence to avoid infringing on the human rights of others and address any impact on human rights if they occur.

Our policies and practices are guided by national or provincial laws, conventions, etc., including workplace safety laws, human rights laws and labour/employment standards law.

Internal Code of Conduct

2075929 Ontario Inc. and our subsidiaries' internal Code of Conduct sets out our values and responsibilities on respectful, safe and healthy workplaces, a culture of inclusion and diversity, customers, safety, and the environment. Our internal Code of Conduct places special emphasis on the importance of fostering an environment of open and honest communication, and encourages employees to speak up when confronted with compliance, ethics, legal or other concerns. Our internal Code of Conduct also focuses on our commitment to protecting and advancing human dignity and human rights to guide our relationships with employees, contractors, vendors, suppliers and others through whom we conduct business, including by addressing human trafficking.

The internal Code of Conduct is managed by Human Resources and is reviewed annually by the executive team and updated as necessary.

Modern Slavery/Anti Human Trafficking/Child Labour/Forced Labour Policy

2075929 Ontario Inc. and our subsidiaries have a Modern Slavery/Anti Human Trafficking/Child Labour/Forced Labour Policy, which guide our relationships with employees, contractors, vendors, suppliers and others through whom we conduct business. This policy sets out our prohibition on human trafficking and modern slavery, and sets out enforcement mechanisms we will take to enforce this prohibition, including investigations and audits.

Emterra Group Values

Our Values provide a clear understanding of our intentions to be a leader in creating and delivering products and services that enable people and businesses to become stewards of the environment and the future. We do this by ensuring that Safety is our first priority, that we are Customer-Centric, actively engage in Employee morale and engagement practices, encourage entrepreneurialism, promote integrity, enhance diversity, contribute to the community and operate sustainability.

Bullying and Harassment

This policy reviews the violence and harassment provisions as stated in the Human Rights and Health & Safety Regulations for each province as well as the 2075929 Ontario Inc. and our subsidiaries' internal policy that goes above and beyond legislation to educate and prevent any form of workplace discrimination, harassment, bullying, violence or sexual harassment.

Anti Bribery and Corruption

The purpose of this policy is to establish guidelines and standards for 2075929 Ontario Inc. and our subsidiaries to prevent corruption and bribery in all business activities. This policy outlines the commitment of 2075929 Ontario Inc. and our subsidiaries to operate with integrity, honesty, and transparency, in compliance with applicable laws and regulations in areas where we conduct business.

Diversity, Equity and Inclusion

2075929 Ontario Inc. and our subsidiaries' mission is to be reflective of the communities in which we live and serve. We are committed to maintaining an equitable, inclusive, and accommodating work environment consistent with our core values of diversity, employee engagement, and integrity. We strive to create a safe and respectful workplace that is free from bullying and harassment, and free of bias based on race, religion, sex, gender identification, sexual orientation, age, or any other status. A two-year and beyond roadmap and DE&I committee began in 2021 and continues, showing actionable items on our DE&I journey.

Reporting Process

Allegations of any breaches of our policies or any non-compliant and unethical matters are taken seriously. Employees are encouraged to promptly report any suspected or actual incidents of forced labour or child labour and unethical behaviour. Reports can be made to the immediate supervisor, the executive team, or through other designated reporting channels. We are committed to protecting individuals who report concerns in good faith from any form of retaliation.

Should we determine a supplier is in non-compliance with the Canadian Act, or uses, directly or indirectly, forced labour or child labour, we will notify the supplier of the breach and cease the working relationship until corrective action is put into place.

By putting in place these formal policies, codes of conduct for colleagues and suppliers, and compliance and monitoring standards, 2075929 Ontario Inc. and our subsidiaries actions our commitment to healthy, safe, and respectful working conditions throughout our supply chain.

Our Due Diligence Processes

In the reporting year, 2075929 Ontario Inc. and its subsidiaries have not yet implemented due diligence measures related to our suppliers of goods and services. However, we have been audited by EcoVadis, one of the world's largest and most trusted provider of business sustainability ratings, for includes environmental, social, and ethical performance, and most recently earned a Bronze medal in recognition of performance in the aforementioned three areas.

Part III – Risks of Forced Labour and Child Labour in Operations and Supply Chains

Potential exposures to direct associations of modern slavery practices come through our workforce, which is primarily made up of our own employees and supplemented by temporary workers. It is believed the risk is low due in large part to our hiring practices, which deter this practice.

Our hiring processes begin with an application for employment, which maintains the integrity of the candidates applying. Whether they are a direct hire or come through a temporary agency, all employees are expected to produce valid working documents and be of the minimum legal age for the role. Throughout the hiring process, which includes at least one to two interviews with the Human Resources Department and the Hiring Manager, expectations and applicable responsibilities are explained. Foreign workers must participate in government-regulated programs before being employed and then all requirements that have been stated, are adhered to.

All employees also participate in a thorough reference and background check process that is provided by an objective and legally binding third party. All employees receive offers of employment that also detail the legislative requirements. During orientation, employee rights are described, and all relevant company and legislative policies are reviewed. Additionally, employees have the freedom of movement and are free to enter into and terminate employment whenever they desire.

Additionally, many of our sites are unionized and are governed not only by the Employer's Internal Responsibility System but also by the Collective Agreement that details further mechanisms for submitting complaints (i.e. through the grievance process), health and safety processes and communication, as well as requesting ethical and equity audits.

Lastly, 2075929 Ontario Inc. and its subsidiaries encourage the freedom to disagree, to raise concerns and provide various outlets for workers to do so. Upon hire, all employees have hiring leaders and are provided support to encourage a healthy work environment, including Supervisors, Managers, Lead Hands, Union Stewards, Employee/Employer Relation Meetings, Labour Relations Meeting and Joint Health & Safety Meetings.

Potential exposures to indirect association of modern slavery practices come through our supply chain through the purchase of goods and services, however it is believed the risk is low because over 99% of our supply chain is located in Canada, where there are strong labour, workplace health and safety, and human rights laws and worker protections. Suppliers of goods and services that are not in Canada are primarily based in the USA where there are also strong laws and protections for workers. Because of the nature of our business, the raw materials that we process are waste materials, such as recyclables and organic material. The suppliers of these raw materials include municipalities as well as organizations in the industrial, commercial, and institutional sector (e.g. schools and universities, multi-family buildings, offices, restaurants, factories, etc.) that are located in Canada and the state of Michigan.

2075929 Ontario Inc. and our subsidiaries are not aware of any forced labour or child labour in our supply chain.

Both statements are subject to the limitations of our risk identification activities as described herein.

Part IV – Measures to Remedy Forced Labour and Child Labour

2075929 Ontario Inc. and our subsidiaries are not aware of any incidents of forced labour or child labour in our activities or supply chain in our past financial year, subject to the limitations of our risk identification activities as described in herein. Accordingly, we have not had to take any remedial measures in response to incidents of forced labour or child labour.

Part V – Measures to Remediate the Loss of Income to those Impacted by the Elimination of Forced Labour and Child Labour

2075929 Ontario Inc. and our subsidiaries have not as of the date of this report become aware of any loss of income to vulnerable families resulting from our measures to eliminate the use of forced labour and child labour in our activities and supply chains.

Part VI – Training Provided to Employees

Each employee who is onboarded is required to attend and participate in an orientation session that is facilitated by the Human Resources Department. All new employees must attend this orientation, either in person or virtually, prior to being permitted to begin their first day of employment. During this onboarding process, which also includes a second day of health and safety training, all relevant policies are reviewed as stated in this report. This training is mandatory and includes all levels of new employees, including hourly and salaried staff. Additionally, if significant changes are made to any mandatory policy, such as the ones cited in this document, further training is provided and tracked through our company-wide payroll and applicant tracking system. This system houses all of our required policies and tracks all sign-offs therein. This training has been developed in-house.

Mandatory training includes:

- Internal Code of Conduct
- Modern Slavery/Anti Human Trafficking/Child Labour/Forced Labour Policy
- Emittera Group Values
- Bullying and Harassment
- Anti Bribery and Corruption
- Diversity, Equity and Inclusion

Part VII – Assessing Effectiveness of Actions against Forced Labour and Child Labour

2075929 Ontario Inc. and our subsidiaries recognize the need to implement effective measures to identify and mitigate the risk of forced and child labour within our operations and supply chains. We are currently examining how best to conduct these assessments.

It is noted that we have been audited by EcoVadis, one of the world's largest and most trusted provider of business sustainability ratings, for includes environmental, social, and

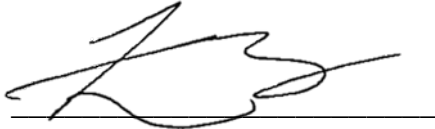
ethical performance, and most recently earned a Bronze medal in recognition of performance in the aforementioned three areas.

We will review annually our reporting document and update as necessary to ensure that it reflects the emerging consensus on best practices to address these complex issues.

Attestation

In accordance with the requirements of the Canadian 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.

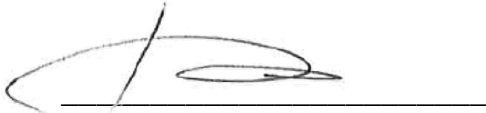
By signing the below, I hereby confirm I have the authority to bind 2075929 Ontario Inc. and our subsidiaries.



Emmie Leung
CEO

May 31, 2024

Date



Paulina Leung
CCO

May 31, 2024

Date