



IDEAL INDUSTRIES, INC.

5/31/2024

May 31, 2024, Report

This report covers activities undertaken from January 1, 2023, to December 31, 2023. It does not disclose commercially sensitive information that would expose the company to legal risk or compromise the privacy of any persons.

The following steps were taken to prevent and reduce the risks of forced labor and child labor.

The table below lists the relevant entities covered under this report's analysis.

Entity	Location
IDEAL Industries, Inc.	United States
IDEAL Industries (Canada), Corp	Canada
Anderson Power Products	United States
Enatel Inc	United States

Raw materials are purchased from both domestic and foreign suppliers and then shipped to manufacturing locations in the US and Canada for further processing. Finished goods are also purchased from foreign countries and then shipped to North American locations for final conversion, kitting, or pass-through shipping to the customer.

Shipments of foreign goods (raw materials and finished goods) arrive directly at North American locations for further processing in the form of manufacturing, assembling, packaging, etc..



IDEAL INDUSTRIES, INC.

In 2023, the Global Supply Chain Committee enhanced the existing compliance program. They finalized a Code of Conduct and Global Supplier Manual and implemented a formal assessment plan to evaluate and approve new suppliers and/or continue relationships with existing ones.

Within the Global Supplier Manual, the company encouraged suppliers to have a thorough understanding of their supply chains beyond their direct suppliers to help identify prohibited forms of labor, i.e., slave, convict, indentured, forced, or indentured child labor, early in the process to allow them to avoid it. The company requested our partners to be able to demonstrate due diligence, effective supply chain tracing, and supply chain management measures to ensure they do not export any goods made, in whole or in part, by forced labor.

Suppliers are also requested to collect evidence to ascertain that the goods were not mined, produced, or manufactured wholly or partially by forced or child labor. Appropriate supporting documentation includes but is not limited to forced labor engagement and training with their suppliers, written instructions of suppliers' expectations forbidding the use of forced labor, monitoring compliance (self and independent) with those expectations, mapping of their supply chain, purchase orders, invoices or receipts, packing lists, bill of materials, certificates of origin, payment records, sellers' and buyers' inventory records, shipping records, import/export records, workers involved in the production of the goods, such as wage payment and production output per worker, worker recruitment and internal controls to ensure that all workers were recruited and are working voluntarily, etc.

This was Phase I of the program to aid in forced and child labor prevention efforts.



The company has not found any parts of its business or supply chains to carry a risk of forced labor or child labor. The process of assessing, auditing, and managing the risk of forced labor or child labor began in 2023 and is still ongoing.

Additionally, the company has not taken any measures to remediate the loss of income to families affected by forced or child labor, as no such company activities have been found or reported.



IDEAL INDUSTRIES, INC. and its subsidiaries and affiliates (Collectively, **IDEAL**) are committed to conducting business in an ethical and honest manner and in a way that promotes corporate social and environmental responsibility. This includes responsible supplier selection by conducting business with suppliers who share IDEAL’s commitment to integrity. We understand that a supplier's business practices and actions may impact or reflect upon IDEAL.

Therefore, IDEAL requires its suppliers (Suppliers), their employees, agents, and sub-suppliers to operate by the principles and ethical standards contained in the Supplier Code of Conduct (“Supplier Code” or “Code”) and Global Supplier Manual.

The Supplier Code sets forth detailed standards and expectations for each Supplier concerning labor and human rights, health and safety, environmental protection, business ethics, and management practices. The company established reporting violation methods, and within the CoC, instructions were included to allow for a prompt method to report questionable behavior, concerns, or potential or actual violations of the company’s Supplier Code upon learning of the same and implement a corrective action plan to cure the non-compliance within a specified time period.

In 2023, the company finalized a formal assessment plan for evaluating and approving new suppliers and continuing relationships with existing suppliers. The process will help address the company’s effectiveness in preventing and reducing the risks of forced labor and child labor in our activities and supply chains. Our suppliers will be scored in various areas, including forced labor prevention efforts.

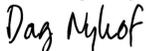
In 2024, the company will be working to implement internal employee training to increase overall understanding and awareness of forced and child labor. The plan is to also evaluate external solutions that are data-driven and offer validated multi-tiered supply network mapping. The solution must provide actionable insights and integration across a broad range of supply network challenges, including discovering tier 2 and 3 supply networks in an effort to enable screening and prevent forced or child labor.

Code of Conduct - Link - <https://www.idealind.com/us/en/legal/supplier-code-of-conduct.html>

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.

- Full name
- Title
- Date
- A signature, accompanied by the statement “I have the authority to bind ‘Name of Entity’”.

Anshul Rao	Dag Nyhof
Controller	GM IDEAL Canada
31 May 2024	31 May 2024

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