



## ANNUAL REPORT

This report is made pursuant to *Fighting Against Forced Labour and Child Labour in Supply Chains Act* S.C. 2023, c. 9 (the “Act”). The report outlines the approach and initiatives taken by Kimco Steel Sales Limited (“**Kimco Steel**”) to identify and address the risks of forced labour and child labour in its business operations and supply chains in its 2023 financial reporting year.

### OUR COMMITMENT

Kimco Steel is committed to preventing and reducing the risk that forced labour or child labour is used in the production of the goods it sells to its customers in Canada and globally.

### CATEGORIZATION, SECTOR, AND INDUSTRY

#### *Kimco Steel is an entity under the Act*

Kimco Steel operates a steel service centre, scrap metal, and recycling facility in Kingston, Ontario.

The Act applies to Kimco Steel as, in at least one of its two most recent financial years, the company had:

- (1) at least \$20 million in assets for at least one of its two most recent financial years; and
- (2) generated at least \$40 million in revenue for at least one of its two most recent financial years.

#### *Our Operations*

Kimco Steel’s steel service centre, scrap metal, and recycling facility is one of the largest steel warehousing facilities in Eastern Ontario. Located in Kingston’s Industrial Park, Kimco Steel has 240,000 square feet of steel warehousing and over 35,000 tons of steel inventory.

As both a scrap recycler and a new steel distribution centre, Kimco Steel sells its processed scrap to steel mills and then buys finished products back from mills for distribution. The company also provides cut-to-size customizations for oversized structural steel. Finally, Kimco Steel provides containerized refuse, construction, and demolition pickup service to Kingston and the surrounding area, and offers scrap containers service to its customers in other parts of Canada and the United States.

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## STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

### *Our Structure & Activities*

Kimco Steel is a corporation incorporated pursuant to the *Business Corporations Act* (Ontario). Its key activities are the manufacturing and wholesale trade of steel products for its local and international consumers. The company is engaged in producing, selling, and importing goods in and/or outside of Canada, as well as importing into Canada goods that are produced outside of the country.

### *Our Supply Chain*

Kimco Steel sources and procures structural steel materials from various approved vendors who are located in Canada and internationally. Most of its scrap metal vendors are located in North America. Additionally, the company works with suppliers of structural steel materials from outside of North America, including the United Kingdom, mainland Europe, and Asia. The finished goods produced by Kimco Steel are primarily sold across Canada and the United States.

### *Steps Taken by Kimco Steel in Prior Financial Year*

Kimco Steel maintains general due diligence processes that promote responsible, ethical, and legal business conduct, including with respect to labour practices and as set out in more detail below. Although Kimco Steel did not take other steps specific to the prevention of forced or child labour in the previous financial year, the company intends to explore steps it can take to help prevent and reduce the risk that forced labour or child labour is used for the goods that are imported, produced, and sold by Kimco Steel.

## POLICIES AND DUE DILIGENCE PROCESSES

Kimco Steel has due diligence processes in relation to forced and/or child labour, including embedding responsible business conduct into policies and management systems. In its previous financial year, Kimco Steel maintained several policies and processes to help identify and manage potential forced labour and child labour risks within the business and its supply chain, including:

1. A Roles and Responsibilities of All Workplace Parties Policy, which requires that only workers over the prescribed age are employed by Kimco Steel. In addition, no party may knowingly permit anyone under the prescribed age in or about the workplace;

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2. An Employee Code of Conduct, which sets out how employees can report a potential or actual breach of the Employee Code of Conduct on a confidential and anonymous basis; and
3. An Internal Auditing Policy, which sets out the process and scope of Kimco's internal audit. The scope of internal audit includes reviewing the systems established to ensure compliance with policies, procedures, statutory requirements, and regulations and to report significant risk exposure.

In the subsequent reporting years, Kimco Steel intends to draft a Supplier Code of Conduct to help prevent and reduce the risk that forced labour or child labour is used at any step of the production of the goods that the company sells in or outside of Canada.

### **FORCED LABOUR AND CHILD LABOUR RISKS**

Kimco Steel is working to identify specific risks of forced labour and child labour that may exist in its supply chains. The company is aware that there may be higher risks associated with certain regions, goods, and industries.

### **REMEDIATION MEASURES**

Kimco Steel has not identified any forced labour or child labour in its activities or supply chains. As such, the company has not undertaken any remediation measures.

### **REMEDIATION OF LOSS OF INCOME**

Kimco Steel 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 its activities and supply chains. As such, the company has not undertaken any income remediation measures.

### **TRAINING PROVIDED TO EMPLOYEES**

Kimco Steel provides general training to its employees, including with respect to safe and legally compliant workplace practices and policies. In subsequent financial years, Kimco Steel intends to assess what child and forced labour specific training may be appropriate.

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**ASSESSING EFFECTIVENESS**

Kimco Steel does not currently have any specific policies or procedures in place to assess its effectiveness in reducing or eliminating the risk of child and forced labour in its supply chain. In subsequent financial years, Kimco Steel intends to explore various methods it can use to assess its effectiveness in ensuring that forced labour and child labour are not being used in its supply chains and activities.

**APPROVAL AND ATTESTATION**

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 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.

**IN WITNESS WHEREOF** the authorized signing officer(s) of Kimco Steel Sales Limited have executed this report as of the effective date of the signatures set out below.

**SIGNED**

) **KIMCO STEEL SALES LIMITED**

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) **Name:** Cody Rosen

) **Title:** President

)

) I have authority to bind Kimco Steel Sales Limited

17/05/2024

**Date**

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