Title: Forced & Child Labour Report 2023	Approved By: Byron Nelson
Date of Issue: May 3, 2024	Revision Date:

Leland Industries Inc. Forced Labour and Child Labour Report for January 1, 2024, to Dec 31, 2024

Introduction:

This report constitutes the Annual Report (the "report") pursuant to section 11(1) Fighting Against Forced Labour and Child Labour in Supply Chain Act ('the Act"), and details the steps taken by Leland Industries Inc. (hereafter referred to as "the company") from January 1, 2023, to Dec 31, 2023, in compliance with the requirements of the Act.

Leland Industries Inc., a domestic fastener manufacturer for OEM and Industry uses only domestic Steel and Labor. Leland Industries Inc. is a privately held company, and we sell our products on the continents of North America, Asia, Europe, South America, and Australia.

Leland has eight sales branches and warehousing facilities within Canada and the United States.

The company's headquarters and sole manufacturing location consists of a 205,000 square foot facility located at 95 Commander Blvd, in Toronto, Ontario, Canada.

The company, with the co-operation of its employees, those in its supply chain and in the community, is committed to the prevention of forced labour and child labour.

Company structure, operations, and supply chain:

We conduct two distinct levels of purchasing in our supply chain:

- Direct manufacturing purchases such as raw materials, tooling, and packaging, and
- Indirect manufacturing purchases such as waste management.

All purchases made by the company are from North American manufacturers and suppliers except for where tooling not available in the domestic market.

We conduct all purchasing within the company in a manner which aims to manage and reduce environmental, social, and societal risks associated with the company's supply chain including forced labour and child labour.

Policy, due diligence, and controls:

Leland Industries Inc. is committed to maintaining a strong ethical business standard across all aspects of its business operations and does not tolerate any form of illegal or unethical employment practices including modern slavery and human trafficking.

Through company policies and processes, the company seeks to address and eliminate forced labour and child labour in our supply chain by adhering to legal standards,

conducting due diligence, maintaining transparency through monitoring and reporting, protecting whistleblowers, and continuously improving our supply chain practices in compliance with federal, provincial, local, and international laws.

The company policies and processes apply to all aspects of company operations and support the company's commitment to upholding human rights. Leland has a zero-tolerance policy for human rights abuses.

The company is committed to corporate social responsibility and believes in acting ethically throughout its business practices.

Risk Assessment:
As part of the company's risk assessment the following steps will take place yearly:

- Update supplier listing anytime there is a change in the supply chain.
- Distribute supplier questionnaires yearly.
- Develop at-risk matrices to review supplier responses (to systematically assess the responses to the questionnaires and determine the risks levels of each vendor).
- Request Compliance Certificates for suppliers (suppliers are to return a formal compliance certificate) which outlines their commitment to conduct business in a manner that preserves and respects human rights.
- Conduct a regular audit of suppliers to assess the risk of forced labour and child labour. We will assign suppliers a rating of one of the following:
    - Elevated risk.
    - Medium risk.
    - Controlled.
    - Needs improvement.

Category	Validity	Expected Action	Next Steps
Elevated Risk	0 months	6 months to implement a Corrective Action Plan	External on-site audit. After this reduce to medium risk or delist.
Medium Risk	12 months	12 months to implement a Corrective Action Plan	External on-site audit, recommended, new assessment.
Under Control	24 months	24 months to implement a Corrective Action Plan	New assessment or on-site audit.
Needing Improvement	36 months	36 months to implement a Corrective Action Plan	New assessment or on-site audit.

Depending on the level of risk identified, the validity period of the evaluation is determined and where required, you will implement a corrective action plan. If necessary, we would conduct an on-site audit.

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Risks of forced labour and child labour:
We have not identified any forced labour or child labour in the company's activities and/or the supply chain.

Through the company's questionnaire, risk assessment and compliance certificate the potential of forced labour and child labour will be issues identified and addressed in our supply chain.

Remedial Action Taken during 2023
Since we have not identified any forced labour or child labour in our activities and/or supply chains, we have not taken any remediation action.

Remediation Process:
Through our "Open Door Policy," we will investigate all reports made through this policy and appropriate measures will be taken and justified.

Loss of income to the most vulnerable families:
We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour and child labour.

Ongoing Improvements:
Leland is committed to enhancing human rights practices and policies extending to our supply chain. The company will continuously seek ways to improve supply chain practices and address and prevent forced labour and child labour.

Training and Awareness:
The company is committed to fostering a culture of awareness and responsibility regarding human rights principles, ethical business practices, and legal obligations among our employees, contractors, and suppliers.

The company will provide regular training and awareness programs to ensure the understanding of the importance of preventing forced labour and child labour in our supply chain.

Assessing our effectiveness:
We intend to continue to assess the refine key performance indicators to measure the success of our commitment to prevent forced labour and child labour.

We will conduct an annual audit of our suppliers, and we will track the progress of any corrective action required from beginning to completion.

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Conclusion:

The company, through continuous review and assessment, will ensure that every aspect of its operations aligns with our unwavering commitment to ethical practices and human rights.

The company's initiative-taking approach is to maintain and enhance the integrity of our operations. Through this report, Leland is reinforcing its commitment to accountability and access to a clear understanding of our supply chain practices.

Together, we will continue to build a future where ethical and responsible business practices reflect our dedication to fairness, respect, and social responsibility in every aspect of our operations.

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.

May 30th, 2024

Byron Nelson
President
I have the authority to bind,
Leland Industries Inc.

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Due Diligence Supplier Questionnaire-Social Responsibility

As part of Leland's ongoing efforts to prevent forced and child labour within its supply chain, the company has created a supplier questionnaire with targeted questions pertaining to forced and child labour.

To assess potential risk within the supply chain, Leland has incorporated the assistance of its suppliers by distributing a questionnaire that features a set of key questions designed to ascertain the following supplier information:

- adherence to specific regulations and standards regarding forced and child labour,
- sourcing practices and any potential association with products tied to forced or child labour,
- historical allegations or legal actions related to labour abuse, offering insights into the vendor's history,
- commitment to identifying and mitigating human rights risks, particularly forced or child labour, through established policies and procedures,
- employee training programs implemented by the vendor to identify and report labour risks,
- operational presence in regions known for labour-related issues, or the employment of migrant workers with weaker labour law enforcement, and
- All cases have been well documented where modern slavery, forced labour or child labour have been prevalent.

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Supplier Profile:

Company Name: _____

Company Address: _____

Nature of the Business: _____

Contact Person: _____

Contact Email: _____

Contact Phone Number: _____

Date of Questionnaire completion: _____

As part of our commit to combat forced labour and child Labour, Leland Industries Inc. is asking its valued suppliers to complete the following questionnaire.

1. Do you certify that you do not use or condone any illegal or unethical employment practices? Yes No

2. Does your organization adhere to all relevant laws and regulations, including Bill S-211, pertaining to the fight against forced labour and child labour in supply chains? Yes No

3. Does your company have a policy or policies in place to ensure that forced labour and child labour do not exist with your operations and supply chain? Yes No No

4. Do you employ foreign workers? If yes, do you have a policy on ethical recruitment practices? Yes No

5. Are employees within your organization adequately trained to identify, assess, and respond to forced labour and child labour risks? Yes No

6. Does your organization perform screening of all prospective suppliers to assess the risk of forced labour, child labour and/or other human rights harms that may occur in its operation and supply chains? Yes No

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I hereby certify that, to the best of my knowledge, the provided information is true and accurate.

Print Name: _____ Title: _____

Signature: _____ Date: _____