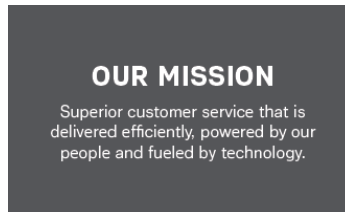


# SUPPLY CHAINS ACT STATEMENT (2023 FINANCIAL YEAR)

## Introduction

Leeco Steel, LLC. (“Leeco” or “we”) is committed to acting ethically and with integrity in all our business dealings. We promote compliance with applicable laws and protect the human rights of all people who support and intersect with our business. We are guided by our Mission and our Values as we create value for our customers and stakeholders.



This report is published by Leeco pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“the Act”) for the financial year ended December 31, 2023.

This report describes Leeco’s policies and actions taken to provide enhanced clarity and transparency in our supply chains related to child and forced labor. This has been done in accordance with the reporting criteria outlines in Sections 11(1) and 11(3) of the Act.

Leeco does not report under similar legislation in any other jurisdiction.

## Our Business Operations, Organizational Structure and Supply Chains

### **Business Operations**

Leeco began in 1882 as Leopold Cohen Iron and Metal. The company’s founder, Leopold Cohen, set up shop on Chicago’s west side at 300 Kedzie Avenue South. The business spanned three generations and worked through a century of progress as it continued to strategically place facilities across the United States to better service its customers.

Leeco remained family-owned until 1997 when employees partnered with an investment firm to buy the company. That group of dedicated employees ran a successful employee stock ownership plan until 2005 when it was purchased by O’Neal Steel and subsequently became part of O’Neal Industries (“ONI”).

ONI is a family of closely related companies, all engaged in the metals industry. Providing products and services that range from steel beams and plates to specialty alloys and complex manufactured components, and tube manufacturing, ONI supplies customers across a variety of industries worldwide. Together, our companies represent the United States’ largest family-owned metals service center.

Today, Leeco continues to see success and growth as North America’s largest supplier of steel plate. In addition to supplying customers with steel plate products, Leeco also offers several plate processing services and sells commodities through its international trading division. Leeco serves a wide range of industries such as construction, oil & gas, wind energy, industrial manufacturing, marine, infrastructure and transportation.

### ***Organizational Structure***

Leeco is a limited liability company, incorporated under the laws of Alabama.

Leeco is headquartered in Lisle, IL with 13 sales offices and distribution centers located across North America. In Canada, Leeco has a distribution center located in Hamilton, Ontario. Globally, Leeco employs approximately 200 employees, eleven within our operations in Canada.

### ***Supply Chains***

Broadly speaking, our supplier base is primarily located in the United States with some minimal purchases from Europe and Asia.

Leeco’s vendors comprised the following categories:

- 95% in steel plate and coil
- 3% in purchased indirect products and services enabling Leeco’s operations
- 2% in outsourced freight

87% of our steel suppliers are located in Canada or the United States.

## **Policies and Due Diligence**

As part of Leeco’s employee handbook, provisions requiring adherence to respecting human rights and avoiding human rights violations are included in our Code of Conduct that all employees must read and follow.

To identify and manage risks of modern slavery in our business, we carry out background checks and periodically reassess employment practices to ensure we meet or exceed employment standards in all jurisdictions in which we operate.

Leeco stands firmly behind compliance with all laws and regulations in dealing with our suppliers. Having sustainable and compliant supply chain practices allows Leeco and its suppliers to conduct business in line with our core values and policies.

Part of our procurement process includes performing due diligence on potential suppliers to determine whether they meet our requirements. There are minimal new suppliers added each year as the majority of our purchases come from the major steel mills. Generally, new suppliers are either service centers that may have inventory we do not have or outside processors (welding, etc). When we set up a new mill supplier, we investigate their capabilities, and discuss their other customers to get a better understanding of their business strategy.

We visit our mills in the United States once a year and periodically visit our suppliers in Europe and Asia.

We also have a whistleblower hotline for suppliers to report any suspected misconduct, including any potential instances of forced or child labor.

## Operations and Supply Chain Risk Profile

Within our operations, we consider the risk of forced or child labor occurring to be low. Our workforce operates primarily within Canada and the United States, both of which have comprehensive and strict labor, employment, and human rights laws. Additionally, as set out above, we have policies and due diligence procedures that seek to ensure our employment practices are compliant with the laws in all jurisdictions in which we operate.

We recognize that risks of modern slavery may be present in our supply chain, mainly due to the location of certain manufacturers and the difficulty in identifying all raw material suppliers (i.e., tier 2 or 3 suppliers). Since such workers are not employed directly by Leeco, we have less control and visibility over their working conditions and employment terms. We continue to consider our risk management actions regarding those risks. However, as 87% of our steel suppliers are located in the United States and Canada, which are countries with overall lower risks of forced and child labor,<sup>1</sup> we view the risks of modern slavery in our supply chains as low to moderate.

## Training and Measuring Effectiveness

All employees are required to receive training on the Code of Conduct on an annual basis. The HR Department monitors the completion rate, ensuring adherence to Company's standards which is the indicator of our effectiveness.

As Leeco continues the development of our program to prevent and reduce the risks of forced and child labor in our supply chains and operations in 2024, we will consider implementing, as appropriate, a more focused training module on child and forced labor. We will also consider implementing measures to assess the effectiveness of our processes.

## Remediation Measures

Leeco has a commitment to the conduct of its business in a lawful and ethical manner. Employees are encouraged to report any illegal or unethical behavior. There is also a whistleblower line that employees are made aware of. Calls to the whistleblower hotline are then investigated per the Company's policy. Internal Audit oversees this process.

As of the date of this report, Leeco has not identified any instance or allegations of forced or child labor within its operations or supply chain. Accordingly, no steps were required to remediate child or forced labor or the loss of income associated with remediation efforts.

## Looking Ahead

Leeco will continue to focus on preventing and reducing risk that forced labor or child labor is used in our supply chain and operations. In 2024, we plan on establishing a Vendor Code of Conduct that includes a human rights component. We also intend to continue to visit key suppliers. We are on a journey of continuous improvement and strive to do the right thing.

## Approval and Attestation

This report was approved by the governing body of Leeco Steel, LLC. pursuant to section 11(4)(a) on June 26, 2024.

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

---

<sup>1</sup> Walk Free, Global Slavery Index 2023, found [here](#).  
1402-6639-9245.4

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.

---

**Lisa Liarakos**

**Chief Financial Officer**

Leeco Steel, LLC.

June 6, 2024

I have the authority to bind Leeco Steel LLC.