

2023 Forced and Child Labour Report

MacLean Engineering



Introduction

This Report is produced by MacLean Engineering & Marketing Co. Limited (“MacLean” or the “Corporation” or “our” or “we”) for the financial year ended December 31, 2023 (the “Reporting Period”) and sets out the steps taken to prevent and reduce the risk that forced labour and child labour is used at any step of the production of goods in Canada or elsewhere or of goods imported into Canada by the Corporation.

Steps to prevent and reduce risks of forced labour and child labour

As a corporation, MacLean wants to do business in a legal, ethical manner adding value to the communities in which the company is located. MacLean will abide by all relevant Canadian and international laws in respect to forced and child labour. We expect the same from our business partners.

We took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in our business and supply chains:

- Reviewed and updated our policy on the Prohibition of Forced and Child Labour
- Mapped both activities and supply chains.
- Conducted an internal assessment of the risks of forced and or child labour on our supply chains.

Structure, activities and supply chains

MacLean is a private company incorporated in the Province of Ontario.

Headquartered in Collingwood, Ontario, MacLean designs, manufactures, and supports its mobile equipment solutions for underground mining. MacLean has a global presence with 1,250 employees in 6 countries as of December 31, 2023.

MacLean’s products are manufactured in Canada (Collingwood, Barrie and Owen Sound), Mexico (Queretaro) and South Africa (Parys).

Parts and service are available through service centers located in Canada (Sudbury, Val d’Or, Thompson, Flin Flon), United States (Elko), Mexico (Queretaro), Peru (Lima), South Africa (Parys, Phalaborwa) and Australia (Perth, Orange). MacLean’s dealer network includes partners in Brazil Chile, Colombia, Ecuador, Mongolia, and the United States (Alaska).

MacLean has a global supply chain consisting of a variety of materials such as raw steel to finished components such as engines, transmissions, EV batteries, hydraulic and electric components. The mix of parts will vary from machine to machine.

Policies and due diligence

MacLean is committed to the highest standards of business conduct in our relationships with our customers, employees, and suppliers. MacLean has created several policies which help us achieve this high standard by providing statements of the fundamental principles and procedures that govern our business conduct. Specifically, our *Code of Business Conduct and Ethics* combined with our policy on the *Prohibition of Forced and Child Labour* and our *Supplier Code of Conduct* help us achieve these high standards.

Our *Supplier Code of Conduct* stipulates:

“MACLEAN does not accept child or forced labour at any of its suppliers, vendors or contractors. MACLEAN supports the United Nations (U.N.) Convention on the Rights of a Child (1989) which stipulates:

- All actions concerning the child shall take full account of his or her best interests.
- The right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or be harmful to the child's health or physical, mental, spiritual moral or social development.

In addition, this policy is based on the international Labour Organizations (ILO) Minimum Age Convention in which a child is defined as a person below 15 years of age, unless local minimum age law stipulates a higher age for work or mandatory schooling in which case the higher age will apply.”

Reporting

In accordance to our *Code of Business Conduct and Ethics* should employees or suppliers have concerns regarding forced or child labour they can report it to their supervisor, or the next level of management or through our Ethics and Compliance mailbox (ethicsandcompliance@macleanengineering.com).

Assessing and managing risk relating to forced and child labour

Using the vendor audit process to get details on country of origin and the nature of the goods (raw materials versus finished goods) will help MacLean to assess and manage the risk of forced and child labour in its supply chain.

Remediation measures

Our *Supplier Code of Conduct* and our *Code of Business Conduct and Ethics* provide a reporting mechanism for employees and suppliers to report ethical and legal violations along with other concerns. If MacLean is found to be in a non-compliance situation, we will work in accordance with UNGC principles and to address the situation.

Training

MacLean is currently developing a training programme specifically tailored to the topic of Forced and Child Labour.

Assessing effectiveness

MacLean has in place a number of measures to prevent and reduce the risk that forced and child labour is used in our activities and supply chains. While we have not yet taken any actions to assess the effectiveness of those actions, MacLean intends to assess its effectiveness in prevention and reducing risks of forced labour and child labour in its activities and supply chains at a later stage.

A handwritten signature in black ink, appearing to read "Kevin MacLean". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kevin MacLean
Director and Chief Executive Officer

December 31, 2023