

Modern Slavery Report 2023/2024

MARUBENI ITOCHU TUBULARS CANADA LTD.

*This Modern Slavery Report (the “Report”) addresses the period from **April 1, 2023** to **March 31, 2024** and has been prepared in compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “ACT”). This Report is made on behalf of **MARUBENI-ITOCHU TUBULARS CANADA LTD** (“MITC”).*

1. Introduction

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading wholesale trade business, MITC recognizes the important role that we have in ensuring that our operations and products, and the supply chains that support these, adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour in our supply chain. This Report sets out the steps we have taken during fiscal 2023/2024 to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by MITC or of goods imported into Canada by MITC.

2. Our Business

*MITC is a **distributor of steel tubulars to the energy industry** headquartered in Calgary, **Canada**. MITC is incorporated in Canada and is a wholly owned subsidiary of Marubeni-Itochu Tubulars America Inc. (“MITI”), headquartered in Houston, USA. MITI is a subsidiary of Marubeni-Itochu Steel Inc, headquartered in Japan. MITC distributes tubulars to various provinces in Canada, including Alberta, Saskatchewan, Newfoundland, and British Columbia. MITC’s supply chain includes businesses that supply goods and services to our organization, including tubulars goods shipped from overseas mills such as Japan, among other countries.*

In total, we procure goods and services from approximately 20 suppliers. The suppliers we engage include businesses that procure steel related products or the transportation thereof. We primarily engage our suppliers on long term arrangements and in future reporting periods, we will consider the extent to which our indirect suppliers may present modern slavery risks for our supply chains.

3. Our Policies

Policies

Through our organizational and governance policies we communicate our values and expectations, setting a high bar for ourselves and our suppliers, and make it clear that we do not tolerate any forms of forced labour or child labour. We are committed to consistently evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations or by suppliers working for us.

We make every effort, including through carrying our due diligence to monitor the performance of our suppliers, to prevent our activities having a negative impact on human rights. Our relevant policies are discussed in further detail below:

Code of Business Conduct and Ethics

*We are committed to conducting our business in a lawful and ethical manner. Our **Business Conduct Guide** is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing their job duties, **MITC** employees should always act lawfully, ethically and in the best interests of **MITC**.*

Human Rights & Modern Slavery Policy

MITC is committed to conducting business in a transparent and ethical manner in accordance with human rights principles. We adhere to the following standards that our employees and suppliers are treated with dignity, fairness, equality, respect, and independence. We reject any type of discrimination or harassment based on race, age, religion, sex, or any other characteristic protected by applicable laws.

Supplier Certification

MITC's Supplier Certification details the requirements and expectations we have of our suppliers and their supply chains. We expect our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and consistently monitor and enforce our Supplier Certification in their own operations and supply chain. We engage with suppliers that are committed to these same principles and suppliers commit to these standards as a condition of doing business with us. We review our Supplier Certification on an annual basis to ensure that this policy is in line with current best practices.

Whistleblower Policy

***MITC** has a Whistleblower policy in place and a Whistleblower hotline which encourages persons to report any wrongdoing, including human rights violations. This hotline is available to all **MITC** employees.*

Due Diligence

We expect third parties with which we work to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. Before making any commitments towards third parties, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out risk-based due diligence and checks.

We acknowledge that employees working in our supply chain are at potential risk of forced labour or child labour. In order to mitigate this risk, we follow a due diligence approach that includes the following steps:

- ***supplier visits when possible, requesting a signed supplier certification, standard supplier terms and conditions, embedding responsible business conduct into policies and management systems, supply chains and business relationships, and ceasing, preventing, or mitigating adverse impacts.***

4. Assessing Our Risk

*MITC engages in various activities to identify, assess, and manage supplier risk. In assessing the risk of forced and child labour in our business and supply chains, we **engage with our peers and request Supplier Certification**. To identify the business activities with the greatest exposure to these risks, we consider the following factors:*

- *Sector/Industry – Some sectors and industries within our operations and supply chains may have a higher prevalence of modern slavery risks because of their characteristics, products, and processes.*
- *Geographic – There may be countries in our supply chains which have a higher prevalence of modern slavery.*
- *Specific Entity – We are not aware of any specific risks associated with any particular supplier.*

*Our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as **manufacturing**.*

5. Our Commitments

Steps to Prevent and Reduce Risks of Forced and Child Labour

Examples of steps taken to prevent and reduce risks of forced and child labour include:

- ***Having supplier sign a supplier certification letter;***
- ***Developing and implementing training and awareness materials on forced labour and/or child labour;***
- ***Engaging with supply chain partners on the issue of addressing forced labour and/or child labour;***
- ***Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains; and***
- ***Developing and implementing anti-forced labour and/or child labour contractual clauses.***

Remediation Measures

Our Business Conduct Guide and Ethics and our Whistleblower Policy require all employees of MITC to report actual or possible misconduct. We also undertake diligence efforts (as further described in this Report) to ensure that the risk of forced labour and child labour is mitigated in our business. In the event that we discover any forced labour or child labour in our business and supply chains, we may take the following measures to remediate such forced labour or child labour:

- **EXAMPLES OF REMEDIATION MEASURES MAY INCLUDE:**
 - ***Suspension or termination of a supplier or sub-supplier; and***
 - ***Capacity-building measures, enhanced supervision and/or monitoring of supplier or sub-supplier.***

Training

Every year, **MITC** personnel at all levels are required to complete a mandatory certification process to ensure that our Business Conduct Guide and Ethics is understood and properly applied to our daily activities. Every new employee of **MITC** must complete mandatory training on our values and policies, including our Business Conduct Guide and Ethics, and is informed of how to report wrongdoing under our Whistleblower Policy. We provide employees with ongoing and periodic training opportunities to ensure that all employees have current knowledge.

6. Our Progress and Effectiveness

As part of our governance processes, we monitor compliance with our policies on an ongoing basis. We also review any concerns raised through our Whistleblower Policy and other informal mechanisms of employee feedback. To date no significant concerns or complaints have been identified.

We also assess the effectiveness of our policies by:

- **Setting up a regular review of the organization's policies and procedures related to forced labour and child labour; and**
- **Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking signed certification letters.**

7. Approval & Signature

This Report was approved by **Marubeni-Itochu Tubulars Canada Ltd Board of Directors** on May 30, 2024 pursuant to **paragraph 11(4)(a)** and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our parent company website at **www.mitube.com**.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for the entity list above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



Takeshi Kusanagi

President, May 30, 2024

I have the authority to bind **Marubeni-Itochu Tubulars Canada Ltd**.