

**2023 Report on Canada’s
Fighting Against Forced Labour and Child Labour in Supply Chains Act**

1. Introduction and Report Overview

This report is submitted on behalf of the following entities: Nucor Canada Inc., Nucor Steel ULC, Skyline (PHP) Canada ULC, and Vulcraft Canada, Inc. (collectively referred to as “we,” “us,” “our,” or “Nucor Canada”).

Nucor Canada has a long history of conducting our business in a manner consistent with high standards of social responsibility. We value our teammates and business partners and strive to treat everyone who works with us with dignity and respect. Our policies and practices are designed to mitigate the risk that goods in our supply chain are produced by means of forced or child labour.

We publish this report in compliance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act of 2023 (the “Act”). This report describes the work undertaken by Nucor Canada to assess and address the risks of forced and child labour in our business operations and supply chain. This report contains an overview of our business operations, our high-level assessment of forced and child labour risks within our business and supply chain, and efforts to mitigate those risks.

This report has been prepared for the fiscal year ending on December 31, 2023, and was created in consultation with key personnel, leadership, and certain affiliated entities with knowledge and expertise of our operations and supply chain.

2. Nucor Canada’s Structure, Activities and Supply Chains

Nucor Canada Inc. is a Canadian corporation headquartered in Ontario that sells steel products manufactured by its affiliated entities.

Nucor Steel ULC is headquartered in Ontario and operates as two divisions. Its Nucor Rebar Fabrication division operates 23 facilities in Canada that fabricate and place concrete reinforcing steel (rebar and related products). Its Laurel Steel division operates a facility in Burlington, Ontario, where it produces cold finished bar, welded wire mesh, and cold drawn wire.

Skyline (PHP) Canada ULC is based in Quebec and acts as a wholesale distributor of steel products, including steel sheet piling, pipe, H-piles, combined wall systems, and geostuctural products.

Vulcraft Canada, Inc. is a Canadian corporation headquartered in Ontario and operates five production facilities that manufacture and fabricate metal grating, joist and deck products, and insulated panels.

Nucor Canada and its affiliates are vertically integrated such that Nucor Canada sources steel and steel products from affiliated entities. Steelmaking affiliates source raw materials from another affiliate, The David J. Joseph Company (“DJJ”), which brokers ferrous and nonferrous metals, pig

iron, hot briquetted iron and directed reduced iron; supplies ferro-alloys; and processes ferrous and nonferrous scrap metal.

3. Nucor Canada’s Hiring and Forced and Child Labour Risks Related to Our Operations in Canada

At Nucor Canada, our number one cultural value is the safety and wellbeing of our team. Our hiring policies and practices are consistent with that value and designed to comply with the laws of Canada and relevant provinces. The nature of our operations, footprint in Canada, and rigorous teammate hiring and retention practices significantly reduce the risk of child or forced labour. Moreover, we are aware of no instances of child or forced labour within our operations. Nevertheless, we continue to analyze the potential for any such risks and ways to mitigate the potential risks.

Nucor Canada typically hires employees, referred to as teammates, who are at least eighteen years old. In rare circumstances, we hire teammates who are sixteen and seventeen years old, such as through apprenticeship and “co-op” programs. During the hiring process, our human resources team ensures compliance with local laws and regulations applicable to teammates under eighteen years old. All teammates must complete our safety orientation or comparable training when hired.

We strive to be a safety leader in the steel industry. We actively seek to mitigate any dangerous working conditions through our rigorous safety policies and procedures. Our Whistleblower Hotline, which is discussed below, is included in new-hire orientation packages to allow teammates to report safety concerns, among other issues, quickly and anonymously. These efforts minimize the risk of forced and child labour in our operations.

4. Nucor Canada’s High-Level Assessment of Its Forced and Child Labour Risk Globally, Based on Publicly Available Data

Publicly available data resources such as the Responsible Sourcing Tool (“RST”), the collaborative product of an independent civil society organization and the U.S. Department of State, help Nucor Canada assess the relative risks of forced or child labour in our supply chain.

Although labour exploitation can be found in all countries, our affiliated steel and steel product suppliers are primarily based in the United States and Canada, which are considered low-risk countries.¹ Certain geographic regions and countries present increased risks of forced and child labour in our upstream supply chain, and combatting these increased risks requires additional diligence, partnership, and collaboration.

¹ See, e.g., U.S. Dept. of State, 2023 Trafficking in Persons Report: Canada (last visited May 10, 2024), <https://www.state.gov/reports/2023-trafficking-in-persons-report/canada/> (Canada ranked as a Tier 1 country under the United States’s Trafficking Victims Protection Act of 2000 (“TVPA”) as a country whose government fully complies with the Act’s minimum standards); U.S. Dept. of State, 2023 Trafficking in Persons Report: United States (last visited May 18, 2024), <https://www.state.gov/reports/2023-trafficking-in-persons-report/united-states> (same for U.S.).

By way of example, pig iron—a critical material in steel production—is sourced by DJJ from Brazil. Brazil ranks No. 16 in the Americas for modern slavery proportionate to total population.² In the past, some Brazilian producers of charcoal used to make pig iron had relied upon forced labour and armed surveillance. To mitigate these heightened risks of forced labour in the supply chain, DJJ implemented (and continues to implement) several compliance measures, which are discussed in detail below.

5. Supply Chain Risk Policies, Due Diligence and Mitigation Efforts

a. Supplier Code of Conduct

To conduct business utilizing the highest standards of social responsibility, affiliated entities implement a Supplier Code of Conduct (the “Code”). The Code was designed to, among other things, mitigate the risks of forced and child labour in our supply chain. The Code has been reviewed and revised since its inception, including to address the use of conflict minerals.³

The Code sets out the expectation that suppliers comply with all applicable health, safety, and welfare laws, rules, and regulations related to their supply of goods. The Code mandates that “[s]uppliers must not utilize involuntary labor of any type.” The typical practice of the relevant affiliated entities is for each new supplier to receive a copy of the Code, to acknowledge receipt, and to confirm compliance with it. Suppliers are also usually subject to our affiliated entity’s standard form contract,⁴ which requires the supplier to acknowledge and comply with the Code. Suppliers must maintain documentation evidencing compliance with the Code and be able to produce the documentation upon request. A supplier’s failure to comply with the Code may result in termination of the business relationship.

b. Eliminating Forced Labor Policy and Efforts to Mitigate the Heightened Risks Associated with Brazilian Pig Iron

DJJ is responsible for implementing the Eliminating Forced Labor from Our Supply Chain Policy (the “EFL Policy”), which was developed to address the perceived heightened risk specific to pig iron produced in Northern Brazil. As part of the EFL Policy, pig iron manufacturers are screened against the Brazilian Ministry of Labour’s “Dirty List”—a biannual, public list of individuals and

² See The Walk Free Global Slavery Index (last visited May 10, 2024), <https://www.walkfree.org/global-slavery-index/findings/regional-findings/americas/> (identifying modern slavery as an umbrella term for several types of exploitation, including forced labour, human trafficking and forced marriage).

³ Conflict minerals refers to certain minerals obtained from sources that finance or benefit armed groups in any “covered country,” the Democratic Republic of the Congo and countries that share its internationally recognized border, as defined by Section 1502 of the United States’ Dodd-Frank Wall Street Reform and Consumer Protection Act. For 2023, certain affiliated entities assessed whether goods manufactured contained conflict minerals that were necessary to their functionality or the goods’ production. Although a very small portion of the products manufactured were found to contain conflict minerals that were necessary to functionality or production, the conflict minerals either originated from (1) countries that were not considered “covered countries” under U.S. law or (2) from recycled or scrap sources.

⁴ In the limited circumstances in which the standard form contract is not used, the supplier typically is subject to a similar provision or has its own policy in place that is sufficiently similar.

entities that have been identified as using slave labour. Pursuant to the EFL Policy, manufacturers appearing on the “Dirty List” must be removed from our supply chain.

Additionally, under the EFL Policy, manufacturers that sell pig iron are subject to both an annual and per vessel certification process. Each supplier is directed to certify that no involuntary labour has been used in the manufacturing process. DJJ retained a national Brazilian law firm (the “Firm”) to enhance compliance with the EFL Policy. If DJJ and the Firm identify a potential child or forced labour issue with a supplier, it will be investigated and may result in the termination of the relationship.

c. Risk Identification Support

Our affiliated entities employ compliance professionals to manage the supply chain. These individuals have identified heightened risks of forced and child labour for certain suppliers based on their geographical location. In addition to relying on the policies described above, these professionals conduct their own review of potential risks of forced and child labour with respect to those suppliers in evaluating whether to recommend doing business with them.

In addition to these general compliance efforts, affiliated entities use third-party software to screen potential and existing suppliers for risks associated with certain laws and regulations. The software is used to screen suppliers who are, among other things, (a) suspected of violating the United States’ Uyghur Forced Labor Prevention Act; or (b) flagged by the U.S. Customs and Border Protection due to “evidence of the use of forced labor in the manufacturing or production of a good.”⁵

6. Utilization of the Nucor Canada “Whistleblower Hotline” as an Additional Tool to Mitigate Risks

Nucor Canada also utilizes a Whistleblower Hotline (“Hotline”), which is hosted by an independent ethics compliance firm. The Hotline is toll-free and available 24 hours, 7 days a week. The Hotline can be used to report allegations of ethical or legal violations, including labour issues and violations of our policies (such as the Code and the EFL Policy), among other things. Callers may choose to remain anonymous, and retaliation for using the Hotline is strictly prohibited. Every complaint or report received through the Hotline is assigned to appropriate personnel for review and investigation.

The Hotline is a helpful tool for identifying issues and assessing our effectiveness in reducing the risk of forced and child labour in our business and supply chain. In fiscal year 2023 (as in prior years), there were no complaints or reports to the Hotline related to forced or child labour associated with Nucor Canada, any affiliated entities, or suppliers.

⁵ U.S. Customs and Border Protection, Withhold Release Orders and Findings List (last visited May 11, 2024), <https://www.cbp.gov/trade/forced-labor/withhold-release-orders-and-findings>.

7. Training and Remediation

In 2023, Nucor Canada did not require employees to attend training on forced and child labour. Our continued assessment of supply chain risks will include evaluation of potential additional training and resources for our team.

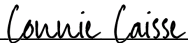
We have not identified any instances of forced or child labour in our company or in our supply chain in 2023, and consequently have not taken any specific action to remediate forced or child labour. Additionally, as no such measures were necessary, there has been no known resulting loss of income by vulnerable affected individuals and families requiring remediation.

8. Governing Bodies Approval & Signature

This report has been reviewed and approved pursuant to subparagraph 11(4)(b)(i) of the Act by the respective Boards of Directors of Nucor Canada Inc., Nucor Steel ULC, Skyline (PHP) Canada ULC, and Vulcraft Canada, Inc.

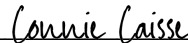
By signing below, the listed individuals attest, in their capacity as directors of their respective entities listed below, that they have reviewed the information contained in this report for their respective entities. Based on their knowledge, and having exercised reasonable diligence, each attests 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.

DocuSigned by:




Connie Caisse
Director, Nucor Canada Inc.

DocuSigned by:



Connie Caisse
Director, Nucor Steel ULC

DocuSigned by:



Derek Belsham
Director, Skyline (PHP) Canada ULC

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Brian Moon
Director, Vulcraft Canada, Inc.