

FORCED AND CHILD LABOUR POLICY

This report is prepared by Omega Tool Corp. (“our” or “we”) pursuant to Canada’s new Fighting Against Forced Labour and Child Labour in Supply Chains Act for the financial year ending July 31, 2023, and sets out the steps we have taken to prevent and reduce the risk that forced labour or child labour is used in our supply chain.

POLICY ON THE FIGHTING OF FORCED LABOUR AND CHILD LABOUR

High social and environmental standards are an integral part of our culture. As an employer of several hundred of team members, a provider of precision injection molds for our customers each year and a business with multiple stakeholders, we have a role to play in the fight against slavery, forced labour and human trafficking.

We operate 3 facilities in Ontario and 1 in Mexico. Our supply chains include steel blocks, machinery, tooling, lubricants, plumbing equipment, steel cutting machines and a limited number of branded products including uniforms and merchandise. They also include construction materials and supplies used in our day-to-day operations (e.g, cleaning, and office supplies). We have a zero-tolerance approach to forced labour and child labour of any kind in our supply chain or operations. As a responsible, purpose-led business we have established policies and social and environmental procedures to manage our wider operation.

Our key suppliers go through annual risk assessments, and we plan to provide relevant training to our procurement team to ensure we do our utmost to protect workers within our supply chains. Our **Human Rights and Basic Working Conditions Policy** (POL-HR-014, attached) reflects our commitment to acting ethically in all our business dealings, and to implementing and enforcing effective systems and controls to ensure forced labour and child labour is not taking place anywhere in our supply chains or the operation of our facilities.

IDENTIFYING AND MITIGATING RISKS RELATING TO FORCED LABOUR AND CHILD LABOUR

Our Supply Chain

Our supply chain includes local, national and international partners and we do not knowingly do business with any supplier who has been shown to break local or international laws and regulations, including environmental and employment laws. We look to build long-term relationships with our suppliers and make clear to them our expectations of the standards we expect.

We require our key suppliers to adhere to our Supplier Code of Conduct which specifically addresses our prohibition of Child Labour and forced Labour. Each supplier must also have their own suitable forced labour, child labour, anti-slavery and human trafficking policies and procedures. We expect these suppliers to adopt due diligence, recognizing that it is not always practical for each supplier to have a direct relationship with every link in the supply chain for every input.

We have zero tolerance for forced labour and child labour. We expect all those in our supply chain to comply with our values in this respect and to ensure full compliance with all relevant legal

requirements, including labour practices and standards and the prevention of bribery and corruption.

We conduct a supplier assessment to ensure our suppliers comply with the Supplier Code of Conduct. The assessment process is undertaken each year and any subsequent action plans are reviewed on an ongoing basis.

The latest submissions of these assessments have indicated no major areas of concern, but we retain a close and ongoing focus on the following areas:

- We procure food, drink and marketing material including uniforms and merchandising from a small portfolio of suppliers. We recognize that production and manufacturing processes can carry a greater risk of poor recruitment and labour practices, especially in developing countries.
- Through the course of new machinery installations and building upgrades we contract construction activities, and we recognize that roles in this industry can have a higher risk of poor labour conditions and visibility of these can be limited if the workforce is not directly employed by us.

Remediation Measures

- In the last financial year, we have not identified any incident of forced labour or child labour in our activities or supply chain. We therefore did not need to take any measures to remediate an incident of forced labour or child labour.
- If, in the future, we do identify incidents of forced labour or child labour within our activities or supply chains, we will consider the appropriate remediation strategies in compliance with international standards.

Assessing Effectiveness

We assess the effectiveness of our measure in relation to forced labour and child labour through our annual risk assessment process.

Our Operations and Team Training

Our team is key to our success as a business, and we maintain a number of supporting team member policies including a **Human Rights and Basic Working Conditions Policy** which includes reference to the risks associated with youth workers and forced labour. The policy is part of our onboarding material and readily available on our internal corporate website. Our overall Human Resources policy states where to go for further advice or help if an employee feels they need to raise a concern in this area, including a confidential whistleblowing process.

To ensure an understanding of the risks of youth labour and forced labour in our supply chains and our business, we plan to provide training to the members of our team who are involved in procurement and supplier management processes.

The Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Omega Tool Corp.

In my capacity as a President of Omega Tool Corp. and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

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.

Dave Cecchin
Title: President
Date: May 22, 2024

Signature:

A handwritten signature in black ink, appearing to be 'D. Cecchin', written over a large, faint circular scribble.

I have the authority to bind Omega Tool Corp.