

PRODOMAX

A member of the JENOPTIK Group

Report according to the Fighting Against Forced Labour and Child Labour in Supply Chains Act by Prodomax Automation Ltd. (“Prodomax”)

Commitment to upholding human rights

Responsible behavior and the creation of value together with our business partners form the foundation of our business activities regarding automated manufacturing solutions for OEM and Tier 1 automotive manufacturers at the North American market. We are convinced that our business model, which is geared towards long-term and profitable growth, is in line with responsible behavior towards society and the environment. Respect for human rights is a fundamental component of our actions.

Prodomax is committed to respecting human rights and protecting the environment. This applies both to our own business and to our global supply chains.

Prodomax Automation Ltd. is a wholly owned subsidiary of JENOPTIK North America, Inc. based in Jupiter, USA, which in turn is a wholly owned subsidiary of JENOPTIK AG, based in Jena, Germany.

Due to its headquarters in Germany, the entire Jenoptik Group is obliged to comply with the human and environmental rights requirements of the German Supply Chain Due Diligence Act.

All due diligence obligations in connection with the fulfillment of human rights requirements, in particular the prevention of forced labor and child labor, including carrying out risk analysis and management, implementing prevention and remedial measures and providing a complaints procedure are carried out by the parent company of Prodomax Automation Ltd., JENOPTIK AG, headquartered in Jena, Germany.

Supply Chain Structure

Prodomax is based in Barrie, Ontario, Canada and provides automated manufacturing solutions to its customers throughout North America, primarily related to automotive production. Prodomax’s supply chain consists of local labor and subcontractors for skilled trades, as well as material inputs. The materials include raw materials like metals as well as finished parts for electrical, mechanical and fluid power parts of Prodomax’s automation lines. Materials are primarily sourced from North America, but some materials may be sourced from Europe or Asia, depending on project requirements and location of manufacturers.

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Principles of human rights and environmental protection

Prodomax conducts its business activities in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGP) and is committed to the following internationally recognized human and environmental rights reference instruments:

- Principles of the United Nations Global Compact (UNGC)
- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- Core labor standards of the International Labor organization (ILO) on labor and social standards

Content of human rights

We are committed to complying with all recognized human rights, including but not limited to:

- Ban on child labor

Prodomax prohibits any form of child labor within the meaning of ILO Convention 138. All employer practices must at least comply with these ILO Conventions. This includes compliance with the minimum age for taking up employment and the protection of the physical and mental development of children and young people.

- Prohibition of slavery and forced labor

Employment relationships are always voluntary and can be terminated with reasonable notice. Prodomax rejects all forms of forced or compulsory labor and opposes all forms of slavery, including modern forms of slavery and human trafficking. All of our employer practices must at least comply with ILO Convention 105.

- Prohibition of discrimination

Prodomax is committed to equal opportunities and equal treatment of all employees in accordance with ILO Convention 111. We therefore reject any form of discrimination, harassment, or disadvantage. This includes, among other things, exclusion, or preferential treatment based on origin, skin color, gender, religious affiliation, political opinion, national origin or social background, sexual orientation, health status, age, marital status, pregnancy/parenthood, trade union membership.

Prodomax recognizes that every employee has the right to a working environment free from violence or harassment, including gender-based violence and harassment (ILO Convention 190).

- Appropriate remuneration for work performed and respect for working hours

We are committed to appropriate remuneration and the principle of equal pay for equal work or work of equal value, regardless of gender, in accordance with ILO Convention 100.

Remuneration shall be at least the amount of the minimum wage stipulated by applicable law. If there are no statutory or collectively agreed regulations, the remuneration shall be based on the industry specific, local, and collectively agreed remuneration which is at least sufficient to cover living expenses.

- Safeguarding the right to form a coalition, organize and act collectively

In accordance with ILO Convention 87, we recognize the fundamental right of all employees to form and join trade unions and employee representative bodies. In this context, Prodomax is also committed to maintaining neutrality and excludes any form of discrimination based on trade union activities (ILO Convention men 135).

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We recognize the right to collective bargaining in accordance with ILO Convention 98 and therefore respect the right to strike, insofar as this is exercised in accordance with the respective national legal regulations.

Codes of conduct for employees

Our Integrity Code, which is based on our fundamental principles of trust, honesty and integrity and formulates responsible behavior towards one another, is a binding guideline for all employees. It obliges all employees to implement the defined values in their daily actions and in their dealings with our business partners. Training sessions on the Integrity Code and other relevant topics take place at regular intervals and are provided and followed up by the Compliance & Risk Management department.

Risk analysis & risk management

With the help of our annual risk analysis and risk assessment of our suppliers, service providers and other contractors, we systematically check which business units or activities may be exposed to an increased risk of potential human rights violations.

The abstract risk analysis is carried out using a tool-based, country- and sector-specific assessment once a year for existing suppliers, service providers and other contractors as well as when onboarding new contractor partners. Contractors who are categorized as "potentially risky" in the abstract risk analysis are obliged to undergo detailed self-assessments as part of the concrete risk analysis.

Our overall risk analysis has shown that we only recognize an increased risk from our suppliers in a few areas due to the goods and services we procure and the regions in which we carry out our procurement.

For suppliers, service providers or other contract holders who, based on our analysis, have an increased risk of violating human rights, we initiate measures to prevent or remedy the situation, support their implementation and monitor them on an ongoing basis.

Preventive and remedial measures

Prodomax defines measures to prevent violations of human rights. This includes increasing sensitivity and awareness of the relevance of human rights and environmental protection as well as offering training for our employees.

If we become aware of human rights violations or environmental offences, remedial measures are derived and implemented in cooperation with the business partners.

Sensitization and complaint mechanisms

To prevent or counteract violations and minimize risks, we have established a barrier-free, publicly accessible whistleblower system. This reporting channel is accessible both internally and externally via the following link:

<https://jenoptik.integrityline.com/frontpage>

Employees, customers, direct and indirect suppliers and other business partners can use the portal or other persons involved in Prodomax's supply chain to report irregular behavior or express concerns in connection with human rights violations or environmental offences. The reports are treated confidentially and can also be made anonymously. Each reported case of potential misconduct will be carefully investigated and confirmed violations will be followed up appropriately where necessary. For a description of the complaints procedure and other reporting channels at Prodomax, please refer to the document "Procedure description for complaints under the Whistleblower Protection Act/Supply Chain Due Diligence Act". This is also available on

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JENOPTIK's website under "[Responsible corporate management](#)".

Continuous further development

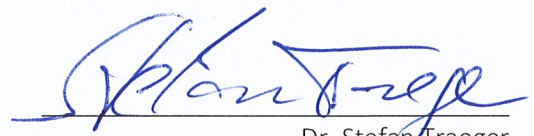
This report is reviewed once a year and ad hoc if necessary and amended if necessary to take account of current changes and adjustments to processes.

We are aware that tackling human rights in our global supply chains is an ongoing, dynamic task that requires systemic changes in addition to our individual company initiatives.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Fighting Against Forced Labour and Child Labour in Supply Chains Act ("Act") by the Board of Directors of Prodomax Automation Ltd.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity listed 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. I have the authority to bind Prodomax Automation Ltd.



Dr. Stefan Traeger
Director of Prodomax Automation Ltd.