

## **2023 Annual Report under the Supply Chains Act**

This document serves as the Annual Report (the “**Report**”) pursuant to Section 11 of the *Fighting Against Forced Labor and Child Labor in Supply Chains Act* (the “**Supply Chains Act**” or the “**Act**”) and is submitted on behalf of STC Steel Technologies Canada Ltd. (“**STC**”)

This Report covers activities for the calendar year ended December 31, 2023 (the “**Reporting Period**”).

STC is committed to upholding and preserving human rights. We strive to implement this principle as part of our strategy, culture, and daily operations. STC will continue its support of public accountability and transparency, and we therefore commit to report on this information to our stakeholders.

### **Our Business, Structure and Supply Chains**

STC is a Canadian metals (steel and aluminum) processing company, and is a wholly owned subsidiary of Steel Technologies LLC (“**Steel Tech**”), a Kentucky limited liability company, located in the United States of America, with similar operations in the steel manufacturing business as STC’s.

STC only operates in Canada, where it employs approximately 100 employees who we refer to as “teammates”. In Canada, STC operates two manufacturing facilities located respectively in Woodstock, Ontario and Cambridge, Ontario. Our Cambridge, Ontario location was acquired by Steel Tech in 2007 with the opening of our Woodstock, Ontario facility following shortly thereafter in 2008.

Our Cambridge and Woodstock locations are part of numerous automotive supply chains.

### **Governance, Policies & Due Diligence**

Steel Tech (the parent company of STC) has enacted multiple measures at the group level in 2024 which bind STC and aid in the prevention of forced labor and child labor.

#### **(a) Code of Business Conduct Canada**

Steel Tech’s Code is a Canadian adaptation of Steel Tech’s United States Code of Business Conduct. Each STC employee has the obligation to read, understand, and follow the Code. It covers, among other topics, equal treatment of employees, employment without discrimination and freedom from harassment.

The Code of Business Conduct Canada (the “Code”) was updated in March 2024. The Code sets out clear rules regarding the respect of antitrust and anti-bribery laws, use of company property and technological resources, business irregularities, accounting and auditing concerns, equal treatment in employment and anti-discrimination, eradication of workplace violence, promotion of safety, drug-free and alcohol-free workplaces, insider trading, confidential information, conflicts of interest, business with related parties, gifts and entertainment, and employee honesty.

#### **(b) Sustainability Report**

Steel Tech’s Sustainability Report, updated in May 2022, is an adaptation from our United Nations Global Compact Communications on Progress. The United National Global Compact is a commitment from businesses across the globe to embrace sustainable practices and socially responsible policies, while also ensuring transparency through reporting on their execution.

Our Sustainability Report repurposes the United Nations Global Compact's ten (10) principles into ten (10) initiatives in the areas of human rights, labor, environment and anti-corruption.

Initiatives 4 and 5 specifically address the goals of the Act as they aim at:

- “the elimination of all forms of forced and compulsory labor”; and
- “the effective abolition of child labor”.

Our Sustainability Report details the implementation methods taken to further the realization of these initiatives, including our commitment that, as part of Steel Technologies' mission, we will not knowingly or intentionally do business with any country, regime, or entity in which we are aware of human rights abuses.

### **(c) Whistleblower System**

To aid in adherence to Steel Tech' policies, we provide an independent third-party service for employees to anonymously report human and labor rights violations. We believe this service encourages "whistleblowers" to come forward without fear of retribution.

Teammates with concerns regarding company Code of Conduct related matters may report their concerns to Fulcrum Inquiry, an independent third party, on a confidential or anonymous basis via, among other means, through its website at [www.fulcrum.com/steel.htm](http://www.fulcrum.com/steel.htm)

### **Risks of Forced and/or Child Labor in our Supply Chain**

In the Steel and Aluminum industry, a significant risk of forced and/or child labor originates from imports from the Xinjiang Uyghur Autonomous Region in the People's Republic of China. Per the 2021 United States *Uyghur Forced Labor Prevention Act* (“**UFLPA**”), imports originating from the aforementioned region are banned in the United States unless importers can prove that the production did not use forced labor.

STC has a very limited import supply chain. Other than the material we source domestically in Canada, we are exclusively importer of record for materials from the United States.

Given 1) the strong controls under the UFLPA, 2) the strong labor controls in the United States, and 3) STC's limited import supply chain, to our knowledge, we have not identified risks of forced labor and child labor in our operations and supply chains. We will continue to review our risk assessment process with the goal of identifying possible gaps in our assessment.

### **Remedial Action Taken during the Reporting Period**

As we have not identified any forced labor or child labor in our activities and supply chains in the Reporting Period, we have not taken any remediation measures. Given that STC exclusively imports from the United States, where there are strong labor controls against forced labor and/or child labor, we believe our risk for forced labor and/or child labor in our Supply Chain is extremely low.

### **Our Remediation Processes**

After a complaint is received by Fulcrum Inquiry, a report is automatically generated and sent to Steel Tech's General Counsel, Chief Executive Officer and Director of Internal Audit. The report is then reviewed by the General Counsel and relevant departments are notified and an investigation is performed. Following the investigation an internal report is drafted detailing the

results of the investigation and any actions taken by Steel Tech or STC. A report is also provided to the Steel Tech Board of Directors.

**Remediation actions for the loss of income to the most vulnerable families that results from any measure taken to eliminate forced labor and child labor from our operations and supply chains**

This section is not applicable, as we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labor or child labor in our activities and supply chains.

**Our Training**

Steel Tech follows an annual training calendar to instruct and review a range of safety topics, so employees are more informed and better protected from potential work dangers. Code of Conduct and Handbook updates are made and released yearly, with a (mandatory) certification required by teammates that they have reviewed and understand the material.

Steel Tech and STC comply with all local, state, and federal laws and regulations regarding hiring practices, and our Human Resources teams are adequately trained to implement such practices. Additionally, STC is bound by, and follows, the Human Rights Code of Ontario

**Assessing Our Effectiveness**

We intend to continue to assess and refine key performance indicators to measure our success in operationalizing our commitments to Human Rights, including the elimination of Modern Slavery and/or Child Labor. STC, and its U.S. parent, Steel Tech, adhere to all applicable laws and regulatory requirements in the jurisdictions in which we operate, including guidance on risk related to forced labor and child labor.

All whistleblower complaints are reviewed promptly as described in this report. No instances of forced labor or child labor were raised during the Reporting Period, and there were no forced labor or child labor incidents related to our suppliers.

To assess the effectiveness of our approach to risks, we consider input from relevant internal and external stakeholders.

**Approval**

This Report was approved by the board of directors of STC pursuant to Subsection 11(4)(a) of the Act on May 28<sup>th</sup>, 2024.

**Conclusion**

STC remains committed to preventing forced labor and child labor from taking place in our businesses and in our supply chains. We will continue to review our policies, procedures and practices periodically to determine any enhancements we can make to help prevent forced labor and child labor and any other forms of human rights abuse.

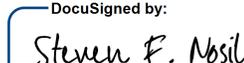
**Attestation**

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.

Dated this 28<sup>th</sup> day of May, 2024

**STC Steel Technologies Canada Ltd.**

Per:  Steven F. Nosil, Director, I have the authority to bind STC Steel Technologies Canada Ltd.