

Report on Forced Labour in Canadian Supply Chains **For the Financial Year Ended May 2024**

1. Introduction

This report outlines Spectra Aluminum Products Ltd.'s (Spectra) commitment to combating forced labour within its supply chain, provides an assessment of risk areas and details the actions taken to address and mitigate these risks, in accordance with the Canadian reporting requirements on forced labour.

2. Company Overview

Spectra operates in the aluminum manufacturing industry and has an international presence with operations based in Ontario, Canada. Spectra is committed to ethical business practices and respect for human rights, which includes a zero-tolerance policy towards forced labour and human trafficking.

3. Structure, Activities, and Supply Chains

Spectra is incorporated under the laws of Ontario and operates a number of aluminum extrusion, fabrication and finishing plants in Canada. Spectra has an organizational structure typical of companies of its size and industry with departments responsible for production, quality control, engineering, logistics, sales and administration.

Activities include the production of goods in Canada and the distribution and sales of goods Internationally. Spectra is primarily engaged in the production and sales of anodized, painted and mill finish aluminum extrusions as well as fabricated aluminum components in various finishes.

Spectra's supply chain encompasses direct and indirect suppliers across various regions, including but not limited to Canada, The United States of America, Europe and Southeast Asia. Spectra aims to ensure transparency and ethical practices throughout its supply chain, fostering relationships with well-regarded, reputable suppliers who share its commitment to human rights and responsible business conduct.

4. Policies and Governance

4.1. Company Policies

Spectra's Code of Conduct explicitly prohibits the use of forced labour. It applies to all employees.

Suppliers are required to adhere to Spectra's Supplier Code of Conduct, which includes strict provisions against forced labour.

4.2. Due Diligence Processes

Spectra has embedded responsible business conduct into its policies and management systems. Spectra's due diligence process involves continuous monitoring and ongoing assessment of its operations and supply chain to identify and mitigate risks related to forced labour and child labour to ensure compliance with its standards.

SPECTRA

ALUMINUM PRODUCTS

Assessment Activities include:

- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Monitoring suppliers
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Providing for or cooperating in remediation when appropriate

Spectra provides mandatory training on its forced labour policies to employees in management, procurement and certain administrative roles. The training program is internally developed and updated from time to time to reflect evolving industry standards and legal requirements.

Spectra monitors its effectiveness in ensuring that forced labour and child labour are not being used in its supply chain through supplier engagement, supply chain transparency, supplier site visits, reviewing publicly available reporting from its suppliers, and monitoring media outlets for evidence or allegations of forced labour.

4.3. Risk Assessment

Spectra has identified that elements of its supply chain sourced from third-party suppliers are at the greatest risk of forced labour. The company aims to assess this risk by considering the following factors:

- **Geographical Locations:** Suppliers operating in regions with a history of forced labour or weak labor laws may pose higher risks.
- **Industry Sectors:** Certain industries, such as manufacturing and agriculture, are more prone to forced labour due to labor-intensive processes.
- **Supplier Reputation:** Instances of forced labour within the supply chain can attract media attention and public scrutiny, suppliers with strong reputations generally carry a lower risk.
- **Supplier size/Capital Structure:** Larger suppliers and those with widely held ownership or sophisticated debt holders typically have a more robust governance structure and carry a lower risk.

SPECTRA

ALUMINUM PRODUCTS

Spectra has concluded the risk of forced labour within its supply chain is exceedingly low:

- The vast majority of Spectra's suppliers are based in Geographical Locations with no modern history of forced labour and have a well-established rule of law such as Canada, The United States and Europe.
- A small number of Spectra's suppliers have operations outside of Canada, The United States and Europe, however these suppliers are typically well known, large, international companies, with widely held ownership and strong reputations for upholding human rights and the rule of law.
- Spectra has not identified any indication of forced labour or child labour in its supply chain.
- Since Spectra has not identified any indication of forced labour or child labour in its supply chain, no measures have been necessary to eliminate any such activities and correspondingly, there is no indication of lost income to vulnerable families who were reliant on their continued involvement in forced labour.

4.4. Remediation Measures

In the event of identifying forced labour or child labour risks, Spectra implements remediation measures to address these issues, up to and including terminating relationships with non-compliant suppliers, providing support to affected workers, and collaborating with local authorities and NGOs to ensure appropriate remediation.

4.5. Governance Structure

Spectra's Board of Directors is responsible for overseeing and approving its forced labour policies.

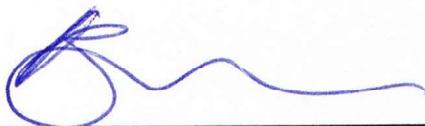
5. Conclusion

Spectra is committed to eradicating forced labour from its supply chain. Spectra will continue to enhance its policies, improve its risk assessment methodologies, and collaborate with stakeholders to address this issue. This report reaffirms Spectra's dedication to human rights, responsible business conduct, and compliance with the Canadian reporting requirements on forced labour.

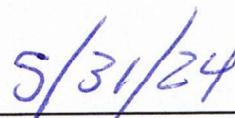
6. Approval on Behalf of the Board of Directors

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.

David Hudson, P.Eng
President & CEO



I have the authority to bind the Corporation



Date