



The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (2023) (the “**Act**”) requires certain businesses to publish a statement setting out the steps taken to prevent and reduce the risk that forced labour or child labour are used in the production or importation of goods.

Stelco Holdings Inc. is a corporation incorporated pursuant to the *Canada Business Corporations Act* and is publishing this statement on behalf of itself and its relevant subsidiaries to whom the Act applies (collectively, “**Stelco**” or the “**Company**”).

Business and Supply Chain

Stelco is a low cost, integrated and independent steelmaker with one of the newest and most technologically advanced integrated steelmaking facilities in North America. Stelco produces flat-rolled value-added steels, including premium-quality coated, cold-rolled and hot-rolled steel products, as well as pig iron and metallurgical coke. With first-rate gauge, crown, and shape control, as well as uniform through-coil mechanical properties, our steel products are supplied to customers in the construction, automotive, energy, appliance, and pipe and tube industries across Canada and the United States as well as to a variety of steel service centres, which are distributors of steel products. At Stelco, we understand the importance of our business reflecting the communities we serve and are committed to diversity and inclusion as a core part of our workplace culture, in part, through active participation in the BlackNorth Initiative.

Stelco’s operations are comprised of two operating facilities, one in Hamilton, Ontario, and the other in Nanticoke, Ontario, which operations are supported by a predominantly North American supply chain with substantially all of our raw material resources being sourced from within Canada and the United States. In addition, substantially all of our products are sold to customers within Canada and the United States.

Policies and Due Diligence

The Company has policies and standards in place to ensure that we conduct business in a legal and ethical manner. These policies include our Code of Business Conduct and Ethics (the “**Code**”) to ensure ethical business practice and compliance with applicable law. The Company monitors compliance with the Code and every employee is required to reaffirm their commitment to and compliance with the Code on an annual basis.

The Company also has a Supplier Code of Conduct (the “**Supplier Code**”). The Supplier Code articulates the Company’s expectations with respect to the goods it procures and asks each Supplier to follow and to certify its compliance with the Supplier Code on an annual basis. The Supplier Code expressly prohibits the use of forced labour or child labour in the production of the goods purchased by the Company. The Supplier Code also sets out the Company’s expectations with respect to compliance with applicable laws, business ethics, environmental impact, conflict minerals, health and safety and human rights.

The Company maintains a confidential and anonymous reporting system that allows employees to raise concerns free of discrimination, retaliation, or harassment. The Company encourages the reporting of any complaints or concerns, including those relating to: compliance with the Company’s policies (including the Code), human rights issues and any unethical business conduct.

Human Resource Practices

Stelco's human resources team have strong processes in place for vetting new employees and ensuring they are legally entitled to work in Canada. There are also robust processes in place for assessing compensation and verifying payments. All new employees are taken through a comprehensive onboarding process where they are made aware of the Company's standards and policies, including the Code. The vast majority of the Company's employees are permanent and full-time.

Supply Chain Management

Stelco prides itself in maintaining long term, trusting relationships with suppliers who have strong reputations, ethics and reliable business practices. Many of the Company's top suppliers are large North American-based companies with comparable governance practices to those of Stelco.

The Company's procurement personnel manage the due diligence and onboarding process with suppliers including providing copies of the Company's terms and conditions of purchase and Supplier Code, each of which the Company requires the supplier to accept. In addition, the Company's terms and conditions require suppliers to maintain documentation that reasonably demonstrates their compliance with the Supplier Code and obligates suppliers to make such compliance documentation available upon reasonable request.

Risk of Forced or Child Labour

Stelco has assessed both its operations and its supply chain and, taking into account our policies, procedures and diligence in place, we consider the risk of forced labour or child labour in our operations and supply chain to be low.

Stelco has implemented the policies, procedures and due diligence processes described above to manage and mitigate this risk.

Measures to Remediate Forced or Child Labour or the Loss of Income Resulting from Measures Taken to Eliminate Forced or Child Labour in the Supply Chain

Stelco has not and would not knowingly engage with any supplier who is in violation of fundamental human rights. The Company has not taken any remediation measures at this time.

Training

The Company is exploring the use of focused training programs for its procurement personnel to ensure that they are trained with respect to the Supplier Code and applicable laws regarding forced labour and/or child labour.

Effectiveness Assessment

Stelco recognizes that tackling the risk of forced and child labour in supply chains requires an ongoing commitment of time, resources, and awareness amongst all stakeholders. The Company will continue to assess the risk of forced and child labour in conjunction with its enterprise risk management program, and procurement personnel will take an active risk-based approach when assessing and onboarding new suppliers.

Approval

This statement was approved by the Stelco Holdings Inc. Board of Directors on May 8, 2024.

(signed) "Paul Simon"

Paul Simon
General Counsel & Corporate Secretary
Stelco Holdings Inc.