

Strad

**2023 Report under the *Fighting Against
Forced Labour and Child Labour in Supply
Chains Act***

Introduction

This report has been prepared jointly by Strad Inc., Strad Canada Inc., Strad Energy Services USA Ltd. and Strad USA Inc. (collectively “**Strad**”), in response to the requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for our financial year ending December 31, 2023 (the “**Reporting Period**”).

Applicability of the Act is based on Strad having a business presence (i.e., place of business, business activities, and assets) in Canada as well as meeting the financial thresholds related to assets and revenue as set out by the Act. Strad is not subject to reporting requirements under supply chain legislation in jurisdictions outside of Canada, and this report is therefore structured to meet the requirements of the Act.

Strad recognizes that the industrial rentals and services industry plays an important role in preventing and assessing the risk of forced labour and child labour in Canada’s supply chain. We are committed to continuous improvement in our due diligence, risk assessment, remediation and training processes.

Strad is committed to respecting, protecting and promoting the human rights of people impacted by our operations and supply chain.

Organizational structure, activities, and supply chains

This report covers the structure, activities and supply chains of Strad, where the risk of modern slavery is managed in a coherent and consistent manner.

Structure

Strad is an Industrial Matting and Equipment Rentals company operating in Canada and the United States (USA). We provide Industrial Matting, Equipment Rentals and services to the Renewables, Power Transmission, Pipeline, Oil and Gas, Construction and Mining sectors. Strad has approximately 135 employees and our headquarters are located in Calgary, Alberta, Canada.

Activities

The Act requires Strad to report on our activities in relation to the sale and distribution of goods, both in and outside of Canada, and the importation of goods into Canada. This information is set out below.

Strad provides Industrial Matting and Equipment Rentals for projects of any size, from a network of branches across Canada and the USA. The Industrial Matting division includes a large fleet of environmental and access matting products and accompanying services. The Equipment Rentals division includes surface rentals and EcoPond® (frac-water storage) products and related services. Strad aims to serve customers in many industrial sectors, including Renewables, Power Transmission, Pipeline, Oil and Gas, Construction and Mining.

Strad has branches and storage depots situated in 23 locations throughout Canada and the USA as follows:

- Canada:
 - Alberta - Calgary, Brooks, Fort McMurray, Grande Prairie, Nisku, Rocky Mountain House, Carstairs, Lloydminster, and Whitecourt
 - British Columbia - Dawson Creek, and Fort St. John.
 - Saskatchewan - Regina and Gull Lake.
 - Manitoba - Elkhorn.
 - Ontario – Innisfil, Englehart, Thunder Bay and Morrisburg.

- USA:
 - Pennsylvania - Mansfield and Waynesburg.
 - Indiana – Fort Wayne.
 - Iowa – Des Moines.
 - Colorado - Nunn.

Supply chains

Strad procures a range of goods and services, such as industrial parts and transportation services. In the Reporting Period, we had a total of 865 suppliers, 643 from Canada and 222 from the USA.

All rental assets (mats and tanks) are procured from manufacturers based in Canada and the USA. Fleet vehicles are purchased from dealers in Canada and the USA. We use a variety of consumable type items in the day-to-day operations of our business. All of these items are procured from suppliers in Canada and the USA. We source our computer equipment through a Canadian supplier.

Steps to prevent and reduce the risks of forced labour and child labour

In the Reporting Period, Strad did not take any specific steps to prevent and reduce the risks of forced and child labour. Within our operations, Strad takes steps to maintain compliance with all provincial, federal, and industry employment standards and laws applicable to our business.

Governance, policies and due diligence processes

Strad is committed to strong corporate governance and has established roles that are responsible for overseeing the prevention and mitigation of forced labour and child labour in our operations and supply chains. For this Reporting Period, the Chief Financial Officer (CFO) is managing the development of this report with oversight from Strad’s Director. The CFO is supported by cross-functional senior leadership, including; Finance, Operations, Health Safety and Environment (HSE).

Strad uses third party compliance management and risk management solutions for engaging suppliers. Within these solutions, all operational suppliers are reviewed and assessed against safety requirements prior to procuring products or services. Assessments are completed annually to ensure safety and insurance requirements are met. Strad assesses suppliers primarily based on safety requirements and ability to deliver agreed upon services or products. We currently do not include forced and child labour as part of our assessment criteria.

Strad has a Code of Conduct, General Employment Policy and Diversity, Discrimination and Harassment Policy. The Code of Conduct provides guidance to identify and direction to navigate business situations that create or have the potential to create legal and ethical problems. The Code is reviewed by all employees and contractors annually.

In the Reporting Period, Strad did not have policies or due diligence processes specifically addressing forced labor and/or child labor in our operations or supply chains.

Forced labour and child labour risk

Strad considers our Canadian and USA operations to be located in low-risk jurisdictions. To date, we have not identified any risks of forced labour and/or child labour in our supply chains; however, we have not started a formal risk assessment process.

Remediation measures and remediation of loss of income

To date, Strad has not received any complaints relating to forced labour or child labour in our operations or supply chain, and as such has not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

Employee training

In the Reporting Period, Strad had not yet developed training materials or activities to increase awareness of and prevent forced labour and child labour in our operations or supply chains.

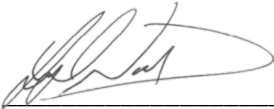
Assessing effectiveness

In the Reporting Period, Strad had not yet established an approach for assessing our effectiveness in ensuring forced labour and child labour are not being used in our activities and supply chains.

Approval and 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 in the City of Calgary, Alberta, this 24th day of May, 2024.



Lyle Wood, Director

I have the authority to bind Strad Inc.