



Strongco Corporation

Report on Measures to Prevent and Reduce the Risk of Forced and Child Labour in Supply Chains

I. INTRODUCTION

This is the first report of Strongco Corporation, Strongco CP Inc. and Strongco Limited Partnership (collectively “**Strongco**”) under the *Fighting Against Force Labour and Child Labour in Supply Chains Act* (the “**Act**”).

II. STRONGCO STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

a. Structure and Activities

Strongco is a major multiline mobile equipment dealer with operations across Canada. We are a wholly owned subsidiary of Nors, S.A., a Portuguese corporation with international operations.

Strongco is headquartered in Mississauga, Ontario and has approximately 500 employees serving customers from 25 branches in Canada in Alberta, Ontario, Quebec, Nova Scotia, New Brunswick and Newfoundland, Canada. Strongco represents leading equipment manufacturers with globally recognized brands, including Volvo Construction Equipment, CNH Case Construction, Sennebogen, Manitowoc Crane, including National and Grove, Fassi, Konecranes and Rammer. Daily operational activities are transacted by Strongco Limited Partnership. Strongco Corporation and Strongco GP Inc are holding companies and do not have any operating assets.

In terms of activities, Strongco sells, rents and services equipment used in diverse sectors such as construction, infrastructure, mining, oil and gas, utilities, municipalities, waste management and forestry.

Strongco is organized into six business units: four Construction Equipment business units in Alberta, Ontario, Quebec and the Atlantic provinces distributing and servicing Volvo and Sennebogen construction equipment; Case distributing and servicing Case construction equipment in Southern Ontario; and Crane distributing and servicing Grove, Manitowoc, National, Fassi and Konecrane equipment across Canada.

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Distribution agreements (which include both equipment and parts) for all of these product lines are managed from the corporate head office located in Mississauga, Ontario. Sourcing of parts and services is managed locally at the branch level which includes locally sourced parts and services when it is not available from the Original Equipment Manufacture (OEM). All of the equipment and parts sourced from Strongco's key suppliers are imported into Canada.

More information about the specifics of the goods and services we provide is available on our website: <https://www.strongco.com/>.

b. Supply Chain

Roughly 85% of the multiline mobile equipment we sell stem from significant OEMs, including Volvo Construction Equipment, CNH Case Construction, Sennebogen, Manitowoc Crane. This equipment is purchased in Canada as well as outside Canada. We have further broken down where this equipment is sourced, to the best of our knowledge, below:

- Volvo: equipment is manufactured in U.S.A., Germany, France, Sweden, Scotland and Korea; parts are sourced from Volvo's distribution facility in the U.S.A. Volvo employs various mechanisms to ensure compliance with its human trafficking and child labour policies, including onsite audits and supplier self-assessments.
- Manitowoc Crane: equipment is manufactured in U.S.A., Germany, Italy and France; parts are sourced from Manitowoc distribution facilities in the U.S.A. and Europe. Manitowoc employs various measures such as its diversity, equity and inclusion policies, and its published statement regarding human trafficking and child labour to ensure "the respect for human rights and dignity is embedded at all levels of our organization".
- CNH Industrial N.V.: equipment is manufactured in U.S.A., Brazil, Japan, Korea, Italy, the Czech Republic and India; parts are sourced from CNH's distribution facility in the U.S.A. In 2020, approximately 70% of our purchases originated from Europe; 14% originated from North America; 6% originated from South America and 10% originated from the rest of the world.

III. POLICIES AND PROCEDURES IN RELATION TO FORCED AND CHILD LABOUR

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Strongco has a number of internal policies and practices in place for our employees, including our Code of Conduct, which sets out the ethical business conduct principles that apply to our organization. The Code of Conduct must be followed by all staff. Other relevant policies we have adopted include policies on Health and Safety, Workplace Violence and Harassment Prevention, among others.

IV. RISK ASSESSMENT, MANAGEMENT AND MITIGATION

Strongco recognizes that its supply chains may have a risk of forced labour and child labour. However, given our supply chain, and knowledge of our suppliers we consider the risk of forced and child labour in the Strongco supply chains to be low.

As noted, 85% of the equipment we source stems from significant market actors, who have adopted their own policies and procedures in place in relation to forced and child labour. We have reviewed these policies. In this regard, we have mapped the majority of our first-tier suppliers.

V. EFFECTIVENESS OF OUR ACTION

Strongco policies are reviewed on an annual basis or more frequently if senior management identifies a need for an immediate update.

VI. REMEDIATION MEASURES

We have not identified any incidents of forced or child labour in our supply chains. As such, we have taken no related remediation measures and, therefore, have not taken any steps to mitigate any negative effects on vulnerable families of remediation measures. In the unlikely event an incident should arise, we are committed to taking appropriate remediation measures and assisting vulnerable families.

VII. TRAINING

Strongco provides orientation and training of role-specific and company-specific policies including a Workplace Violence and Harassment Policy and a Code of Conduct. Strongco employees must apply these policies to all other employees, customers, visitors to Strongco locations and suppliers.

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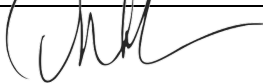
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This training aims to ensure new hires understand the principles of ethical business conduct to which they are expected to adhere.

APPROVAL & ATTESTATION

In accordance with the requirements of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Strongco. I attest that the report has been approved by the board of directors of Strongco Corporation and that, based on my knowledge and having exercised reasonable diligence, 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.

| | |
|------------|---|
| Signature: |  |
|------------|---|

Name: Oliver Nachevski,

Title: President and Chief Executive Officer

Date: May 31, 2024

I have the authority to bind Strongco Corporation

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