



Thermo Energy Solutions Inc.

2023 Fighting Modern Slavery Report

May 31, 2024

This Report is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”) and describes the steps Thermo Energy Solutions Inc. (“Thermo Energy” or “we” or “our”) has taken to address the risk of modern slavery in our operations and supply chain. The Report covers the financial year ending December 31, 2023.

Introduction

We acknowledge our responsibility to combat forced and child labour and have made a commitment to corporate social responsibility as simply what we do, who we are, how we operate, and it is interwoven into our four core values of:

- Make it better
- Make it right
- Make it together
- Make an impact

Our Business

Thermo Energy is a corporation incorporated under the Business Corporations Act (Ontario). It is a wholly owned subsidiary of Prospiant, Inc. which represents the Agtech reporting segment of Gibraltar Industries, Inc. (“Gibraltar”), the ultimate parent company of Thermo Energy.

Thermo Energy’s capabilities are focused on the manufacturing, design, engineering, construction and maintenance of greenhouses and other indoor growing environments. It has an office and operates a manufacturing facility in Kingsville, Ontario, where a total of 57 persons are employed.

Our Supply Chain

Thermo Energy procures goods and services from suppliers throughout the world and manages its supply chain partners in a manner that creates long-term, strategic relationships. The major inputs for our greenhouse structures and other indoor growing environments



include metals, glass, and climate-control equipment purchased from suppliers located within North America, Europe and Asia.

Policies and Due Diligence Processes

With respect to our operations, we perform pre-employment steps that include age verification for candidates prior to hiring to prevent child labour being used.

We do not tolerate violations of human rights including forced and child labour within our supply chain. Gibraltar's Corporate Vice President of Supply Chain Management is responsible for ensuring all Gibraltar suppliers meet expectations in this regard as outlined in Gibraltar's Supplier Code of Conduct, which all suppliers are required to adhere to.

We are committed to working with suppliers to ensure a clear understanding of our expectations which included the publication of the Gibraltar Supplier Handbook in 2023. The Gibraltar Supplier Handbook incorporates the Gibraltar Supplier Code of Conduct. We expect suppliers who do not meet the requirements of the Supplier Code of Conduct to take corrective actions to show progress to meeting these requirements. If a corrective action plan is not completed, Thermo Energy may dismiss any and all business / agreements.

More details with respect to Gibraltar's policies and procedures that address forced labour and child labour are set out below:

a. Gibraltar Supplier Handbook

The Supplier Handbook ([Gibraltar Supplier Documents – Gibraltar Industries \(gibraltar1.com\)](https://gibraltar1.com)) communicates the expectations of the company to its suppliers, serves as a reference for suppliers during the onboarding process and when they are ongoing suppliers.

The Supplier Handbook addressed issues of forced labour and child labour by referring to the Gibraltar Supplier Code of Conduct.

b. Gibraltar Supplier Code of Conduct

The Supplier Code of Conduct ([Corporate Governance | Gibraltar Industries, Inc. \(gibraltar1.com\)](https://gibraltar1.com)) ensures suppliers and vendors understand our expectations related to compliance with ethical, labor, health, safety, environmental, quality, employee, and management responsibilities and standards. Thermo Energy expects all suppliers to comply with Gibraltar's Code of Ethics and Statement of Policy along with all laws and regulations applicable to their own operation. Any unlawful conduct, inclusive of forced labour and child labour, will not be condoned.



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The Supplier Code of Conduct addresses issues of forced labour and child labour, setting forth the following:

- Gibraltar does not tolerate any forms of child labor, slavery, human trafficking, or any other related acts of forced labor or servitude;
- Gibraltar includes the deprivation of education due to employment, working conditions equal to slavery or similar practices, and illicit occupations to be a direct violation of our policy; and
- Any supplier engaging in human rights violations as previously described in this section will have all business arrangements **nullified immediately** and the supplier will be reported to the local law enforcements.

c. Gibraltar Code of Ethics and Statement of Policy

The Code of Ethics and Statement of Policy ([Corporate Governance | Gibraltar Industries, Inc. \(gibraltar1.com\)](#)) outlines the principles and the way we conduct our operations to uphold them. Every member of the Gibraltar team is expected to uphold the Code of Ethics.

The Code of Ethics and Statement of Policy addresses issues of forced labour and child labour, setting forth the following:

- We strive for complete compliance with standards such as the United Nations' Universal Declaration of Human Rights and Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises;
- All employees and business partners are expected to respect the rights of all people in accordance with applicable laws; and
- Discrimination of employees for exercising or participating in human rights, or human rights activities will not be tolerated in our business activities or supply chain.

d. Gibraltar Confidential Hotline

The Confidential Hotline ([Corporate Governance | Gibraltar Industries, Inc. \(gibraltar1.com\)](#)) establishes a system for employees and others to report misconduct. Gibraltar has set up a confidential toll-free hotline and an internal website. Employees and others may report facts that they believe the Audit Committee of Gibraltar should be aware of anonymously, without fear that any action will be taken against them.



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Forced Labour and Child Labour Risks and Steps Taken to Address These Risks

We conducted a preliminary risk assessment of our supply chain partners to identify suppliers with a higher exposure to forced labour and child labour in their supply chain. We intend to conduct a broader risk assessment and analyze these results in the future.

Gibraltar's Corporate supply chain team has partnered with a third-party service provider to help perform an initial risk assessment of the organization's exposure to forced labour and child labour within our supply chain. This included an assessment of Thermo Energy's supply chain.

We identified suppliers for whom country of origin are China, Malaysia, and Vietnam to focus due diligence efforts on countries with the most severe risks of forced and child labour. This includes other entities within the Gibraltar business, including a company controlled by Gibraltar that has an office located in China that manages the purchasing and supply chain administration of its key suppliers from Asia.

The service provider also conducted training sessions with the supply chain team to provide a summary of best practices to mitigate these risks.

As noted above, Thermo Energy employees and others have access to a whistleblowing process through the Gibraltar Confidential Hotline. The whistleblowing process encompasses the reporting of any misconduct. Thermo Energy has never received a complaint on the hotline related to forced labour or child labour.

We will continue to take actions in the future to improve our risk assessment process and mitigate the risk of exposure to forced labour and child labour in our supply chain by continuing to communicate our policies to suppliers and vendors while expanding our supplier review process.

Training

Gibraltar maintains its commitment to ethical leadership with quarterly ethics training for all employees. The ethics training is mandatory for all employees including employees of Thermo Energy. The content for ethics training was developed with the help of a third party and are broken into several modules. Ethical leadership modules cover many aspects of our Code of Ethics and Statement of Policy including our commitment to upholding human rights.

Remediation Measures

Thermo Energy has not taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour



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or child labour in its activities and supply chain since we have not identified any forced labour or child labour in our activities and supply chain.

Assessing Effectiveness

Thermo Energy is in the process of determining how to best the effectiveness of due diligence processes and policies ensuring forced labour and child labour are not being used in its supply chains or operations.

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 this report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

A handwritten signature in black ink, appearing to read 'Timothy Murphy', is written above a horizontal line.

Timothy Murphy
SVP & Chief Financial Officer
May 31, 2024

I have the authority to bind Thermo Energy Solutions Inc.