

2024 Report on Fighting Against Forced Labour and Child Labour in Supply Chains Act

May 28th, 2025

For Year Ended December 31st, 2024





2024 FORCED LABOUR AND CHILD LABOUR REPORT

INTRODUCTION

This Report is produced and published by CPEG Buffalo LLC (DE, USA), Sam Young Electrical Inc. (ON, CAN), CPEG Oskam Steel Fabrication Inc. (ON, CAN), Hebelers-Howard Marten Manufacturing Inc. (ON, CAN), and Hebelers-Howard Marten Manufacturing LLC (DE, USA), collectively “CPEG Buffalo”, for the year ending December 31st, 2024. This report considers what CPEG Buffalo has done to combat forced labour and child labour in our business as well as within our supply chain.

These entities reporting for 2024 began business operations on November 19th, 2024. As a result, this report is reflective of information from November 19th, 2024 through December 31st, 2024.

OUR BUSINESS

Our business is defined as the collective businesses of CPEG Buffalo LLC (DE, USA), Sam Young Electrical Inc. (ON, CAN), CPEG Oskam Steel Fabrication Inc. (ON, CAN), Hebelers-Howard Marten Manufacturing Inc. (ON, CAN), and Hebelers-Howard Marten Manufacturing LLC (DE, USA), CPEG Buffalo. CPEG Buffalo is a private organization with locations at 2000 Military Road, Tonawanda, NY 14150 and 70 Rosedale Ave, Port Colborne Ontario L3K 6G5. At our core we are an Engineering and Manufacturing organization, with each of the companies focusing on specific products, services, and market segments. Our Hebelers-Howard Marten Manufacturing companies provide custom auxiliary mechanical systems for industries such as Power Generation and Mining. These products typically support our customers’ equipment such as gas turbines, or mining crushers. The CPEG Buffalo LLC business provides custom machines that blend, dry, evaporate, and distill our customers’ materials to meet demanding process requirements, supporting a vast range of industries including the food, chemical, and pharmaceutical markets. The CPEG Oskam Steel Fabrication Inc. business supports manufacturing for the other CPEG Buffalo businesses noted above as well as local industry field service support. Lastly, the Sam Young Electrical Inc. business supports in-field industrial electrical contracting service needs, supporting the southern Ontario region.

OUR SUPPLY CHAIN

CPEG Buffalo's supply chain is critical to our operations as well as the products and services we supply worldwide. With a network of over 800 vendors used in 2024, across four (4) different buying locations in both the US and Canada, we purchased a vast array of items from major equipment, such as pumps, filters, and centrifuges, to raw materials such as pipe, wire, nuts, and bolts. Our large vendor base is necessary to support the unique needs every business segment demands, including what is required for specific projects within that segment. The categories for items purchased are equipment, raw materials (this can be further broken down to pipe and fitting, electrical, gaskets, etc.), OS specialty (for outside services), OS Manufacturing (for outsourced manufacturing need), Shipping, and MRO (certain production supplies).

RISK ASSESSMENT AND DUE DILIGENCE

CPEG Buffalo LLC (DE, USA), Sam Young Electrical Inc. (ON, CAN), CPEG Oskam Steel Fabrication Inc. (ON, CAN), Hebler-Howard Marten Manufacturing Inc. (ON, CAN), and Hebler-Howard Marten Manufacturing LLC (DE, USA) operate in both the USA and Canada, with procurement occurring in the same operating locations from a vast number of suppliers.

As part of our due diligence process, we assessed the Global Slavery Index (<https://www.walkfree.org/global-slavery-index/>) in relation to the location of companies where CPEG Buffalo made purchases in 2024 (tier one suppliers). 36% of purchases across the organizations were made with US companies, and 63% where from Canadian companies, totaling 99% for all purchases made within 2024. Both the USA and Canada, are defined as low on the Global Slavery Index findings. The 1% of purchases from companies outside of the USA and Canada were specifically from countries in western Europe which is also defined as low risk per the Global Slavery Index findings.

Our overall risk assessment for both forced and child labour within our supply chain concluded that the purchases made to our tier one suppliers, as defined by their location, are considered as low risk.

ACTION TAKEN IN 2024 TO PREVENT AND REDUCE THE RISK OF FORCED LABOUR

We are committed to our values, which drives the way we conduct business both internally and externally with our customers and supply chain. These values drive the policies and decisions we make as an organization. In addition to our values, our corporate policies, which are reviewed and updated on a yearly basis as needed, contain the policies that ensure we are working at the highest integrity levels and in accordance with all applicable laws, rules, and

regulations, including but not limited to our Code of Ethics, Whistleblower Protection, and requirements we have for Employment Eligibility and Work Authorization.

In 2024, CPEG Buffalo implemented changes to our Purchasing Terms and Conditions and worked with our supply chain for implementation, which requires that our suppliers are working in accordance with the appropriate laws, regulations, and ordinances. These changes include provisions for “No Forced or Child Labor” (Section 35) as well as ensuring that we are obtaining product that have no “Conflict Minerals” (Section 36).

POLICIES, RISK MITIGATION, AND REMEDIATION

With the entirety of our supply chain located in low-risk countries for Forced and or Child Labour, we will continue to rely on our documented Purchasing policies and procedures to ensure we adhere to the defined requirements. These policies include but are not limited to new supplier qualifications and onboarding procedures to ensure that we deal with reputable and law-abiding suppliers as well as compliance with our Purchasing Terms and Conditions, which govern the purchasing contracts that we issue.

During 2024 we made amendments to our Purchasing Terms and Conditions that specifically address awareness and compliance with laws, as related to Forced Labour and Child Labour. In 2024 and continuing into 2025 and beyond, we are strengthening compliance with this document as related to all interactions within our direct supply chain, resulting in CPEG Buffalo taking further measures to prevent Child and or Forced Labour.

The following is stated now on all purchase orders being issued by the companies defined within this document

Excerpt from our Purchase Order Terms and Conditions:

35. No Forced or Child Labor: CPEG Buffalo LLC, Hebelers-Howard Marten Manufacturing LLC, CPEG Oskam Steel Fabrication Inc., Hebelers-Howard Marten Manufacturing Inc., and or Sam Young Electrical Inc. are committed to upholding the highest ethical standards in all aspects of our business. We expect our partners and supply chain to share in this commitment, especially with concern to forced and or child labor, in violation of laws including but not limited to Section 307 of the Tariff Act of 1930, the Uyghur Forced Labor Prevention Act, and the Fighting Against Forced Labor and Child Labor in Supply Chains Act. The Seller hereby warrants that no form of forced and or child labor were involved in the production or manufacturing in whole or in part of any good provided by the Seller to the Buyer, including any portion of the Seller’s supply chain. The Seller hereby agrees that the Buyer has the right to terminate this contract without penalty, should the Seller violate this section of the Purchase Order Terms and Conditions.

ASSESSING EFFECTIVENESS

CPEG Buffalo will remain engaged and committed to the continuous review and refinement of our corporate policies and procedures, including that of the Purchasing group as it relates to risks within our supply chain and working with respectable, law-abiding suppliers.

We continue to perform the following activities, on a yearly basis, to support and monitor our polices as related to the fighting of forced labour and child labour:

Review the Fighting of Forced Labour and Child Labour Supply Chains Act on an annual basis to identify changes and review requirements.

Review our annual Supply Chain spend for the fiscal year and identify any potential risks as it relates to Forced Labour and Child Labour with supplier's locations and or specific industries.

Support training and or sharing of information for appropriate individuals, on the risks of modern slavery that exists in the global supply chain in order to create an awareness of what is occurring and ways that we can help to prevent it through our Purchasing policies and procedures.

CPEG Buffalo did not perform training in 2024 related to the specific topic of Forced Labour and Child Labour in the Supply Chain.

CORRECTIVE MEASURES

Our Corporate policies, including our Code of Ethics and Protection against whistleblowers, our updated Purchasing Terms and Conditions, and planned training will help us take the necessary measures to ensure we are meeting our values and protect against ethical and legal issues, including modern slavery. We are committed to honoring our commitments and addressing issues as they are discovered.

Within 2024 CPEG Buffalo did not take any action to address the loss of income to the most vulnerable families that results from forced labour and or child labour, as no instances of this occurring have been discovered and or brought to our attention.

APPROVAL AND ATTESTATION

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, specifically sections 11 (1) and 11 (3), I attest that I have reviewed the information contained in this report for all entities listed above. Based on my knowledge, and having exercised reasonable diligence, I am attesting 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.

I have the authority to bind Hebelers and all associated entities.



Bruce Bonhoff
President
Date 05/30/25