



B.C. INSTRUMENTS

A DIVISION OF B.C. MACHINING TECHNOLOGIES INC.

41 Proctor Road, Schomberg, Ontario L0G 1T0

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BILL S-211

An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff

REPORT

Modern Slavery Statement for the Fiscal Year ended September 30, 2025

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff. This statement outlines the approach and initiatives by B.C. Machining Technologies Inc., *operating as B.C. Instruments (also referred to as "BCI")*, to identify and address the risks forced labour and child labour in its business operations and supply chains during the fiscal year commencing October 1, 2024, and ending September 30, 2025.

BCI prohibits child labour, forced labour, and human trafficking in all forms. We are dedicated to promoting and protecting human rights throughout our operations and supply chains and believe that safeguarding human rights is fundamental to our operations and corporate responsibility.

Business Structure

BCI was established on April 1, 1971. It trades under the business name B.C. Instruments with its head office at 41 Proctor Road, Schomberg, ON, L0G 1T0.

- B.C. Instruments provides precision machined parts for clients across the Aerospace, Medical, Nuclear, Plastic Injection Molding, Electro-Optic, and defense industries around the world.
- Manufacturing of such products occur with facilities located at:
 - 41 Proctor Road, Schomberg, ON, L0G 1T0
 - 21 Proctor Road, Schomberg, ON, L0G 1T0
 - 45 Progress Drive, Orillia, ON, L3V 0T1
 - 31 Ontario Street, Orillia, ON, L3V 0T7
 - 32 Nixon Road, Bolton, ON, L7E 1W2
 - 201 Elm Street East, Durham, ON, N0G 1R0
- BCI procures various metal (steel, aluminum, and alloys) and other raw materials from suppliers who are based in Canada, US, Europe, and Asia.



Supply Chain

BCI is committed to respecting human rights and ensuring that forced labour and child labour is not a part of any product within your supply chain.

BCI has a process of reviewing and qualifying suppliers which along with other items conveys our commitment towards respecting human rights and the intolerance towards forced labour and child labour. All suppliers are to follow our supplier code of conduct in principle. As a process of onboarding any new supplier, such potential new supplier must read and confirm BCI's standards and expect them to adhere to the same.

Risks in Supply Chain

- BCI has a dispersed supply chain and as part of our continued efforts. Suppliers must adhere to BCI's policy and are required to implement measures to prevent child labour, forced labour, and human trafficking in their operations.

Actions Taken

- BCI is certified to ISO 9001:2015, AS9100D, compliant to the CSA N299.2 standard as assessed by CANPAC, and TSSA-certified N285 program for Boiler and Pressure Boundary activities.
- Together with company and supplier policy being prepared, enacted, and posted to the company's website, advanced training on this topic has occurred since November 2024, including highlighting the use of the Canadian Human Trafficking Hotline for those seeking help or those reporting a potential case.
- Terms and conditions within supplier agreements include reinforcement of expectations and implementation by suppliers to meet this standard.

Risk Assessment

BCI suppliers are verified through government resources not to be at risk for child labour or forced labour.

It is BCI's expectation that suppliers will have appropriate policies, procedures, and systems in place, to support the following standards:

- Child labour shall not be used. Underage labour, as defined by local labour law, will not be utilized unless it is part of a government approved training or apprenticeship program that clearly benefits the participants.
- Any form of forced or compulsory labour is prohibited.
- Workers, without fear of reprisal, intimidation or harassment should be able to communicate openly with management regarding working conditions. They shall also



have the right to associate freely and join labour unions and workers' councils in accordance with local laws.

- Workers shall be protected against any form of harassment and discrimination in any form, including but not limited to gender, sex, age, religion, disability, and political beliefs.
- Workers shall have a safe and healthy workplace that meets or exceeds all applicable standards for occupational health and safety.
- Workers shall be compensated with wages and benefits that are competitive and comply with local law, including minimum wages, overtime hours and legally mandated benefits.
- Working hours shall comply with all applicable local laws regulating hours of work. It is our expectation that all our suppliers will maintain these global working conditions in all their operations, while also promoting adoption of these principles with their own suppliers.

Remediation

- No issues have been identified so far within our supply chain

Training

- BCI's procurement team is well aware of our policy regarding the supplier expectations with respect to BCI policy and related working conditions and standards.
- All PO's sent to suppliers contain Terms and Conditions of the Purchase Order stating:

Child Labour and Forced Labour

Suppliers must comply with all applicable labour and employment laws, statutes, and regulations of the jurisdictions in which they operate. Suppliers must be able to demonstrate that in their workplaces:

- No child labour, forced labour (including prison labour), or human trafficking is used
- Discrimination, harassment, and workplace violence are not tolerated
- There is respect for the rights of workers to associate and bargain collectively
- Employees are free to raise concerns without fear of reprisal

Effectiveness Assessment

- Approximately 180-BCI employees have reviewed BCI's policy, together with all new hires receiving such training.
- BCI's policy is set for review on an annual basis.



Sign off

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act for the fiscal year ending September 30, 2025. It has been issued on behalf of B.C. Manufacturing Technologies Inc. and approved by the board of directors.

For B.C. Manufacturing Technologies Inc.,

A handwritten signature in blue ink that reads "Sean Smith". The signature is written in a cursive, flowing style.

Sean Smith

President