

2025 Report under Fighting Against Forced Labor and Child Labor in Supply Chains Act

1. Introduction

This document constitutes the Annual Report pursuant to section 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chain Act* and is filed on behalf of Bay Industries Inc. for the financial year ended December 31, 2025.

Conducting business with integrity is a fundamental principle within our organization. The report provides an overview of the actions that Bay Industries Inc. has taken and will continue to assess and address the risks of modern slavery, which includes forced labor and child labor.

Forced labor and child labor, as defined in the Act, are crimes and serious violations of human rights. Bay Industries Inc. recognizes the key role that we have in adhering to the highest ethical standards in our operations and supply chains that support these.

2. Our Structure, Operations, and Supply Chains

Bay Industries Inc. consists of manufacturing and wholesale distribution locations throughout the United States of America and sales throughout North America. We produce and distribute insulation for pre-engineered metal buildings along with commercial industrial insulation, air handling and HVAC products.

As a company, we are committed to complying with all applicable laws and regulations everywhere that we do business and are committed to preventing the use of child and forced labor. Our suppliers are reputable suppliers that manufacture products within the United States of America.

3. Policies, Due Diligence, and Controls

Bay Industries Inc. will not condone or engage in the unlawful employment or exploitation of children or forced labor in the workplace. We adhere to all provincial, state, federal and local laws concerning the lawful employment of children and others. The use of forced labor or child labor where any work or service that a worker performs involuntarily under threat, violence, or penalty is prohibited.

We adhere to all federal, state, and local legislation and laws concerning the minimum age and working conditions of all our employees. Our websites continue to include the Supplier Code of Conduct as part of our ongoing due diligence efforts and our continued commitment to preventing forced labor and child labor within our supply chain.

4. Risk Assessment Methodology and Results of Assessment

Since implementing our Supplier Code of Conduct in 2024, Bay Industries Inc. has continued to apply this standard across our supply chain each year. All raw materials and resale products are sourced from reputable U.S.-based companies that are required to comply with the Code. We will regularly review and strengthen our policies to further reduce any potential risk of modern slavery within our operations and supply chain.

5. Risks of Forced Labor and Child Labor in Our Operations and Supply Chains

Bay Industries Inc. is not aware of any forced labor and child labor going on in our activities or our current supply chain.

6. Remedial Action Taken during 2025

Bay Industries Inc. has not identified instances of forced or child labor in its activities or supply chains. As such, no remediation measures have been taken. We will continue to assess our activities and supply chains and consider appropriate means of remediation for forced or child labor should they arise.

7. Our Remediation Processes

Bay Industries Inc. is committed to protecting whistleblowers who acted in good faith, via no disciplinary action; no legal proceedings; and no retaliation. An ethics hotline is available to employees to allow them to report breaches of the law, or other internal policies, in confidentiality through a secure online or phone reporting system. An independent third-party provider operates this hotline. Our workers in each plant operated by Bay Industries Inc. are educated on the existence of the hotline and the number is displayed or communicated clearly to them. All reports through this system are processed and investigated as applicable and appropriate measures are taken when justified.

In respect of Canadian government guidelines, Bay Industries Inc. does not employ any migrant or child labor.

8. Our remediation actions for the loss of income to the most vulnerable families that result from any measure taken to eliminate forced labor and child labor from our operations and supply chains.

Bay Industries Inc. is not currently aware of any instance where its efforts to prevent and reduce the risk of forced or child labor in its activities or supply chains contributed to a loss of income for vulnerable families.

9. Our Training

We continue to include child labor and forced labor content in our annual employee training and in our employee handbook. Labor Law Posters are displayed at all locations. Our Code of Ethics is maintained within the employee handbook and is a condition of employment at Bay Industries Inc. New managers attend an ethics presentation as part of Leadership Training. In addition, our Supplier Code of Conduct continues to be available on our website and is reinforced as part of our ongoing supplier expectations and compliance processes.

10. Assessing Our Effectiveness

Bay Industries Inc. has no formal process for measuring effectiveness in the mitigation and prevention of forced and child labor risks other than a periodic review of our activities, suppliers, and supply chain.

11. Our Consultation and Governance Process

Bay Industries Inc. believes in a high standard of governance, ethics, compliance, and risk management. We work closely with our teams and strategic suppliers and seek to ensure that those associated with Bay Industries Inc. do the same. We strive to ensure that our teams are well informed about Bay Industries Inc. rules and expectations and that they have the tools and training they need to manage risk in their areas of work.

12. Conclusion

Bay Industries Inc. is committed to preventing forced labor and child labor from taking place in our business and our supply chains. We will continue to review all our policies and practices to make continued awareness and prevent the use of forced labor and child labor in our supply chain and operations.

13. Approval and Attestation

This report was approved by the governing body of Bay Industries Inc. on May 6, 2026, pursuant under section 11(4)(b)(ii) of the Act and it has delegated authority to sign the report to Kathleen Jadin, CFO, Bay Industries Inc. to sign the report on its behalf.

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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 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 this 6th day of May 2026

Per: 

Kathleen Jadin

CFO of Bay Industries Inc.

I have the authority to bind Bay Industries Inc.