

# *2023 Report on compliance with Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Dajcor Aluminum Ltd.

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Reporting year – 2023 (No Revisions)

This report outlines Dajcor Aluminum Ltd.'s (“**Dajcor Aluminum**”) efforts to ensure compliance with *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) and its commitment to ethical sourcing practices in its supply chain. The report highlights steps taken in the previous financial year, including the implementation of a Supplier Code of Conduct, Supplier Declaration, and Supplier Sustainability initiatives. Additionally, changes to the supplier onboarding process, supplier review process, and criteria for selecting suppliers are addressed including declarations on the sourcing of conflict minerals from identified countries. The report also discusses the identification of risk areas in the supply chain and evaluations of vendors based on their human rights policies and reports.

## **Structure, Activities and Supply Chain**

Dajcor Aluminum is incorporated pursuant to the laws of the Province of Ontario and is the leading Canadian supplier of extruded, fabricated/machined and anodized aluminum components and assemblies to various markets. It manufactures aluminum extrusion in Canada and the United States of America and purchases aluminum billet domestically from third parties that may import aluminum from Europe and South Asia.

## **Policies and Due Diligence Processes**

Dajcor Aluminum has embedded responsible business conduct into its policies and management systems.

### Supplier Code of Conduct

Dajcor Aluminum has developed and implemented a Supplier Code of Conduct that outlines the ethical standards and expectations for suppliers. This code covers areas such as labor practices, environmental sustainability, and business integrity. Suppliers are required to adhere to these standards as a condition of doing business with Dajcor Aluminum.

## Supplier Declaration

To ensure transparency and accountability, at risk suppliers are asked to complete a Supplier Declaration confirming their compliance with Dajcor Aluminum's Supplier Code of Conduct. This declaration serves as a formal acknowledgment of their commitment to ethical business practices.

## Supplier Sustainability

Dajcor Aluminum has integrated sustainability considerations into its supplier management processes. This includes evaluating suppliers based on their environmental practices, resource management, and commitment to reducing carbon footprint. Collaboration with sustainable suppliers is prioritized to promote environmental responsibility throughout the supply chain.

## **Steps to Prevent and Reduce Risks of Forced Labour and Child Labour**

### Changes to Supplier Onboarding Process

In the past year, Dajcor Aluminum has updated its critical supplier onboarding process to include a thorough assessment of potential suppliers' adherence to ethical standards. This includes conducting background checks, reviewing past performance, and verifying compliance with regulatory requirements for high-risk vendors.

### Changes to Supplier Review Process

The critical supplier review process has been enhanced to include a more rigorous evaluation of suppliers' human rights policies and reports. This includes assessing their efforts to address issues such as forced labor, discrimination, and child labor. Suppliers that do not meet these standards may be subject to further review or termination of the business relationship.

### Criteria for Selecting Suppliers

Dajcor Aluminum has refined its criteria for selecting critical suppliers to prioritize ethical sourcing practices. In addition to considering factors such as cost, quality, and reliability, suppliers are evaluated based on their commitment to social responsibility, environmental sustainability, and human rights.

### Adherence to Local Laws and Policies

Dajcor Aluminum complies with the laws of the Province of Ontario. However, it is noted that a comprehensive human rights policy is not currently in place. Efforts are underway to develop and implement such a policy to further strengthen our internal responses to forced labour and child labour.

## **Forced Labour and Child Labour Risks**

### **Risk Assessment in the Supply Chain**

Dajcor Aluminum has identified forced labour and child labour risks in its Raw Material (Aluminum) suppliers. These suppliers were identified as risks due to their geographical regions and industries that have historically inadequate labor protections, potential for forced labor, and limited oversight of working conditions. Efforts are ongoing to mitigate these risks through enhanced due diligence and collaboration with reputable suppliers.

### **Remediation Measures**

To date we have not identified any forced labour or child labour in our own production or those of our existing suppliers and therefore no remediation measures have been necessary, nor have we identified any loss of income to those most vulnerable.

### **Training on Forced Labor**

Although workers are trained in the areas of discrimination and workplace harassment, at present, Dajcor Aluminum has not provided additional training specifically focused on forced labor and child labour. Recognizing the importance of addressing this issue, steps are in place to incorporate training programs to raise awareness and ensure compliance with relevant laws and regulations.

### **Assessing Effectiveness**

To assess effectiveness, Dajcor Aluminums' annual supplier review was modified to include sustainability indicators that, beginning with fiscal 2024, will audit and score critical suppliers based on their policies and procedures regarding human rights, forced labour and child labour.

### **Conclusion**

Dajcor Aluminum remains committed to upholding ethical standards in its business activities, supply chain and ensuring compliance with the Act. Through the implementation of robust supplier management processes, collaboration with responsible suppliers, and ongoing risk assessments, Dajcor Aluminum strives to promote ethical sourcing practices and contribute to a more sustainable and socially responsible business environment.

### **Attestation**

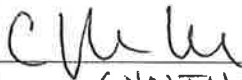
In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full Name:

Title:

Date:

I have the authority to bind Dajcor Aluminum Ltd.

  
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CYNTHIA MARKS  
PRESIDENT  
4/25/2024

