

2025

Annual Report on Fighting Against Forced Labour and Child Labour in Supply Chains

PART 1 – ANNUAL REPORT

1. This report is for which of the following? (Required)

- ☒ Entity
☐ Government Institution
-

2. State the legal name of the reporting entity or government institution (Mandatory)

- ☒ A.G. Simpson Automotive Inc. ("AGS")
-

3. Reporting Year

- ☒ May 31, 2025
-

4. Financial year covered by report (Start Date):

- ☒ January 1, 2024
-

5. Financial year covered by report (End Date):

- ☒ December 31, 2024
-

6. Is this a revised version of a report already submitted this reporting year? (Required)

- ☐ Yes
☒ No
-

7. Business number (s) (if applicable, provide the business number of the entity completing this questionnaire):

- ☒ 170998942
-

8. For entities only: Is this a joint report? (Mandatory)

- ☐ Yes
☒ No
-

9. Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction?

- ☐ Yes
☒ No

10. Which of the following categories apply to the entity?

☐ Listed on a stock exchange in Canada

Canadian business presence (select all that apply):

☒ Has a place of business in Canada

☒ Does business in Canada

☒ Has assets in Canada

Meets size-related thresholds (select all that apply):

☒ Has at least \$20 million in assets for at least one of its two most recent financial years

☒ Has generated at least \$40 million in revenue for at least one of its two most recent financial years

☒ Employs an average of at least 250 employees for at least one of its two most recent financial years

11. In which of the following sectors or industries does the entity operate? Select all that apply.

☐ Agriculture, forestry, fishing and hunting

☐ Mining, quarrying, and oil and gas extraction

☐ Utilities

☐ Construction

☒ Manufacturing

☐ Wholesale trade

☐ Retail trade

☐ Transportation and warehousing

☐ Information and cultural industries

☐ Finance and insurance

☐ Real estate and rental and leasing

☐ Professional, scientific and technical services

☐ Management of companies and enterprises

☐ Administrative and support, waste management and remediation services

☐ Educational services

☐ Health care and social assistance

☐ Arts, entertainment and recreation

☐ Accommodation and food services

☐ Other services (except public administration)

☐ Public administration ☐

Other, please specify:

*Manufacturing

☒ Other manufacturing

AGS is a full-service automotive supplier that specializes in stamping and plating. Its primary focus is on rear and front impact bumpers.

12. In which country is the entity headquartered or principally located?

☒ Canada

13. In which province or territory is the entity is headquartered or principally located?

☒ Ontario

PART 2 – ANNUAL REPORT

1. Which of the following accurately describes the entity's structure?

- ☒ Corporation
- ☐ Trust
- ☐ Partnership
- ☐ Other unincorporated organization

2. Which of the following accurately describes the entity's activities? Select all that apply.

- ☒ Producing goods (includes manufacturing, extracting, growing and processing), in Canada
 - ☐ Producing goods (includes manufacturing, extracting, growing and processing), outside Canada
 - ☒ Importing into Canada goods produced outside Canada
 - ☐ Controlling an entity engaged in producing goods, in Canada
 - ☐ Controlling an entity engaged in producing goods, outside Canada
 - ☐ Controlling an entity engaged in importing into Canada goods produced outside Canada
-

3. What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply. (Mandatory)

- ☐ Mapping activities
 - ☐ Mapping supply chains
 - ☐ Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
 - ☐ Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
 - ☐ Developing and implementing an action plan for addressing forced labour and/or child labour
 - ☐ Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
 - ☐ Addressing practices in the organization's activities and supply chains that may cause or contribute to the risk of forced labour and/or child labour
 - ☒ Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
 - ☐ Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour
 - ☐ Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
 - ☐ Developing and implementing child protection policies and processes
 - ☐ Developing and implementing anti-forced labour and/or -child labour contractual clauses
 - ☒ Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
 - ☒ Auditing suppliers
 - ☐ Monitoring suppliers
 - ☐ Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour
 - ☐ Developing and implementing grievance mechanisms to address complaints in the workplace
 - ☒ Developing and implementing training and awareness materials on forced labour and/or child labour
 - ☐ Developing and implementing procedures to track effectiveness in addressing forced labour and/or child labour
 - ☒ Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
 - ☐ Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour
 - ☐ Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks
 - ☐ Information not available for this reporting period
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4. **Please provide additional information describing the steps taken (if applicable) (3,000 character limit).**

Please note that information entered could be identifying information. In order to protect privacy, entities must not provide personal information of any kind in the open text box fields of this questionnaire.

Integrity Code ("Code")

AGS's Integrity Code contains express language that addresses child and forced labour and the upholding of ethical business standards. All employees are expected to comply with the Code and are encouraged to communicate openly regarding all working conditions without fear of harassment or reprisal. In addition, all new hires must certify that they will uphold the Integrity Code. Thereafter, all employees are required to review the Code annually and affirm their commitment to upholding it. All employees are encouraged to communicate openly regarding all working conditions without fear of harassment or reprisal.

Supplier Code and Contractual Obligations

By entering into the standard purchase order form with AGS, suppliers agree to adhere to all the terms of the AGS Supplier Manual, which incorporates the AGS Sustainability Guidelines ("Guidelines") by reference. Exceptions must be submitted to AGS's purchasing department in writing. AGS will review the basis for any such exception and the basis upon which the exception may or may not be granted. Further, under the Guidelines, suppliers may be audited annually to ensure they follow ethical business standards, including reviewing forced and child labour within their supply chains, and are expected to complete an annual self-assessment.

Further details regarding the Sustainability Guidelines and how AGS manages its suppliers' relationships are explained below.

Suppliers are required to certify on an annual basis that they are compliant with the Guidelines.

Sustainability Guidelines for Suppliers ("Guidelines")

AGS's supplier relationships are governed by AGS's Sustainability Guidelines for Suppliers, which apply to both domestic and foreign companies. The Guidelines assert that AGS is committed to recognizing human rights and labour principles throughout its organization and supply chain and that it expects its suppliers and sub-suppliers to develop policies and practices for all of their facilities to ensure working conditions comply with local laws in support of AGS's core principles.

The Guidelines state that child labour use shall not be tolerated and prohibit all suppliers from employing anyone below the legal age for employment by the applicable local law. The Guidelines also state that suppliers will not use forced or involuntary labour of any kind or tolerate physical abuse in any way. Suppliers are expected to have the tools to prevent, identify and resolve unacceptable employee treatment, such as harassment, discrimination, physical or mental punishment, or other forms of intimidation or abuse.

Suppliers are also obligated to recognize an employee's right to representation by trade unions and are obligated to promote a safe and healthy workplace for all their employees with a continued commitment.

The Guidelines state that suppliers must comply with applicable laws regulating working hours and wages, including minimum wage, overtime, and rest periods, and must provide legally mandated benefits. They explicitly commit to increasing awareness and mitigating forced labour and human rights violations by identifying and sharing data with suppliers. The Guidelines contain resources suppliers are expected to cascade to their employees and global supply networks.

Suppliers are required to uphold the highest standards of integrity and conduct business with honesty and fairness throughout the supply chain, in full compliance with all applicable laws, regardless of where they do business. Suppliers are also expected to work against corruption, including extortion and bribery.

Conflict Minerals Policy

As a socially responsible company, AGS is concerned with the well-being of people and communities. Through its Conflict Minerals Policy, AGS supports the efforts of human rights organizations to end violence and atrocities in Central Africa (the Democratic Republic of Congo (DRC) and other adjoining countries: Republic of Congo, Central African Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda, and Uganda.

Whistleblower and Anti-Retaliation Policy

AGS supports a work environment where employees and other stakeholders are encouraged to report legal and ethical concerns without fear of retaliation. This Whistleblower Policy is intended to encourage and enable all employees and other stakeholders, including suppliers, to report any credible concerns regarding ethical and legal issues so that AGS can address and correct inappropriate conduct and actions.

It is contrary to AGS's values for anyone to retaliate against any employee or stakeholder who, in good faith, reports an ethics violation or a suspected violation of law, such as a complaint of discrimination, suspected fraud, or suspected violation of any of its other policies.

5. Does the entity currently have policies and/or due diligence processes in place related to forced labour and/or child labour?

- ☒ Yes
☐ No

5.1 If yes, which elements of the policies and/or due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply.

(Mandatory)

- ☒ Embedding responsible business conduct into policies and management systems

- ☐ Identifying and assessing potential and actual adverse impacts in operations, supply chains and business relationships
- ☐ Ceasing, preventing or mitigating potential and actual adverse impacts
- ☐ Ceasing, preventing or mitigating potential and actual adverse impacts
- ☐ Tracking implementation and results
- ☐ Communicating how impacts are addressed
- ☐ Providing for or cooperating in remediation when appropriate

6. Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Mandatory)

Note : Entities are being asked to indicate if they have considered the ways in which their activities and supply chains could potentially cause, contribute to, or be linked (directly or indirectly) to actual or potential forced labour or child labour.

Identifying parts of an entity's activities and supply chains that carry a risk does not indicate that forced labour or child labour was or is actually being used.

- ☐ Yes, we have identified parts of our activities and/or supply chains that carry risks to the best of our knowledge and will continue to identify emerging risks
- ☐ Yes, we have identified parts of our activities and/or supply chains that carry risks to the best of our knowledge and will continue to identify emerging risks
- ☒ No, we have not started the process of identifying parts of our activities and/or supply chains that carry risks of forced labour or child labour being used

7. Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Mandatory)

- ☐ Agriculture, forestry, fishing and hunting
- ☐ Mining, quarrying, and oil and gas extraction
- ☐ Utilities
- ☐ Construction
- ☐ Manufacturing
- ☐ Wholesale trade
- ☐ Retail trade
- ☐ Transportation and warehousing
- ☐ Information and cultural industries
- ☐ Finance and insurance
- ☐ Real estate and rental and leasing
- ☐ Professional, scientific and technical services
- ☐ Management of companies and enterprises
- ☐ Administrative and support, waste management and remediation services
- ☐ Educational services

-
- ☐ Health care and social assistance
 - ☐ Arts, entertainment and recreation
 - ☐ Accommodation and food service
 - ☐ Other services (except public administration)
 - ☐ Public administration
 - ☒ None of the above
 - ☐ Other, please specify
-

8. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable) (3,000 character limit).

9. Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Mandatory)

- ☐ Yes, we have taken measures
 - ☐ No, we have not taken measures
 - ☒ Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.
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10. Has the entity taken any measures to remediate the loss of income to the most vulnerable individuals and families that results from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains? (Mandatory)

- ☐ Yes, we have taken measures
 - ☐ No, we have not taken measures
 - ☒ Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.
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11. Does the entity currently provide training to employees on forced labour and/or child labour? (Mandatory)

- ☒ Yes
 - ☐ No
-

11.1 If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Mandatory)

- ☐ Yes, the training is mandatory for all employees.
- ☒ Yes, the training is mandatory for employees making contacting or purchasing decisions.
- ☐ Yes, the training is mandatory for some employees
- ☐ No, the training is voluntary

12. Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains?

(Mandatory)

☐ Yes

☒ No

Approval and Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I, in the capacity of [title], attest that I have reviewed the information contained in the report on behalf of the governing body of 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 within this report.



Name: Lisa T. Boulton

Title: Senior VP Corporate Affairs and General Counsel

Date: May 26, 2025

I have authority to bind A.G. Simpson Automotive Inc.