



It is with great pride and a deep sense of responsibility that we present this single report detailing our commitment and efforts to prevent forced labor within our supply chain for our fiscal period ending December 31, 2023. At Rulmeca Canada Ltd., (“Rulmeca Canada”, 104290226) we recognize the gravity of the global challenge posed by forced labor and its impact on human rights. Our commitment to ethical business practices extends beyond mere compliance.

In this report, we will share the comprehensive measures we have implemented to identify, assess, and mitigate the risk of forced labor in our supply chain. By embracing transparency, accountability, and collaboration, we aim to set a standard for responsible business conduct that goes beyond mere compliance with regulations. Our journey towards eradicating forced labor is not just a corporate obligation but a moral imperative that we embrace wholeheartedly.

As you delve into the pages of this report, we invite you to join us on this journey of continuous improvement and ethical leadership. Together, we can create a supply chain ecosystem that stands as a beacon of fairness, dignity, and respect for all. Thank you for your interest in our commitment to preventing forced labor, and we look forward to your engagement and support in this critical endeavor.

Rulmeca Canada is the forefront of idler technology, design, and construction. The primary objective of the company is to supply idlers, idler technology, pulleys, and conveyor components as a front-line product. Although we market our products and services through Distributors, Original Equipment Manufacturers and Engineering Houses, we realize that the key industries require an accountable presence in the field to ensure they are catered accordingly.

We are a corporation located in Wallaceburg, Ontario that employs 92 people, within Engineering/Facilities, Finance, Production, Quality, Sales, and Supply Chain. All departments report to their respective managers who report to the executive committee. Our executive committee includes the Finance Director, Sales Director and Operations Director with all business decisions approved by President/CEO and communicated to the Group Managing Director.

Rulmeca Canada is part of the Rulmeca Group who employs more than 1200 people in 9 manufacturing facilities and numerous sales companies located globally. Rulmeca Canada is NSF-ISR ISO 9001 certified and part of the labour union – Iron Workers Local 843. We are also part of the local Wallaceburg Chamber of Commerce and Conveyor Equipment Manufacturing Association.

### **Our MISSION**

We exist to design, manufacture, and deliver components and solutions of excellence, including a premium after-sales service that contributes to the more efficient and effective transport of material and packages. We are committed to maintain economic soundness while consistently pursuing excellence in all our activities. In doing so, we seek recognition from our clients, suppliers, employees, shareholders, and the communities in which we operate.

### **Our VISION**

We aspire to be a globally recognized business partner for the supply of handling equipment components, setting a standard for sustainable and ethical business practices, based on three guidelines: People, Planet and Profit.

Rulmecca Canada conducts its activities and has responsibility to combat and reject any forms of modern slavery. We promote Principles III, IV, V and VI of the UN Global Compact. We are committed to countering the core values in the area of Labour:

- **Principle III:** The freedom of association and the effective recognition of the right to collective bargaining.
- **Principle IV:** The elimination of all forms of forced and compulsory labour.
- **Principle V:** The effective abolition of child labour.
- **Principle VI:** The elimination of discrimination in respect of employment and occupation.

This policy identifies the following forms of prohibited behaviour to ensure this does not occur at any stage and in any area of our business:

- Contracting or working with any entity or organization that causes, promotes, or contributes to modern slavery or human trafficking.
- Collaborating with organizations that facilitate any form of modern slavery, including the use of child or forced labour, or that do not recognize freedom of association or collective bargaining.
- Denying a person's possession of their own passport, identify card or travel documents.
- Preventing a person from expressing themselves directly and freely.
- Accompanying or forcibly removing a person from the workplace.
- Threatening a person with violence, harassment, or intimidation.
- Obliging a person to work overtime.
- Exploiting child labour, it's forbidden the use of child labour also in cases where it is expressly permitted by labour law, except for temporary educational purposes.
- Resorting to forced labour.
- Precluding access to legal remedies against measures against a person.
- Sexual exploitation or abuse.

Our forced labour and child labour policy applies to all persons working for or on behalf of any Rulmecca Group of companies including Rulmecca Canada. This includes employees at all levels, directors, department heads, temporary workers, seconded workers, agents, contractors, external consultants, business partners and suppliers.

The Supply Chain Manager evaluates new suppliers, who have the responsibility and authority to approve and disapprove, with assistance from other members of the management team when required. In many cases, our Supply Chain Manager, Quality Manager, and management team will tour the manufacturing facility to evaluate the quality of items and the environment. The Supply Chain Manager approves vendors and maintains an Approved Supplier List that is utilized by all employees in the supply chain department. We use a conditional basis of six months and the criteria based on inspections to maintain vendors on the Approved Supplier List. If required, as outlined in our Purchasing Procedure, in some cases, a formal risk assessment may be conducted as part of the evaluation and selection of a potential supplier, or to determine if a problematic supplier should be retained. All purchase orders and contracts are approved and signed by both the Supply Chain Manager and the President/CEO.

We expect all suppliers to consider human rights and the protection of the environment within the communities in which they operate. The qualification, selection and monitoring of suppliers and collaborators is based on transparency and integrity. We ensure particular attention is to be paid to the case of entities operating in countries that do not have clear, adequate legislation for the protection of workers and human rights. Where necessary Rulmecca conducts in-depth investigations into compliance with the provisions of the Code of Ethics with its suppliers and collaborators.

The prevention, detection and reporting against forced labour and child labor is the responsibility of all those working for or under the control of Rulmecca. The policies implemented assist as a guide ensuring we identify if any of the following prohibited forms of behaviour within our supply chain:

- Requiring suppliers to undertake not to use, and to ensure that others in its supply chain do not use, child labour or forced labour or forced labour, or labour that in any other way contravenes our policy.
- Terminating the business relationship and any contract or supply agreement if it is found that the supplier or a supplier in its supply chain violates our policy.
- Sharing our policy with all stakeholders within the supply chain by integrating it into our commercial agreements.
- Requiring suppliers to comply with the contents of our policy and in turn to require their suppliers to comply with the same.

Rulmeca believes “Responsibility starts with us”, our Code of Ethics is addressed to the members of Rulmeca’s manager and supervisory bodies, to Rulmeca’s employees and collaborators and to all third parties who work with, on behalf of and/or on behalf of Rulmeca. Each person involved is responsible for reading, understanding, and complying with the Code of Ethics and related policies.

As stated in Rulmeca Group’s Environmental, Social and Governance report, every action is linked to our Values. These Values guide our actions and the behaviour of those who work with us which represent our corporate heritage:

- Integrity
- Sustainability
- Inclusion and Social Development
- Innovation and Operational Excellence
- Transparency and Collaboration

Embedded within each of these values we reject forced and child labour and any form of coercion or abuse of employees’ freedom. We have not identified any instances of forced labour or child labour in our operations or supply chain that would necessitate remediation measures.

Every Rulmeca employee is required to attend an orientation training program on their first day of employment. The orientation is a presentation which details our employee code of conduct, code of ethics and non-compliance of policies and procedures. Throughout the orientation, new employees are trained in 18 company policies. In addition, the health and safety team choose one or two polices per month to review with all 92 current employees. Throughout the year, as policies and procedures are revised and implemented, they are all communicated on-line to each employee. Human Resources verifies that everyone has understood the policies and procedures and addresses any inquiries. All supply chain employees are additionally trained in the Purchasing Procedure.

Rulmeca offers a dedicated whistleblowing channel through an online platform accessible through the company’s website (<https://rulmeca.wallbreakers.it/#/>). This reporting mechanism is available to all employees and anyone who observes behaviour that may be considered unlawful. Covery issues related to conduct, risks, crimes, violations of the Code of Ethics, relevant policies, company regulations and other legal requirements.

The whistleblowing channel ensures the option to submit a detailed report while ensuring anonymity. It also protects against any discriminatory, accusatory, punitive, or retaliatory action or measure arising from the report, whether directly or indirectly related to the report.

Rulmecca is committed to conducting investigations into all allegations, in accordance with the methods prescribed by local legislation and internal protocols. Reports can be submitted in English or in the local language if not English. The person responsible for assessing regulatory compliance by territorial jurisdiction and content will evaluate the validity of the circumstances presented and determine subsequent actions, being able to resort to a third party when deemed necessary. It is indicated that when reporting to Rulmecca it does not preclude reporting to other authorities charged with overseeing public functions within its jurisdiction.

Rulmecca Canada Ltd., we remain steadfast in our commitment to ethical sourcing and supply chain integrity. Through rigorous monitoring, supplier engagement, and continuous improvement initiatives, we have implemented robust measures to prevent the scourge of forced labor from infiltrating our supply chain.

As detailed in this report, our efforts encompass comprehensive supplier vetting processes, ongoing audits, and partnerships with credible third-party organizations to ensure compliance with internationally recognized labor standards. Furthermore, we recognize the importance of transparency and accountability, which is why we are dedicated to openly sharing our progress and challenges in combating forced labor.

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 of the entity or entities listed above. Based on my knowledge, 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 report year listed above.



Kanthan Vinas

Finance Director

May 29<sup>th</sup>, 2024

“I have the authority to bind Rulmecca Canada Ltd.”