

# Modern Slavery Act Report

(Fiscal Year 2023)

## Introduction

Pursuant to the requirements of Canada's new modern slavery legislation, the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act), this joint report has been prepared for Trevluc Holdings Ltd. and its related reporting entities, hereafter referred to collectively as the "WGI Group of Companies" or "WGI," in compliance with Section 11 of Bill S-211 for the financial year ending December 31, 2023.

The following reporting entities are covered by this report:

Trevluc Holdings Ltd. (BN 10538 0430)  
WGI Westman Group Inc. (BN 86851 8358)  
Meridian Manufacturing Inc. (BN 81659 7223)  
Meridian Manufacturing, Inc. (BN 88424 3809)  
Armtec Inc. (BN 75538 0318)  
Behlen Industries LP (BN 86878 0156)  
Westman Steel Inc. (BN 87189 0273)  
Artspan Inc. (BN 73398 0924)  
Scotia Metal Products Inc. (BN 85591 4388)

In accordance with the Act, this report outlines the measures implemented by WGI over the previous financial year to mitigate risks associated with forced and child labour. This report also details initiatives that speak to the commitment of WGI to expand its risk management practices related to forced and child labour.

WGI is committed to maintaining standards of business conduct that reflect honesty, integrity, and strong ethics, in all its business operations.

## Section A: Structure, Activities, and Supply Chains

The WGI Group of Companies is privately held. The reporting entities are Canadian corporations with the exception of Behlen Industries LP (a Canadian partnership) and Meridian Manufacturing, Inc. (a US corporation). With more than 40 operating locations across Canada and one location in the US, the WGI Group of Companies forms one of Canada's largest manufacturers of steel products. WGI's mandate is to produce quality steel products for a variety of industries and uses, including roofing and siding, conveyor systems, farm equipment, industrial metal products, storage and handling products, steel building systems, and culverts. WGI is committed to pushing the boundaries of the industrial manufacturing sector through continuous improvement and technological innovation, with a focus on exceptional customer service and employee well-being.

The WGI Group of Companies is comprised of approximately 1,700 employees across the following key manufacturing divisions:

- Armtec: Manufactures steel and high-density polyethylene (HDPE) drainage and other infrastructure products
- Behlen Industries: Designs and manufactures engineered steel building systems

- Meridian Manufacturing: Manufactures machinery and equipment and storage products primarily for the agricultural and industrial sectors
- Westman Steel (including Scotia Metal Products): Manufactures steel roofing and siding and related products
- Artspan: Manufactures structural insulated steel panel products including ready-to-move (RTM) buildings

The WGI team consists of a diverse group of skilled professionals, from engineers and technicians to sales experts and administrative staff, collaboratively working towards our collective goals. Approximately one third of employees are office staff, with the majority of the remaining workforce employed in manufacturing facilities.

The integrity of our supply chain is critical to our operations, encompassing everything from raw material procurement to final product delivery. We have established direct relationships with reputable material suppliers, with the majority of our imported goods sourced from North America, supporting adherence to our high standards for quality and ethical sourcing.

Our commitment to supply chain integrity emphasizes ethical sourcing practices, environmental responsibility, and transparency across all supply chain interactions.

## **Section B: Policies and Due Diligence Processes**

At WGI we prioritize the safety and well-being of our employees as well as adhere to all applicable health and safety and employment standards legislation. Ensuring a safe and healthy work environment is fundamental to our values. We consistently review and update our policies and procedures to align with the latest legislative requirements and industry best practices. Our commitment to compliance extends across all aspects of our operations, from workplace safety protocols to fair employment practices.

Furthermore, we regularly conduct internal audits and assessments to monitor our compliance with the above-noted legislation and standards and identify areas for improvement. Our dedicated team works diligently to address any issues promptly and implement necessary measures to maintain our standards. Employees are encouraged to bring forward any questions or concerns regarding our compliance with health and safety or employment standards legislation. We are committed to transparency and open communication with our stakeholders.

We recognize there is room to improve our policies and processes specifically with respect to addressing the risk of forced and child labour in our supply chain. While these actions were not taken in the previous fiscal year, since year-end, WGI has taken measures to identify and manage the risks associated with forced and child labour in its supply chain and operations. These measures have included:

- Employment ID Verification Policy: We have started drafting a formal policy outlining our process for validating the identities of new employees. This serves to affirm our commitment to ethical employment practices by verifying the age and identity of all employees which helps ensure that all employment is voluntary and lawful.
- External Consultancy Engagement: We have collaborated with third-party experts to conduct a supply chain risk assessment, further reinforcing our commitment to understand and proactively manage risks of forced and child labour in our supply chain. The results of this exercise are outlined in Section C.

Looking ahead, WGI is dedicated to continuing to enhance its due diligence initiatives to actively reduce the risk of forced and child labour in its supply chain. Several measures are being considered including:

- Supplier Code of Conduct: Development of a supplier code of conduct would communicate our expectations to suppliers relating to forced and child labour across our supply chain.
- Supplier Questionnaire: Implementing a supplier questionnaire to gather insight into suppliers' processes and due diligence, identify risks, and build trust by improving transparency.
- Purchase Order Terms and Conditions: Implementing purchase order terms and conditions with a specific clause related to forced and child labour.
- Forced and Child Labour Policy: Implementing an internal policy to formally communicate the importance we place on ensuring both our company and our supply chain are free of forced and child labour.

These and other initiatives reflected in this report demonstrate WGI's current position, and its ongoing commitment to uphold a high standard of ethical labour practices and foster a sustainable, responsible supply chain.

## **Section C – Forced Labour and Child Labour Risks**

To understand where in the supply chain forced or child labour risks may exist, WGI recently collaborated with an external consultancy firm to carry out a supply chain risk assessment. This process was guided by insights provided by the Walk Free Global Slavery Index, the OECD Due Diligence Guidance for Responsible Business Conduct, and by the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. In conducting the supply chain risk analysis, potential risks of forced or child labour associated with certain goods and countries were considered.

Our risk identification exercise does not presuppose the actual use of forced or child labour within our operations or supply chains; rather, it is aimed at recognizing potential scenarios where such risks might arise, thereby further enabling us to implement effective preventative measures. Our assessment acknowledges that no industry is entirely exempt from the risks of forced and child labour and there are inherent vulnerabilities within certain sectors of our supply chain, particularly in regions where regulatory frameworks and enforcement mechanisms might not be in place.

Our analysis considered specific geographic regions that, according to the Walk Free Global Slavery Index and other credible sources, present a higher risk of forced and child labour practices. This geographic risk assessment, was combined with an assessment of at-risk-goods categories, further enabling us to apply a targeted lens to our risk assessment.

### Risk Assessment Findings - Suppliers

Through the application of the analysis, WGI identified suppliers in 11 countries, of which none have a heightened risk of forced or child labour. Canada and the United States, widely considered low risk countries, account for approximately 98% of the WGI Group of Company's total supplier spend.

WGI also considered the data from the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour with the purpose of identifying specific goods from our import portfolio that may be susceptible to forced or child labour. This assessment identified no high-risk areas. Steel raw materials, our most significant production input, are not subject to an elevated risk of forced or child labour practices.

### Risk Assessment Findings – Country of Origin

As an additional layer of analysis, WGI obtained reports from Canada Border Services Agency tracking the country of origin for each of our imports and conducted a supplementary risk assessment at this level. This exercise provided valuable insights further down the supply chain. WGI identified 27 countries of origin, with the following potentially carrying a higher risk: Turkey, Afghanistan, India, Indonesia, Mexico and Malaysia. While we are not aware of any instances of forced or child labour involved in the production of goods originating from these 6 countries, which account for less than 1% of WGI's total spend, this knowledge will allow us to tailor future due diligence for greatest impact.

Overall, the findings from our risk assessment suggest that WGI's exposure to forced and child labour risks within the supply chain is low in the context of overall expenditures. This does not undermine our intention to consider risks and conduct our risk management procedures and policies accordingly. Going forward, WGI will further consider how to direct additional energy and engagement to support the mitigation and management of forced and child labour risks.

## **Section D – Remediation Measures**

To date, our assessments have not identified any instances of forced or child labour within our operations or supply chains, and accordingly, no remediation measures have been taken. We are in the process of reviewing our related policies and practices for the purpose of formulating a response plan should any instances of forced or child labour be identified in the future. Our response plan, may include measures such as:

- Engagement with Suppliers: This may include providing guidance and other means of support to suppliers impacted by findings related to forced and child labour.
- Policy Review and Strengthening: This may include instituting additional preventative measures based on experience and learning, should any instances of forced or child labour be identified.

## **Section E – Remediation of Loss of Income**

WGI has not identified any instances of child or forced labour in its operations or supply chains, and therefore no measures have been taken to remediate the loss of income to vulnerable families.

## **Section F – Training**

While these actions were not taken in the previous fiscal year, since year-end WGI has proactively implemented training measures to identify and manage the risks associated with forced and child labour in its supply chain and operations. These measures have included:

- Bill S-211 Training: An awareness building session was provided to company leadership covering topics such as modern slavery education, potential risk factors, and an overview of Bill S-211.
- Third-Party Workshops: We worked with an external consultancy firm to undertake a risk assessment related to our supply chain, and they provided workshops throughout the engagement covering the results of their work and educating us more broadly on forced and child labour.

Looking ahead, WGI is dedicated to continuing to enhance its training initiatives to actively reduce the risk of forced and child labour in its supply chain.

Training will be developed for all staff involved in procurement and purchasing, as these roles are pivotal in maintaining the integrity of our supply chains. This training is expected to include:

- Awareness Building: To educate our staff on the definitions and indicators of forced and child labour.
- Skill Development: To equip these employees with the practical skills needed to identify potential risks and violations in our supply chain.
- Response Strategies: To provide clear guidelines on how to act effectively in the event that forced and child labour are discovered within our supply chain. This includes steps for reporting these issues within our corporate structure.

Human Resources staff will also be provided training that will enable them to execute WGI's Employment ID Verification Policy, once it is implemented.

By implementing this training, WGI aims to enhance the capabilities of key employees, ensuring they are not only aware of forced and child labour issues but also fully prepared to address them effectively. This proactive approach is a part of our broader commitment to ethical business practices and corporate responsibility.

## Section G – Assessing Effectiveness

While WGI does not 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, we are committed to continuing to evolve our practices in the year forthcoming.

WGI will consider the implementation of tracking key performance indicators, which may include:

- a) Number of reported cases related to forced and child labour
- b) Number of managed and or resolved cases related to forced and child labour
- c) Number of completed and reviewed supplier questionnaires

## 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.



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**Paul Cunningham**, President and CEO, WGI Westman Group of Companies, May 28, 2024

*I have the authority to bind Trevluc Holdings Ltd. and the reporting entities under its control*