

Forced Labour and Child Labour in Canadian Supply Chains Report 2025

Oerlikon Metco (Canada) Inc.

For The Year Ended December 31, 2024



Forced Labour Report 2025

Oerlikon Metco (Canada) Inc.

Identifying Information

This report is for Oerlikon Metco (Canada) Inc. for the January 1, 2024 to December 31, 2024 financial reporting year. Oerlikon Metco (Canada) Inc. will be referred to as “OMCA”. OMCA is not subject to reporting requirements under supply chain legislation in another jurisdiction. OMCA has a place of business in Canada, does business in Canada, and has assets in Canada. OMCA has at least met two of the following three criteria for at least one of its two most recent financial years: (i) has at least \$20 million or more in assets, (ii) has generated at least \$40 million or more in revenue and (iii) employs an average of at least 250 employees. OMCA operates in the manufacturing sector. OMCA's head office is in Fort Saskatchewan, Alberta, Canada. OMCA is a corporation, and the corporation number is 415985-3.

Steps Taken to Prevent and Reduce Risk of Forced or Child Labour

OMCA uses a system called “EcoVadis” which assists in our Risk Assessment, Risk Verification, Risk Mitigation, and Monitoring and Reporting of our Supply Chains. EcoVadis performs risk mapping of our partners based on inherent country and industry risks. We are then able to assess the residual risks and gain substantiated knowledge of incidents and prioritize corrective actions through the EcoVadis system. OMCA is in the process of implementing EcoVadis for its supplier base. OMCA conducts physical audits on critical suppliers per ISO requirements with Forced Labour being a question during the audit. The auditor can observe if Forced or Child Labour is being used during the audit. Suppliers are required to sign a Code of Conduct during vendor onboarding which states they will respect the provisions of the UN Universal Declaration of Human Rights and the Conventions of the International Labour Organization and the Modern Slavery Act 2015. Oerlikon Group has Group Policies for Human Trafficking and Slave Labour, Use of Child Labour, and Use of Forced or Child Labour (Canada). OMCA also has a responsible sourcing policy and follows OECD guidance on Conflict Minerals. All OMCA employees are required to go through a Code of Conduct training annually and the EcoVadis system can provide for more specific requirements. OMCA has a whistleblowing reporting line.

Entity Structure, Activities, and Supply Chains

Oerlikon Metco (Canada) Inc. is a wholly owned subsidiary of Oerlikon Surface Solutions AG, Pfäffikon. Oerlikon Surface Solutions AG, Pfäffikon is wholly owned by OC Oerlikon Corporation AG, Pfäffikon, which is the top holding company of the Oerlikon Group.

OMCA manufactures and distributes materials and associated equipment used in a variety of industries such as Aerospace, Electronics, Oil and Gas, Mining, among others. OMCA has a vast supply chain as our main materials purchased are powdered metals. These products are sourced worldwide. We utilize local contractors to support plant maintenance.

Policies and due Diligence Processes

OMCA currently has Policies and Due Diligence Processes that:

- Embed responsible business conduct into policies and management systems.
- Identify and assess adverse impacts on operations, supply chains, and business relationships.
- Cease, prevent, or mitigate adverse impacts.

OMCA's Supplier Code of Conduct states the use of forced or child labour is unacceptable. OMCA also has a Policy against the use of Forced or Child Labour that follows the below approach:

- Integrate this Policy against the use of Forced or Child Labour in all relevant company policies and procedures, e.g., Human Rights Policy, Supplier Code of Conduct.
- Identify high-risk areas for child labour, directly or indirectly generated by our company operations. Prioritize risks based on their severity and likelihood of occurring. This includes identifying suppliers and subcontractors and evaluating their adherence to international standards and regulations.
- Establish relevant processes and integrate these into existing management systems to identify instances of forced or child labour.
- Conduct appropriate levels of due diligence on suppliers to assess their compliance with relevant laws and standards. Establish relevant processes and integrate these into existing management systems to identify instances of forced or child labour. This may include conducting risk assessments, site audits, site visits, or engaging with stakeholders to ensure compliance and implementing risk mitigation measures where necessary.
- Mitigate identified risks in their supply chains. This may involve communicating and collaborating with suppliers to address non-compliance, terminating relationships with non-compliant suppliers, or providing training and capacity building.
- Where violations are identified, work with qualified individuals to address the situation and provide appropriate remedy. This may include using leverage with partners and engaging external experts.

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- Continuously monitor their supply chains for potential risks and review their risk management processes to ensure they are effective. This may involve regular supplier audits, tracking supplier performance or conducting risk assessments in response to changing circumstances.
- Report on forced or child labour risks to stakeholders through an annual report (e.g. Sustainability Report) and/or a Human Rights Statement.
- Provide an anonymous grievance mechanism where all stakeholders, including employees, third-party employees, and suppliers, can report concerns.
- Build organizational capacity on forced or child labour through learning and training.
- Integration of the findings from impact assessments into relevant internal functions/processes — and the taking of effective action to manage the same.
- If forced or child labour is found within Oerlikon Group's organization, Oerlikon Group will take immediate measures to stop the violation and take responsibility with required actions.
- If forced or child Labour is found in the supply chains of Oerlikon Group, Oerlikon Group will take all appropriate measures to mitigate any risks by developing a responsible solution which may include the work in partnership with the supplier and or a termination.

OMCA also has established a specific conflict mineral due diligence process. Considering our position in the supply chain we support an industry initiative, the Responsible Minerals Initiative (RMI), that uses an independent third-party audit to identify smelters that have systems in place to ensure sourcing of only conflict-free materials. We are committed to maintaining the highest standards of corporate responsibility and compliance with regulations. This includes conflict minerals as a key aspect of our commitment.

To address this, we have implemented a robust system that involves working closely with our suppliers. On an annual basis, we request our suppliers to provide a Conflict Mineral Report as part of our due diligence process. This report outlines crucial information about the presence and origin of conflict minerals, specifically tin, tantalum, tungsten, and gold (3TG), in the materials they supply to us.

OMCA conducts periodic audits on critical suppliers. OMCA's Policies are publicly available in our Policies section of our website [Policies on Sustainable Operations | Oerlikon](#) and [Human Rights | Oerlikon Metco](#).

Activities and Supply Chains That Carry Forced or Child Labour Risks

OMCA has assessed its supply chain and identified risks in our supply chain in the mining, quarrying, and manufacturing industries. We have used our EcoVadis system to help identify specific risk ratings for individual suppliers in these industries. OMCA already reports on conflict minerals due diligence requirements along with having suppliers agree to our Supplier Code of Conduct.

Measures Taken to Remediate Any Forced or Child Labour

OMCA has not identified any forced or child labour in our activities and supply chains. OMCA has a whistleblowing reporting line available for reporting any if not found by the organization.

Measures Taken to Remediate Loss of Income Due to Measures Taken to Remediate Any Forced or Child Labour

OMCA has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced or child labour in our activities and supply chains. OMCA's policy is to take all appropriate measures to mitigate any risks by developing a responsible solution which may include the work in partnership with the supplier and/or termination.

Training Provided to Employees on Forced and Child Labour

OMCA requires all employees to take an annual Code of Conduct training, which regularly covers forced and child labour. This training is developed by an external training provider in alignment with Oerlikon Compliance team. Employees responsible for supply chain management receive additional training on forced and child labor which focuses on identifying and mitigating risks within their supply chains.

Policies and Procedures in Place to Assess Effectiveness Ensuring that Forced or Child Labour are not Being Used in its Activities and Supply Chains

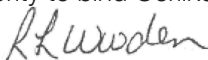
OMCA receives supplier self-information assessments, conducts evaluations on the EcoVadis program, and does on-site supplier audits. If concerns are raised, OMCA can conduct immediate on-site audits and cooperate with local authorities.

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Approval and 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.

I have the authority to bind Oerlikon Metco (Canada) Inc.

Signature: _____

Name: **Roxane Wooden**

Title: Director

Date: April 28 2025

I have the authority to bind Oerlikon Metco (Canada) Inc.

Signature: _____

Name: **Dyfyr Davies**

Title: General Manager

Date: April 28 2025