



The Fighting Against Forced Labour and Child Labour in Supply Chain Report (2025)

ABOUT THIS REPORT

Trans-Mit Steel Inc. (“TMSI”, “Company”, “we”, “us”, or “our”) (has prepared this report (the “Report”) being submitted pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) for the financial year ended December 31, 2025.

This Report describes the continued efforts being taken to enhance the transparency in our supply chains by outlining the steps taken during the 2025 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, or of goods imported into Canada. This has been done in accordance with the mandatory reporting criteria outlined in Sections 11(1) and 11(3) of the Act.¹

COMPANY STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

Company Structure

TMSI was incorporated in Canada in 2013 as a wholly owned subsidiary of Mitsui & Co., Ltd. (“Mitsui Canada”), headquartered in Toronto, Ontario. Mitsui Canada is one of the world's most diversified trading, investment, and services enterprises. In 2020, TMSI became a subsidiary of Mitsui & Co. (U.S.A) Inc. (“Mitsui USA”) and they remain our parent company.

TMSI currently has 52 full time employees and our President, and is based in Woodstock, Ontario. We also have a Commercial Associate who is with us for 2 years from Japan. He joined us in November of 2024.

Activities

TMSI specializes in precision steel slitting. TMSI works with some of North America’s top manufactures by processing electrical steel and similar products for the use of power generation and distribution equipment. We process and slit steel then sell the steel to customers in the electrical vehicle and electric transformers industries.

Supply Chain

We purchase all our raw materials from Mitsui Canada and third-party importers who source materials from Asia. Our electric vehicle and electric transformer business segments source raw materials indirectly from Asia.

¹ TMSI does not report in other jurisdictions under similar regimes.

POLICIES AND DUE DILIGENCE

As a subsidiary of Mitsui USA, we use and benefit from Mitsui USA's policies and due diligence procedures related to ethics and compliance, including with respect to Modern Slavery. TMSI also has implemented certain of its own policies and due diligence procedures, as set out below.

TMSI Ethics & Business Conduct Manual

The TMSI Ethics & Business Conduct Manual (the “**Manual**”) provides that it is the company's policy to comply with all applicable laws and regulations. It is also the policy of TMSI to conform to the highest ethical standards in conducting business to preserve the integrity and reputation of the Company. All employees (including officers of the company, all full-time and part-time regular employees and temporary employees on the company's payroll and agents of the Company, unless the context otherwise commands), officers, and agents of TMSI are expected to comply fully with TMSI's policies and guidelines which are described in the Compliance Statement (as described and defined below) and this Manual. These policies and guidelines affirm TMSI's continuing emphasis on compliance with applicable laws and conducting business in accordance with the highest ethical standards.

Employees are to choose the highest ethical behaviour when making decisions or taking actions in the course of business. All business decisions and actions are to be consistent with the above spirit and aspirations, and in accordance with this Manual.

The company strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following health & safety policies and regulations.

It is the policy of the company to cooperate with governmental authorities in the proper performance of their functions. Any employee who is contacted by anyone from the government in the context of an investigation, inspection or audit should report that fact immediately to the TMSI Human Resources Department. Employees should discuss with the TMSI Human Resources Department prior to any discussion with a third party regarding the above.

TMSI Reporting System

Any employee of TMSI may report potential or actual compliance violations to the President, Vice-President, or our Human Resources Department, as appropriate, including violations of Canadian laws and regulations, the Statement of Policy, Business Conduct Guidelines and Ethics and Business Conduct Manual.

TMSI also has a reporting line through our employee ethics reporting line. The reporting lines are anonymous, should an employee want to report any violations, they can call this line through our employee ethics number and report any violations anonymously. We encourage the reporting of all potential violations and do not tolerate punitive or retaliatory action taken against any employee for making a report in good faith.

Any employee having information, knowledge or suspicion of any actual or contemplated violations of the policies and standards in this Manual, or of any law, by an employee, agent, or other representative of TMSI or someone acting on its behalf, must promptly report the matter to

his or her manager, to the Manager's superior, or to the TMSI Human Resources Department. Alternatively, you may provide the information in confidence by calling Ethics Point Reporting System at 1-866-294-7825 or accessing their website at <http://www.ethicspoint.com>.

Reports will be kept confidential to the maximum extent possible and will generally be shared only with those who need to know to address the matter, or except where required by law. The company ensures that no retaliatory action will be taken against anyone making a report in good faith that they had reason to believe these policies and standards, or laws and regulations, were violated.

Every officer and employee is expected to read carefully, and comply fully with, the Compliance Statement and this Manual. Failure to comply with the Statement and/or this Manual will subject an Employee to disciplinary action up to and including immediate termination of employment

TMSI Compliance with Laws Policy

The TMSI Statement of Policy – Compliance with Laws (“**Compliance Statement**”) We are committed to strictly comply with all applicable Canadian laws and regulations. Without limitation, the company will comply fully with the laws and regulations pertaining to customs, antitrust, antiboycott, international trade controls, employment, health & safety, and the environment.

It is also the policy of the company to conform to the highest ethical standards in conducting business to preserve the integrity and reputation of the company. All employees are expected to comply fully with the company's guidelines as per the Manual.

The Compliance Statement applies to all officers serving for company and employees of the company. While it is not expected that every employee will be fully versed in every aspect of the law, it is expected that every employee will have a working knowledge of permissible activities involved in his or her work and will seek guidance from TMSI management or from its parent company, Mitsui & Co., concerning any matter on which there is any question. All TMSI employees to follow TMSI and Mitsui & Co. compliance training programs to achieve full compliance.

Failure to observe company policy with respect to full compliance with laws and regulations or the Mitsui & Co. Business Conduct Guidelines (as described below) will subject an employee to disciplinary action, which may include reprimand, demotion or dismissal, depending on the seriousness of the offense. In addition, disciplinary measures will apply to any officer or manager who directs or approves violations or has knowledge of them and does not move promptly to correct them in accordance with the Compliance Policy.

Trans-Mit Steel & You – TMSI Employee Handbook

The TMSI Employee Handbook (“**Handbook**”) is introduce employees to our business, our products, our policies, and what is being done to make the company a great place to work. At TMSI, every position is important and contributes to our overall performance. We believe that much of our success is directly due to a responsible attitude on the part of fellow employees. As we continue to strive toward operational excellence, we must focus our attention on our people, our customers, our process and our profitability at all times and never let up.

The Handbook contains a Code of Business Conduct that applies to all employees, supervisors, and managers of TMSI (“**Associates**”). In all business practices, our company and its Associates are required to comply with all laws and regulations including those relating to antitrust, anti-boycott, competition, trade practices, political contributions, income taxes, sales taxes, goods and services taxes, excise taxes, corporate governance and compliance, and the environment.

In addition, the Handbook includes a section on TMSI’s policy related to occupational health and safety which provides that TMSI is committed to the prevention of occupational illness and injury and the maintenance of a safe and healthy work environment. Management is accountable for the implementation of the Handbook policy and will maintain, review and update it on an annual basis, at a minimum, to ensure compliance with current applicable OH&S legislation and other requirements to which TMSI subscribes.

Management shall make every effort reasonable to eliminate hazardous conditions and practices to ensure the prevention of occupation illness or injury. Both managers and supervisors shall inform employees of any known or potential health hazards and will comply with, and wherever possible, exceed any legislative requirements, to which TMSI subscribes.

Supervisors shall accept responsibility for ensuring that work performed by their departments is planned and arranged in such a way that safe and healthy working conditions are achieved at all times. Employees shall accept personnel responsibility to plan and conduct their work safely and extend their concern for personal safety to fellow employees. Employees shall immediately report any unsafe or unhealthy conditions to their supervisor or to a member of the Joint Health & Safety Committee.

Both contractors and subcontractors will accept responsibility to meet or exceed TMSI’s the policy related to occupational health and safety in the Handbook and any other legislative requirements to which it subscribes.

Failure by any employee to fulfill his or her responsibilities, as per this Policy, will result in disciplinary action. Production with safety is an attainable goal. The key to success lies in the willingness of each individual to recognize his / her responsibility and actively support accident and injury prevention.

With Integrity – Mitsui & Co. Group Conduct Guidelines

As a subsidiary of Mitsui USA, we understand that business is built on a foundation of trust, and compliance is necessary to maintain and foster such trust. In TMSI’s pursuit of compliance, it is not enough simply to obey laws, regulations, and norms. It is also extremely important that we continually verify the appropriateness of our words and actions against our sense of integrity.

Mitsui & Co. and each of the Mitsui & Co. Group companies, including TMSI, have individually established their own corporate philosophy and business conduct guidelines. While such company-level initiatives remain very important, Mitsui Japan has put together the Mitsui & Co. Group Conduct Guidelines —With Integrity— to share the approach towards integrity and compliance on a global group basis and to continue achieving sustainable growth as a group. As a member of the Mitsui & Co. Group, TMSI and its employees are expected to fully understand these guidelines and use them as the basis for judgment in their day-to-day work.

Business Conduct Guidelines of Mitsui USA (Guidelines)

The Guidelines apply to all officers, employees, and agents of TMSI and apply to all transactions between employees, with customers, and with suppliers. Some rules are based on federal laws which penalize individuals, as well as companies, for violations and were created to highlight our goal to have all employees adhere to proper legal and ethical standards in their business relationships.

Sustainable Supply Chain Policy (Supply Chain Policy)

As a subsidiary of Mitsui USA, we benefit from its supply chain policies, including its Sustainable Supply Chain Policy (“**Supply Chain Policy**”). Mitsui USA strives to understand the issues associated with its supply chains, in accordance with its Supply Chain Policy, and are working with Suppliers and other business partners to achieve a sustainable supply chain.

Under the Supply Chain Policy, Mitsui USA does not tolerate human rights abuses and expect its suppliers to not tolerate them either, including those relating to Modern Slavery. Further, Mitsui USA expects its suppliers to understand and implement principles that show a commitment to international standards, human rights, and environmental issues.

If a business partner acts in violation of the Supply Chain Policy and causes an adverse impact on the environment or on human rights, Mitsui USA will provide remediation guidance to the business partner. If it is determined that the situation has not improved despite ongoing guidance, Mitsui USA will take measures including a potential reconsideration of the business relationship.

As part of implementing the Supply Chain Policy, Mitsui USA’s business teams are requested to send a copy of the Supply Chain Policy to new suppliers before commencing business as well as suppliers whom the policy has not been sent before restarting business and to ask companies involved in the supply chains to take remedial action on any matters that violate the Supply Chain Policy, among other things.

POTENTIAL RISKS OF FORCED LABOUR OR CHILD LABOUR IN OUR OPERATIONS AND SUPPLY CHAINS

Potential Risks in Our Operations

TMSI considers the risk of Modern Slavery occurring within its operations to be low. From a geographical risk perspective, our employees are located in the Canada only which has a low prevalence of child and forced labour, a low risk of vulnerability to child and forced labour and a fairly robust governmental response addressing child and forced labour.²

Potential Risks in Our Supply Chain

We recognize that the risk of Modern Slavery may be higher within our supply chains than in our operations, as our operations are entirely domestic and our supply chains engage global supply chains. We understand that particular regions, products and raw materials may carry a higher risk of child and forced labour because of the prevalence of child and forced labour in particular countries. There are also risks linked to certain industries even in countries considered to have

² Walk Free, Global Slavery Index 2023, found [here](#).

lower risks of child and forced labour. Accordingly, our supply chains are subject to using the various processes described in this Report.

As of the date of this Report, we are not aware of any instances of child or forced labour in our operations or supply chains during the Reporting Period. Accordingly, no steps were required to remediate child or forced labour, or the loss of income associated with remediation efforts.

TMSI intends to continue to evaluate our compliance measures in place that are designed to prevent and reduce the risk of Modern Slavery, in our operations and supply chains.

TRAINING

Each new employee of the company will attend a health and safety orientation and will receive information and training on the following:

- Training for hazardous materials - Workers Hazardous Materials Information System (WHMIS).
- Emergency Response Procedures and exit locations.
- Health and Safety Board Location and names of First Aid Certified by Shift
- Health and Safety Training in 4 Steps.

After attending the training class, each employee will sign a form to verify that they attended the training, received our written materials, and understand the company's policies on Health and Safety.

Once per year, TMSI will review the orientation program with all employees, along with any updates in legislation that may be applicable.

In addition, as a subsidiary of Mitsui USA, we benefit from Mitsui USA's compliance training programs. Mitsui USA coordinates and provides various seminars and educational programs designed to educate the officers and employees of Mitsui USA and its subsidiaries about the importance of complying with applicable laws and regulations and maintaining the highest ethical standards and distributes explanatory materials to assist in ensuring Mitsui USA's compliance with all applicable laws and regulations. Beginning in May 2024, the new compliance schedule includes a module titled, "The Ethical and Legal Choice" which includes a topic on forced and child labour.

ASSESSING EFFECTIVENESS

As we continue to evaluate our compliance measures in place that are designed to prevent and reduce the risk of Modern Slavery, we intend to consider, where appropriate, implementing measures to assess the effectiveness of any of our processes.

BOARD OF DIRECTORS APPROVAL AND ATTESTATION

This Report was Approved by the Board of Directors of Trans-Mit Steel Inc., pursuant to section 11(4)(a) of the Act.

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.

Signed by:
 **Art Brausewetter**
5/29/2026
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Arthur Brausewetter
VP, General Manager of Steel Dept.

I have the authority to bind Trans-Mit Steel Inc
Arthur Brausewetter Director, Trans-Mit Steel Inc.
May 28th, 2026