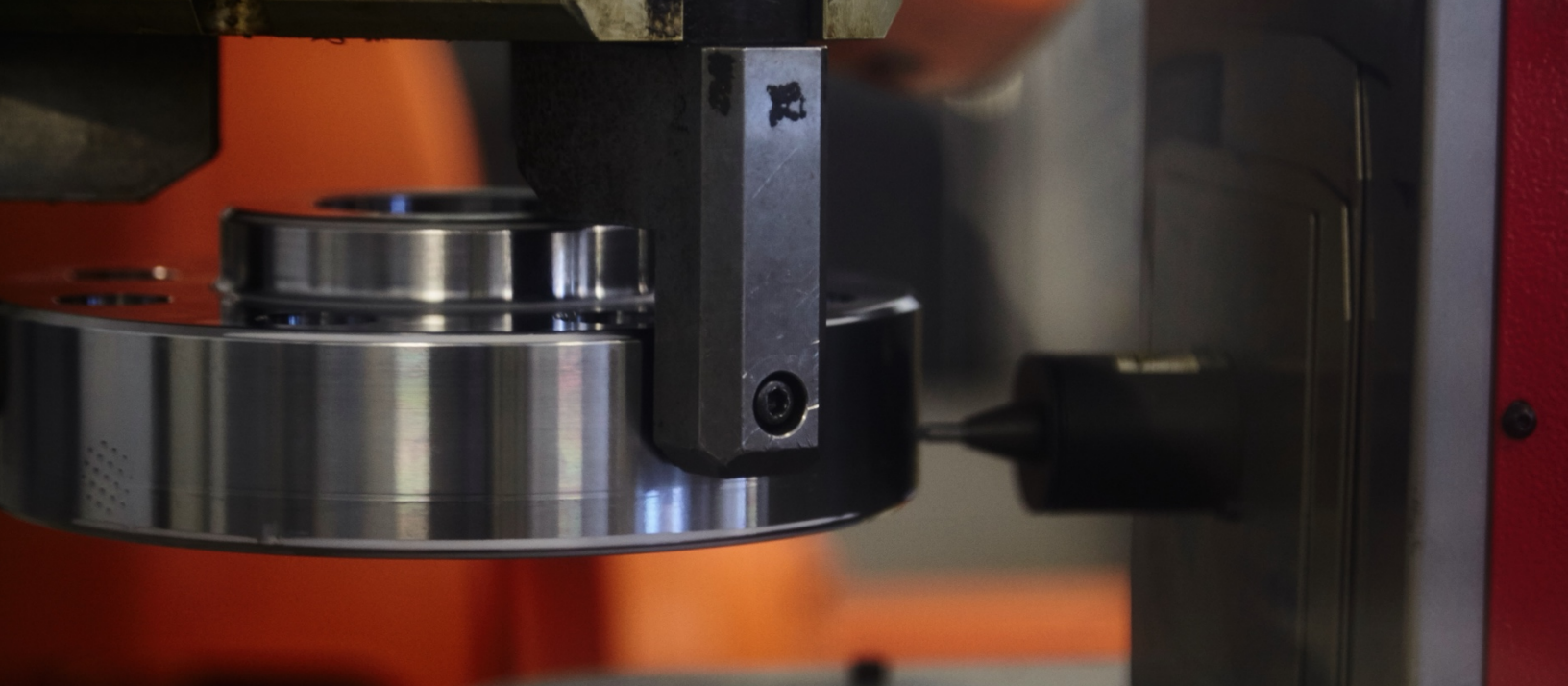


Forced Labour and Child Labour Report

February 1, 2024 – January 31, 2025





Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff

Modern Slavery Statement for the Financial Year ended 2025

This joint report, as required under the Act, covers the activities of the entities Manluk Industries Inc. and its subsidiaries, 1418856 Alberta Ltd., 1418847 Alberta Ltd., Manluk Industries (2008) Inc., and Manluk Mining Inc., collectively referred to as “Manluk Industries”. This report outlines the approach and initiatives by Manluk Industries to identify and mediate any risks of modern slavery within its business operations and supply chains throughout the financial year ending January 31, 2025.

Manluk Industries enforces a zero-tolerance approach regarding all forms of modern slavery, including slavery, servitude, human trafficking, forced labour and child labour. This standard applies to its business dealings and will not be tolerated or condoned in any transactions under any circumstances.

Company Structure, Activities and Supply Chains

Manluk Industries is a turnkey manufacturing operation located in Wetaskiwin, Alberta, Canada that supports oil and gas industries such as offshore drilling, wellhead downhole tools and mining. Manluk Industries is dedicated to upholding ethical and legal standards in our operations, where we commit to ensuring safety, environmental stewardship and are socially responsible in all aspects of our business.

Our corporate structure begins with Manluk Industries Inc., which serves as the parent entity overseeing the corporate group and provides management services to its subsidiaries and all related parties. It is responsible for the financial reporting of its subsidiaries on a consolidated basis. Manluk Industries Inc. also controls the shares belonging to 1418856 Alberta Ltd. and 1418847 Alberta Ltd.



1418856 Alberta Ltd. owns the land, building, and machinery that Manluk Industries (2008) Inc. uses in its daily operations. The machinery and tools purchased for such operations are primarily sourced within North America. 1418856 Alberta Ltd. also controls the shares belonging to Manluk Industries (2008) Inc.

1418847 Alberta Ltd. owns the land, building, and machinery that Manluk Mining Inc. uses in its day-to-day operations. Like 1418856 Alberta Ltd., machinery and tools are largely purchased within North America. 1418847 Alberta Ltd. also controls the shares belonging to Manluk Mining Inc.

Manluk Industries (2008) Inc. employs roughly 150 employees and specializes in producing components essential for oil and gas extraction, predominantly selling to U.S.-based entities. In our manufacturing process, we primarily use steel along with a variety of welding supplies, including welding powders and assorted gases. Most of our steel is sourced from North American suppliers, with some purchased from

Asia. We procure our welding powders from a European supplier and our welding gases from Canadian companies.

Manluk Mining Inc. employs approximately 50 employees and specializes in manufacturing and repairing components essential for operations in the Alberta oil sands. The primary high-quality materials are sourced through similar, reliable channels to Manluk Industries (2008) Inc. to ensure consistency and durability in our products.

Policies and Due Diligence Processes

Manluk Industries requires its suppliers providing goods, materials and services to our operations to comply with all applicable laws, rules, codes, directives, and regulations. Inclusive of laws concerning

anti-corruption, anti-bribery, human rights, labour rights, fair working conditions, anti-slavery, and human trafficking, as well as forced and child labour laws. Compliance must align with the established standards we uphold.

Our suppliers are required to conduct their business in an ethical standard that, at minimum, meets the following guidelines:

- Adhere to applicable local, national, and international laws and regulations.
- Conduct all business interactions with integrity, honesty, and transparency.
- Prevent conflicts of interest or potential conflicts of interest by refraining from business dealings where personal interest, the acceptance of gifts/assets, or biased opinion may influence business decisions.



All business records should maintain accuracy, legibility, and transparency to ensure that no omitting or falsifying entries are made, and all communication is free from misrepresentation and misleading information.

Suppliers are also required to treat all staff with dignity and respect, uphold the human rights of their employees, and abstain from any form of human rights abuse. Furthermore, suppliers must ensure a safe and respectful workplace for everyone by adhering to the following guidelines:

- Employees are treated with dignity and respect.
- Prevent the exploitation of workers by ensuring all labour is voluntary, with no use of forced, bonded, involuntary, trafficked or child labour, or any other form of modern slavery.
- Zero-tolerance for discrimination, harassment, mental or physical pressures, or any other form of abuse within the workplace.
- Ensure respectful work practices are implemented where no employee is subject to any threatening behavior such as verbal, written, physical, sexual and psychological, or otherwise.
- Maintain a safe work environment that meets the required health and safety standards, laws, and regulations to minimize the risk of work-related accidents, incidents, hazards, and occupational illness.
- Hiring practices are in accordance with the required labour laws where employees are
 - Paid fair wages in accordance with minimum wage and overtime regulations;
 - Given working hours that are within the hours of work and rest as set out in the applicable labour laws;
 - Are of legal working age.
- Ensure employees have a process to report unethical behavior and or violations where no retaliation shall be taken against the employee reporting such instances.



Suppliers are required to carry out regular reviews to ensure their compliance with the above guidelines. In the event of non-compliance, Manluk Industries is to be notified and further action may be taken.



The above information is gathered by way of annual supplier reviews as part of Manluk Industries' audited management system. Manluk Industries has implemented a Code of Conduct to communicate Manluk Industries' stance on the use of forced and child labor, as well as policies to further prohibit any use of such labour. Also within the updated Code of Conduct, Manluk Industries has implemented a detailed reporting mechanism that allows workers and external parties to voice concerns or report any violations against the Code of Conduct. Manluk Industries clearly outlines that any breach of the Code will result in discontinuation of business relationship.

Forced Labour and Child Labour Risks

Manluk Industries has implemented a comprehensive supplier questionnaire, along with the distribution of the above-mentioned Code of Conduct, to all current and future suppliers to identify any infractions or potential risks of modern slavery. Manluk Industries has not identified any risks of modern slavery within its supply chain.

Remediation and Remediation of Loss of Income

Manluk Industries has not identified any Instances of forced or child labour risks, within our operations or supply chain to date. As a result, there have been no remediation measures taken.

Training

Manluk Industries provides training on modern slavery and child labour to employees involved in contracting and purchasing decisions. This training helps employees recognize indicators of forced and child labour, understand their responsibilities when selecting suppliers, and take appropriate action when concerns arise. These efforts reinforce our commitment to conducting business ethically and in accordance with our Code of Conduct, which sets clear expectations for responsible sourcing and respect for human rights





Assessing Effectiveness

The measures taken by Manluk Industries—such as enhanced supplier reviews, comprehensive supplier questionnaires, and mandatory training—have strengthened our ability to identify risks and raise awareness of forced and child labour among our business partners, supporting our commitment to ethical and responsible sourcing. We continue to assess the effectiveness of these measures through ongoing engagement with suppliers and internal process reviews.

Board and Senior Management 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.

Frank Luebke, President

Date: May 30, 2025

Signed

I have the authority to bind Manluk Industries.

