



Introduction

In accordance with *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (the “Act”), which is aimed at increasing industry awareness and transparency and promoting businesses to improve practices, Plasti-Fab Ltd., has published and filed this Report regarding Plasti-Fab Ltd.’s efforts to improve its capacity to identify and address forced labour and child labour risks.

Plasti-Fab Ltd. provides energy-efficient building products and systems that enhance sustainability resulting in superior structures, lasting communities, and a healthier environment, operating across multiple facilities throughout Canada.

Plasti-Fab Ltd. is committed to preventing 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 by Plasti-Fab Ltd.

Plasti-Fab Ltd.’s fiscal year that is relevant for this Report is January 1, 2023 to December 31, 2023 (“2023 Fiscal Year”).

A. Corporate Structure, Activities and Supply Chain Operations

Plasti-Fab Ltd. is a Canadian private company, wholly-owned by PFB Holdco, Inc.

Harnessing the power of shared ownership, Plasti-Fab Ltd. aspires to be the leader and driving force in the widespread adoption of innovative building solutions that use less energy.

As at May 2024, Plasti-Fab Ltd. has a total of 315 employees in Canada.

Plasti-Fab Ltd. manufactures construction materials including polystyrene foam insulation products and structural panels for residential and commercial building construction. Plasti-Fab Ltd. has manufacturing facilities in Canada with raw materials, services and equipment sourced globally, most predominately in Canada, USA, Mexico, Germany, Italy, China, Taiwan.

The most significant tier one source of raw materials are as follows:

- Styrene Monomer – North America
- Pentane – North America
- Chemical Additives – North America, Asia, and Europe
- Polystyrene Resin – North America and Asia
- Lamination Films – North America
- Manufacturing Equipment, Maintenance and Repair Materials and Equipment – North America and Europe
- Oriented Strand Board – North America
- Lumber – North America

B. Plasti-Fab Ltd.'s Policies and Due Diligence Processes in relation to Forced Labour and Child Labour

POLICIES

For the 2023 Fiscal Year, Plasti-Fab Ltd. did not currently have policies and/or due diligence processes in place specifically related to forced labour and/or child labour.

During the 2023 Fiscal Year, Plasti-Fab Ltd. reviewed and updated the Code of Business Conduct and Ethics Policy to include a section under Fair Dealing. As at April 2024, the policy section under Fair Dealing states:

All employees and Third Parties should endeavor to act honestly, ethically, and fairly in both internal and external dealings, including interactions with co-workers, limited partners, portfolio companies, service providers, and any other third parties with which Plasti-Fab Ltd. may conduct business. Statements to and regarding Plasti-Fab Ltd.'s business must not be untrue, misleading, deceptive, or fraudulent. Employees and Third Parties must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or through any other unfair dealings or practice. Employees and Third Parties are also prohibited from creating or submitting false, inaccurate, or misleading invoices, receipts, or other financial or business-related documents to Plasti-Fab Ltd. or related businesses.

Related to this policy, while there is no specific mention of forced labour and/or child labour, there is specific mention that all employees and third parties should “act honestly, ethically, and fairly” and “must not take unfair advantage of anyone ... through any other unfair dealings or practice.”

DUE DILIGENCE

Based on the “US Department of Labor, 2022 List of Good Produced by Child Labor or Forced Labour Report”, Plasti-Fab Ltd.'s tier one source of raw materials are excluded from those identified as carrying risk of Child and/or Forced labour.

Given the specialized mechanical processing and/or skill requirements for Plasti-Fab Ltd.'s tier one source of raw materials, the risk of child and/or forced labour is significantly minimized.

C. Business and Supply Chains Operations that Carry a Risk of Forced Labour or Child Labour and the Steps Plasti-Fab Ltd. has taken to Assess and Manage that Risk

For the 2023 Fiscal Year, Plasti-Fab Ltd. has not yet started the process of identifying risks of forced labour or child labour being used in its business operations and/or its supply chain operations.

Plasti-Fab Ltd.'s manufacturing facilities source some raw materials and supplies from countries which have been listed as known locations for use of child or forced labor in certain industries (US Department of Labor 2022 List of Goods Produced by Child Labor or Forced Labor report). Although some materials are sourced from countries that carry a risk of forced labour and/or child labour, materials sourced by Plasti-Fab Ltd. are not included in the list of products or industries identified as carrying risk.

For the 2023 Fiscal Year, Plasti-Fab Ltd. has not taken steps to prevent and reduce the risk that forced labour and/or child labour is used at any step of the production of goods in Canada or elsewhere by Plasti-Fab Ltd. or regarding the goods imported into Canada by Plasti-Fab Ltd..

Planned activities to reduce Plasti-Fab Ltd.'s exposure to Child and/or Forced Labour in raw materials, equipment and services include:

- Creating a Plasti-Fab Ltd. supply chain risk matrix
- Apply the risk matrix to 90+% of our annual purchases
- Include in our Corporate policies specific references about "Fighting Against Forced Labour and Child Labour In Supply Chains Act".

D. Measures Taken to Remediate Forced Labour or Child Labour

For the 2023 Fiscal Year, Plasti-Fab Ltd. has not taken any measures to remediate forced labour or child labour. At this time, Plasti-Fab Ltd. has not identified any forced labour or child labour in our business activities and/or our supply chains.

E. Measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains

For the 2023 Fiscal Year, Plasti-Fab Ltd. has not implemented any measures to remediate the loss of income to the most vulnerable families that could result from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains as Plasti-Fab Ltd. has not identified risks of forced labour or child labour.

F. The Training Provided to Employees on Forced Labour and Child Labour

For the 2023 Fiscal Year, Plasti-Fab Ltd. has not provided training to employees on forced labour and/or child labour issues.

G. How Plasti-Fab Ltd. Assesses its Effectiveness in Ensuring that Forced Labour and Child Labour are Not Used in its Business and Supply Chain Operations

For the 2023 Fiscal Year, Plasti-Fab Ltd. has not implemented measure to assess its effectiveness in ensuring that forced labour and/or child labour are not used in its business and/or its supply chain operations.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, 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.



Robert Graham, CEO

May 30, 2024

I have the authority to bind Plasti-Fab Ltd.