

## **LINAMAR CORPORATION 2024 FORCED LABOUR AND CHILD LABOUR REPORT**

### **1. INTRODUCTION**

This Forced Labour and Child Labour Report (the “Report”) sets out the steps Linamar and its subsidiaries (collectively, “Linamar” or the “Company” or “our” or “we”) have taken to investigate and address the risk of forced labour and child labour in our operations and supply chain.

This Report is prepared by Linamar pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c-9 (the “Act”) and is submitted for the financial year ending December 31, 2024 (the “Reporting Period”).

This is a joint report for Linamar and each of its wholly-owned subsidiaries listed in Appendix A. As each Linamar subsidiary is subject to the same global operating systems, codes of conduct, and ethical standards, the information contained in this Report generally applies to Linamar’s organization as a whole, unless noted otherwise.<sup>1</sup>

### **2. OUR COMPANY**

Linamar is an advanced manufacturing company where the intersection of leading technology and deep manufacturing expertise creates solutions that power vehicles, motion, work, and lives. Linamar has over 33,000 employees in 75 manufacturing locations, 16 research and development centres and 31 sales offices in 19 countries primarily situated within North and South America, Europe and Asia. Linamar is comprised of two operating segments: the Mobility segment and the Industrial segment. A brief description of each segment and their supply chains is noted below.

#### **2.1. Mobility Segment**

The Mobility segment operates as a leading Tier 1 supplier to the automotive industry. The Mobility segment is focused on propulsion systems, structural and chassis systems, energy storage and power generation for both the global electrified and traditionally powered vehicle markets. It is subdivided into three regional groups (Linamar North America, Linamar Europe, and Linamar Asia Pacific) and one global product group (Linamar Structures).

Linamar North America, Linamar Europe, and Linamar Asia Pacific each perform a variety of machining and assembly processes that necessitate the use and consumption of a wide range of raw materials, components,

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<sup>1</sup> Linamar’s acquisition of Bourgault Industries Limited and its affiliated companies (collectively, “Bourgault”) closed on February 1, 2024, at which time Bourgault began integrating many of standards, practices, and training described in this Report.

and equipment. Purchased components include steel forgings, aluminum die castings, and iron castings. Whenever possible, we attempt to purchase these materials and components from regional suppliers close to our own operations, which are global in nature. However, factors such as price, quality, transportation costs, duties, tariffs, and delivery might cause facilities to source from suppliers outside of their immediate region. Additionally, because of certain OEM customer requirements, Linamar is at times directed to procure certain raw components from specific Tier 2 suppliers. Regardless of the location of Linamar's suppliers, all of the Mobility segment's purchasing decisions follow the same review and vetting process described further below.

Linamar Structures produces aluminum castings and other lightweight metal solutions for safety-critical vehicle components and systems. The production of these products requires Linamar Structures to procure a high volume of aluminum and magnesium ingots and alloys, which are typically made from either recycled or primary metals. Linamar sources these components primarily from smelters that are located within North America. The smelters Linamar works with acquire their secondary or recycled metals from North America and source other chemicals required to produce aluminum on the global market. Linamar Structures also requires significant volumes of extrusions which it machines and assembles with other lightweight casted products to form battery trays. Most extrusions are sourced from suppliers in Canada, Turkey, and South Korea.

## 2.2. Industrial Segment

The Industrial segment is comprised of four market-facing brands that manufacture access and agricultural equipment: Skyjack, MacDon, Salford and Bourgault. Skyjack manufactures aerial work platforms and other forms of access equipment. MacDon focuses on the production of leading harvest equipment, including combine draper headers and self-propelled windrowers. Salford manufactures high-quality tillage and precision application equipment. Bourgault manufactures advanced seeding and tillage equipment.

Given the diverse nature of the Industrial segment's products, its facilities source a variety of raw materials, components, and subassemblies from a variety of global suppliers. The Industrial segment's production processes include cutting, bending, and welding, as well as advanced assembly and testing activities. Most metalworking activities require a variety of steel plate and tube products which are sourced from steel mills that are often regionally proximate to our production facilities (which are located in Canada, the United States, Mexico, Europe, and Asia). The assembly components and subassemblies required by each facility will vary depending on the model(s) manufactured at the location, and may include pumps, engines, tires, electrical components, hydraulics, fasteners, castings, composite formed materials, bearings, and consumables. These components are often acquired by Linamar from regional distributors, who procure them from a variety of global suppliers.

A more detailed description of our company and products can be found in our 2024 Annual Information Form dated March 26, 2025, available on our website (<https://www.linamar.com/investors>) and SEDAR +.

### 3. OUR APPROACH

Linamar is committed to fostering a work environment that promotes fairness and concern for all people. Appropriate oversight at the executive and Board level, combined with effective policies and practices are key contributors to our ability to effectively manage a wide variety of risks, including the risk of forced labour and child labour in our workplaces and supply chains.

At Linamar, we believe a culture that prioritizes ethical behaviour is good for business. Linamar consistently reviews the measures implemented and key resources committed to developing a positive relationship with all individuals and communities impacted by Linamar's operations. Linamar's policies and practices are informed by, and consistent with various human rights frameworks and charters, including, the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the Organization for Economic Co-operation and Development Guidelines for Multinational Enterprises, and the Global Sullivan Principles of Social Responsibility. Linamar's business also operates in compliance with applicable human rights laws and regulations, and Linamar has a zero-tolerance policy regarding forced labour or child labour in our workforce.

During the Reporting Period, Linamar implemented and maintained a number of internal and external measures designed to enhance our ability to detect and eliminate forced labour and child labour in our organization and supply chain. Those measures are described below.

#### 3.1. Fair Labour Practices Subcommittee

In 2024, Linamar's Sustainability Council established a subcommittee dedicated to addressing the risk of forced labour and child labour within our organization (the "Fair Labour Practices Subcommittee"). The objectives of the Fair Labour Practices Subcommittee include evaluating Linamar's compliance with its policies concerning human rights, identifying areas for continuous improvement, tracking industry best practices, and ensuring Linamar's compliance with the Act. The Fair Labour Practices Subcommittee met over eight times in 2024 to identify and implement bespoke solutions to detect and combat forced labour and child labour in our supply chain in a manner consistent with our organizational needs and the spirit of the Act.

During the Reporting Period, the Fair Labour Practices Subcommittee established a regular meeting cadence and a system for tracking action items; one of which was completing a benchmarking exercise. Linamar benchmarked its efforts against those of 21 industry peers. The results indicated that Linamar's efforts to address forced and child labour are generally consistent with the practices of our peers, although the Fair Labour Practices Subcommittee identified enhanced training efforts on the topics of forced and child labour was identified as an opportunity for improvement. Linamar has made efforts to address this gap, which are described below.

### 3.2. Linamar Policies and Training

Linamar adheres to and enforces codes of conduct and comprehensive compliance standards to guide our efforts to uphold and respect the rights of all people within our operations and supply chain. Human rights considerations are imbedded in Linamar's Basic Code on Working Conditions, Code of Conduct, Employee Code of Human Rights and Supplier Quality Manual. Linamar re-evaluated each of these guides following the self-assessment performed during the 2023 Review Period.

#### 3.2.1. Basic Code on Working Conditions and Code of Conduct

Linamar has committed to maintaining the same standard of basic working conditions across our organization. In furtherance of this commitment, Linamar has established a [Basic Code on Working Conditions](#) and a [Linamar Code of Conduct](#) that applies to all of our operations, globally. Among other important principles, these codes reiterate Linamar's prohibition of the use of forced labour or child labour in its organization or supply chain. We expect all employees at all levels, as well as our business partners, to reflect this commitment.

#### 3.2.2. Employee Code of Human Rights

Linamar believes that it is important to keep employees of the company fully informed about its policies, commitments, and expectations regarding human rights in the workplace. Accordingly, Linamar distributes an Employee Code of Human Rights which reflects the obligations each employee assumes when working at Linamar. The practices discussed in the Employee Code of Human rights are designed to provide consistent, equal and fair treatment of all employees. This includes preventing and prohibiting any forced labour and child labour in the workforce.

Linamar's employees receive regular tailored training on ethical topics and our policies. Many of the entities covered by this Report<sup>2</sup> require all new employees to receive mandatory training on the Code of Conduct, and Basic Code for Working Conditions. Each of the foregoing policies are also contained in the Linamar Employee Handbook that is provided to all new employees in hard copy and is electronically available through an intranet site that is accessible by all employees.

To enhance Linamar's training efforts and better align with the practices of our peer group, the Fair Labour Practices Subcommittee developed annual Human Rights training with an emphasis on the topics of forced and child labour. Moving forward, this training will be delivered to all employees on an annual basis. The training material covers the definition of human rights, the key characteristics of forced & child labour, and highlights hazardous work as it relates to manufacturing environments. The training also covers Linamar's policies associated with human rights and internal reporting procedures through Linamar's EthicsPoint

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<sup>2</sup> In particular: Linamar Corporation, Linamar Holdings Inc., McLaren Performance Technologies, Inc., Skyjack Inc., Salford Group Inc., and MacDon Industries Limited.

HelpLine which is available to all employees for anonymously reporting human rights violations (described further below).

In addition to this training for the broader employee base, Linamar offered Sustainable Procurement training to key purchasing and supplier quality personnel that were identified as being in a unique position to identify potential forced labour. This training was developed in partnership with a third-party consulting firm throughout the Reporting Year and delivered in January 2025. The purpose of the training was to highlight best practices for managing potential social, environmental and governance risks within the supply chain including forced and child labour.

### 3.2.3. Supplier Quality Manual

Linamar has high expectations of its suppliers and seeks to only work with suppliers that demonstrate a strong commitment to upholding the rights of its employees and stakeholders. To that end, Linamar requires each of its suppliers to comply with the measures and standards detailed in its Supplier Quality Manual and Code of Conduct. These standards require, at a minimum, that all suppliers to Linamar are free from forced labour or child labour at any stage of their operations, including their upstream suppliers. Under the Supplier Quality Manual, Linamar has the ability to audit any supplier's compliance at any time to ensure these minimum standards are met.

Linamar ordinarily visits supplier facilities to conduct quality and compliance inspections to ensure compliance with the Supplier Quality Manual. As part of the initial supplier nomination process, each supplier is required to complete a risk assessment and a technical review. During the Reporting Year, Linamar's Potential Supplier Assessment (PSA) was updated to provide a more comprehensive review of a potential supplier's social responsibility initiatives. The PSA screens for human rights policies, whether there is a senior management representative responsible for social responsibility, whether there is a responsible sourcing program, and overall compliance with Linamar's Supplier Code of Conduct. In most cases, Linamar also completes an onsite audit of the supplier's facilities. During these audits, Linamar representatives physically attend the facility to ensure that all requirements of the Supplier Quality Manual are being met. As part of the checklist used to complete this audit, Linamar employees are required to explicitly confirm that the potential supplier does not use forced labour and child labour.

### 3.3. Supply Chain Risk Assessment

At this time, Linamar has not undertaken a formal assessment to identify the specific parts of its supply chain that carry a heightened risk of forced labour or child labour. However, during the Reporting Year, the Fair Labour Practices Subcommittee took steps to identify potential assessment strategies in consultation with its global procurement team. Linamar expects to continue exploring risk assessment solutions in 2025. To ensure statutory requirements are met, Linamar maintains a location screening process for all new suppliers to ensure we are not directly sourcing from regions that are known to have a high risk for the use of forced or child labour.

### **3.4. Supplier Compliance and Reporting Obligations**

As part of Linamar's efforts during the Review Period, Linamar developed a supplier reporting infrastructure to collect positive declarations from each of its suppliers confirming ("Compliance Declarations"):

- a) the supplier has not identified any use of child labour or forced labour in their operations or supply chain;
- b) the supplier has, and will maintain, sufficient diligence in their operations and supply chain to identify the use of child labour or forced labour in any goods that they supply to Linamar, and they will make any diligence information available to Linamar upon our request;
- c) to the extent the supplier identifies any use of child labour or forced labour in their operations or in their supply chain in the future, they will inform Linamar promptly; and
- d) the supplier agrees that they will be subject to appropriate remedial action from Linamar if forced labour or child labour are found within their organization or supply chain.

Linamar requires all of its suppliers across all operating segments to provide Compliance Declarations, regardless of whether the supplier is domestic or foreign.

To enforce this requirement, Linamar updated its Supplier Terms and Conditions to explicitly require suppliers to uphold the spirit of the Act (and associated legislation which prohibits the use of forced and child labour) and submit regular Compliance Declarations. In the event a supplier fails to meet these requirements, they may be subject to appropriate remedial actions, including the development of a corrective action plan (in the case of delinquent Compliance Declarations) or the immediate suspension or termination of the supply relationship (if Linamar becomes aware that a supplier has used or has benefited from the use of forced labour, child labour, or unethical labour practices).

Throughout the Reporting Period, Linamar sent escalation requests to suppliers who failed to submit their Compliance Declarations. In 2025, Linamar dedicated additional resources to contacting suppliers on an individual basis to address their reason for failing to respond to the Compliance Declaration request.

### **3.5. Reporting Measures**

The Linamar EthicsPoint HelpLine allows employees and external stakeholders to raise anonymous and confidential questions or file complaints related to any ethical or compliance issues related to Linamar and its stakeholders. Should an employee, stakeholder, or third party have concerns regarding forced labour or child labour, EthicsPoint provides a channel to anonymously raise these concerns. By having a transparent reporting process to communicate ethical concerns, Linamar can stay up to date on issues of concern throughout the company and in turn, work to develop and implement a corrective plan to improve and remedy the issues. The EthicsPoint platform was recently updated to specifically facilitate the reporting of forced or child labour concerns in our facilities or the facilities of our suppliers and customers.

During the Reporting Period, Linamar established new internal reporting measures requiring facility management to regularly review their operations and supply base for instances of forced or child labour. Beginning in 2025, facility General Managers will be required to declare whether they are aware of any instances of forced or child labour within their facility or supply chain. This declaration will be completed as part of the Management Representation Letter submitted on a quarterly basis to the CEO. If a suspected or known instance of forced or child labour is reported through these quarterly reports or any other reporting channel at Linamar, the case will be referred to Linamar's Executive Vice President of Human Resources and General Counsel for their investigation.

#### **4. ASSESSING EFFECTIVENESS AND REMEDIATION**

Linamar does not knowingly source raw materials, components, or equipment that is derived from forced or child labour. Accordingly, Linamar has not had to exercise its right to suspend, terminate, or impose other remedial action on its suppliers. To date, there have been no identified or reported instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

As detailed above, Linamar has in place several measures to prevent and reduce the risk that forced labour or child labour is used in our activities and supply chains. At this time, we have yet to undertake a formal process to evaluate the effectiveness of these measures.

#### **5. APPROVAL AND ATTESTATION**

This Report was approved pursuant to section 11(4)(b)(ii) of the Act by the Board of Directors of Linamar Corporation. In accordance with the requirements of the Act, and in particular section 11 thereof, the undersigned attest that they have reviewed the information contained in the report for the entities referred to above and in Appendix A.

Based on their knowledge, and having exercised reasonable diligence, they attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act.

I have the authority to bind Linamar Corporation.

Per: 

Full Name: Elliot Burger

Title: General Counsel, Global Vice President of Corporate Development, and Corporate Secretary

Date: May 8, 2025



## **APPENDIX A**

### List of Entities Covered by Report

The following Linamar entities (as defined in the Act) meet the requirements of Section 9 of the Act.

#### **Mobility**

##### ***Linamar North America***

- Linamar Corporation
- Linamar Holdings Inc.
- Engicom S.de R.L. de C.V.
- Industrias de Linamar S.A. de C.V.
- Linergy Manufacturing Inc.
- Linamar North Carolina, Inc.
- Linamar Forgings Carolina Inc.
- Linamar Light Metals, MR LLC
- Linamar Automotive Systems NL, Inc.
- Linamar de Mexico S.A. de C.V.
- McLaren Performance Technologies, Inc.

##### ***Linamar Europe***

- Linamar Antriebstechnik GmbH
- Linamar Hungary Zrt.
- Linamar Light Metals Zaragoza
- Linamar Light Metals (France)
- Linamar Light Metals Belfast Limited
- Linamar Light Metals Ruse EOOD
- Linamar Powertrain GmbH
- Linamar Motorkomponenten GmbH
- Linamar Saint-Chamond
- Linamar Plettenberg GmbH

##### ***Linamar Asia Pacific***

- Linamar Automotive Systems (Wuxi) Co., Ltd.
- Linamar Automotive Systems (Chongqing) Co., Ltd.



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## ***Linamar Structures***

- Linamar Structures USA (Michigan) Inc.
- Linamar Structures USA Inc.
- Linamar Structures Czechia s.r.o
- Linamar Automotive Structures Macedonia DOOEL Ilinden

## **Industrial**

- Skyjack Inc.
- Skyjack Equipment Inc.
- Skyjack UK Limited
- Skyjack Mexico S. de R.L. de C.V.
- MacDon Industries Ltd.
- Salford Group Inc.
- Bourgault Industries Limited
- Bourgault Australia Pty. Ltd.