



BILL S-211: REPORT FROM METAL 7 INC.

- **Legal Name of the Reporting Entity:** Métal 7 Inc.
- **Legal form:** corporation
- **Financial Year Covered by the Report:** 01/01/2024 – 31-12-2024
- **Business Number(s) (if applicable):** 1169977544
- **Identification of Reporting Obligations in Other Jurisdictions:** None.
- **Categorization of Entities Under the Act:** Canadian company doing business in Canada, with assets in Canada and meeting the following criteria: "Has at least \$20 million in assets for at least one of its last two financial years"; "Has generated at least \$40 million in revenue for at least one of its last two financial years."
- **Sector/Industry:** Manufacturing and Mining.
- **Location:** Sept-Îles, QC, Canada.

Section 1. Structure, Activities, and Supply Chains

(a) Structure

Métal 7 Inc. is a joint-stock company owned by major Canadian investment funds (Fonds de Solidarité FTQ, Fondaction, BDC Capital), a private company and senior executives.

Although Métal 7 Inc. includes a group of Canadian and foreign subsidiaries, designated as "Groupe M7," it has been understood that entities are required to report only the activities of their subsidiaries that are entities with reporting obligations under the Act (CA\$40M revenue, CA\$20M assets, 250 employees). In this case, only Métal 7 Inc. meets the size criteria, namely : "Has at least \$20 million in assets for at least one of its last two financial years"; "Has generated at least \$40 million in revenue for at least one of its last two financial years."

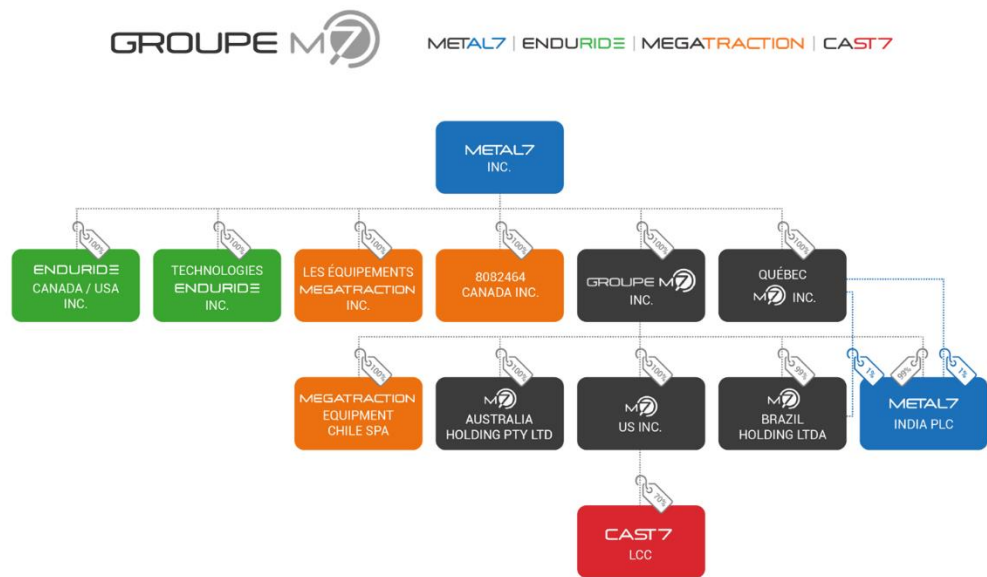
However, throughout this report, a set of information, policies, and processes implemented by Métal 7 Inc., within its own entity but also affecting its main subsidiaries, will be mentioned.

The mandate of the "Groupe M7" is to develop innovative solutions to optimize efficiency and reduce the environmental footprint of the primary industry.

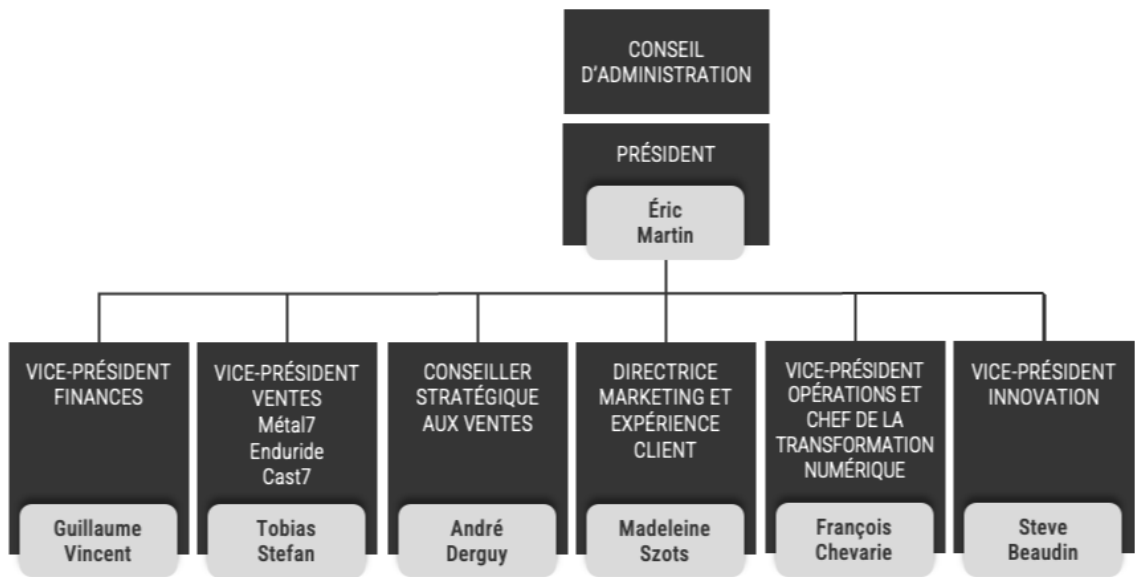
For Métal 7 Inc., and more specifically, its mandate is to create high-performance solutions that meet the needs of solid particle screening and ultra-resistant surface coatings. With world-class expertise in surface engineering and mastery of complex industrial processes, Métal 7 Inc. has built a solid reputation with major mining and metallurgical companies worldwide, as well as companies specializing in the processing of hard particles, such as fertilizers and aggregates.



Presentation of Métal 7 Inc. and its Subsidiaries:



Presentation of the Organizational Structure of Métal 7 Inc.:





- Métal 7 Inc. employs 210 people, distributed as follows:
- 109 employees for Métal 7 Inc. and Groupe M7 Inc., including 7 abroad
 - 51 employees for Cast 7 LCC. in the United States
 - 27 employees for Enduride Canada USA Inc. in Canada
 - 23 employees for Les Équipements Mégatraction Inc. including 3 abroad.

(b) Activities

Métal 7 Inc. imports, manufactures, and processes a range of products in its sole plant, located in Sept-Îles, Quebec, Canada.

In 2024, Métal 7 Inc. imported approximately 6,200 tubes and other goods from the United States, China, India, Brazil, and Europe, representing 45% of its product purchases.

Métal 7 Inc. proudly exports 80% of its solid particle screening equipment and ultra-resistant surface coatings outside of Canada, deploying them in over 20 countries.

(c) Supply chains

Métal 7 Inc. is proud to work daily with Quebec and Canadian companies, representing more than 95% of its supplier base for both products and services.

Generally, and for products, Métal 7 Inc. manages its own purchases and imports but also relies on specialized suppliers for importing specific raw materials such as tubes, steel, or coating components.

Origin	Type of Merchandise	Type of Service (e.g., direct import by Métal 7 Inc., indirect by our suppliers)
USA	Tubes	Direct and indirect import
USA	Steel and other raw materials	Indirect import
China	Tubes	Direct and indirect import
China	Small components	Indirect import
India	Tubes	Direct import
Europe	Motors and other components	Indirect import
Europe	Small components	Direct and indirect import
Brazil	Tubes	Direct import
Canada	Steel and other raw materials	Direct purchase
Canada	Small components (e.g., fasteners)	Direct purchase
Canada	All services combined	Direct purchase



Section 2. Policies and Due Diligence Processes Related to Forced Labor and Child Labor

Métal 7 Inc. proudly upholds its values related to the objectives of this report and its actions in favor of these principles: collaboration, respect, and excellence. All stakeholders are involved: employees, executives, partners, and suppliers; we all work together to adhere to these principles daily.

EXCELLENCE // Striving to exceed, being rigorous, professional, and responsible.

COLLABORATION // Working together with our people, our partners, and our clients.

RESPECT // Being honest and transparent, acting in the best mutual interest.

In line with these values, several activities have been implemented with Métal 7 Inc. employees and subsidiaries, as well as external partners:

(a) Activities with employees:

A code of ethics is still presented to all new employees, who must sign to acknowledge acceptance. This same code of ethics is also presented annually to all employees as a reminder, with proof of acceptance. Specifically, within the framework of Bill S-211, the code refers to fundamental human and worker rights, stating: "Métal 7 Inc. is equally concerned about respecting the fundamental rights of individuals, workers, and laborers, and commits not to knowingly be complicit in operations involving forced displacement of individuals, groups, or communities. Métal 7 Inc. also commits not to use child labor as defined by labor organizations."

(b) Activities with External Partners:

The supplier code of conduct is still in place. As a reminder, it was shared in 2024 with the main suppliers of Métal 7 Inc.. Beyond mere communication, suppliers were instructed to complete a questionnaire accompanying the supplier code of conduct, committing to values important to Métal 7 Inc. such as:

- Acting with integrity, loyalty, and diligence
- Respecting people and the work environment
- Environmental sustainability and development
- Avoiding forced labor and child labor

Suppliers were also encouraged to share processes or best practices implemented within their own entities, potentially providing valuable insights for Métal 7 Inc. The distribution of this supplier code of conduct and specifically the questionnaire offered an opportunity to learn more about the practices and activities of Métal 7 Inc.'s and its subsidiaries' main suppliers regarding the use of forced labor and child labor.

It should be noted that only the main product suppliers were invited to respond to the first round of the questionnaire, namely suppliers of tubes and strategic products, regardless of their origin. The suppliers who responded to the questionnaire and have annual purchases exceeding \$50K account for 44% of the purchase value in 2023. This initial risk analysis initiative regarding forced labor and child labor, the first distribution, and



these initial results cover 29% of Métal 7 Inc.'s supply chain activities, including all products and services. We have not distributed the questionnaire to any new suppliers for the time being. However, the percentages shared here have been updated to reflect late responses received last year. The exercise was not continued for the other entities controlled by Métal 7 Inc., although the process remains available.

Section 3. Parts of Its Business Chains or Supply Chains That Involve a Risk of Forced Labor or Child Labor and the Measures Taken to Assess and Manage This Risk

With the implementation of Bill S-211, Métal 7 Inc. learned more about the practices of its suppliers, initially focusing on foreign suppliers or those importing products from abroad regarding the risks of forced labor and child labor. Following the distribution of the supplier code of conduct and its accompanying questionnaire, the analysis of the initial responses confirmed that there was no risk of forced labor or child labor within Métal 7 Inc.'s supply chain activities. However, Métal 7 Inc. remains vigilant and will continue its efforts to prevent any future risks, notably by:

- Continuing to distribute its supplier code of conduct to all suppliers, both for products and services, to promote an environment free from forced labor or child labor.
- Resume the distribution of our questionnaire to analyze supplier activities across all entities of the "M7 Group," with the objective of covering 80% of the group's product purchasing value
- Organizing regular audits of main suppliers that could develop a risk of forced labor and child labor.

Section 4. Measures Taken to Remedy Any Use of Forced Labor or Child Labor

Since no risk of forced labor or child labor was identified within Métal 7 Inc.'s activities and supply chains, no remedial measures have been implemented in 2024. However, Métal 7 Inc. regularly raises awareness among its employees, partners, suppliers, and other stakeholders about these practices and will continue to do so to prevent the need for any remedial actions.

Section 5. Measures Taken to Remedy Income Losses of the Most Vulnerable Families Resulting from Measures to Eliminate Forced Labor or Child Labor in Activities and Supply Chains

Since no risk of forced labor or child labor was identified within Métal 7 Inc.'s activities and supply chains, no measures have been implemented in 2024 to address income losses of the most vulnerable families resulting from measures to eliminate forced labor or child labor.

Section 6. Training Provided to Employees on Forced Labor and Child Labor

Since no risk of forced labor or child labor was identified within Métal 7 Inc.'s activities and supply chains, no training has been provided in 2024 to Métal 7 Inc. employees on forced labor and child labor. However, this has been noted for future action.



Section 7. How the Effectiveness of Efforts is Evaluated to Prevent Forced Labor or Child Labor in Commercial Chains and Supply Chains

Since no risk of forced labor or child labor was identified within Métal 7 Inc.'s activities and supply chains, there is currently no method to measure the effectiveness of efforts to prevent forced labor or child labor in commercial and supply chains.

However, an audit will be conducted with Métal 7 Inc.'s main suppliers to verify the accuracy of declarations in the latest questionnaire attached to the supplier code of conduct distribution. This audit will lead to the implementation of tools to monitor supplier declarations, audits performed and planned, and reports from each visit.

This report was prepared in Quebec by Mélanie Bouleau, Strategic Buyer, (mbouleau@metal7.com).

We solemnly attest to the accuracy of the information provided.

This report has been read and approved by:

Name	Position	Date and Signature
Eric Martin	CEO	21 mai 2025 2:39 PM PDT Eric Martin
François Chevarie	VP Opérations	26 mai 2025 12:52 PM PDT François Chevarie
Guillaume Vincent	VP Finance	22 May 2025 9:19 AM EDT Guillaume Vincent
Erik Levesque	Value Chain Director	21 mai 2025 6:02 PM EDT Erik Levesque