

## **Fighting Against Forced Labour and Child Labour in Supply Chains Act Annual Report of Amsted Rail Company, Inc. and Amsted Canada Inc. for Fiscal Year Ended September 30, 2023**

This report (“Report”) is made and submitted by Amsted Rail Company, Inc. and its affiliate Amsted Canada Inc. (collectively, “Amsted Rail”) in compliance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

- 1. Company Structure, Products, and Supply Chain.** Amsted Rail, headquartered in Chicago, Illinois, USA is a leading manufacturer and supplier of rail car components and systems, servicing the global freight, transit, and locomotives markets. Amsted Rail’s products include complete rail bogie systems and individual components such as wheels, axles, bearings, truck castings, and braking, suspension and end of car systems.

Amsted Rail interacts with an extensive list of suppliers to support manufacturing and customer requirements. Our supply chain is relatively complex. We work with many suppliers to provide goods and services to support the delivery of our business objectives. While we largely use US suppliers, we are supplied by all types of companies, from local businesses through to global companies. We have hundreds of suppliers, both to supply input products used in the manufacturing of our own products for sale, as well as suppliers to support our general operations. At our company, we rigorously enforce policies that prohibit child labor across our entire supply network. We believe in safeguarding the rights and well-being of every individual involved in our production processes.

- 2. Risks of Forced Labour or Child Labour.** As a global supplier, Amsted Rail recognizes that the greatest risks of Forced Labour and Child Labour exist within the global supply chain. The likelihood of these risks increases in regions where Amsted Rail does not have an operational presence, thus limiting its visibility to a supplier’s upstream supply chains. To combat this risk, Amsted Rail forges long term relationships with well-established suppliers built on an extensive “trust but verify” vetting process.

Amsted Rail understands that Forced Labour and Child Labour risks can also exist closer to home. Amsted Rail fosters a culture of integrity and transparency within its facilities and treats its employees and partners with dignity and respect, encouraging open lines of communication and offering multiple channels for registering workplace concerns on a self-identified or anonymous basis. Amsted Rail recognizes its employees’ right to freely associate and to bargain collectively; several of Amsted Rail’s facilities in the U.S. and Canada are unionized.

- 3. Amsted Rail’s Risk Mitigation Policies and Processes Relevant to the Act**

### **A) Policies and Due Diligence**

- i. Environmental, Social, and Governance (ESG).** Amsted Rail references, via its website, its ESG commitments and actions, emphasizing a culture of employee wellbeing. These commitments include:

- Diversity, Inclusion, and Social Impact
  - Diverse recruitment outreach
  - Opportunities for diverse groups to collaborate
- Governance
  - Amsted Rail ESG Action Committee
  - Employee compliance training
- People Practices
  - Employee Code of Conduct
  - Value of the Person culture
  - Safety strategy and culture
- Supply Chain
  - Supplier requirements and reviews (addressed in 3A)ii and 3C)i)

**ii. Supplier Onboarding Requirements.** Each new supplier to Amsted Rail is required to read and comply with the terms of the Supplier Packet, which are, in turn, incorporated by reference into the terms of the parties' purchase/supply agreement. The terms of the Supplier Packet require suppliers to comply with applicable laws, regulations, and the highest ethical business standards. Amsted Rail reserves the right to terminate any supply agreement where the supplier has failed to comply with this requirement. In this same vein, there is a specific callout to suppliers formalizing the expectation surrounding labour: "Neither Seller nor any of its subcontractors will utilize slave, prisoner or any other form of forced or involuntary labor in the supply of goods or services under this Contract."

## B) Training

Amsted Rail employees are committed to conducting business with the highest level of integrity and in accordance with ethical business practices. Amsted Rail employees are empowered to make decisions that reflect this expectation. The company's Code of Conduct establishes our guide to fair, ethical, and transparent business practices. All employees are trained annually on the Code and required to certify whether they are aware of any legal or policy violations (actual or perceived). Areas of training concentration include:

- Doing business the right way
- Complying with laws
- Seeking help for ethical situations
- Having the courage to do the right thing even when it is difficult
- Acting honestly and speaking truthfully
- Treating others with respect
- Taking responsibility for your actions
- Voicing your concerns without fear of retaliation
- Avoiding conflicts of interest

All employees are charged with the responsibility to promptly report and violations of Company policy or conduct that is inconsistent with the Code.

### C) Monitoring

Our policies and practices are only meaningful when combined with programs for ensuring that they are followed. Those programs include:

- i. **Supplier Audits.** As part of our commitment to ethical sourcing, we regularly conduct on-site audits of our supply chain partners. These audits help ensure compliance with labor standards, environmental practices, and overall transparency.
- ii. **Employee Certification.** As noted above, our employees must certify annually their adherence to the Code of Conduct and report on any known or perceived violations of the Code, law, or Company policy.
- iii. **Reporting.** Employees have multiple channels for seeking guidance or for reporting on known or suspected misconduct. Employees are encouraged to report concerns to their supervisor, their supervisor's supervisor, plant or corporate level leadership, human resources, and members of human resources, legal, or leadership of Amsted Rail's parent company. In addition, Amsted Rail employees and outside contractors have access to the Amsted Corporate Compliance Helpline, a 24 hour, 7-day/week multi-lingual third-party administered platform that is accessible by phone, a mobile device, or via the web and allows reports to be made by Amsted Rail's global workforce and external business partners on an anonymous or self-identified basis. Retaliation against anyone making a report in good faith is strictly prohibited and stringently enforced.

### 4. Measures and Remediation of Identified Forced Labour or Child Labour; Loss of Income Resulting from Elimination of Identified Forced Labour or Child Labour

For the fiscal year ended September 30, 2023, Amsted Rail has not encountered situations of forced labour or child labor and therefore has not had to engage in any remediation activities.

### 5. Attestation

I, the undersigned, attest that this Report has been prepared in accordance with requirements set out in Part 2 of the Act. I attest that I have reviewed the information contained in the Report. 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 fiscal year ended September 30, 2023. I further attest that I have the authority to bind Amsted Rail Company, Inc. and Amsted Canada Inc.

Amsted Rail Company, Inc. and Amsted Canada Inc.

By: *Jack Cumming*

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