



Modern Slavery Statement

Introduction

At Tech-Con Automation ULC dba Shape Process Automation (“SPA”), we are committed to acting ethically and with integrity in all of our business dealings and relationships, and to promote compliance with applicable laws and protect the dignity and rights of all people connected to our business. We strive to work ever more closely with our suppliers to ensure their workforce, and the workforce of their supply chains are treated with respect and dignity. At the heart of our mission lies a commitment to fostering inclusive workplaces and sourcing products responsibly.

This is SPA’s first modern slavery statement pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (S.C. 2023, c. 9), and it will be reviewed annually hereafter. We acknowledge that stamping out modern slavery and human trafficking risk is a process that will take time. Our reporting outlines the measures we have in place and the efforts we have commenced to assess and address risks of modern slavery and human trafficking in our business and supply chain.

Our organizational structure, business operations and supply chains

The Shape Process Automation Group comprises of several entities, including SPA located in Ontario, Canada, where Shape Technologies Group, Inc. is the ultimate parent company. Shape Process Automation Group’s activities include production, sale, distribution, import of industrial automation and material handling equipment in Canada and outside Canada.

The goods used in the manufacture and assembly of SPA products, including electrical components, conveyors and palletizers, are sourced from suppliers located in Canada and USA. We also purchase waterjet components, coils, spare parts and consumables to resell in the Canadian market from suppliers located in USA.

To learn more about our business, please see <https://shapeprocessautomation.com/>.

Our supply chain risk profile

Within our operations, we have assessed our risk profile based on sector and industry risks as low. All of our workers are employed Canada, where we have fair and responsible employment practices in place to protect and promote workers’ rights. SPA presents a low risk of modern slavery in its workforce because the SPA’s workforce is largely comprised of skilled labor. SPA



has low to medium risk of modern slavery in its supply chain because some of the identified commodities used in the SPA's products present the risk of modern slavery.

That said, we recognise that risks of modern slavery may be present in our supply chain in areas such as *types of raw materials used, and indirect suppliers*. We continue our efforts to classify supplier risks and map key parts of our supply chain to identify and improve our understanding of modern slavery risks.

Actions taken to combat slavery risks

Building on the policies and procedures we currently have in place, SPA is in the process of developing and implementing strategies in order to:

1. Assess and better understand areas of potential risk in our business and supply chain; and
2. Reduce or mitigate the risk of slavery and human trafficking occurring in our business and supply chain.

Our policies on modern slavery

Shape Technologies Group's Global Guiding Principles reflect our commitment to Awareness, Integrity, Accountability, and Inclusion. acting ethically and with integrity in all our business relationships and to enforcing effective systems and controls to comply with applicable laws. A copy of our Global Guiding Principles can be found at:

https://secure.ethicspoint.com/domain/media/en/gui/25050/ethicsmanual_en.pdf.

We encourage all our employees, to report any concerns relating to any known violations of laws, policies and procedures. Our policy includes specific guidance on how to report and escalate any concerns.

SPA makes sure its suppliers are aware of its policies, and adhere to the same standards. Our Supplier Code of Conduct sets forth our expectations of all suppliers of goods and services to SPA related to compliance with laws, and human rights. A copy of our Supplier Code of Conduct is attached.

Due diligence processes

In order to identify and manage risks of modern slavery and human trafficking in our own business, we carry out background checks and periodically reassess our employment practices to ensure we meet or surpass employment standards in all jurisdictions in which we operate.



We are considering improving our approach to supplier due diligence with the aim of ensuring a more robust action plan to address compliance risks. As part of our initiative to identify compliance risks, including modern slavery risks, in our supply chain, we are currently in the process of completing a supplier review, starting with our key suppliers, and ensuring that suppliers execute Suppliers Code of Conduct. As we receive responses from our suppliers, we reserve the right to undertake additional verifications and audits.

Supplier adherence to our values

SPA seeks to do business with suppliers that have similar values, ethics and moral business practices, including those related to human rights. SPA will not tolerate any form of modern slavery and human trafficking within its supply chain.

Training

Taking a risk-based approach, we plan to develop training for key personnel in procurement, human resources and management positions on how to detect and report human trafficking and all forms of modern slavery risks.

Remediation measures

Over the course of the reporting period, we have not identified any instances of modern slavery or human trafficking in our business and supply chains, therefore, we have not been required to take remedial measures.

Remediation measures relating to loss of income to vulnerable persons

We recognize that instances of modern slavery and human trafficking often impact the human rights of particularly vulnerable groups, such as migrant labourers, unskilled labourers, indigenous people, women, or children. To date, we have not discovered instances of modern slavery in our business and supply chain, therefore, we have not been required to take measures to remediate the would-be loss of income to vulnerable families.

Effectiveness in combatting modern slavery risks

To date, SPA has not taken any actions to assess the effectiveness of our actions in preventing and reducing risks of modern slavery in our activities and supply chain. Going forward, we will assess the effectiveness of our actions by evaluating KPIs, namely the number of staff trained, the number of suppliers and contractors screened, the number of reported breaches, and the instances of remedial actions being taken.



Approval of the Statement

SPA has acted in consultation with the management of Shape Technologies Group in preparing this statement.

This statement is made in accordance with Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and constitutes SPA's modern slavery statement for the financial year commencing on January 1, 2023, and ending on December 31, 2023.

This statement was approved by the Board of Directors of SPA pursuant to Paragraph 11(4)(a) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* on May 30, 2024.

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.

Signed

By: Sargon Haddad
Sargon Haddad
Director
Date: **May 30, 2024**

I have the authority to bind Tech-Con Automation ULC