# Corporate Social Responsibility Report

Prepared and reported in accordance with GRI Standards 2021 standards.

## The NARMCO Group – 2024 - 2025

*Advancing People, Planet, and Prosperity*

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# 1.0 Introduction

## Message from the COO

At The NARMCO Group, we believe that sustainability is not a separate initiative but the foundation of how we do business. As a Tier 1 supplier of metal stampings and welded assemblies to the automotive industry, our long-term success depends on more than financial results—it requires responsible stewardship of our environment, a commitment to our people, and strong governance that builds trust with every stakeholder.

Our strategy is built around four pillars—**People, Planet, Profit, and Governance**. These pillars guide every decision we make and ensure that the value we create extends far beyond our shareholders to include our employees, customers, communities, and the ecosystems we touch.

The past year has tested our resilience. Regulatory changes, tariffs, and shifting sales patterns limited the resources available for some of our sustainability initiatives. We were just shy of meeting our overall Scope 1+2 emissions target, though corrective actions are already in motion. At the same time, we are proud to have achieved significant progress: we met our Scope 1 and Scope 2 individual emissions target for 2024 and 2025 and successfully fulfilled all customer sustainability requirements.

Looking ahead, our priority is to build on this momentum. Over the next one to five years, we will strengthen our climate action efforts, accelerate progress on our material topics, and continue setting ambitious but achievable targets that drive measurable impact.

We align our efforts with the **Global Reporting Initiative (GRI) Standards** and the **United Nations Sustainable Development Goals (SDGs)**. We have prioritized **SDGs 7, 8, 12, 13, and 15**, which serve as our compass in addressing the challenges and opportunities of sustainable development. These frameworks not only provide structure and accountability but also connect our strategy to global needs and stakeholder expectations.

In an industry shaped by rapid change, innovation, and heightened transparency, we remain steadfast in our belief that responsible growth is the only path to lasting success. Together—with our people, partners, and communities—we are committed to advancing a future where business performance and sustainability progress go hand in hand.

Don Rodzik Jr.
Director of Operations & General Counsel

## 2. General Disclosures

### Organizational details

The NARMCO Group is a family-owned, privately held company, we are committed to transparency, ethical business conduct, and open stakeholder communication. This section outlines the foundational disclosures required under GRI 2, providing the context for our sustainability impacts, governance framework, and strategic priorities.

The NARMCO Group operates across North America as a Tier 1 automotive supplier. The trade name The NARMCO Group represents all legal entities listed below.

This report covers all wholly owned and operated facilities across our three geographic regions with Corporate Office's in Windsor, Ontario.

- Southern Ontario, Canada
- Alabama, US
- Queretaro, Mexico

Joint ventures and subcontractors are excluded from quantitative disclosures but may be referenced qualitatively where relevant.

NARMCO Canadian Divisions

- Central Stampings Ltd, Windsor Ontario. (CSL)
- Canadian Electrocoating Ltd, Windsor Ontario. (CEL)
- Prince Metal Products Ltd., Windsor, Ontario. (PMP)
- Nartech Metal Products Ltd., Guelph, Ontario (NMP)
- Nartech Metal Products (Plant 2), Windsor, Ontario (NMP2)

NARMCO USA Division

- Prince Metal Stampings USA Inc (Plant1,2,3), Gadsden, AL. (PMS1/2, PMS3)

NARMCO Mexico Division

- NARMX Queretaro SA DE CV (NMX)

Our organization consists of multiple entities that operate semi-independently while following a standardized data tracking framework. Each entity collects the same set of key operational metrics, which are periodically consolidated at headquarters for aggregation and analysis. This approach ensures consistency in reporting, provides entity-level insights, and supports centralized decision-making.

This report does not align with our Financial fiscal reporting year, as a privately held company financial information is not filed publicly. Data in this report includes Jan 1 – Dec 31, 2024, and Jan 1 – December 2025. This report will be updated annually.

For questions related to this report or our sustainability program, please contact:

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Publication Date: 2026-02-10

This report has been prepared in accordance with GRI Standards (2021). This data has not been externally validated. Currently there is no practice for seeking external validation, these deciding factors are determined at the executive level of leadership. Data presented reflects the 2024 & 2025 calendar year. This reporting aligns with our Standard Management Review and Carbon reporting. As part of our commitment to transparency and accountability, we aim to publish these reports every year unless significant organizational changes or shifts in material topic necessitate more frequent updates. Previous reporting included a GHG calculation error related to C02 power consumption which resulted in less GHG emissions per facility. This has been updated in this report and includes the increased emissions.

Our core capabilities include precision metal stamping, welded assemblies, and just-in-time logistics. We serve major automotive OEMs and leading Tier 1 suppliers.
Our supply chain has two primary categories of suppliers:

- Raw material suppliers, providing steel and aluminum coils essential to our manufacturing processes.
- Purchased part suppliers, delivering prefabricated components and assemblies used in our final products.

These suppliers, operating primarily in Ontario, Canada; Michigan, USA; Ohio, USA; Alabama and Mexico, are critical to our operations. We maintain long-term relationships with key partners to ensure quality, availability, and alignment with our environmental and social standards.

There were no significant changes in our activities or business relationships during the reporting period.

## Employees

"Our people are at the heart of everything we do. As an organization, we employ a total of 1,253 dedicated employees across Southern Ontario (Canada), Alabama (USA), and Querétaro (Mexico). This section provides an overview of our workforce, including employment type, contract type, gender, and regional distribution. Understanding the composition and reach of our workforce helps stakeholders appreciate not only the scale of our operations but also our commitment to fostering a diverse, inclusive, and engaged team across all locations.

| Category | Male | Female | Other/Undisclosed | Total |
|---|---|---|---|---|
| **Full time** | 891 | 331 | 0 | 1222 |
| **Part time** | 0 | 0 | 0 | 0 |
| **Temporary** | 25 | 6 | 0 | 31 |
| **Southern Ontario, Canada** | 573 | 143 | 0 | 716 |
| **Alabama, USA** | 209 | 104 | 0 | 313 |
| **Querétaro, Mexico** | 134 | 90 | 0 | 224 |

This data is reported using head count at the end of reporting period. Full time employees are considered employees who work 32 – 40 hours per week. Temporary employees can include

contract work, due to a paternity or maternity leave, or student help. Our manpower has decreased by about 100 employees compared to the previously reporting period. This is mainly due to the political climate in the industry. Currently we do not have any workers who are not employees that perform work for the organization but are not in an employment relationship with the organization.

## Governance structure and composition

As a privately held corporation, the Sustainability Governance Board provides strategic oversight and ensures alignment between ESG efforts and business strategy. The governance model defines roles and responsibilities across operations, human resources, environmental compliance, and supply chain management.

The roles of the Sustainability Governance Board extend beyond environmental and social performance to encompass internal controls, ethics, and transparency—ensuring that we lead by example. Members share collective responsibility for identifying and mitigating, the organizations impact on the economy, environment, people, ESG-related risks, including climate change, regulatory shifts, supply chain disruptions, and reputational concerns, while maintaining alignment with both global standards and local requirements.

Diversity in leadership and decision-making is a critical element of our governance framework. We disclose the gender composition of our governance bodies to ensure transparency and accountability. This data reflects our commitment to advancing diversity, equity, and inclusion at the highest levels of oversight.

### Governance Structure by Gender

| Gender | Number of Members | Percentage |
|---|---|---|
| Male | 8 | 73 |
| Female | 3 | 27 |
| Other | 0 | 0 |
| Total | 11 | 100 |

Our governance structure is designed to balance independence, expertise, and oversight. The following table provides a breakdown of the composition of our Board of Directors, Audit Committee, and ESG/Sustainability Committee, distinguishing between independent and non-independent members. This ensures that our governance practices remain transparent and aligned with best practices. Board of Directors are executive members; all other members are not.

### Governance Structure by Role

| Role | Total Members | Independent | Not Independent |
|---|---|---|---|
| Board of Directors | 4 | 0 | 4 |
| Audit Committee | 1 | 0 | 1 |
| ESG/Sustainability Committee | 6 | 0 | 6 |
| Total | 11 | 0 | 11 |

Our Board is composed of experienced leaders whose roles are aligned with existing leadership positions, ensuring they bring the independence, expertise, and operational knowledge needed for effective oversight. Assignments reflect stakeholder expectations, promote diversity, and uphold our company values, ensuring governance is carried out by leaders who understand the challenges and opportunities of our sector.

The Board Chair, a senior executive, was selected for their leadership role and ability to represent the customer in strategic decision-making. Independent board members provide balanced oversight, helping mitigate potential conflicts of interest. Under the Chair's guidance, sustainability objectives are integrated into the company's corporate strategy

Supporting governance roles include the Director of Operations, who oversees policy commitments and carbon reduction initiatives; the Sustainability Officer, managing ESG programs, stakeholder engagement, and community relations; and the Project Manager, coordinating materiality assessments, CSR reporting, and improvement projects.

The Board reviews sustainability performance annually, with critical operational, environmental, and social risks escalated promptly to support timely decision-making. Cross-functional participation from operations, finance, management systems, and HR further ensures robust oversight and reduces conflicts of interest.

Remuneration for Board members reflects their leadership positions and includes fixed pay, retirement benefits, annual increases, and performance-based bonuses. Termination payments, if applicable, comply with local laws.

## Policy Commitments

We are committed to conducting business responsibly and with accountability across all aspects of our operations. Our formal policy commitments guide how we respect human rights, protect the environment, uphold ethics and integrity, support fair labor practices, and manage supply chain responsibilities.

We respect internationally recognized human rights, consistent with the UN Guiding Principles on Business and Human Rights, the ILO Core Conventions, and the OECD Guidelines for Multinational Enterprises. Employees and stakeholders receive training to ensure these standards are understood and effectively implemented.

Our Environmental Policy reflects our dedication to reducing greenhouse gas emissions, improving energy and resource efficiency, managing waste responsibly, and supporting a

circular economy. Through ongoing training, employees are empowered to contribute to these initiatives.

Ethics and integrity are central to how we operate. Our Code of Business Conduct and Ethics enforces zero tolerance for corruption, bribery, and conflicts of interest, while promoting fair competition. Mandatory training ensures that all employees and suppliers adhere to these principles.

We also prioritize labor practices that promote diversity, equity, and inclusion, fair wages and benefits, occupational health and safety, and the right to freedom of association, reinforced through regular employee training programs.

Our commitment extends to our suppliers, who are required to follow our Supplier Code of Conduct aligned with our human rights, environmental, and ethical standards. Suppliers participate in training and ESG due diligence programs to ensure compliance.

These policies apply across our employees, business units, wholly owned subsidiaries, contractors, and suppliers, through contractual obligations and audits. They are approved by our Board of Directors and overseen by the Sustainability Governance Board, with implementation, monitoring, and periodic review led by the Ethics, Compliance & Anti-Corruption Lead and the Human Rights & Labor Practices Lead.

Key policies are publicly available and communicated during onboarding, training, and ESG due diligence programs, ensuring all personnel have the knowledge and capacity to comply, We are committed to providing or cooperating in remediation if we cause or contribute to adverse impacts, and employees and stakeholders can raise concerns through confidential grievance and whistleblower channels without fear of retaliation.

## Membership Associations

While our role may not be prominent, we actively support several industry associations, including AAMA (Alabama Auto Manufacturing Association), AIAG (Automotive Industry Action Group), APMA (Automotive Parts Manufacturing Association), OESA (Original Equipment Suppliers Association), PMA (Precision Manufacturing Association), CTM (Canadian tooling).

## Collective Bargaining

As of this reporting period, 20% of our employees are covered by collective bargaining agreements. For the remaining workforce, their working conditions and terms of employment are set in line with the agreements covering other employees, ensuring fair and consistent treatment across the organization. This approach demonstrates our commitment to labor rights and equitable workplace standards for all employees.

## 3.0 Stakeholder Engagement and Materiality

At The NARMCO Group, we believe that meaningful progress in sustainability begins with listening—engaging with those who are most affected by our operations and decisions. Our commitment to transparent and responsible business practices is grounded in a structured approach to stakeholder engagement and materiality assessment.

### Materiality Assessment Methodology

To ensure our sustainability strategy is aligned with the issues that matter most, we conduct a comprehensive materiality assessment every two years, supported by annual updates. This process includes the following steps:

- Identification of sustainability topics based on global frameworks (GRI, UN SDGs), industry benchmarks, and internal business priorities.
- Stakeholder mapping to determine key groups whose input is critical to shaping our direction.
- Engagement through surveys, interviews, and workshops across a range of internal and external stakeholders, considering the role the organization has on potential and actual positive and negative impacts on the economy environment and people, including human rights.
- Prioritization using a dual-axis matrix, balancing stakeholder concern with business impact to highlight areas of highest strategic relevance.
- Validation by the Sustainability Governance Board to ensure alignment with corporate strategy and risk oversight.

This rigorous approach ensures that our sustainability reporting reflects both stakeholder expectations and the realities of our operations.

### Key Stakeholder Groups

We maintain open channels of communication with a diverse range of stakeholders, each of whom plays a vital role in our sustainability journey:

- Employees – As the foundation of our organization, employee feedback helps guide workplace safety, fairness, and development priorities.
- Customers – Our OEM partners expect innovation, quality, and low-carbon solutions, shaping our investments in green manufacturing.
- Suppliers – We work closely with suppliers to ensure ethical sourcing, transparency, and shared environmental goals.
- Regulators and Industry Associations – Ongoing dialogue ensures compliance, foresight on regulatory change, and alignment with industry best practices.
- Communities – Our responsibility extends to the communities where we operate, with local engagement shaping our social investment strategies.

Through regular engagement, we capture evolving stakeholder perspectives, enabling us to adapt our priorities and remain a trusted, future-ready partner.

Reporting is completed through, CDP (Carbon Disclosure Project), NQC-SAQ (Self Assurance Questionnaire), Eco-Vadis and Secaro (previously M2030).

Our engagement with these association(s) underscores our commitment to collaboration, knowledge-sharing and staying aligned with industry developments and best practices. Through these affiliations, we contribute to the collective strengths and advancements of the automotive manufacturing sector.

## CDP Scores

### Scores

**RODFAM HOLDINGS LTD**

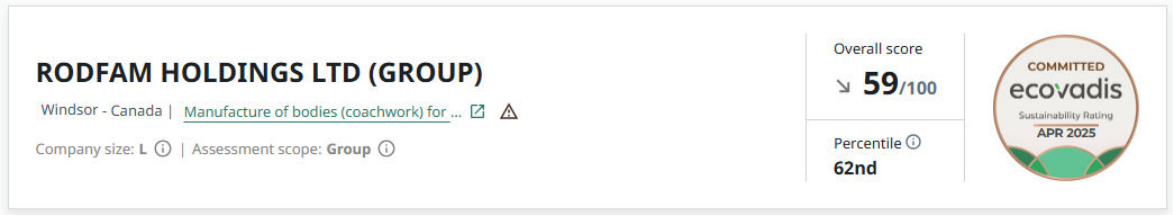
2025

**Overall scores**

| Score visibility | Climate change | Forests | Water security |
|---|---|---|---|
| Private<br>If you were requested by any Supply Chain members or Capital Markets Signatories, they can see these scores. | C | - | C |

## EcoVadis Badge

https://www.ecovadis-survey.com/app//#/my-performance/score-details?themeName=ENV




## SAQ 5.0 Assessment

Overall, our facilities have received a “B” score of 84%

## 4.0 Our Sustainability Pillars and Their Role in Advancing the SDGs

At The NARMCO Group, sustainability is driven by a focused set of priorities that reflect both our internal commitments and external responsibilities. To translate global imperatives into meaningful local action, we rely on two key frameworks: the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals (UN SDGs).

Our strategy is grounded in four foundational pillars—People, Planet, Profit, and Governance. These interconnected areas guide every aspect of our sustainability efforts, from workforce wellbeing to emissions reduction, innovation, and ethical business practices.

To sharpen our impact and ensure alignment with the global agenda, we've prioritized five SDGs where we believe our operations can make the most significant difference:

- SDG 7: Affordable and Clean Energy
  Improving energy efficiency and reducing emissions is central to our operational strategy.
- SDG 8: Decent Work and Economic Growth
  We're committed to safe, inclusive workplaces and supporting economic growth in our communities.
- SDG 12: Responsible Consumption and Production
  Efficient use of resources and responsible sourcing practices underpin our production model.
- SDG 13: Climate Action
  Reducing greenhouse gas emissions and building climate resilience are long-term priorities.
- SDG 15: Life on Land
  We work to protect biodiversity and reduce our footprint on local ecosystems.

### Connecting Pillars to Global Goals

Our pillars are not abstract—they are directly tied to material topics and embedded in operational decision-making. Here's how they support the selected SDGs:

Together, these pillars help us maintain a balanced, accountable, and actionable sustainability strategy. They ensure that every initiative—from safety training to emissions tracking—is not only meaningful to our business, but also to the world around us.

| Pillar | Aligned SDGs | How It Aligns | Relevant GRI Standards |
|---|---|---|---|
| **People** | **SDG 7 – Affordable and Clean Energy** | Supports access to clean, reliable energy that improves community well-being and safe, efficient operations. | **GRI 302** – Energy efficiency in operations; **GRI 403** – Occupational Health and Safety |
| | **SDG 8 – Decent Work and Economic Growth** | Promotes fair labor practices, safe working conditions, employee development, and inclusive economic growth. | **GRI 401** – Employment; **GRI 403** – Occupational Health and Safety; **GRI 404** – Training and Education; **GRI 202** – Market Presence |
| | **SDG 204 – Local Procurement** *(supportive)* | Strengthens local economies and supports regional development through local sourcing initiatives. | **GRI 204** – Procurement Practices; **GRI 414** – Supplier Social Assessment |
| **Profit** | **SDG 8 – Decent Work and Economic Growth** | Drives long-term business performance through innovation, productivity, and responsible growth. | **GRI 401** – Employment; **GRI 404** – Training and Education; **GRI 205** – Anti-Corruption |
| | **SDG 12 – Responsible Consumption and Production** | Encourages efficient resource use, waste reduction, and sustainable procurement to enhance operational efficiency and reduce costs. | **GRI 301** – Materials; **GRI 306** – Waste; **GRI 308** – Supplier Environmental Assessment; **GRI 414** – Supplier Social Assessment |
| | **SDG 205 – Anti-Corruption** *(supportive)* | Ensures ethical governance and integrity across operations and supply chains. | **GRI 205** – Anti-Corruption |
| **Planet** | **SDG 13 – Climate Action** | Focuses on reducing GHG emissions, improving energy efficiency, and building climate resilience. | **GRI 302** – Energy; **GRI 305** – Emissions |
| | **SDG 15 – Life on Land** | Protects biodiversity, rehabilitates natural habitats, and reduces operational impacts on ecosystems. | **GRI 304** – Biodiversity |
| | **SDG 12 – Responsible Consumption and Production** | Promotes circular economy practices through efficient material use and responsible waste management. | **GRI 301** – Materials; **GRI 306** – Waste; **GRI 303** – Water and Effluents |
| | **SDG 413 – Local Communities** *(supportive)* | Engages local communities to promote shared value and environmental stewardship. | **GRI 413** – Local Communities; **GRI 414** – Supplier Social Assessment |

## 5.0 Management of Material Topics

Overview of How Each Topic Is Managed

At The NARMCO Group, each material sustainability topic is addressed through a structured management approach designed to drive continuous improvement, ensure compliance, and deliver strategic value. Our approach includes:

- Dedicated governance roles within our Sustainability Governance Board to oversee each area (e.g., emissions, health & safety, procurement).
- Cross-functional integration to ensure that sustainability considerations are embedded into day-to-day operations, supply chain decisions, engineering design, and workforce development.
- KPI tracking and reporting, including internal scorecards aligned with GRI and SDG frameworks, reviewed biannually by executive leadership.
- Engagement and feedback loops with key stakeholders (employees, customers, suppliers, regulators, communities) to inform topic refinement and implementation.

We treat sustainability not as a set of standalone projects, but as a core management system that aligns with business goals and drives resilience and long-term performance.

## Connection to Materiality and SDGs

Our material topics were identified through our materiality survey process involving internal and external stakeholders. Each topic was assessed based on:

- Stakeholder concern
- Potential business impact
- Relevance to global frameworks, including the UN Sustainable Development Goals (SDGs)

The following SDGs were prioritized due to their alignment with our industry, our footprint, and stakeholder expectations:

- SDG 7: Affordable and Clean Energy
- SDG 8: Decent Work and Economic Growth
- SDG 12: Responsible Consumption and Production
- SDG 13: Climate Action
- SDG 15: Life on Land

Each material topic identified has been linked to at least one of the selected SDGs. This alignment allows us to pursue sustainability in a way that is both globally relevant and locally actionable.

Governance, Scope, and Boundaries for GRI Topics

Each GRI topic is assigned a governance owner at the Director level or higher, with reporting lines to the Sustainability Governance Board. Key elements of our management structure include:

- Scope and Boundaries:
  - All topics apply to our operations across Canada, the U.S., and Mexico.
  - Some topics (e.g., GRI 308 Supplier Environmental Assessment, GRI 204 Procurement Practices) extend to Tier 1 suppliers and logistics providers.
  - Environmental metrics (e.g., emissions, energy, waste) are tracked at the facility level, then rolled up regionally and globally.

- Control and Accountability:
  - Policies and procedures are in place for each topic (e.g., Supplier Code of Conduct, Energy Management Protocol).
  - Where applicable, we engage third-party auditors to validate data or processes, particularly around human rights, safety, and supplier compliance.

By structuring our management approach in this way, we ensure that our sustainability efforts are governable, measurable, and scalable.

By integrating governance into our sustainability framework, The NARMCO Group ensures that every decision we make is principled, data-informed, and accountable. In a high-compliance industry like automotive manufacturing, governance isn't optional — it's how we protect our license to operate and drive long-term value.

Prioritized Material Issues

Our most recent materiality assessment identified the following priority issues as being of high significance to both stakeholders and business continuity:

- Energy efficiency and emissions reduction
- Workforce development and safety
- Sustainable sourcing and supplier development
- Governance, ethics, and compliance
- Waste and resource management.
- Water use and local environmental impact

Based on the above the following GRI topics were chosen for the 2024 – 2025 report.

Economic Performance

- Related GRI Topics: 202 Market Presence

Environmental Performance

- Related GRI Topics: 301 Materials, 302 Energy, 304 Biodiversity, 305 Emissions, 306 Waste, 308 Supplier Environmental Assessments

Social Performance

- Related GRI Topics: 401 Employment, 403 Occupational Health and Safety, 404 Training and Education

Ethical Governance and Responsible Sourcing

- Related GRI Topics: 204 Procurement Practices, 205 Anti Corruption, 413 Local Communities, 414 Supplier Social Assessment,

This review did not include:

- GRI 303 Water and Effluents GRI 418 Customer Privacy as listed in the 2023 report.

Although we continue to track our water usage, have processes in place to monitor effluents and have included these details in this report. It was determined during our most recent materiality assessment that our organization does not have a significant impact on water and effluents. Our annual spend on water is minimal, no issues have been identified with our effluents as we are currently meeting all regulatory standards. We are not negatively affecting any human rights related to economic, environmental or social impacts.

Customer Privacy remains a priority however our corporation currently holds a High Availability TISAX label, which meets and exceeds our current customer expectations.

## 6.0 Economic Performance

**Relevant GRI References:** GRI 202

Economic performance is essential for ensuring business resilience, competitiveness, and supporting community prosperity. Potential risks include financial penalties for non-compliance, reputational or legal costs from inadequate supply chain oversight, and reduced productivity from an unsafe or untrained workforce. Conversely, strong economic performance can drive local job creation, improve workforce skills, increase operational efficiency, and stimulate local economic growth.

The organization manages these factors by implementing structured training and development programs, maintaining robust occupational health and safety (OHS) systems to reduce downtime, benchmarking wages and benefits against industry standards, and conducting ESG supplier assessments to ensure responsible business practices. In practice, while financial risks may arise from operational inefficiencies and workplace incidents, the organization continues to provide stable employment that contributes to economic resilience and community well-being.
Economic performance ensures resilience, competitiveness, and community prosperity.

### Disclosures:

| |
|---|
| **In 2025, NARMCO's average entry-level wage across its North American facilities ratio was 15 % higher than the local legal minimum, with no measurable gender gap in base pay for entry-level roles."** |
| **As of 2025, _100_% of NARMCO's senior management team across its manufacturing sites were sourced from local communities, reinforcing our commitment to regional investment and continuity."** |

### Linked SDGs:

SDG 8, SDG 12

## 7. Environmental Performance

**Relevant GRI References:** GRI 301, 302, 303, 304, 305, 306, 308

Our commitment to environmental stewardship is central to ensuring the long-term sustainability of our operations and the well-being of the communities where we operate. We recognize that responsible resource management and pollution prevention are essential to minimizing our environmental footprint.

Our operations can generate environmental risks, including emissions from welding fumes and coatings, high energy and water consumption, and the potential for improper waste handling that may lead to soil or water contamination. Through sustainable supply chain programs and responsible practices, we actively work to reduce these risks and promote positive outcomes across our value chain.

We continue to address our environmental impacts by reducing greenhouse gas emissions and advancing initiatives that improve efficiency and resource use. Energy efficiency programs have lowered both costs and emissions, recycling initiatives support a circular economy, and ISO 14001 certification has strengthened our environmental compliance and performance.

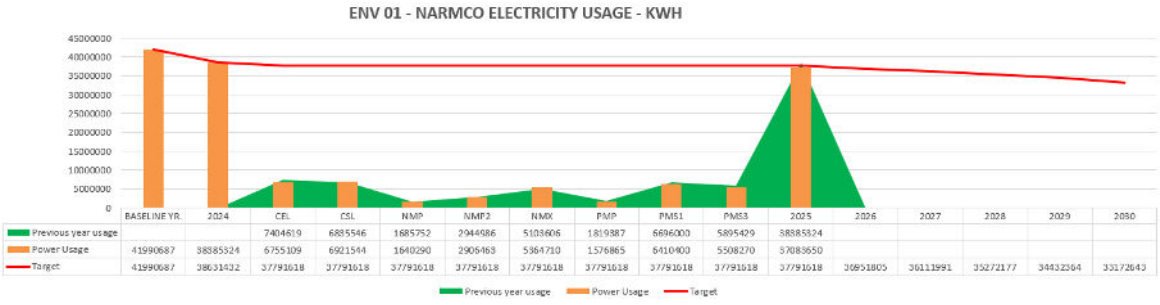
To drive continuous improvement, we have implemented ISO 14001 environmental management systems, monitoring and reducing our Scope 1 and 2 GHG emissions and set clear targets for water and energy reduction. We also maintain strict controls for the safe handling and disposal of hazardous waste to protect people and the environment.

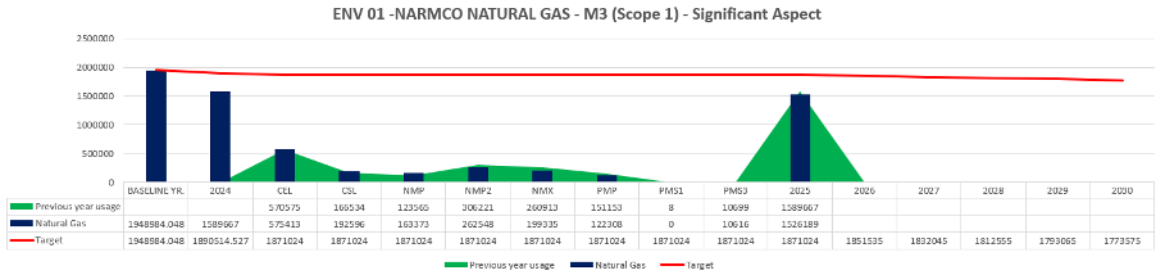
### Materials:

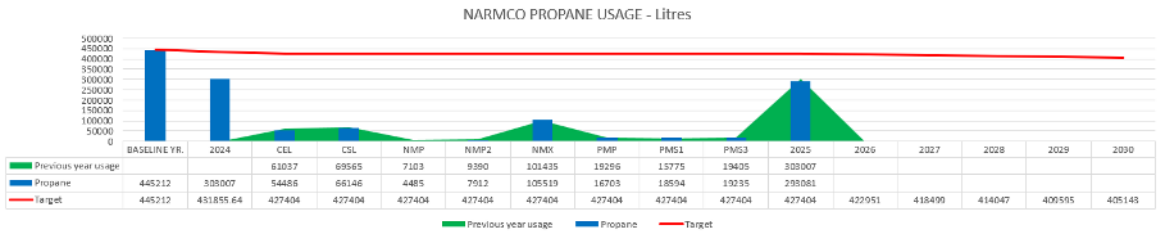
| |
|---|
| **In 2024, NARMCO used approximately _72,000_ metric tons of raw materials, of which _96_% were steel-based and _4_% aluminum."**<br><br>**In 2025, NARMCO used approximately _89,996_ metric tons of raw materials, of which _95.5_% were steel-based and _4.5_% aluminum."** |
| **Of total steel raw materials used 50% come from mini mills which use approximately 70% of recycled content and 50% come from integrated mills which use approximately 30__% of recycled content. Aluminum contains approximately _30_% of recycled content.**<br><br>***These percentages do not change year over year; the percentages above are how steel and aluminum are made for our product. What could change year over year is the % of material that comes from mini mills vs. integrated mills.** |

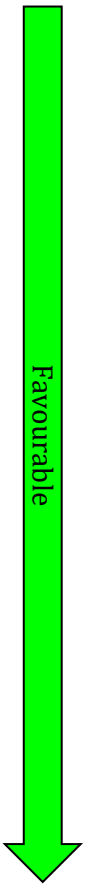
### Energy

Compared to our 2019 baseline, we have achieved a 9% reduction in electricity consumption in 2024, a 12% reduction in 2025, a 18% reduction in natural gas use in 2024 and a 22% reduction in 2025, and a 32% reduction in propane use in 2024, a 34% reduction in 2025. Electricity data is sourced directly from our utility providers, who also determine the share of renewable versus non-renewable energy. Natural gas and propane usage figures are reported by our fuel suppliers. Progress to this data is shown below.




Energy consumption outside the organization is currently limited, though efforts are underway to expand our tracking scope. At present, we monitor select categories of indirect energy use, including portions of upstream transportation and distribution, purchased goods and air-related business travel. For downstream activities, a small portion of transportation and distribution is also being tracked. Data is collected and assessed using the UN Environment Programme's GHG Indicator 2000 guidelines, with monitoring conducted at both the corporate headquarters and facility levels. As our systems mature, we aim to enhance the accuracy and coverage of these measurements to better understand our total energy footprint.

The data described in the 2 tables below includes significant exclusions.

### In direct Energy - Upstream

| |
|---|
| **In 2024, related to transportation and distribution NARMCO emitted _113_ metric tons of C02 Emissions**<br><br>**In 2025, related to transportation and distribution NARMCO emitted _107_ metric tons of C02 Emissions** |
| **In 2024, related to purchased goods NARMCO emitted _328_ metric tons of C02 Emissions** |

| |
|---|
| **In 2025, related to purchased goods NARMCO emitted _483_ metric tons of C02 Emissions** |
| **In 2024, related to air-related business travel NARMCO emitted _124_ metric tons of C02 Emissions**<br><br>**In 2025, related to air-related business travel NARMCO emitted _145_ metric tons of C02 Emissions** |

### Indirect Energy - Downstream

| |
|---|
| **In 2024, related to transportation and distribution NARMCO emitted _335_ metric tons of C02 Emissions**<br><br>**In 2025, related to transportation and distribution NARMCO emitted _147.05_ metric tons of C02 Emissions** |

Several energy reduction initiatives have contributed to our overall sustainability goals. Our Mexico facility has implemented a power purchase agreement with its utility provider to secure cleaner energy. In our Ontario and Alabama facilities we conduct annual air and gas leak evaluations as well as energy "treasure hunts." Issues identified during these events are promptly assigned work orders and addressed, ensuring continuous improvement. Across all regions, our facilities have introduced a phased power monitoring program, progressively installing devices on key equipment such as compressors, chillers, dryers, and scrap systems to better understand and manage energy consumption.

To improve oversight of natural gas use at our Canadian facilities, we now monitor meters directly and input the data into utility provider portals, removing estimations and enabling timely, informed responses.

Across all operations, we continue to replace older fluorescent lighting with LEDs, and new equipment purchases that would require fluorescent lighting are no longer permitted. These initiatives reflect our commitment to reducing energy consumption, enhancing efficiency, and supporting a more sustainable future.

## Water Stewardship

At NARMCO, we recognize that water is a finite and shared resource, essential to both our operations and the communities where we operate. Maintaining a reliable and uncontaminated water supply is critical to the efficiency of our painting, washing, and cooling processes, and to the long-term sustainability of our business.

Across our Canadian and U.S. facilities, water is supplied through municipal systems drawing from nearby freshwater reservoirs, rivers, and lakes. Following use, water is treated to meet all applicable discharge standards before being responsibly released back into municipal sewer systems. This closed-loop approach ensures that our operations interact with water responsibly minimizing consumption, safeguarding quality, and supporting local infrastructure.

Our Mexico facility, situated in a water-stressed region, requires a more tailored approach. Water is sourced from two wells within the Industrial Park under an annual consumption contract with a government-authorized private well owner. Consumption is closely monitored to remain within regulatory limits. After use, water undergoes chemical-mechanical treatment before being discharged through the Industrial Park's network to a central private treatment facility, where it is further processed and reused—supporting a circular water management system that reduces dependency on freshwater sources.

Water serves several critical functions within our operations:

Welding: Used primarily as a cooling agent in self-contained, recirculating systems. Only small amounts of makeup water are added to offset evaporation or minor spills.

Paint Line: Fresh water is introduced solely during the final rinse stage. Rinse water cascades backward through preceding tanks, allowing multiple reuse cycles and significantly reducing overall consumption.

Potable Use: Includes drinking water, janitorial cleaning, and restroom facilities.

Facilities with paint lines are equipped with on-site waste treatment systems, ensuring that any process water is treated before discharge. Canadian and U.S. facilities release treated water to municipal systems, while the Mexico facility discharges through the Industrial Park network to a treatment facility. Sites without paint lines do not discharge process water.

To understand and manage our water-related impacts, NARMCO conducts annual environmental assessments and site-level compliance reviews. These evaluations help identify water withdrawal and discharge risks, considering watershed conditions, local regulations, and community water stress. Where relevant, water quality and usage data are benchmarked against local and regional standards to ensure ongoing compliance and continuous improvement.

Each NARMCO facility that discharges water adheres to all applicable local and national effluent regulations, with discharge quality parameters tested and monitored monthly. In locations where no local discharge standards exist, facilities apply internally developed guidelines aligned with recognized sector practices and ISO 14001 environmental management principles. When establishing or reviewing discharge criteria, each facility also considers the profile of the receiving waterbody—for example, whether water flows to a municipal treatment system, an industrial park network, or a natural watercourse—ensuring that effluent quality protects both treatment system capacity and local aquatic environments.

We actively work to reduce our water footprint through process optimization, reuse systems, and ongoing investments in treatment technology. Our facilities collaborate closely with municipal authorities, Industrial Park partners, and local water agencies to promote shared water stewardship and transparent water use practices.

Each site sets annual water use targets, developed using a combination of historical water usage data, environmental assessments, regulatory requirements, and input from facility managers and environmental teams. These targets are designed to be responsive to local water availability and conditions, ensuring that in areas of higher water stress, such as Mexico, additional measures—like capped consumption agreements and treatment partnerships—support alignment with public policy priorities and community water needs. At this point discharging is monitored tracked and tested however targets have not yet been

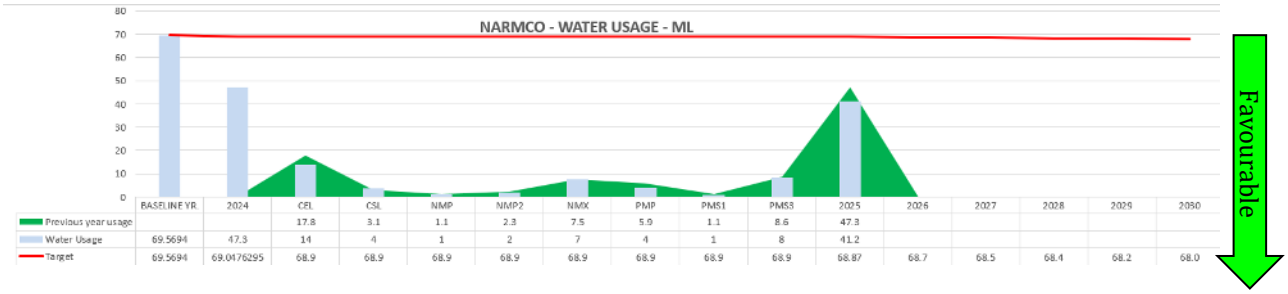
developed. Discharging data only includes process wastewater and not water from services (toilets, sinks etc.)

Through these collective efforts, NARMCO strives to operate as a responsible water steward, ensuring that every liter used is managed with care, efficiency, and respect for the ecosystems and communities that sustain us.

All water withdrawal for all facilities come from third party providers.

- Windsor, Ontario facilities: Third-party water sourced from surface water (Detroit River).
- Guelph, Ontario facility: Third-party water sourced from groundwater (municipal wells).
- Gadsden, Alabama facilities: Third-party water sourced from surface water (Middle Coosa Basin).
- Queretaro, Mexico facility: Third-party water sourced from groundwater (Water stressed area)

Summary of Water withdrawal in Megalitres is listed in the Graph below. Compared to our 2019 baseline, we have achieved a 32% reduction in water in 2024, and 41% reduction in 2025. Withdrawal data is taken from the water providers monthly invoice for each facility and then summed together for a total value for the entire NARMCO Group. For this report it has been converted to megalitres.




## Discharges / Consumption:

| |
|---|
| Across (3) three regions the NARMCO Group in **2024** treated a total of **22.020 ML** and **22.344 ML** in **2025**. Flowmeters are used at each facility in the treatment area. |
| In **2024 CEL** discharged **11.65 ML,** and in **2025** discharged **12.73 ML** to the municipal sanitary sewer.<br><br>In 2024 CEL added additional equipment to the waste treatment process, which has increased the amount of wastewater the facility can treat. |
| In **2024 NMX** discharged **4.423 ML**, and in **2025** discharged **4.356 ML** to the municipal sanitary sewer. (Water Stressed Area) |
| In **2024 PMS3** discharged **5.939 ML**, and in **2025** discharged **5.26 ML** to the municipal sanitary sewer. |
| Across (3) three regions the NARMCO Group in **2024** consumed a total of **25.329 ML** and **18.81 ML** in **2025** of freshwater. Since we cannot directly measure water consumption this was calculated using: Water consumption = Total water withdrawal - Total water discharge. |
| In **2024 CEL** consumed **6.614 ML,** and in **2025** consumed **1.16 ML** of freshwater. The reason for the negative number in 2025 is CEL is now treating PMP wastewater as well. |

| |
|---|
| In **2024 NMX** consumed **3.113 ML,** and in **2025** consumed **3.05 ML** of freshwater. |
| In **2024 PMS3** consumed **2.697 ML,** and in **2025** consumed **2.87 ML** of freshwater. |
| **For all other facilities water withdrawal is assumed to be the same as water used as listed in the water usage Graph above.** |

## Biodiversity

Our organization recognizes the importance of biodiversity protection and routinely evaluates the proximity of our operational sites to protected areas and regions of ecological significance. The following summarizes the geographic context, proximity, and ecological characteristics of each of our facilities.

**Ontario, Canada**

In **Windsor, Ontario**, our facilities at 945 Prince Road, 2525 Central Avenue, and 2575 Airport Road are located within several kilometers of the Ojibway Prairie Complex, one of Canada's most ecologically significant natural areas and a designated Key Biodiversity Area (KBA).

- The 945 Prince Road facility is approximately 0.8 km from the Ojibway Prairie Provincial Nature Reserve boundary, positioning it directly adjacent to the broader complex.

- The 2525 Central Avenue and 2575 Airport Road sites are situated approximately 4.5 km and 4.2 km east of the complex, respectively.

The Ojibway Prairie Complex contains tallgrass prairie, oak savannah, and wetland ecosystems that support numerous rare and provincially significant species. All Windsor sites are manufacturing operations, and although none lie within the protected area, their close proximity underscores the importance of continued environmental monitoring and stewardship.

In **Guelph, Ontario**, our 400 Elmira Road facility is located approximately 3.2 km north of the Hanlon Creek Conservation Area, a regionally protected natural zone with mixed forest, wetland, and meadow habitats. This manufacturing site is not directly adjacent to a formally designated protected area but exists within a broader ecological landscape of moderate biodiversity value.

**Alabama, United States**

Our facilities at 1108 Airport Industrial Drive and 1305 Airport Industrial Drive in Gadsden, Alabama, are situated within a region of rich biodiversity typical of the southeastern United States. Both manufacturing sites are located approximately 5.5 to 5.6 km northeast of Noccalula Falls Park, a state-protected park known for its waterfall, riparian forest, and riverine ecosystems. While the sites are not directly adjacent to a formally designated conservation area, their proximity to these freshwater and forest habitats highlights the ecological diversity of the region.

**Querétaro, Mexico**

Our Querétaro facility, located at Carretera Querétaro – San Luis Potosí Km 28.5, Lote 25-2 Manzana 1, Parque Industrial Querétaro, operates within an established industrial park zone. The site is situated approximately 6.8 km northeast of Cerro del Cimatario National Park, a

federally designated natural protected area known for its semi-dryland ecosystems, xeric scrub, and endemic species. Although the facility is not within or directly adjacent to the park, its proximity places it within a region of high biodiversity value outside formally protected areas.

Across our global footprint, all identified sites are manufacturing operations located within terrestrial, freshwater, or semi-dryland ecosystems. The Windsor sites in Canada are adjacent to a recognized Key Biodiversity Area, the Guelph and Gadsden sites are within regions of regional ecological significance, and the Querétaro facility is situated near a federally protected area. None of our facilities operate within the boundaries of a protected area, and we actively implement environmental management practices to prevent or minimize impacts on local biodiversity.


While none of our operations are located within protected or high-biodiversity areas, several are near ecologically sensitive zones. The most significant potential impacts relate to:

- Air emissions (from coating processes and energy use),
- Stormwater and wastewater discharges,
- Waste and materials handling, and
- Noise and light pollution from industrial activities.

Through a combination of engineering controls, operational procedures, and compliance with local regulations, these impacts are managed to prevent measurable harm to biodiversity. Ongoing environmental monitoring ensures continued protection of nearby ecosystems, such as the Ojibway Prairie Complex in Ontario and Cerro del Cimatario National Park in Mexico.

**Protected Habitats at Our Facilities**

- CEL/PMP – 46,407 sq ft of terrestrial habitat permanently protected, featuring a Monarch butterfly weigh station and a bee colony (MonarchWatch.org).
- CSL – 174 sq ft terrestrial area protected for a Monarch butterfly weigh station (MonarchWatch.org).
- PMS3 – 2,069 sq ft terrestrial area protected for a Monarch butterfly weigh station (MonarchWatch.org).

The Ojibway Prairie Complex in Ontario, Canada, and Cerro del Cimatario National Park in Mexico sites support species of conservation concern, such as the nationally Endangered Eastern Massasauga Rattlesnake and Butler's Gartersnake at Ojibway, and the cactus Mammillaria Mathildae at Cimatario. Globally, some species are listed as Least Concern, highlighting the difference between national and international assessments.

## Green House Gas Emissions

At NARMCO, we are committed to reducing our greenhouse gas (GHG) emissions across our operations and value chain. Guided by Executive Management, customer expectations, legal requirements, and sustainability standards, we continuously strive to improve our environmental performance.

Each facility monitors its direct (Scope 1) and energy-related indirect (Scope 2) emissions, with site-specific reduction targets. These results are consolidated to provide an organization-wide view of our progress and support our corporate sustainability goals.

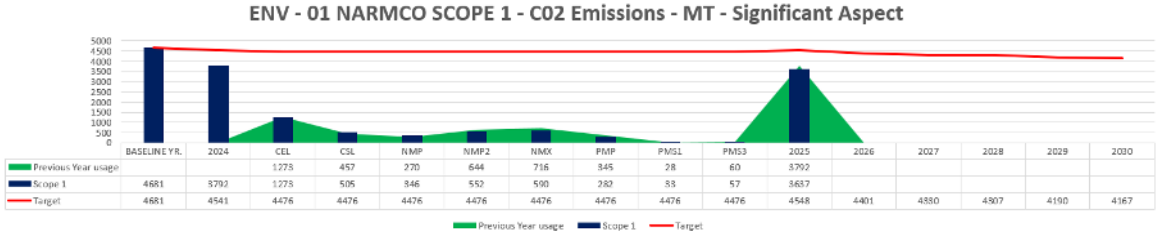
NARMCO updated its baseline year for Scope 1 and Scope 2 emissions from 2021 to 2019 to provide a more accurate representation of typical operational conditions. The 2021 data were influenced by temporary production changes and reduced activity levels related to COVID-19 restrictions, making it an unsuitable reference year.

### Scope 1

In our **2019** baseline year, NARMCO emitted a total of **4725** metric tonnes (MT) of $CO_2$ under Scope 1. By **2024**, gross emissions decreased to **3,791 MT,** representing a **19%** reduction, and by **2025** emissions have further declined to **3637 MT—a 23%** reduction compared to the baseline.

These calculations include emissions from natural gas, propane, and company vehicles. Natural gas is primarily used for facility heating and in facilities that have paint line processes and parts washing processes, while propane fuels forklifts. Data for these sources are derived from supplier invoices, and vehicle emissions are based on recorded internal mileage.

Each facility's gross $CO_2$ emissions for the 2019 baseline, 2024, and 2025 year-to-date are presented in the accompanying graph.

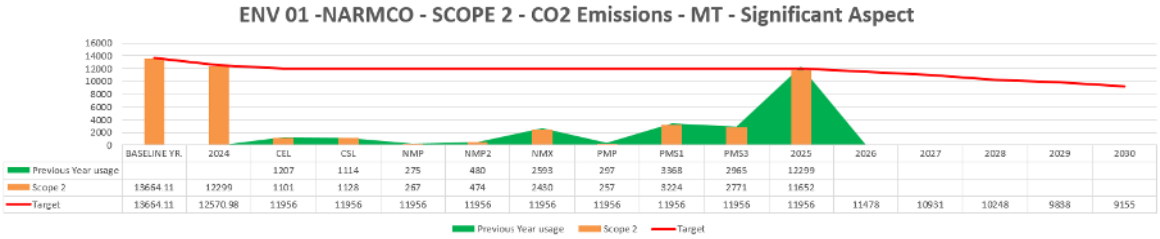


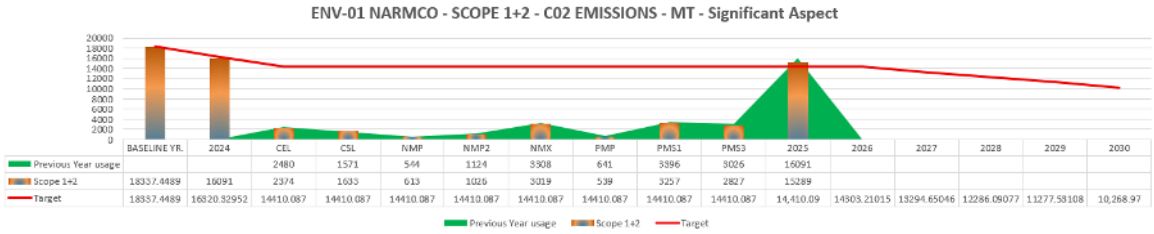
## Scope 2

NARMCO's Scope 2 emissions are reported on a location-based basis, as market-based data is not applicable to our operations. In our **2019** baseline year, NARMCO emitted **13,614** metric tonnes (MT) of $CO_2$ under Scope 2. By **2024**, emissions decreased to **12,299** MT, representing a **10%** reduction. In **2025** gross Scope 2 emissions have further declined to **11652** MT, achieving a total reduction of **14%** compared to the baseline year.

Scope 2 emissions are derived from purchased electricity, with consumption data obtained directly from utility provider invoices. Each facility's gross $CO_2$ emissions for 2019, 2024, and 2025 year-to-date are illustrated in the accompanying graph.

In 2025, NARMCO identified and corrected a reporting error related to Scope 2 power emissions. The issue stemmed from a formatting error that had understated previously reported $CO_2$ totals. This correction has been applied retroactively from the 2019 baseline year through the current reporting period, ensuring the accuracy and integrity of our emissions data.



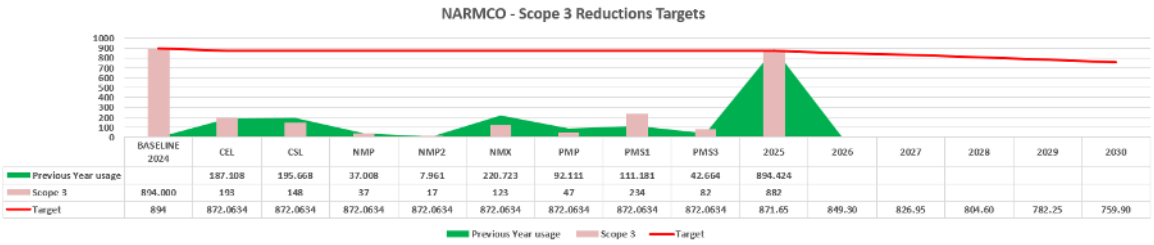




## Scope 3

NARMCO tracks value chain (Scope 3) emissions, which currently include significant exclusions due to data limitations. Monitoring occurs at the facility level, while corporate-level goals guide overall efforts. We are actively working to expand coverage, improve data quality, and engage suppliers to reduce emissions across the lifecycle of our products.

For Scope 3 emissions, 2024 has been established as the baseline year due to prior inconsistencies in tracking and reporting. In **2024,** NARMCO emitted **894** metric tonnes (MT) of $CO_2$. **2025** emissions total **882** MT, representing a **1.34%** reduction relative to the baseline.

Scope 3 emission sources are detailed in the Energy section of this report under "Indirect Energy – Upstream" and "Indirect Energy – Downstream." Each facility's gross $CO_2$ emissions for 2024 and 2025 year-to-date are shown in the accompanying graph, illustrating progress toward a more comprehensive understanding and reduction of value chain emissions.




## Reduction Initiatives

Since the launch of NARMCO's emissions reduction program in 2019, each facility has implemented initiatives to reduce Scope 1 and Scope 2 $CO_2$ emissions. While historical data collection has been inconsistent, the following results focus on reductions achieved from the **2024** calendar year through **2025**. Each initiative has been evaluated for effectiveness, with only measures demonstrating measurable reductions included in this report.

**Scope 1 Reductions – 615 MT $CO_2$ (Organizational Total)**

- PMS1, PMS3, PMP, CSL: Replaced some propane-powered lift trucks with electric alternatives and optimized propane usage, reducing emissions by 50 MT $CO_2$.
- PMS1: Diverted natural gas used for comfort heating and closed unused gas valves, achieving a reduction of 4.45 MT $CO_2$.
- PMS3: Optimized paint line burners and replaced two process chemicals to lower operating temperatures, resulting in 2.25 MT $CO_2$ savings.
- CSL: Installed photo eyes on bay doors, repaired broken panels, and ensured unused heating valves were locked out, reducing emissions by 290 MT $CO_2$.
- NMP: Repaired the west wall and added thermostat timers for heating, achieving 48.63 MT $CO_2$ reduction.
- NMP2: Captured heat from the compressor room for winter use, vented it in summer, and upgraded to more efficient heating systems, resulting in 220 MT $CO_2$ reduction.

**Scope 2 Reductions – 433 MT $CO_2$ (Organizational Total)**

- PMP: Detected and repaired air leaks and connected air lines to welder shutdowns, reducing emissions by 20 MT $CO_2$.
- CEL: Detected and repaired air leaks and added a booster pump to compressors for weekends, achieving 132 MT $CO_2$ reduction.
- NMP: Added compressor monitoring, repaired air leaks, replaced streetlights with solar-powered options, and installed LED lighting in changerooms and washrooms, reducing emissions by 99 MT $CO_2$.
- NMP2: Monitored energy usage on compressors, took two transformers offline, repaired air leaks, installed programmable parking lot lighting, and replaced lights with LEDs as needed, saving 77 MT $CO_2$.
- NMX: Repaired air leaks and replaced inefficient lighting with LEDs, resulting in 105 MT $CO_2$ reduction.

These initiatives demonstrate NARMCO's commitment to targeted, measurable reductions in greenhouse gas emissions and provide a foundation for continued improvement across our facilities.

All our GHG tracking consist only of C02 emissions. At this time, we are not tracking CH4 , N2O, HFCs, PFCs, SF6 , NF etc. Biogenic C02 Emissions are not applicable to our facility.

### Other significant air emissions

Emissions of nitrogen oxides ($NO_x$), sulfur oxides ($SO_x$, reported as $SO_2$), volatile organic compounds (VOCs), hazardous air pollutants (HAPs), and particulate matter (PM) are calculated annually for NARMCO's Ontario facilities as part of legal reporting requirements. These calculations are performed by engineering consultants using U.S. EPA AP-42 emission factors for natural gas combustion (Chapter 1.4). Our Gadsden and Queretaro facilities are not included in these reports.

In 2024, all reported emissions were within permitted limits, with certain pollutants exceeding reporting thresholds as noted:

- **CEL/PMP:** 1.156 T $NO_x$, 0.007 T $SO_2$, 1.242 T PM, and 1.551 T VOCs.
    - $PM_{10}$ and $PM_{2.5}$ were reportable as they exceeded thresholds (1.242 T), as was 2-Butoxyethanol (1.007 T).
- **CSL:** 0.267 T $NO_x$, 0.002 T $SO_2$, 0.447 T PM, and 0.034 T VOCs.
    - $PM_{2.5}$ exceeded the reporting threshold with a release of 0.477 T.
- **NMP:** 0.198 T $NO_x$, 0.001 T $SO_2$, 0.663 T PM, and 0.672 T VOCs.
    - $PM_{10}$ and $PM_{2.5}$ exceeded thresholds with a release of 0.663 T.
- **NMP2:** 1.691 T $NO_x$, 0.003 T $SO_2$, 1.069 T PM, and 0.027 T VOCs.
    - $PM_{10}$ and $PM_{2.5}$ were reportable with a release of 1.069 T.

This monitoring demonstrates NARMCO's ongoing compliance with air quality regulations and commitment to managing emissions responsibly across our operations.

NARMCO's emissions management combines facility-level action with corporate oversight, ensuring accountability, transparency, and continuous progress toward comprehensive GHG reduction across all scopes, this approach is based on operational control.

The source of our emission factors come from UN EP Guidelines 2000.

## Waste

Waste management is a central component of NARMCO's sustainability strategy. Across our operations, six primary waste streams—metal off-fall, paint line waste, packaging waste, facility waste, processing and maintenance waste, and testing/rejected product waste—are monitored and managed to reduce environmental impacts, including resource depletion, pollution, and landfill use.

**Metal Off-Fall:** Excess steel and aluminum generated during stamping is tracked and fully recycled, reducing demand for virgin materials and associated emissions. Employee training, clear signage, and contamination prevention measures ensure effective segregation and recovery, supporting both waste prevention and circularity.

**Paint Line Waste:** Waste oils and sludges from painting processes are handled by licensed contractors to prevent soil and water contamination. Improvements in paint formulations, pre-treatment chemicals, and reduced oven temperatures have lowered both waste generation and greenhouse gas emissions. Paint use and quality-related waste are monitored under the Cost of Poor Quality (COPQ) program to guide ongoing reductions.

**Packaging Waste:** Cardboard and wooden pallets are reused internally, repurposed when structurally suitable, or recycled where facilities exist. When recycling is unavailable, materials are responsibly disposed of at licensed landfills. Tracking of recycled versus landfilled packaging supports continuous improvement and enhances circular material flows.

**Facility Waste:** Food and office waste are segregated for recycling wherever possible. Employee engagement and awareness programs promote responsible disposal, while smaller facilities often demonstrate high recycling performance per employee. Lessons learned are shared across sites to support consistent best practices.

**Processing and Maintenance Waste**: Lubricants and oils from stamping and maintenance are applied and monitored carefully to reduce consumption and prevent spills. All waste is collected and disposed of by approved contractors, ensuring compliance with environmental regulations. Monthly tracking of oils and lubricants allows sites to measure performance and implement improvements across operations.

**Testing and Rejected Products:** Non-destructive testing methods enable most tested items to be returned to production, minimizing scrap. Materials that cannot be reused are segregated and recycled when feasible, reducing landfill impact. These outcomes are tracked under COPQ reporting to support ongoing waste reduction initiatives.

NARMCO ensures that all third-party waste handlers are certified and operate in compliance with local legislation. Waste data is collected monthly across all sites, reviewed quarterly by members the Sustainability Governance Board, and used to drive improvements, validate contractor performance, and strengthen circularity measures.

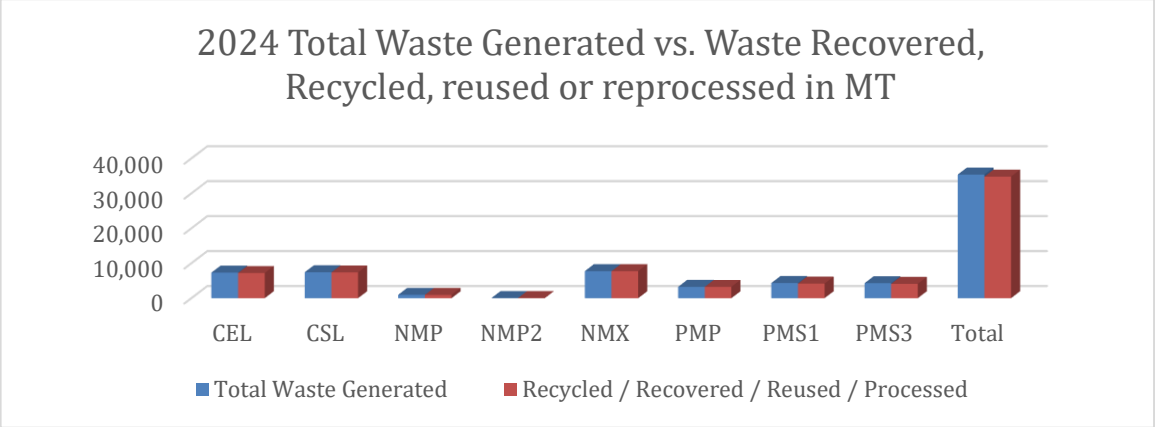
Through these practices, NARMCO not only meets regulatory requirements but also mitigates the environmental impacts of its operations, conserves resources, and promotes a culture of continuous improvement in waste management.


In 2024, NARMCO generated **35,378** metric tonnes of waste across all facilities. The vast majority, **34,796 MT**, was recycled, recovered, reused, or reprocessed, reflecting our commitment to circularity and resource efficiency. A smaller portion, **582** MT, was sent to landfill, including paint line sludge. **98%** of our waste was diverted from the landfill.

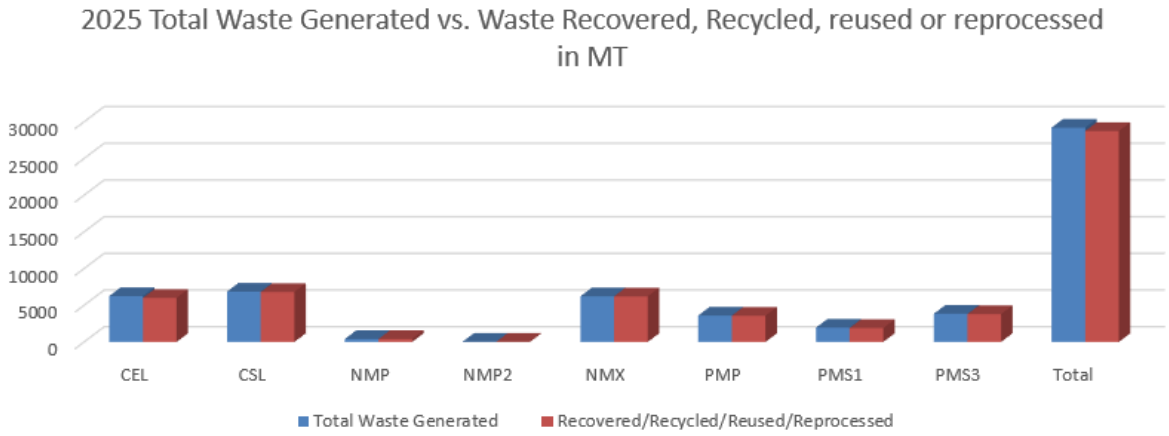
In 2025, NARMCO generated **29212.29** metric tonnes of waste across all facilities. The vast majority, **28740.38** MT, was recycled, recovered, reused, or reprocessed, reflecting our commitment to circularity and resource efficiency. A smaller portion, **471.94** MT, was sent to landfill, including paint line sludge. **98%** of our waste was diverted from the landfill.

Waste composition is diverse, covering metals (steel, aluminum, copper), packaging (cardboard, wood, paper), organics, oils and lubricants, emulsified oils, compressed gases, polymeric resins, and paint/coating residues. Each stream is actively managed through recycling, reuse, and licensed third-party processing where applicable.

Data is collected from supplier invoices and operational records, with conversions applied to report all amounts in metric tonnes. This systematic tracking allows NARMCO to monitor performance, identify reduction opportunities, and demonstrate progress toward waste reduction and circularity objectives.




| *2024 Breakdown by Composition of Recycled/Recovered Waste (MT)* | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| ***Waste Type*** | ***CEL*** | ***CSL*** | ***NMP*** | ***NMP2*** | ***NMX*** | ***PMP*** | ***PMS1*** | ***PMS3*** | ***Total*** |
| *Organics* | *0* | *0* | *15* | *0* | *0* | *0* | *0* | *0* | *15* |
| *Cardboard* | *39* | *34* | *2* | *5* | *110* | *22* | *0* | *0* | *213* |
| *Mixed Recycling* | *0* | *0* | *2* | *0* | *0* | *0* | *0* | *0* | *2* |
| *Paper* | *4* | *2* | *0* | *6* | *4* | *3* | *0* | *0* | *19* |
| *Wood* | *41* | *14* | *4* | *1* | *95* | *28* | *0* | *0* | *184* |
| *Cans* | *1* | *0* | *0* | *0* | *2* | *2* | *0* | *3,671* | *3,675* |
| *Steel Scrap* | *5,781* | *6,665* | *786* | *32* | *7,209* | *2,633* | *3,671* | *421* | *27,198* |
| *Aluminum Scrap* | *632* | *88* | *59* | *0* | *283* | *275* | *421* | *1* | *1,759* |
| *Copper Scrap* | *1* | *1* | *0* | *0* | *4* | *0* | *1* | *1* | *8* |
| *Oil Skimming's & Sludges* | *695* | *571* | *21* | *0* | *8* | *267* | *76* | *0* | *1,639* |
| *Alkaline Wastes (Other)* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* |
| *Waste Oil & Lubricants* | *1* | *0* | *7* | *0* | *6* | *1* | *8* | *24* | *47* |
| *Waste Compressed Gases* | *1* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *1* |
| *Emulsified Oils* | *0* | *0* | *32* | *0* | *0* | *0* | *0* | *0* | *32* |
| *Polymeric Resins* | *1* | *0* | *0* | *1* | *0* | *0* | *0* | *0* | *3* |
| *Paint / Coating Residue* | *0* | *0* | *0* | *0* | *2* | *0* | *0* | *0* | *2* |



| 2025 Breakdown by Composition of Recycled/Recovered Waste (MT) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Waste Type** | **CEL** | **CSL** | **NMP** | **NMP2** | **NMX** | **PMP** | **PMS1** | **PMS3** | **Total** |
| Organics | 0 | 0 | 3 | 0 | 17 | 0 | 0 | 0 | 20 |
| Cardboard | 38 | 22 | 2 | 8 | 31 | 29 | 0 | 0 | 130 |
| Mixed Recycling | 0 | 0 | 2 | 2 | 0 | 0 | 0 | 0 | 5 |
| Paper | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 3 |
| Wood | 49 | 16 | 3 | 0 | 45 | 34 | 0 | 0 | 148 |
| Cans | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 2 |
| Steel Scrap | 5260 | 6661 | 378 | 19 | 5967 | 3216 | 3526 | 3526 | 28551 |
| Aluminum Scrap | 658 | 114 | 14 | 0 | 135 | 305 | 267 | 267 | 1759 |
| Copper Scrap | 1 | 2 | 0 | 0 | 14 | 0 | 1 | 1 | 20 |
| Oil Skimming's & Sludges | 390.850 | 715.070 | 10.750 | 0.000 | 1.889 | 19.035 | 24.806 | 0.000 | 1162.399 |
| Alkaline Wastes (Other) | 0.000 | 0.000 | 0.000 | 0.000 | 7.218 | 0.000 | 0.000 | 0.000 | 7.218 |
| Waste Oil & Lubricants | 0.000 | 0.000 | 0.000 | 0.000 | 0.002 | 0.000 | 0.000 | 0.000 | 0.002 |
| Waste Compressed Gases | 0.080 | 2.255 | 0.200 | 0.000 | 4.335 | 0.410 | 0.000 | 0.000 | 7.280 |
| Emulsified Oils | 1.230 | 0.100 | 0.003 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 1.333 |
| Polymeric Resins | 0.000 | 0.000 | 44.850 | 0.000 | 1.089 | 0.000 | 0.000 | 16.614 | 62.553 |
| Paint / Coating Residue | 0.140 | 0.000 | 0.060 | 0.380 | 0.965 | 0.000 | 0.000 | 0.000 | 1.545 |

## Supplier Environmental Assessments

At NARMCO, we recognize that our environmental impact extends beyond our direct operations, encompassing the entire supply chain. We are committed to ensuring that our suppliers uphold the same high environmental standards we set for ourselves. This commitment to sustainable sourcing and supplier collaboration is integral to achieving our sustainability goals.

We are working towards a proactive approach to screen new suppliers using environmental criteria and continuously monitor the environmental practices of our existing suppliers. Our goal is to reduce the environmental risks across our value chain by engaging suppliers in meaningful discussions about sustainability and addressing any negative impacts. As a first step we have engaged our production suppliers and are assessing them based on whether they are ISO 14001 certified, and if they respond to such platforms as CDP. Secaro (Previously M2030), EcoVadis and SAQ.

This section outlines our efforts to assess and improve the environmental performance of our suppliers, highlighting our commitment to responsible sourcing and sustainable business practices. By fostering strong, environmentally responsible relationships with our suppliers, we are building a more resilient and sustainable supply chain that aligns with both our values and global sustainability objectives.

| |
|---|
| In 2024, _0_ cases of significant environmental non-compliance were identified. NO corrective actions were required, 0_ suppliers were removed from our network.<br><br>In 2025, _0_ cases of significant environmental non-compliance were identified. NO corrective actions were required, 0_ suppliers were removed from our network. |

As of December2025, we have requested 136 production suppliers respond to the environmental assessment.

- 72 suppliers have completed the assessment.
- 21 have engaged with CDP.
- 23 have engaged in SAQ,
- 25 have engaged with EcoVadis.
- 14 have engaged with M2030.
- 45 are ISO 14001 Certified

Linked SDGs:
SDG 7, SDG 12, SDG 13, SDG 15

## 8. Social Performance

**Relevant GRI References: ** GRI 401, 403, 404
At NARMCO strong labor practices are central to our commitment to ethical and responsible operations. We aim to provide fair employment, ensure safe and healthy workplaces, and uphold human rights across our operations and supply chain.

Our business recognizes potential risks such as discrimination, occupational health and safety hazards from welding and coating operations, and the possibility of child or forced labor within the broader supply chain. We also remain vigilant against retaliation for employees who raise concerns through grievance mechanisms.

In response, we maintain a zero-tolerance policy toward child and forced labor and require suppliers to comply with our ethical standards supported by our monitoring processes. Our Occupational Health and Safety (OHS) management system promotes safe practices through training, inspections, and the use of personal protective equipment. We invest in ongoing employee development to strengthen skills, improve employability, and foster long-term career growth. Diversity and inclusion programs help ensure equitable opportunities for all employees.

We encourage open communication through confidential grievance channels and maintain a strict non-retaliation policy to protect those who speak up. We promote this practice through-out our supply chain.

Through these efforts, we continue to advance fair labour conditions, promote workforce well-being, and uphold our commitment to human rights and responsible sourcing in every aspect of our operations.

### Employment

We believe that our people are the foundation of our success. As a family-owned company, we are committed to fostering a workplace culture that values fairness, inclusion, and employee well-being. Our employment practices are designed to attract and retain top talent, while ensuring that every employee feels supported and empowered to thrive.

This section provides insights into our workforce dynamics, including new hires, employee turnover, and the benefits we offer to full-time employees. We also highlight our parental leave policies and commitment to creating a balanced and family-friendly workplace. Aligned with our broader sustainability goals and SDG 8 (Decent Work and Economic Growth), our employment practices reflect our dedication to supporting our employees' professional and personal growth while contributing to the economic health of the communities where we operate.

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| In 2024, we welcomed _**527**_ new employees. New hires by region included:<br>• Queretaro – 207<br>• Gadsden – 180<br>• Ontario – 140<br>Overall, in 2024 , **552** employees left the company, this value also includes retirement employees, as well as employees that have transferred to other facilities. With an overall turnover rate of **41.9%**<br>Turn over by region: |

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| • Queretaro – 140 employees / 56%<br>• Gadsden – 241employees / 74%<br>• Ontario – 171 employee / 22% |
| In **2025**, we welcomed **_318_** new employees. New hires by region included:<br>• Queretaro – **33**<br>• Gadsden – **180**<br>• Ontario – **105**<br><br>Overall, in 2025 , **431** employees left the company, this value also includes retirement employees, as well as employees that have transferred to other facilities. With an overall turnover rate of **37%**<br>Turn over by region.<br>• Queretaro – 49 employees / 26 %<br>• Gadsden – 240 employees / 91 %<br>• Ontario – 134 employee / 19 % |
| In 2025, _100_% of full-time employees received comprehensive benefit coverage, compared to _0_% of part-time or temporary staff." As there were no employees working part time in 2025<br><br>Comprehensive benefit package includes life insurance, extended health care, sick leave, retirement provisions. |
| In 2025, _3_ employees (of which _1_ were women and _2_ were men) took parental leave."<br>Of those, _3_ employees returned to work following leave. Tracking this metric helps us ensure that parental support policies promote equitable career continuity. |

## Health and Safety

At NARMCO, the health, safety, and well-being of our employees is our highest priority. Our comprehensive occupational health and safety (OHS) management system applies to all employees, contractors, and visitors across our facilities, covering activities including stamping, welding, coating, assembly, maintenance, and logistics. 100% of employees are covered under site-specific or enterprise-level safety programs. The system ensures hazards are identified, risks assessed, and controls implemented effectively, with responsibilities shared at all levels and compliance with local regulations, including Ontario's OHSA, Alabama's federal OSHA, and Mexico's Federal Labor Law and Regulations in Querétaro. Contractors follow equivalent safety standards.

Work-related hazards are evaluated for all new and changing projects using structured risk analyses, with mitigations applied promptly. In Ontario, JHSC members are certified through Chief Prevention Officer–approved training; in Alabama, supervisors and safety coordinators receive OSHA-based training; and in Querétaro, Health and Safety Commission members complete STPS-approved programs. Engineering and administrative controls are applied. The JHSC meets monthly to conduct walk-throughs, identify hazards, and review compliance, with issues corrected immediately where feasible. Open issues are reviewed weekly to ensure timely resolution and closure.

Employees receive mandatory onboarding and annual refresher training, including site-specific topics such as Personal Protective Equipment, Workplace Ergonomics, Incident and Accident Management, Fire Protection, Severe Weather and Machine Safety. Employees are empowered to report hazards, incidents, and near-misses, or remove themselves from unsafe

work conditions without fear of reprisal. Reports are tracked, and corrective actions implemented as required, supported by a strict non-retaliation policy. Each facility provides on-site first aid services, maintains external occupational health partnerships, and has safety suggestion boxes to encourage continuous improvement. Wellness initiatives include mental health resources, ergonomics assessments, and return-to-work programs.

Through these structured processes, ongoing training, active engagement, continuous feedback, and wellness support, NARMCO fosters a proactive global culture of safety and ensures every individual returns home safe and healthy each day.

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| Results below consider all (3) regions: (No workers have been excluded from this report) |
| In 2024, we recorded _0_ fatalities as a result of work-related injuries. resulting in a TIR rate of _0_ per 200,000 hours worked.<br><br>In 2025, we recorded _0_ fatalities because of work-related injuries. Resulting in a TIR rate of _0_ per 200,000 hours worked |
| In 2024, we recorded _0_ high consequence work-related injuries resulting in a TIR rate of _0_ per 200,000 hours worked.<br><br>In 2025, we recorded _0_ high consequence work-related injuries resulting in a TIR rate of _**0**_ per 200,000 hours worked |
| In 2024, we recorded _**83**_ recordable work-related injuries, resulting in a TIR rate of _**7.33**_ per 200,000 hours worked.<br><br>In 2025, we recorded _**66**_ recordable work-related injuries, resulting in a TIR rate of _**6.45**_ per 200,000 hours worked. |
| The total number of hours worked in 2024 =_2,265,379<br><br>The total number of hours worked in 2025 = _2,045,640_. |
| In 2024 and 2025, the main types of injuries were lacerations (cuts), bruises, and sprains or strains, primarily occurring in the press and robotic weld cell areas. Additional training was provided to affected employees, and the organization is implementing enhanced processes within the Health and Safety system to prevent recurrence. |

## Training and Education

At NARMCO, we recognize that investing in the skills and development of our employees is critical to our success and resilience. As the automotive industry evolves, we are committed to providing continuous learning opportunities to help team members adapt, innovate, and grow professionally. Our programs are designed to enhance technical expertise, leadership abilities, workplace safety, and overall job performance, ensuring employees are equipped to meet current and future challenges. We also offer career development initiatives, performance reviews, and transition assistance to support our workforce during times of change.

All full-time salaried employees have access to structured training programs. Employees request training through a formal submission process, which is reviewed and approved sequentially by Department Managers, Plant Managers, and Corporate Personnel, with executive-level authorization when required. Upon successful completion of approved courses, employees submit documentation for tuition reimbursement, which is verified and processed by Human Resources and accounting. Prepayment, travel expenses, and

compensation for training time are subject to company policy. All training records, evaluations, and approvals are retained in employee files.

New employees participate in an orientation program to ensure full familiarization with company products, processes, procedures, and policies, with sign-off records maintained. Managers and supervisors also attend quality familiarization sessions to support consistent application of company standards. Approximately 75% of our employees receive regular performance reviews, while employees covered by union contracts are evaluated according to their respective agreements.

By combining structured training processes, orientation programs, and strategic career development initiatives, NARMCO fosters a culture of continuous learning, skill enhancement, and employee empowerment. These efforts contribute to SDG 8 (Decent Work and Economic Growth) while supporting a resilient, capable, and engaged workforce prepared for future challenges.

Linked SDGs:
SDG 8, SDG 12

## 9. Ethical Governance & Responsible Sourcing

**Relevant GRI References: ** GRI 204, 205, 413,414
We are committed to strong governance and responsible sourcing to promote ethical business practices, transparency, and sustainable supply chains. To mitigate risks such as corruption, bribery, unethical practices, and supplier non-compliance with labor or environmental standards, we monitor their social performance, provide awareness related to anti-corruption, and maintain clear whistleblowing and grievance mechanisms.

We uphold the same high standards within our own operations, ensuring that all employees are trained in internal procedures, ethical conduct, and compliance expectations. This alignment reinforces a culture of integrity and accountability across our organization and supply chain.

Our approach also emphasizes community engagement by prioritizing local sourcing, strengthening economic resilience, and fostering positive social impact. By explicitly monitoring supplier social performance and engaging with local communities, we ensure that our operations and supply chain support sustainable procurement, anti-corruption measures, local community development, and supplier social assessments (GRI 414).

### Procurement Practices

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| As of 2025, 49 of 142 suppliers are classified as local, representing approximately 35% of NARMCO's total procurement spend. Local suppliers are defined as those operating within a three-hour radius of any NARMCO facility. This focus on local sourcing supports regional economic development, strengthens supply chain resilience, and reinforces our commitment to sustainable procurement practices. |

### Anti-corruption

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| In 2024, _100_% of NARMCO's operational units were formally assessed for corruption risk, with no material violations identified.<br><br>Third party audit completed by: KPMG, finalized report: January 31,2025<br>In 2025, _100_% of NARMCO's operational units are currently being formally assessed for corruption risk, with **no** significant risks related to corruption identified thus far. |
| As of 2025, _100_% of employees completed annual ethics and anti-corruption training, including _100_% of those in control or governance roles."<br><br>All employees receive training as part of their onboarding process, with annual reviews conducted to ensure continued understanding of company procedures. |
| Our Sustainability Guiding Principles, which include comprehensive anti-corruption policies, are communicated to all production suppliers and contractors.<br><br>As of 2025, a total of 291 contractors were requested to acknowledge and sign these principles, with 202 contractors having completed the process. Similarly, 142 production suppliers were requested to sign, with 84 suppliers having formally confirmed their commitment. |
| In 2025, NARMCO recorded _0_ confirmed incidents of corruption. All were investigated, and corrective actions were implemented in 100% of cases." |

## Local Communities

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| In 2025, _100_% of our operations conducted formal community engagement activities.<br>Our development programs include:<br>Vocational training and workforce development partnerships, Support for local education and scholarship programs, Environmental conservation projects in collaboration with local groups, Volunteer initiatives encouraging employee participation in community service. |

## Supplier Social Assessments

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| Our Sustainability Guiding Principles are communicated to all production suppliers and contractors.<br><br>As of 2025, a total of 291 contractors were requested to acknowledge and sign these principles, with 202 contractors having completed the process. Similarly, 142 production suppliers were requested to sign, with 84 suppliers having formally confirmed their commitment. |
| Conflict minerals and extended minerals reporting are sent to our production suppliers annually.<br><br>In 2024, 100% of production suppliers were requested to complete Conflict Minerals reporting template of those 65% complied with our request.<br><br>In 2025 100% of production suppliers were requested to complete Conflict Minerals reporting template of those 47% complied with our request. |

## Linked SDGs:

SDG 8, SDG 12

## 10. Sustainability Conclusion

As we look to the future, NARMCO remains deeply committed to the principles of sustainability, guided by our core values of **People, Planet, and Profit**. We are proud of the progress we've made in aligning our business practices with the United Nations Sustainable Development Goals, and we are excited about the journey ahead. The path to a sustainable future is one that requires ongoing effort, collaboration, and innovation—values that are embedded in every aspect of our company.

Our commitment to SDGs 7, 8, 12, 13, and 15 serves as both a guide and a call to action, inspiring us to do more, to be better, and to lead by example. We recognize that the work we do today shapes the world of tomorrow, and we are dedicated to building a future where our business not only thrives but contributes positively to society and the environment.

Looking ahead, we envision a world where our operations leave a minimal environmental footprint, our employees continue to grow and thrive, and our communities' benefit from the responsible and ethical practices we put into place. Through innovation, collaboration with our stakeholders, and continuous improvement, we will continue to create value—ensuring long-term profitability while being a force for good in the world.

Together, with the unwavering support of our employees, partners, and stakeholders, we are poised to meet the challenges of a rapidly changing world. Our vision is clear: to build a sustainable, resilient future for all, where business success is measured not only in profits but in the positive impact we leave behind. Thank you for joining us on this journey toward a brighter, more sustainable future.

# 11. Appendices

## Glossary of Terms / Acronyms

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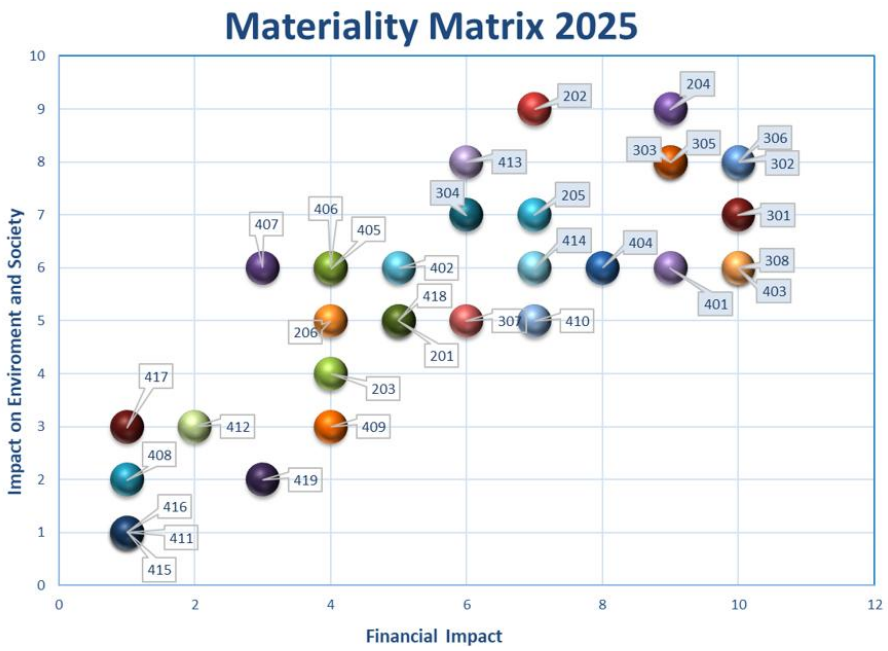
| CO2e | Caron Dioxide Equivalent |
| CSR | Corporate Social Responsibility |
| EMS | Environmental Management System |
| Gj | Gigajoule |
| GRI | Global Reporting Initiative |
| ILO | Internation Labour Organization |
| IUCN | International Union for Conservation of Nature |
| JHSC | Joint Health and Safety Committees |
| kg | Kilogram |
| LTI | Lost Time Injury |
| LTIs | Lost Time Injuries |
| Nox | Nitrogen Dioxide |
| ODS | Ozone Depleting Substances |
| OEM | Original Equipment Manufacture |
| Scope 1 | Direct emissions |
| Scope 2 | Indirect emissions |
| SDGs | Sustainable Development Goals |
| SOx | Sulphur Oxides |
| UN | United Nations |
| UN SDGs | United Nations Sustainable Development Goals |
| VOC | Volatile Organic Compound |
| Local | Local – implies 100kms from the facility. (GRI 202-2c) |
| Significant locations of Operation | Include all Manufacturing facilities listed in the is report |
| Senior Management | All bonus managers at each facility |
| ESG | Environmental, Social, and Governance - An ESG and sustainability policy is a set of guidelines that directs a company's operations, decision-making, and risk management to incorporate sustainability and ethical practices. |

## GRI Content Index

This report references the Global Reporting Initiative (GRI) Standards. For transparency, the GRI Standards index including page references for all disclosures, is available in a separate link on the Website. (see the NARMCO Groups GRI Index – 2024-2025)
Note: Used pervious version of GRI Index. Changed affecting the index are not applicable for the reporting period.

## Materiality Matrix




## Sustainable Development Goals

For transparency, out SDG's are available in a separate link on the Website. (see the NARMCO Groups Sustainable Development Goals)