



COMACT

2024 Forced Labour and Child Labour Statement

1. OVERVIEW

BID Group Technologies Ltd. dba Comact Technologies (“Comact Technologies”), BID Group Construction Ltd. dba Comact Construction (“Comact Construction”), and BID Group Technologies US Inc. dba Comact Technologies (“Comact Technologies US”), and BID Group Holdings Ltd. (“BGH”, and collectively with Comact Technologies, Comact Construction and Comact Technologies US, “Comact” or “we”) are publishing this statement pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”) for the financial year ended October 31, 2024.

At Comact, we conduct our business ethically and with integrity. We oppose all forms of modern slavery, including forced labour and child labour, and are committed to ensuring it does not take place anywhere within our business or supply chain. We expect our suppliers to share this commitment.

This statement describes the steps that we have taken to identify and address forced and child labour in our business and our supply chain.

2. ABOUT COMACT

Structure

BGH, a British Columbia company, is the ultimate parent of Comact. BGH has several wholly owned subsidiaries in the US and Canada, which collectively employ approximately 1,700 individuals across facilities in Quebec, British Columbia, South Carolina, North Carolina, Texas, Alabama, Louisiana and Washington. Comact Technologies, a British Columbia company, and Comact Technologies US, a Delaware company, are the principal operating entities for our Wood Processing division. Comact Construction, a British Columbia company, is the principal operating entity for our Project Services division in Canada.

Business Activities

Comact is a leading provider of integrated, automated wood processing equipment, solutions and related services in Canada and the United States. Our Wood Processing division designs, manufactures and supplies state of the art wood processing equipment and related aftermarket parts, services, and digital solutions. All of our manufacturing facilities are located in the United States and Canada. We outsource a small amount of manufacturing work to a limited number of preferred subcontractors, also located in the United States and Canada. Our Project Services division designs, builds and equips automated sawmills for our customers in Canada and the United States. To learn more about our business, please visit www.comact.com.

Supply Chain

We source the materials and components used in the manufacture of our equipment and other products (principally including steel, electronics, power and transmission products, bearings, hydraulic and pneumatic components, motors, and reducers) from select tier 1 suppliers located in Canada and the United States. Our suppliers may import these materials and components into Canada and the United

States, including from Japan, Italy, China, Vietnam, and Mexico. Our supply chain also includes ancillary services that contribute to our main production operations, such as transporters and carriers.

3. RISK ASSESSMENT OF OUR BUSINESS AND SUPPLY CHAIN

Business

All of our business operations and employees are located in the United States and Canada, where we comply with all applicable labour and employment standards and laws and have safe, fair and responsible employment practices and policies in place to protect and promote workers' rights. Accordingly, we do not believe there is any risk of forced labour or child labour within our business operations.

Supply Chain

To assess the risk of forced and child labour in our supply chain, we looked at the components and raw materials we source from third parties for use in the manufacture of our equipment. While our assessment indicated a low risk across most supply chain channels, particularly in our direct procurement processes, we note that the procurement of electronics and electronic components may carry some risk. Electronics have been flagged by the Global Slavery Index as among the top five products imported into Canada carrying a risk of modern slavery. However, we believe this risk is low and effectively managed, as we procure any high-risk components from a small number of preferred, reputable tier 1 suppliers located in Canada and the United States who have policies in place to prevent and condemn modern slavery in their supply chains.

4. POLICIES

As noted above, our business operations and employees are located in the United States and Canada, where we have human resources policies and practices in place to ensure all of our employees are treated fairly and in compliance with all applicable labour and employment laws and standards and have a safe work environment.

Our Code of Conduct and Ethics ("Code of Conduct") reflects our commitment to acting ethically and with integrity in all our business relationships and to enforcing effective systems and controls to prevent modern slavery from taking place in our business and supply chain. The Code of Conduct is available on our website. We have also implemented an ethics and compliance hotline, where anyone can report concerns or suspected breaches of our Code of Conduct.

5. DUE DILIGENCE PROCESSES

In order to identify and manage risks of forced and child labour in our own business, we periodically reassess our employment practices to ensure we meet or surpass employment standards in all jurisdictions in which we operate.

We conduct due diligence on all of our key suppliers to evaluate their suitability and ensure we are partnering with reputable, established suppliers. Our due diligence processes may include checking third party references, site visits and/or quality inspections and audits.

6. TRAINING

Most managers and other senior employees receive training through the Comact Leadership Program, including with respect to our values, human rights and applicable employment and labour practices. We are in the process of adding training specifically in relation to modern slavery. Additionally, we are investigating targeted training for certain employees on identifying and managing risks of forced and child labour in our supply chain.

7. REMEDIATION MEASURES

To date, we have not identified any instances of forced or child labour in our business or supply chains. Accordingly, we have not been required to take remedial measures.

8. EFFECTIVENESS IN COMBATting MODERN SLAVERY RISKS

To date, we have not taken steps 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 establishing and evaluating KPIs, which may include 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. We have had no reports of forced or child labour within our supply chain.

9. STEPS TAKEN IN 2024

During the 2024 financial year, Comact took the following steps to prevent and reduce the risk that forced labour or child labour was used at any step in the production of its goods:

- Procured electronics identified in the Global Slavery Index as being at risk of modern slavery from reputable suppliers with policies in place to address these risks.
- Developed a Code of Conduct and Ethics that addresses the risk of forced labour.
- Implemented an ethics and compliance hotline.
- Continued to run the Comact Leadership Program.

10. APPROVAL OF THE STATEMENT

This statement is made in accordance with Section 11 of the Act and constitutes Comact's joint annual report for the financial year ending on October 31, 2024. This statement was approved by the Board of Directors of BID Group Holdings Ltd. pursuant to section 11(4)(b)(ii) of the Act effective May 21, 2025.

ATTESTED this 21st day of May, 2025

By: 

Alistair Cook

Executive Chair and Director
BID Group Holdings Ltd.