

PRECISION RECORD PRESSING INC.

Introduction

This is a report filed by Precision Record Pressing Inc. (“Precision”, “PRP”, “the Company”) on forced labour and child labour under Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).

Precision is committed to conducting all aspects of its business in a socially responsible manner. This includes preventing the use of forced labour or child labour to directly or indirectly manufacture any products, ingredients, packaging, or other items for our business operations.

This report outlines the approach and initiatives by Precision Record Pressing to identify and address the risks forces labour and child labour in its business operations and supply chains during the financial year commencing January and ending December 2024.

1. Organizational structure, activities and supply chain

Precision Record Pressing was established in 2016. It is comprised under our parent company GZNA (GZ Media, North America) which also includes two sister plants located in the United States. All individual plants under GZNA manufacture vinyl music records for the major record labels, including a plethora of independent labels in North America. Precision Records Pressing currently employs approximately 250 full-time employees, who manage the sales, manufacturing and distribution of products. Precision Record Pressing has three locations: Client Centre located in Toronto, ON - Manufacturing located in Burlington, ON and Packaging/Logistics located in Oakville, ON.

Our supply chain is vertically integrated. Whereby, most of our components are sourced from our parent company GZ Media, located in the Czech Republic. The manufacturing of vinyl music records is comprised of three major components. We also source some paper (packaging) products within Canada.

Precision’s social responsibility approach is consistent with our beliefs and values and our mission to helping people live more caring, creative and connective lives. Precision believes how we make our products is just as important as their quality.

We endeavour to select suppliers and vendors who adopt strong ethical standards, respect the rights of individuals they employ, and demonstrate stewardship of the environment.

2. Policies and due diligence processes in relation to forced labour and child labour

Internal

Precision endeavours to operate in a responsible, respectful and ethical manner while creating a safe and positive environment for its employees, contractors and customers. At a minimum, Precision adheres to all applicable provincial and federal legislation, including but not limited to:

- Employment Standards Act, 2000 (ESA)

- Occupational Health and Safety Act (OHSA)
- Ontario Human Rights Code (OHRC)
- Accessibility for Ontarians with Disabilities Act (AODA)

Precision is fully committed to ensuring our recruitment process is executed with an ethical approach and abides by all relevant legislation. Employment practices, including but not limited to, hours of work, compensation, leaves of absence, accommodation, employee complaints, investigations and working conditions are developed and administered in accordance with the ESA, OHSA, OHRC and AODA.

Employees are guided by the Company's Employee Handbook, which outlines company values, policies and practices that employees are expected to act in accordance with.

External

Precision sources from reputable companies in Canada who are governed by the same legislation and who share the same commitment to operating ethically and responsibly in all facets of their business.

3. Risk of forced labour or child labour being used and the steps we have taken to assess and manage that risk

Given the Company's adherence to relevant legislation as well as its dedication to partnering with reputable and responsible suppliers who are governed by the same legislation, Precision is confident there is no forced labour or child labour within any of its employee groups or operating partners.

4. Any measures taken to remediate any forced labour or child labour; Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

There have been no indication or measurable occurrences that would lead Precision to investigate probable case(s) of forced or child labour or remediate the loss of income to the most vulnerable families that results from measures taken to eliminate the use of forced or child labour.

5. Training provided to employees on forced labour and child labour

Upon hire, all employees are required to complete training modules on (a) Occupational Health and Safety Act, (b) Workplace Violence and Harassment Awareness and Prevention.

Precision endeavours to provide awareness training to our management group to heighten the visibility around forced and child labour. Additionally, Precision endeavours to create and provide training to its purchasing teams which covers responsible purchasing from reputable suppliers.

All groups will be instructed to report any suspicions of forced or child labour to Senior Management and/or Human Resources for swift investigation and remediation.

Assessing effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains

Precision has put in place a process to measure the effectiveness of its initiatives on issues and practices relating to forced and child labour. This includes, but is not limited to, a regular review of policies, procedures and heightened awareness training.

We also look to endeavour to periodically meet with our external suppliers to ensure conformity to all policies and procedures related to forced and child labour.


Approval and Attestation

This report was approved and attested as of May 31, 2024, as required under subparagraphs 11(4) and 11(5) of the Act by the Board of Directors of Precision Record Pressing for its prior financial year ended December 31.

Full name: Shawn Johnson

Title: President

Date: May 31, 2024

Signature:  _____

I have the authority to bind Entity Name