Report on *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Identifying Information

This joint report outlines Neapco's dedication to fighting against forced labour and child labour in supply chains, specifically for those Neapco entities doing business in Canada. These entities include Neapco Drivelines, LLC (804562213) and Neapco Components, LLC (823472725). This is Neapco's second year submitting a report and this report covers activities from January 1, 2024 through December 31, 2024. At this time, Neapco does not have similar reporting obligations in other jurisdictions. Both of the referenced entities are categorized as manufacturing within the automotive industry and operate within the United States.

Through decades of evolving and changing markets, Neapco has established a long tradition of serving Original Equipment Manufacturers (OEM) and Tier One driveline customers with ingenuity and flexibility. Today, Neapco is on the cutting edge of driveline technology, expanding globally to more conveniently serve our customers. This includes shipping products to Canada through two of our global entities.

Steps Taken Through 2024

Neapco has an Ethics and Business Conduct manual, as well as documented policies on both child and forced labour. These policies are shared with team members as they are onboarded and require acknowledgement annually through the global HR system. All Neapco policies are pushed down to the supply chain through the Neapco Supplier Requirements Manual, which can be found on Neapco's public website.

As part of the supplier selection process, Neapco screens each supplier prior to awarding business. The screening process includes the use of a 3rd party compliance platform. Each supplier is screened against governmental sanctions and adverse media, including human rights violations.

In addition, Neapco completes and expects all suppliers to complete the Supplier Assurance Questionnaire, offered by Supplier Assurance (www.supplierassurance.com). We ask suppliers to complete the questionnaire every two years. Topics include company management, environmental, human rights and working conditions, health and safety, business ethics, responsible supply chain management and responsible sourcing. It asks suppliers to share their human rights policy, which is expected to include clauses on both forced labour and child labour and requires team member training on the topics and the policy. Both the Neapco and Supplier Assurance teams follow up with suppliers until the questionnaires are completed.

Neapco has also partnered with Assent Compliance to gather environmental, social and governance data and to complete the conflict minerals reporting template. This partnership has allowed us to collect information on suspect smelters within our supply chain. Smelters

may be labeled as suspect for a variety of reasons, including the use of child or forced labour. Where these suspect smelters are identified in the supply chain, Assent and Neapco conduct due diligence with our suppliers, informing them of the smelter's status and asking them to remove the smelter from new business opportunities.

Neapco's structure:
The referenced entities are supported by the private parent company, Neapco Holdings, LLC. An Executive Team made up of the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Chief Commercial Officer serves as the governing body. The topics covered in this report are managed by Neapco's Sustainability Team, which has connections at the manager level for each functional area and each global location. This group has oversight from the Local Compliance Team, which includes representatives from functional areas and locations at the Vice President level and Executive Team. Neapco's mission is to deliver highly valued products, solutions and services to our customers in geographies where they operate. This is accomplished through an agile and open-minded team approach with a relentless focus on our partnerships. We commit to be the best at everything we do by focusing on safety, quality, operational excellence, people development, environmental sustainability and continuous improvement. Neapco firmly believes by accomplishing our mission, attractive and sustainable returns are created. In 2024, Neapco Components, LLC employed 202 team members and Neapco Drivelines, LLC employed 703 team members.

Neapco's activities:
Both entities included in this report receive oversight from parent company Neapco Holdings, LLC. Regarding the activities described in this report, oversight is received from Neapco's Vice President of Global Human Resources and the Senior Director for Global Sustainability. In addition, Neapco has a dedicated Project Manager for Supply Chain sustainability, who manages the relationships with the 3rd party partners mentioned. Policies and procedures related to child labour and forced labour are global procedures, managed by this parent company.

Our Neapco Drivelines, LLC location manufactures both aluminum and steel propshafts for the light vehicle market, as well as components related to propshafts. Our Neapco Components, LLC manufactures propshafts for agriculture and off-road markets. This location also manufactures halfshafts for light vehicles and driveline components for the aftermarket industry.

Neapco's supply chains:

As a global company, Neapco's supply chain network is global. While we have not completed supply chain mapping activities, we do have policies and procedures in place to actively ensure our network does not include instances of forced or child labour. Each of Neapco's suppliers is expected to adhere to the strict guidelines provided in our Supplier Requirements manual. Neapco does not exclude suppliers based on location, product or material – each supplier is treated in a similar manner within these policies and procedures. Sections within the manual that are relevant to this report are:

- 3.4 Corrective Action Plans are required for any supplier that has fallen below acceptable performance levels or has been deemed deficient in one or more scorecard categories. If supplier achieves a "B," Eligible with possible Corrective Action Plan (CAP), or "C," On Hold, status, supplier will be required to complete and submit a Corrective Action Plan addressing the deficiency.
- 3.5 Neapco routinely conducts supplier audits as a prevention activity as well as to support corrective actions. Audits may be performed under any of the following circumstances: • During APQP • During launch readiness and production ramp-up • New supplier qualification • Introduction of a new process • Change to or relocation of an existing production process • Poor performance • After a significant incident.
- 5.4.1 Suppliers shall support and respect the internationally proclaimed human rights of their employees, other personnel, and local communities, and shall comply with all relevant laws pertaining to human rights.
- 5.4.2 Suppliers shall make sure that they are not complicit in human rights abuses. Suppliers must take appropriate steps to identify and eradicate modern slavery, in all its forms, including slavery, servitude, forced and compulsory labour, and human trafficking.
- 5.4.3 Suppliers shall not directly or indirectly use child labour. Suppliers must comply with the minimum employment age limit defined by national law or by International Labour Organization ("ILO") Convention 138, whichever is higher.

To ensure suppliers adhere to these guidelines, Neapco's Supply Chain Sustainability Program includes:

- 3rd party screening prior to doing business with a new supplier and then continuously throughout our relationship with the supplier.
- Supplier training courses on various sustainability topics.
- 3rd party questionnaire requesting information on supplier's human rights policies and programs. Neapco's supplier scorecard holds suppliers accountable for completing this questionnaire.
- A grievance (whistleblower) portal and hotline available to the public. The portal allows suppliers to connect Neapco anonymously and confidentially. Any reports coming through the system are reviewed by Human Resources team members and other relevant team members. Communication for each report is handled through the portal, maintaining anonymity.

Policies and Due Diligence Processes

Neapco has a growing sustainability program, including policies and procedures related to environmental, governance, well-being and social topics. Neapco has a Business Ethics and Conduct Manual that includes the topics of child labour and modern slavery. To uphold the directives within the manual, Neapco has implemented a supplier sustainability program. The program includes data gathering and communication on several topics, including human rights, child and forced labour. Neapco relies on the expertise of several partners to identify real and potential adverse impacts of activities throughout the supply chain.

- Compliance Screening: Through a partnership with Moody's Analytics, Neapco screens each new supplier against certain parameters, including governmental sanctions and adverse media. After the initial screening, entities within Neapco's supply chain are screened daily against using the same parameters, to ensure ongoing compliance. Currently, Neapco screens all partner entities (customers and suppliers) for compliance with laws and directives related to:
    - Bribery
    - Money Laundering
    - Terrorism
    - Government issued Watch Lists
    - Drug Trafficking
    - Fraud
    - Organized Crime
    - Human Rights
    - Human Trafficking, including child labour, forced labour, slavery
    - Entities formerly on US sanctions lists

  Since Neapco started screening 5 years ago, we have not identified any partners with human rights, child labour or forced labour violations.

- Sustainability Assessment Questionnaire: In addition, Neapco completes and expects all suppliers to complete NQC's Sustainability Assessment Questionnaire. This questionnaire topics include company management, environmental, human rights and working conditions, health and safety, business ethics, responsible supply chain management and responsible sourcing. It asks suppliers to share their human rights policy, which is expected to include clauses on both forced labour and child labour.

- Assent Compliance: Neapco has also partnered with Assent Compliance to gather environmental, social and governance data and to complete the conflict minerals reporting template. To date, this partnership has allowed us to collect data for the calculation of scope 3 emissions, to determine where we may have suspect smelters within the supply chain and assists Neapco with supplier communication related to due diligence for these topics.

Training Provided to Team Members

Neapco team members receive access to our Ethics and Business Conduct manual when they are hired. In addition, team members are asked to acknowledge the manual annually through the Global HR system. Related training is also offered to Neapco's suppliers through the partnership with Assent Compliance.

Assessment of Effectiveness

Neapco tracks information and statistics from all sources of relevant information. This includes our public grievance portal and all 3rd party partners that provide the screening and data gathering from our suppliers on the topic of human rights, including child and forced labour. Although we have not identified instances of child or forced labour in our supply chain, we do have processes in place to ensure timely review, remediation and resolution should they occur.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Becky Weinberg
Title: Senior Director, Global Sustainability
Date: May 29, 2025

Signature: Rebecca J Weinberg

I have the authority to bind "Neapco Drivelines, LLC. and Neapco Components, LLC."