

## Lindstrom Report on Forced and Child Labor in the Supply Chain

### Structure and Activities of Reporting Entities

This report is submitted jointly on behalf of Lindstrom LLC ("Lindstrom" or "we") and its subsidiary Lindstrom Fastener (Canada) Ltd. ("Fastener") for the fiscal year ending December 31, 2023. Lindstrom LLC consists of 4 subsidiary companies: Lindstrom Fastener Ltd. (Canada), Stelfast Inc. (US), Lindstrom RE, LLC (US), and Star Stainless Steel Co (US) that operate across Canada and the United States. Chiang Shin Fastener Company Ltd. (Taiwan) is a subsidiary of Lindstrom Fastener Canada. Headquartered in Blaine, MN, USA, Lindstrom employs 1,159 individuals across all its subsidiaries, with 138 employees within Canada.

Lindstrom and associated subsidiaries are Master Fastener Distributors. The company imports Fasteners (i.e. nuts, bolts, washers, screws) that are generally manufactured overseas. Fasteners are stored in various warehouses in the USA and Canada and sold to other distribution companies (rarely to end users). Lindstrom serves a broad base of national, regional, and local distribution customers across the North American market through its metric and imperial product brands.

### Supply Chain Overview

As a master distributor, Lindstrom provides an important link in the fastener supply chain by offering a deep inventory as a "virtual warehouse" of approximately 130,000 low volume, slow moving stock keeping units ("SKUs") that distribution customers need quickly but are non-economical to inventory and source themselves. These SKUs represent high-touch, specialty products that can be difficult to source due to their unique length, diameter, thread pitch, metal choice, or finish.

Therefore, the Lindstrom supply chain is critical to its ongoing success. The company sources metal components (screws, bolts, nuts, anchors, studs etc.) from suppliers globally. Lindstrom suppliers are located in a variety of countries, including the U.S.A., Canada, China, Taiwan, Thailand, Vietnam and India. We pride ourselves on our long-standing relationships with suppliers, many stretching decades.

### Supply Chain Forced and Child Labor Risks

Although we have not conducted any in-depth reviews of the risks associated with each element of our supply chain, we are aware that our operations within the broader manufacturing industry, in conjunction with its global upstream sourcing of metals, present exposure to risks associated with child and forced labor within supply chains. Lindstrom maintains a factory location as well as suppliers located in Taiwan and China, where Lindstrom may face more acute supply chain risks as the United States Department of Labor (USDOL) [Report on Child and Forced Labor](#), most recently published in 2022, identified these countries as associated with goods produced by child and forced labor.<sup>1</sup>

Lindstrom is committed to conducting business in an ethical manner that upholds human rights and does not contribute to any abuses. Lindstrom does not knowingly engage with any suppliers associated with risk of child or forced labor. We have not engaged with a supplier that has experienced a known incident of child or forced labor.

Lindstrom is aware of the risks that certain regions and materials present, and plans to continually monitor the USDOL, and other relevant governmental organizations' guidance, to stay abreast of its evolving exposure to products and countries with risk of child and forced labor.

### Supply Chain Risk Mitigation and Remediation Practices

Lindstrom remains abreast of regulatory requirements in its regions of operations. As new developments in supply chain regulation emerge, Lindstrom will send memos to suppliers in relevant geographies requesting attestation to abide by requirements.

Lindstrom asks all foreign suppliers to confirm no form of forced labor upon any purchase. Suppliers are required to complete a certification declaring that there is no use of forced labor in the production of any merchandise sold to Lindstrom. The certification also requires suppliers to notify Lindstrom should any evidence of forced labor be identified.

While Lindstrom maintains on-site audit practices for local suppliers within China, on-site audits do not currently focus on forced or child labor. Additionally, Lindstrom does not currently have in place any additional formalized or codified diligence processes or policies related to forced and child labor within its supply chain.

<sup>1</sup> Public resource: [https://www.dol.gov/sites/dolgov/files/ILAB/child\\_labor\\_reports/rda2021/2022-TVPR-List-of-Goods-v3.pdf](https://www.dol.gov/sites/dolgov/files/ILAB/child_labor_reports/rda2021/2022-TVPR-List-of-Goods-v3.pdf)

Lindstrom may in the future expand the scope of its policies, audits, and other risk management practices. To that end, Lindstrom does not currently maintain any prescribed practices related to the remediation of incidents, nor to the remediation of any forgone income attributed to its efforts to mitigate the risk of child and/or forced labor.

Lindstrom recognizes that efforts to prevent and reduce the risk of forced labor and child labor can have unintended consequences of contributing to a loss of income for vulnerable families. That said, Lindstrom has not experienced any incidents to date requiring implementation of remediation measures.

### **Supply Chain Programmatic Evaluation and Training**

With respect to evaluating the efficacy of Lindstrom's management of forced and child labor risks in the supply chain, Lindstrom does not have any associated key performance indicators or formal means of assessing its supply chain program efficacy. Further, at present, Lindstrom does not conduct supply chain management training for its direct employees. Moving forward, Lindstrom will continue to assess the applicability and feasibility of expanded supply chain management controls to evaluate employee awareness of and the entity's ability to mitigate human rights risks within its supply chain.

### **Approval**

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

Signed,



Bill Niketas  
Chief Executive Officer  
5/30/2023

I have the authority to bind the reporting entities represented in this report: Lindstrom LLC and its subsidiary Lindstrom Fastener (Canada) Ltd.