

Arnold Bros. Transport Ltd.'s Annual Report On The Prevention and Reduction Of Forced Labour And Child Labour In Supply Chains

(Fiscal Year 2023)

Introduction

Pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”), this report outlines actions Arnold Bros. Transport Ltd. (the “Company”) has taken during fiscal year 2023 to prevent and reduce the risk of forced labour or child labour within our operation and supply chain.

Structure, Activities, & Supply Chains

Arnold Bros. Transport Ltd. is a family-owned truck transport company specializing in over-the-road transportation solutions to customers throughout North America. We specialize in truckload highway transport & logistics management and pride ourselves on going the extra mile to solve our customer’s pressing challenges and deliver exceptional service. We are a multi-generation, family-run company with dedicated staff and drivers, quality equipment and cutting-edge technology.

Our head office is in Winnipeg, and we have locations in Milton, Calgary, and yards in Vancouver, Edmonton, Saskatoon, and Montreal. We pride ourselves on our inclusive family culture and our ability to be creative.

We service a variety of corporate customers throughout Canada and the United States and have a large and diverse inventory of well-maintained equipment including refrigerated, dry van, heated, and multi-temp trailer units as well as containers, chassis, and some flat deck units.

The Company maintains a large supplier list, and all equipment is sourced from large, established truck and trailer manufacturers which are based in North America. As the Company operates within a heavily regulated industry, parts for repairs are purchased and sourced from Original Equipment Manufacturers, ensuring the ongoing safe operation of our fleet.

Policies and Due Diligence Process in Relation to Forced Labour & Child Labour

Arnold Bros. Transport Ltd. has several policies in place that assist in identifying and reducing forced labour and child labour. Our Harassment Policy specifically outlines obligations set out under the Manitoba Human Rights Code and Manitoba Workplace Safety & Health Act.

As part of our Harassment policy, a reporting system has been designed to protect those that bring forward complaints. Guidelines have been developed to identify the rights and responsibilities of managers and supervisors, who are required to investigate all reports of harassment and discrimination.

All employees of Arnold Bros. Transport Ltd. are required to adhere to our Harassment policy as a condition of employment.



As a federally regulated business within a highly regulated sector, special care is taken by our Recruitment team during the recruitment and selection process to ensure that all drivers are legally entitled to work in Canada and that appropriate licensing arrangements are in place. This added scrutiny during the recruitment and selection process helps to mitigate the risk of forced labour and child labour and ensure fair business practices are maintained.

Our company specifically does not engage in the “Driver Inc.” model for any of our Company Drivers or Owner Operators. We strongly advocate against the Driver Inc. model, as research has shown that many new Canadians who are engaged in the Driver Inc. model come from vulnerable population groups and are not made aware of their own legal obligations under the Income Tax Act, as well as the requirement to hold and maintain appropriate insurance as outlined under associated provincial WCB legislation.

Training Provided to Employees on Forced Labour & Child Labour

The Company did not provide any training in respect to forced labour and child labour in the fiscal year 2023.

Parts Of Business and Supply Chains That Carry a Risk of Forced Labour and Child Labour & Steps Taken to Assess & Manage Risk

Based on available data, there is currently no known part of the business or supply chain that carries a risk of forced labour and child labour. As many of our suppliers are large, established truck and trailer vendors that operate within a heavily regulated industry, there are several measures already in place to mitigate the risk of forced labour and child labour.

Measures Taken to Remediate Forced Labour & Child Labour

To our knowledge the Company has not identified any instances of forced labour and child labour. As such, no remediation measures were required for the fiscal year 2023.

Measures Taken to Remediate Loss of Income to The Most Vulnerable Families That Results from Any Measure Taken to Eliminate the Use of Forced Labour or Child Labour

Per above, the Company has not identified any instances of forced labour & child labour in the fiscal year 2023, and as such no measures were required to remediate the loss of income to the most vulnerable families that result from measures taken to eliminate the use of forced labour or child labour.

How The Entity Assesses Its Effectiveness in Ensuring That Forced Labour & Child Labour Are Not Being Used in Its Business & Supply Chains

To date, Arnold Bros. Transport Ltd. has not discovered any instance of forced labour and child labour within the company’s supply chain. However, we continue to regularly review and consider business ethics when reviewing new and ongoing business relationships with suppliers and customers. We continue to monitor and perform due diligence in ensuring that forced labour and child labour are not present within the company’s supply chain.



Attestation

This report has been approved by the Executive Committee of the Company. In accordance with the requirements of the Act, I have reviewed the information contained in the report for Arnold Bros. Transport Ltd. and attest that the information is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year above. I am providing this attestation in my capacity as a Director and Officer of Arnold Bros. Transport Ltd., and not in my personal capacity.

I have the authority to bind Arnold Bros. Transport Ltd.

A handwritten signature in blue ink, appearing to read 'Gary Arnold', with a large, sweeping flourish extending upwards and to the right.

Gary Arnold
Executive Vice President
Arnold Bros. Transport Ltd.