



Building Products
& Concrete Supply LP

**FIGHTING AGAINST FORCED AND CHILD
LABOUR IN SUPPLY CHAINS**

2023 Annual Report

Introduction

This is the first report prepared in accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c.9 (the “Act”) for the financial year ended December 31, 2023 by Building Products and Concrete Supply LP (“BP Group”) and the following wholly owned businesses or subsidiaries:

- Able Concrete Ltd.

The policies, procedures, and systems described in this report have been adopted by the Building Products and Concrete Supply entities. References in this report to Building Products or the “company”, “we”, “us”, and “our” mean reference to BP Group and one or more of the entities unless otherwise noted.

Building Products acknowledges and is fully committed to upholding the standards and provisions outlined by the Act, to protect human rights and to reduce the risk that forced labour or child labour is being used in Building Products’ operations and supply chain. This report was developed in furtherance of that commitment, following consultation with key personnel in our business.

Steps to Prevent and Reduce Risk

We prioritize working with reputable suppliers who adhere to strict ethical standards, the prohibition of forced child labour. Additionally, we source our raw materials locally whenever possible, primarily within Canada and the United States, to align with the labor laws and regulations of these countries. Our commitment to social responsibility drives us to ensure that all our partners uphold these values, ensuring safe and fair working conditions for all individuals involved. By carefully vetting our suppliers, we can confidently support practices that respect human rights and comply with Canadian and U.S. legislation, contributing to the global effort to eradicate forced child labour.

Business Overview

Structure

Building Products and Concrete Supply LP is a joint venture between Qualico Developments (Winnipeg) Ltd. and Heidelberg Materials Canada Ltd.

Building Products and Concrete supply and Able Concrete have collectively 145 employees situated inside Manitoba Canada.

Activities

Building Products & Concrete Supply (BP Concrete) has been part of the Winnipeg landscape since 1919. Originally known as Building Products and Coal Co., the company was formed before the days of transit mix concrete and before building sites were heated and hoarded.

We currently operate out of five locations and have capacity for portable project operations. Our primary market being Winnipeg and surrounding areas.

BP Group operates a fleet of transit concrete mixer trucks to deliver product to our customers and have a fleet of tractor trailers to transport raw materials from the source to our different plant locations.

Supply Chain

BP Group acknowledges and pledges to uphold the standards and provisions outlined by the Act, and we understand that our role extends beyond merely conducting business and encompasses the welfare of every individual involved in our supply chain. We strive to work with suppliers, contractors, trades, agents, consultants, and other third parties and business partners, as well as their principals, employees, directors and officers (the “Suppliers”) who share in our commitments.

Our operations require a limited number of goods and services to operate, the majority of which are produced within Canada with highly skilled and trained labour, including engineering and technical services.

Figure 1 –Supply Chain Overview



Figure 1 provides a high-level overview of our supply chain. We purchase raw materials including but not limited to cementitious materials, fine and coarse aggregates and admixtures produced by suppliers located mostly in Canada with a few suppliers in the USA and transported to our location by rail and truck.

Operationally, we employ a centralized purchasing model that originates within our head office. By nature, consistency of our product is a key characteristic relied upon by our customers, so switching raw materials rarely occurs. The majority of our raw materials are supplied by one of our ownership partners.

Policies and Due Diligence

Policies

BP Group is committed to conducting its business in accordance with fair and ethical labour practices, and in a manner that respects the human rights and dignity of all, recognizing their importance to our vision for a sustainable and socially responsible business.

Our commitment is solidified in a breadth of policies that apply to all aspects of BP Group's operations. This includes the design, production, maintenance, supply chain practices, relationships with clients, partners, contractors and employees, and any other activities where our business operations have the potential to impact an individual's human rights.

We strive to align our policies and practices with Canadian legislation, employment standards and best practices. In doing so, we are confident that our policies and practices establish an effective framework to prevent forced labour and child labour as contemplated by the Act.

The following is a summary of our key policies and processes that evidence our commitment:

Code of Business Conduct

BP Group's Code of Business Conduct requires our employees to demonstrate the highest ethical standards, including compliance with all laws, rules, and regulations applicable to our business. In doing so, this policy serves as a prerequisite to successful adherence and compliance with our other policies.

Human Rights Policy

BP Group's Code of Business Conduct demonstrates our commitment to provide employees with fair wages and benefits together with the right of freedom of association and collective bargaining, and our covenant to prohibit all forms of forced labour and child labour, and any discrimination in respect of employment and occupation.

We review this policy annually or more frequently as necessary, to ensure that it continues to reflect real conditions, needs, aspirations and international best practices regarding human rights. In turn, we invest in continuously improving processes, procedures, and methods available will help drive the change and expand BP Group's due diligence mechanisms.

Whistleblower Policy

BP Group's Whistleblower protection supports our commitment to human rights by encouraging anyone who becomes aware of an ethical violation to report and escalate the matter to appropriate management for further investigation. The policy ensures that anyone who makes a report in good faith will be protected from retaliation.

Due Diligence Processes

BP Group is committed to the development of due diligence processes used to identify and mitigate potential human rights issues, including forced labour and child labour, in its supply chain.

The following is a summary of our due diligence processes that evidence our commitment:

Questionnaires

BP Group's procurement process includes a pre-qualification questionnaire to screen and verify our potential major Suppliers and share our commitment to mitigating human rights issues. The questionnaire

evaluates our Suppliers based on alignment with our policies, technical compliance, as well as financial and sustainability factors that may be identified as applicable to the specific industry of the Supplier.

Supplier Contracts

BP Group's contracts, including scopes of work, include standard form terms and conditions that require our Suppliers to comply with applicable laws and regulations and our policies, including our Code of Business Conduct. We are committed to improving our contracts wherever possible and acknowledge the merits of considering certain terms for inclusion, including the requirement that Suppliers notify us of any perceived or actual violation of terms, and the right of BP Group to terminate the contract if a Supplier violates its terms and does not remedy such violation to our satisfaction.

Where operationally and economically feasible, BP Group will continue to explore and develop additional due diligence processes that support our commitment to uphold and protect human rights, and the prevention and remediation of forced labour and child labour, including technology platforms that compile and analyze data of our Suppliers.

Risk Management

In 2023, BP Group performed a gap analysis of its policies, processes, and contracts as they relate to the application of the Act and preventing and reducing the risk of forced labour and child labour in our business activities and supply chain. As a result, we have identified and, in some instances, amended various terms and conditions of our policies, processes and contracts to align with the Act, and which establish our framework for managing and addressing these risks.

Within our framework, we have performed a preliminary risk analysis within our operations and supply chain. The following is a high-level summary of that analysis:

Operations

BP Group does not utilize forced labour or child labour and forbids the employment of children in our workforce. All of our employees are above the legal minimum employment age and are recruited and provided with working conditions and the payment of wages and benefits that comply with applicable laws and regulations and our policies. Further, our workforce is largely comprised of highly skilled and trained labour, including engineering and technical services, and construction trades that require vocational training. Based on this, we consider there is a low risk of forced labour or child labour in our operations.

Administration

BP Group will be updating our Code of Business Conduct to include acceptable supplier conduct and specifically include the terms forced labour or child labour.

Supply Chain

To assess forced labour and child labour risk within our supply chain we focus on factors such as the supplier, the commodity being procured, and location.

In 2023, we mapped out the suppliers that work directly with our centralized purchasing model. We found that these Centralized Suppliers are well established within Canada, large in size and scale, and the commodities we procure from them are not listed on US Department of Labor's most recent publication of a List of Goods Produced by Child Labor or Forced Labour. Based on the foregoing, we consider there to be a low risk of the use of forced labour and child labour by our Centralized Suppliers within our supply chain.

At this time, we cannot assess forced labour and child labour risk with respect to our indirect suppliers and activities. However, we are fully committed to effective risk management with our suppliers. To this end we are committed to reviewing the impact of the Act on our business and supply chain, performing risk identification and analysis, and promoting a climate of respect, accountability, integrity, and transparency within our company and relationship with Centralized and Regional Suppliers.

Remediation

In 2023 BP Group did not identify any instances of forced labour or child labour in its business activities or supply chain, and therefore BP Group has not taken any measures to remediate any forced labour or child labour, nor to remediate any loss of income to vulnerable families resulting from such measures.

Training

BP Group respects human rights as a fundamental principle in our operations, and each new employee is required to review and accept our policies as part of their onboarding process. All of our policies are available to our employees in the employee handbook and code of conduct documentation. In future reporting periods we anticipate that our Human Resources Department will make available human rights awareness training to certain employees, including procurement personnel, to support effective implementation of our policies and processes.

Bp Group is committed to ongoing training of Managers, Supervisors and Employees on the subject of human rights issues, including forced labour and child labour, and application of the Act.

Assessing Effectiveness

BP Group is committed to addressing risks of forced labour and child labour in our business activities and supply chain. As noted in this report we have implemented numerous measures to assess or prevent these risks. However, we have not taken any actions to assess the effectiveness of these measures to date. We are committed to making this assessment in future reporting periods once more time has elapsed, and data is compiled.

Approval and 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 this joint report for the entity specified below. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this joint report is true, accurate and complete in all material respects, for the purposes of the Act, for the reporting period specified above.

I make this attestation in my capacity as Vice President and General Manager of Building Products and Concrete Supply LP and Able Concrete Ltd..



RYAN BRAUN

Vice President and General Manager
Building Products and Concrete Supply LP
Able Concrete Ltd.
May 30, 2024

I have authority to bind Building Products and Concrete Supply LP