

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

Bunch Welding Limited ("Bunch") is a Canadian company Incorporated in the Province of Alberta, performing welding fabrication for the Oil and Gas industry in Western Canada. Bunch has an employee base that ranges from 250 employees to 400 employees depending on project workload and employee availability. As part of Bunch's regular course of business, Bunch purchases materials and services from a wide range of Canadian companies but does not import goods directly.

Bunch Welding Limited uses a vendor onboarding process which includes gathering information from the vendor to establish a vendor account, wherein a request for information about the vendor's status regarding Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") is included. All new vendors for which purchase orders are issued apply for authorization to work for Bunch by completing the Supplier/Vendor Information form (DCS# 15.0.0.1) for new vendor enrollment and submit that information to Bunch's accounting department for review. Information submitted to the Bunch accounting department for review is then either: (a) approved, (b) rejected or (c) a request for additional information from that prospective vendor is made.

Bunch does not expect that it has many areas in its supply chain that could be subject to the Act with the vendors of the supply chain that Bunch deals with directly. Bunch's vendors are varied, with many of them being smaller, local operators, some are franchisees, and others are members of larger chains that operate through Canada. The majority of Bunch's vendors do not fall into the requirements set out for the reporting for asset volume, revenue generation or staffing head counts, under the Act, but Bunch staff attempt to recognize any areas of concern regardless of the size of the company.

When it comes to Bunch's own staffing, under both the Provincial and Federal governmental Labour legislation there are limitations to the age of employees that can be utilized in the workforce, and Bunch adheres to legislative guidelines in all employment situations. In any situations where there is a question about the legislative requirements for hiring a new employee, reviews and decisions are made by our staffing teams based on the provincial and federal labour standards in place.

Bunch's health and safety standards set out guidelines for all worker's rights while working for Bunch. These rights are based on Alberta Labour Standards and include (a) the right to refuse work in unsafe conditions, (b) the right to time off between shifts, (c) the right to take breaks during the workday, (d) the right to be compensated for hours of work, including overtime, (e) the right to work in a respectful, inclusive environment free from discrimination.

Working conditions are monitored by various departments, including our Field Supervision team, our Safety team, our Human Resources team, and our company Management, depending on the nature of the work. In our review of our business market, Bunch has not identified any areas of risk for the use of forced labour or child labour in our direct supply chains. Our purchase of material includes large volumes of material utilized in the welding function for piping and structural steel construction. These items may be sourced by Bunch's suppliers from countries around the world, but Bunch does not buy direct from any distributors that do not have local operations in Canada.

Bunch would be unlikely to be able to track back the full supply chain for Bunch's suppliers of these materials, as the pathways the raw materials take can change depending on global pricing and supply constraints, and these are areas our distributors are unlikely to share with Bunch. It is Bunch's expectation and belief that the materials purchased through local suppliers, if coming to our suppliers from another country, are sourced from the United States if they are not produced or sourced directly from here in Canada.

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Bunch has not been made aware of any situations of anything in its supply chains that would raise cause for concern in relation to the Act, so it has not had to take any remediation actions for forced or child labour, nor for loss of income due to being forced to take actions the eliminate the use of forced or child labour in our supply chains. Bunch would move to redirect its purchasing activities for materials or services if incidences of breach of this Act are proven to be part of our supply chain, or to request from our suppliers that they adjust their purchasing operations to meet the expectations of this Act.

Bunch does not currently have a training program in place regarding the Act. Currently the existence of the Act is only known to the management team and a few employees in the Safety team or the Accounting team. This report will be included in Bunch's documentation, with employees able to access this report if requested. Any future training still has to be developed, at which time the decision on whether to train all staff with the same level of detail, or to adjust the training based on employee classification to be determined as part of the training plan.

Attestation of the Report

"In accordance with the requirements of the Act, and in particular section11 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:	Darcy Pawlak
Title:	Financial Controller
Date:	March 20, 2024
Signature:	Sarcy Pawlak

'I have the authority to bind Bunch Welding Ltd'