

Modern Slavery Report of D.F. Barnes Fabrication Limited

This is a report of D.F. Barnes Fabrication Limited under the *Fighting Against Forced Labour and Child Labour in Supply Chain Act* (the “Act”).

Financial Reporting year: 2023

Business Number: 859919375

(a) Structure, Activities and Supply chains

Corporate Structure and Activities

D.F. Barnes Fabrication Limited (“DFBF”) is a corporation and is an “entity” as defined under section 2 of the Act. It is wholly owned by D.F. Barnes Services Limited, which is a holding company that owns DFBF and several other business enterprises in Atlantic Canada, in the marine and energy sectors. D.F. Barnes Services Limited is part of the JV Driver group of companies and is wholly owned and controlled by J.V. Driver Corporation Inc.

DFBF offers contract manufacturing, machining and fabrication of complex structures and systems consisting of a variety of metals to a variety of clients. It is headquartered in St. John’s, Newfoundland with projects that expand throughout Newfoundland. DFBF employs approximately 80 employees. As part of its business operations, DFBF manufactures advanced mechanical and hydraulic systems for the largest marine and offshore companies, including LARS, TGBs, and traction winches. It also imports material and equipment when required by specific projects, that cannot be sourced in Canada.

Supply Chains and Actions Taken to Prevent and Reduce Risk of Forced Labour or Child Labour

Many goods procured for DFBF projects are purchased directly by our clients and therefore, DFBF is not involved in importing any items into Canada. For those projects where DFBF does purchase goods for a project, DFBF most often purchases through Canadian distributors or manufacturers. However, at times specialty welding consumables, nuts & bolts and raw steel materials may be required by a customer request on a specific project. In situations where specialty goods are required, DFBF seeks to limit the importation of goods from within North America and Western Europe. By limiting the geographic scope in this manner, DFBF minimizes the risk that the goods it manufactures and/or incorporates into its projects are produced with forced and/or child labour.

In the rare occasion that DFBF must purchase or import goods that have been produced outside North America or Western Europe DFBF purchases through 3rd parties located within North America or Western Europe with an internally verified reputation for ethical business practices and adherence to regulatory standards.

(b) Policies and due diligence processes in relations to forced labour and child labour

With the Act now in force, this is the first time that DFBF has had modern slavery compliance obligations. As a result, DFBF has not fully developed and implemented a complete policy and process

framework to address modern slavery considerations. Internal discussions started in 2023 about potential updates to policies and process to address modern slavery considerations more fully.

In the meantime, DFBB already has various due diligence processes in place that we expect will help minimize forced labour and child labour risks, including as follows:

- (i) DFBB operates a Quality Management System (QMS), which was implemented to define, measure and control the various processes and activities employed in the provision of our services. The QMS is based upon the ISO 9001:2015 Quality management systems requirements. Pursuant to the ISO 9001:2015 standard, DFBB is required to establish criteria to assess suppliers. This is accomplished through the completion of Supplier Qualification questionnaires, which each new potential supplier is required to complete. The questionnaire includes various topics including Quality certificates, Quality manual, operational safety requirements, change management policies, worker injury information and safety training. The questionnaire, however, can be tailored and revised by DFBB to respond to identified and emerging risks, including modern slavery risks. DFBB reviews and evaluates the responses to ensure that customer, regulatory and statutory specifications are satisfied. Suppliers may be subject to periodic re-evaluation which is performed through supplier audits to assess processes, quality controls and adherence to standards. The QMS requires DFBB to uphold the highest standards in our supply chain, which will assist us in identifying risks associated with child or forced labour.
- (ii) DFBB ensures that its contracts, especially any with foreign suppliers of goods, contain provisions which ensure compliance with applicable laws, including forced and/or child labour laws.

(c) Parts of business and supply chains that carry a risk of forced labour or child labour being used and steps taken to assess and manage the risk

DFBB has not currently identified any specific risks in its business and supply chains that are associated with child labour or forced Labour.

(d) Measures taken to:

- a. **remediate any forced labour or child labour; and**
- b. **remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains**

To date, DFBB has not identified any specific forced labour or child labour risks in its activities and supply chains. As a result, DFBB has also not taken any measures at this time to remediate loss of income to vulnerable families.

(e) Training provided to employees on forced labour and/or child labour

Due at least in part to the fact that it has not previously had modern slavery compliance obligations, DFBF has not provided specific training to its employees on forced labour and child labour. DFBF is, however, currently involved in developing an action plan to create educational materials which will increase employee awareness around the issues of forced and/or child labour, as well as the *Act* and its goals and purposes.

(f) Assessing effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains?

DFBF regularly reviews and updates its internal policies and procedures to address new and emerging risks to all aspects of its business. As new information is gathered around modern slavery risks in its supply chains, new policies and procedures will be developed to address any current and emerging risks.

Report Approval and Attestation

In accordance with the *Act*, and in particular ss. 11(4) and 11(5), I attest that:

- (i) this Report of D.F. Barnes Fabrications Limited has been reviewed and approved by the Board of Directors of D.F. Barnes Fabrications Limited; and
- (ii) I have reviewed the information contained in report for D.F. Barnes Fabrications Limited. 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: Jason Fudge

Title: President

Date: May 30, 2024

Signature: _____

I have the authority to bind D.F. Barnes Fabrications Limited.