



Introduction and Purpose

This report has been prepared by Knappett Projects Inc. (the entity) in accordance with section 11 of Canada's *Fighting Against Forced Labour and Child Labour in the Supply Chains Act* (the Act). The purpose of this report is to reflect upon the entity's previous financial year ended **Sept 30, 2023** and report to the Minister of Public Safety the steps taken to prevent and reduce the risk of forced labour or child labour in the production of goods in Canada or elsewhere, by the entity or those along its supply chain, or of goods imported into Canada by the entity.

Structure, Activities, and Supply Chains

Knappett Projects Inc. is a privately-owned entity, incorporated under the laws of British Columbia. Our head office is located in Victoria, BC and we are proud to serve all of Vancouver Island.

Knappett is a General Contractor and Construction Management Firm with over 740 construction projects completed in the past 40 years across a wide range of project types. These include public institutional buildings, civil works, major industrial buildings, multi-family and social housing, commercial, heritage building renewals, building envelope repairs, and building additions and upgrades.

Knappett employs approximately 200 employees across Vancouver Island. Use of our own workforce allows us to self-perform much of our construction work, primarily in the areas of carpentry and concrete. Knappett purchases building materials for self-performed work directly from suppliers within Canada, mostly local to British Columbia. In a few rare circumstances, such as the need for specialized equipment not available in Canada, Knappett has procured such goods directly from international suppliers in the United States.

For other scopes of work, such as electrical, mechanical, painting, exterior, building hardware, landscaping, etc. Knappett engages with a variety of subcontractors, mostly local to Vancouver Island. These subcontractors procure their own goods and materials, as necessary, to complete their scope of contracted work.

Policies and Due Diligence in relation to forced labour and child labour

Knappett Projects Inc. has a zero-tolerance policy against the use of forced labour and child labour within its own operations, amongst its direct subcontractors and materials suppliers, and for all other entities included along its supply chain. Due to the inherent safety risks of construction work, and in compliance with the *BC Employment Standards Act* regarding youth workers, Knappett does not employ any individual under 16 years of age. Further, for any employees within the age range of 16-25 years, Knappett follows WorkSafeBC's occupational health and safety requirements specific to 'young workers.'

Knappett's standard subcontractor agreement states that subcontractors must comply with all laws, ordinances, rules, regulations, or codes which are in force during the performance of the work for the preservation of public and workplace safety. This includes the *Fighting Against Forced Labour and Child Labour in the Supply Chains Act* (the Act).

Knappett's standard purchase order agreement, used in the procurement of goods and materials, states that all materials and supplies used in the production thereof, shall, as far as possible, be of Canadian origin. This aims to ensure that all entities along our supply chain are subject to Canada's labour and Human Rights laws and thus in compliance with the Act.

Risk Assessment

Knappett acknowledges that the supply chain within our industry is vast and far reaching. While we may have knowledge regarding the business conduct and practices of local suppliers and subcontractors, we do not have the same visibility into our entire supply chain. The fact that our supply chain for construction materials is large and unknown carries risk that forced labour or child labour *could* be used by indirect suppliers somewhere down the supply chain. We have not become aware of any such instances within our supply chain to date but recognize that the risk does exist.

Knappett mitigates this risk by using local, known suppliers and subcontractors wherever possible, and through subcontract and purchase order agreement clauses that aim to ensure all those we do business with are compliant with the Act and all other Canadian laws and regulations.

Remediation

Knappett has not identified any instances of forced labour or child labour within its activities, or its supply chain, and therefore no remediation measures have been taken regarding:

1. forced labour or child labour.
2. the loss of income to the most vulnerable families that results from eliminating the use of forced labour or child labour in its activities and supply chains.

Training

Knappett has not provided training to employees specific to forced labour and child labour.

Ongoing Assessment and Effectiveness

Knappett has several policies and procedures incorporated into daily operations that ensure our effectiveness in not using forced labour and child labour in our own operations. This includes hiring policies and procedures, our health and safety program, and having direct knowledge of, and contact with, all employees.

Knappett does not currently have procedures in place to assess our effectiveness in preventing and reducing risks of forced labour and child labour in our supply chains.

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 the report for the entity 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 noted above.

I have the authority to bind Knappett Projects Inc.



Roger Yager, P.Eng., GSC
Vice President
Knappett Projects Inc.
July 19, 2024