



Labrie Environmental Group ULC 2023 Forced and Child Labour Report

This Report is published pursuant to the Canadian *"Fighting Against Forced Labour and Child Labour in Supply Chains Act"* and sets out the steps that the Labrie Environmental Group ULC ("Labrie") has taken, and is continuing to take, to combat forced and child labour in our business and supply chains. The Report covers activities for calendar year May 2023 through to May 2024.

Introduction

At Labrie, we are committed to recognizing and protecting the rights of all individuals and ensuring that our business practices reflect these ethical standards. This includes a zero tolerance of forced or child labour in our operations or supply chain. We continue to put procedures and controls in place to strengthen our stance against forced or child labour.

Our business and supply chain

Labrie Environmental Group ULC has been in operations since 1971, manufacturing, distributing and servicing products throughout North America. We develop standard-setting technology through design, and by investing heavily in research and development to offer greener, more efficient, smarter, and safer equipment. We support over 30 distributors across North America with over 50 individual locations.

In addition to purchasing raw materials throughout North America, we also purchase components in Europe and India. We have an office in China, which focuses on purchasing primarily steel parts. For purchases outside China, each plant has its own purchasing team. In Quebec City, they are headed by our Purchasing Manager, and all plants report to our VP procurement. Labrie buys mainly steel parts, hydraulic components such as pumps, valves and cylinders and electrical components.

Policies and due diligence processes

Labrie does not tolerate the use of forced or child labour within our supply chain or operations. We have established the following policies, which guide and support our commitment to corporate responsibility and human rights:

Corporate Policy on Forced and Child Labour

Labrie has made our commitment to take action to reduce the risk of forced and child labour well known in our published policy on the topic. We acknowledge that both forced and child labour are growing risks, especially within corporate supply chains. Due to these risks, we have outlined our stance on remediation, internal awareness and reporting mechanisms in our corporate policy, available to internal and external stakeholders.

Code of Ethics

Our Code of Ethics sets out guidelines for employees and business partners to promote a respectful, ethical, diverse, and dynamic workplace. It sets out security measures, health, safety and environmental policies, business conduct guidelines, and ethics and privacy expectations.

Whistleblower Policy

Labrie is committed to integrity and ethical behavior in the workplace and to ensuring we maintain an environment where employees can work safely, without fear of retaliation. Our Whistleblower Policy describes the expectation and process for reporting complaints of wrongdoings in the workplace, including potential instances of forced and child labour. This reporting mechanism is accessible to all employees and suppliers and details the process which will occur following a report.



We review all policies and procedures on a regular basis and will continue to do so to reflect our processes, continuous improvement and compliance with relevant laws and regulations.

Forced labour and child labour risks

Labrie continues to assess the risks of exposure to forced and child labour in our operations or supply chain. In 2024, we developed a supplier self assessment in order to increase the transparency of the risks within our supply chain. The supplier self assessment will be sent to all suppliers. Once completed this assessment will aid Labrie in identifying suppliers with an elevated risk of exposure to incidents of forced or child labour. This will support a targeted approach to increasing supplier due diligence and to better understand the processes our suppliers have in place to combat forced and child labour.

If suppliers are unwilling or unable to complete the self assessment, we reserve the right to review our involvement with the supplier. If the supplier will not work with Labrie, we reserve the right to terminate the business relationship and any agreements with suppliers immediately.

Remediation measures

To date, Labrie has not received any reports related to forced or child labour within our operations or our supply chain. We acknowledge the importance of continuous monitoring to ensure that we maintain a transparent view of risks associated with forced and child labour.

In the event that we discover any forced labour or child labour in our business and supply chains, we will immediately implement the appropriate remediation strategies in compliance with prevailing standards.

Training

Labrie considers the appropriate training of our employees to be vital to our organization and we are actively working to increase awareness of forced and child labour with our employees. In 2024, we will develop training specific to forced and child labour which will be incorporated into relevant employee upskilling programs. This will aid in ensuring that all employees are aware of the risks associated with this important issue.

Assessing effectiveness

Labrie will continue to assess the effectiveness of our programs, policies and training for the purpose of mitigating risks of exposure to forced or child labour in our operations and supply chain. To assess effectiveness we plan to undertake internal audits, increase completion rates of the supplier assessments and other appropriate mechanisms. As we progress through these measures, we intend to assess the effectiveness of preventing and reducing these risks. This progress will be regularly reported upon with the Board of Directors and senior management.

Plans for 2024

In 2024, we plan to undertake the following actions to further strengthen our work to combat forced and child labour in our business and supply chains:

Develop training specific to the risks of forced or child labour in our operations and supply chain, we will begin a staged roll out of this training to employees.

Explore ways to measure effectiveness of current forced and child labour risk-mitigation measures.

Work with suppliers to increase transparency regarding how they are addressing the risks of forced or child labour.

Enhanced supplier due diligence will be targeted based on the results of the supplier assessments.



In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Labrie Environmental Group ULC 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.

Michael Eastabrook
CEO
May, 30, 2024

Michael Eastabrook

"I have the authority to bind 'Labrie Environmental Group ULC.'

