Fighting Against Forced Labour and Child Labour in Supply Chains Act Report (for Fiscal Year 2024)

Introduction

Lenbrook Industries Limited ("the Company") is a manufacturing, distribution and technology company based in Pickering, Ontario. The company carries out business all around the world and works to ensure that it reduces any and all risk that forced or child labour is used during the manufacturing or distributing of its products.

Structure, Activities and Supply Chains

The Company is a privately held Canada-based owner of brand development and distribution interests in residential and commercial audio and communications technologies. The Company is a vertically-integrated diversified business with global reach, serving a number of business-to-business and direct-to-consumer customers.

Being an owner of multiple brands, the company is responsible for the design and manufacturing of its products, and therefore must undertake several key actions to ensure transparency and accountability regarding its efforts to combat modern day forced and child labour. The company has developed within this annual report the measures it has taken to address these issues within its operations and supply chains. Since all the company's manufacturing is done by external vendors it is vastly important for the company to confirm there are no risks or instances of child labour or forced labour at each of the vendors it uses to manufacturer its products.

Policies and Due Diligence in Relation to Forced and Child Labour

1. Policies on Forced Labour and Child Labour

To effectively combat forced and child labour, the company has established a policy with third party suppliers that clearly articulate their commitment to ethical practices and human rights:

- Conduct Expectations for Suppliers: The company extends its ethical standards to all suppliers and subcontractors, mandating that they adhere to similar policies on forced and child labour as the company does. These standards are integrated into supplier agreements and regularly reviewed.

2. Due Diligence Measures

To ensure the effective implementation of these ethical standards we expect from our manufacturers, the company has developed some key processes it actively conducts.

- Risk Assessment: Conduct regular risk assessments to identify and evaluate the potential for forced and child labour within the company's operations and supply chains.
- Documentation and Reporting: Maintain thorough documentation of due diligence processes and external manufacturer declarations that there has been total adherence to the forced labour and child labour supply chain act.
- Continuous Improvement: Regularly review and update policies and procedures based on findings, changes in regulations, and feedback from stakeholders. This ensures that the company's approach remains effective and responsive to emerging issues.

By implementing robust policies and rigorous due diligence practices, the company can effectively address and mitigate the risks of forced labour and child labour, uphold human rights, and maintain ethical standards across its operations and supply chains.

Areas of the Supply Chain that Carry Increase Risk

Since the company is heavily involved with the manufacturing industry around the world, it knows that there is increased risk in this area of its supply plan. As mentioned above in the due diligence measures, the company will work with its external manufacturers to obtain confirmation and signed declarations that prove no child labour or forced labour is used in the manufacturing of products.

Measures taken to Remediate Forced Labour or Child Labour

The company has not been a part of any situations or conditions that have involved forced labour or child labour within its supply chain. Therefore the company has not needed to take remediation measures.

Measures taken to Remediate Loss of Income to Vulnerable Families

The company has not been involved in situations of forced or child labour in which it had an impact on families. The company as noted above has not encountered any type of situation of forced or child labour in its supply chain and therefore has not taken measures to remediate loss to vulnerable families.

Training Provided to Employees on Forced Labour and Child Labour

For the fiscal year 2024, the company did not provide any training to its employees on the topic of forced labour and child labour, but now recognizes given the Act has now come into effect on January 1 2024, it will be looking to implement training moving forward.

Assessing the Effectiveness of the Companies Supply Chain

As mentioned in the reporting above, the company has not been involved in any situations of forced or child labour in any parts of its supply chain. Therefore the measures the company have taken in the past has been successful. To ensure this effectiveness continues into future fiscal years the company will continue to work closely with its external manufacturers to keep up to date with regulations and receive annual signed declarations. The Company will also look to implement employee training so that key internal stakeholders/employees are aware of the importance that bill S-211, and the adherence to that bill, has in the everyday operations of the company. The company feels that the due diligence measures it monitors and conducts on an annual basis will continue to have great success in ensuring no forced or child labour is used in its supply chain.

Attestation

The Company hereby affirm that the policies and due diligence measures outlined in this document are approved and fully endorsed by the executive leadership of Lenbrook Industries Limited. The Company attest that these policies are implemented with the utmost commitment to ensuring that our operations and supply chain adhere to the highest standards of human rights, specifically prohibiting all forms of forced and child labour. By endorsing these measures, the company pledge to uphold ethical practices and transparency in all aspects of our business operations.



_____

Spencer Crowe
Treasurer
Lenbrook Industries Limited