

Annual Report

Reporting for entities

1. *What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply. (Required)

- Mapping activities
- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing an action plan for addressing forced labour and/or child labour
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Developing and implementing child protection policies and processes
- Developing and implementing anti-forced labour and/or -child labour contractual clauses
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- Auditing suppliers
- Monitoring suppliers
- Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour
- Developing and implementing grievance mechanisms

- Developing and implementing training and awareness materials on forced labour and/or child labour
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour
- Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks
- Information not available for this reporting period ✓
- Other, please specify:

2. Please provide additional information describing the steps taken (if applicable) (1,500 character limit).

N/A

3. *Which of the following accurately describes the entity's structure? (Required)

- Corporation ✓
- Trust
- Partnership
- Other unincorporated organization

4. *Which of the following accurately describes the entity's activities? Select all that apply. (Required)

- Producing goods (including manufacturing, extracting, growing and processing)
 - in Canada ✓
 - outside Canada
- Selling goods
 - in Canada ✓
 - outside Canada
- Distributing goods
 - in Canada ✓
 - outside Canada
- Importing into Canada goods produced outside Canada ✓

- Controlling an entity engaged in producing goods in Canada or outside Canada, or importing into Canada goods produced outside Canada

5. Please provide additional information on the entity's structure, activities and supply chains (1,500 character limit).

Lorneville Mechanical Contractors operates as a leading industrial construction and maintenance company. Our core activities involve providing skilled craft trade labor to large industrial sites, specializing in the fabrication and installation of piping systems, mechanical equipment, and structural steel. While we do not produce raw materials, our expertise lies in delivering high-quality construction and maintenance services tailored to the unique needs of each project.

Our supply chain is designed to ensure the efficient delivery of tools, equipment, and consumables necessary for our operations. We prioritize working with reputable suppliers to source the best materials and tools required for our projects. Additionally, we manage and negotiate with subcontractors for specialized trades that we do not perform in-house, such as scaffolding, ensuring that all partners adhere to our stringent standards of quality and safety.

We are committed to maintaining ethical practices throughout our supply chain. This now includes rigorous vetting of suppliers and subcontractors to ensure compliance with our policies against forced labor and modern slavery. By fostering transparent and responsible relationships with our partners, we uphold our commitment to ethical business practices and contribute to the well-being of the communities in which we operate.

6. *Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)

- Yes ✓
- No

6.1 *If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply. (Required)

As of June 2024, Lorneville Mechanical Contractors has implemented comprehensive policies and due diligence processes to combat forced labor and child labor. We recognize the importance

of ethical practices and are committed to ensuring that all aspects of our operations and supply chain adhere to the highest standards of labor rights.

Firstly, we have developed and instituted an in-house anti-forced labor and child labor policy. This policy clearly outlines our commitment to preventing any form of forced labor or child labor within our organization. It includes stringent measures for monitoring and enforcement, ensuring that all employees and operations comply with our ethical standards.

Additionally, we require all subcontractors and main suppliers to sign and adhere to a mandatory document that aligns with relevant laws and acts against forced labor and child labor. This document mandates compliance and provides clear guidelines for our partners to follow, reinforcing our stance against unethical labor practices.

Through these initiatives, Lorneville Mechanical Contractors ensures that our projects and supply chains operate with integrity and respect for human rights. Our commitment to ethical practices is unwavering, and we continue to refine our policies and procedures to uphold these standards.

- Embedding responsible business conduct into policies and management systems ✓
- Identifying and assessing adverse impacts in operations, supply chains, and business relationships ✓
- Ceasing, preventing or mitigating adverse impacts ✓
- Tracking implementation and results ✓
- Communicating how impacts are addressed ✓
- Providing for or cooperating in remediation when appropriate ✓

7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour (if applicable) (1,500 character limit).

The policy has been created and outlines the company's objectives, discusses specifics on the policy, and mentions how we intend to make the policy public to all employees via our company's SharePoint website. Training will be provided to educate our employees on Forced Labour and Child Labour, as well as understanding Modern Slavery as a whole. They will be asked to sign the policy and acknowledge that they have read and understood it, as well as comply with completing the required training provided in a manner it can be understood.

8. *Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)

Lorneville Mechanical Contractors has identified that the procurement of materials from outside North American markets carries a potential risk of forced labor or child labor being used. Although such imports occur only a few times a year, we are committed to ensuring that all our supply chains are free from unethical labor practices.

With every order placed outside of North America, we actively engage in discussions with our foreign suppliers to address the risks associated with forced labor and child labor. As part of our due diligence process, we require these suppliers to sign off on the same comprehensive document that all our primary vendors and subcontractors must adhere to. This document mandates strict compliance with relevant laws and acts against forced labor and child labor, ensuring our foreign suppliers uphold the same ethical standards we enforce within our local operations.

By implementing these measures, we aim to mitigate any risks associated with forced labor or child labor in our supply chains, reaffirming our commitment to ethical business practices and the protection of human rights across all our operations.

- Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks. ✓
- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.
- No, we have not started the process of identifying risks.

8.1 *If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply. (Required)

- The sector or industry it operates in
- The types of products it produces, purchases or distributes
- The locations of its activities, operations or factories
- The types of products it sources
- The raw materials or commodities used in its supply chains
- Tier one (direct) suppliers
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour

- The use of forced labour
- The use of child labour
- None of the above ✓
- Other, please specify

9. *Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Required)

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- None of the above ✓
- Other, please specify

10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable) (1,500 character limit).

Lorneville Mechanical Contractors recognizes several parts of our activities and supply chains that may carry a risk of forced labor or child labor. Beyond our occasional imports from outside

North American markets, we have identified other areas where vigilance is necessary to uphold our ethical standards.

One such area is the sourcing of raw materials for our fabricated piping spools. While we primarily source these materials from reputable North American suppliers, there are instances where specific materials may be sourced internationally due to availability or cost considerations. To mitigate risks, we ensure that all international suppliers undergo a rigorous vetting process, including the requirement to sign our anti-forced labor and child labor document, which mandates compliance with relevant laws and ethical standards.

Another area of potential risk is the engagement of subcontractors for specialized trades that we do not perform in-house, such as scaffolding and insulation. To address this, we have implemented a comprehensive subcontractor management system that includes detailed and mandatory adherence to our anti-forced labor and child labor policy. We also conduct an introductory MS Teams communication sessions for our subcontractors to ensure they understand and comply with our ethical requirements.

Through these proactive measures, Lorneville Mechanical Contractors is committed to maintaining the highest standards of labor rights and ethical practices across all our operations and supply chains.

11. *Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)

- Yes, we have taken remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains. ✓

11.1 *If yes, which remediation measures has the entity taken? Select all that apply. (Required)

N/A

- Actions to support victims of forced labour or child labour and/or their families, such as workforce reintegration and psychosocial support
- Compensation for victims of forced labour or child labour and/or their families

- Actions to prevent forced labour or child labour and associated harms from reoccurring
- Grievance mechanisms
- Formal apologies
- Other, please specify.

12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour (if applicable) (1,500 character limit).

N/A

13. *Has the entity taken any measures to 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? (Required)

- Yes, we have taken substantial remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains. ✓

14. Please provide additional information on any measures the entity has taken to 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 (if applicable) (1,500 character limit).

N/A

15. *Does the entity currently provide training to employees on forced labour and/or child labour? (Required)

- Yes ✓
- No

15.1 *If yes, is the training mandatory? (Required)

- Yes, the training is mandatory for all employees. ✓
- Yes, the training is mandatory for employees making contracting or purchasing decisions.
- Yes, the training is mandatory for some employees.
- No, the training is voluntary.

16. Please provide additional information on the training the entity provides to employees on forced labour and child labour (if applicable). (1,500 character limit).

Lorneville Mechanical Contractors has developed a training presentation that educates employees on the history of Forced Labour and Child Labour, as well as explains preventative measures put in place by our company. To implement this training, all current employees will be asked to sign the company policy and are required to complete the training presentation via our internal training platform. All new employees will take this training and review/sign the policy via our internal Orientation process.

17. *Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required)

- Yes ✓
- No

17.1 *If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Required)

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour ✓

- Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and -child labour clauses
- Partnering with an external organization to conduct an independent review or audit of the organization's actions
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators ✓
- Other, please specify.

18. Please provide additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable). (1,500 character limit).

Lorneville Mechanical Contractors employs a multifaceted approach to assess the effectiveness of our efforts in ensuring that forced labor and child labor are not used in our activities and supply chains. Our assessment methods ongoing evaluations, and continuous improvement strategies.

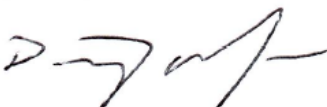
We also engage in continuous dialogue with our suppliers and subcontractors to reinforce our commitment to ethical labor practices. This includes. By fostering open communication, we ensure that our partners remain aligned with our values and standards.

Furthermore, we encourage feedback from employees, suppliers, and other stakeholders through anonymous reporting mechanisms. This allows us to identify potential risks and areas of concern that may not be apparent through formal audits and assessments.

By employing these comprehensive assessment methods, Lorneville Mechanical Contractors ensures the ongoing effectiveness of our efforts to prevent forced labor and child labor in our activities and supply chains, demonstrating our unwavering commitment to ethical business practices.

Acknowledgement and Approval

Lorneville Mechanical Contractors Ltd

Signature of approver: 

Printed Name: DANIEL MANN

Date: 05/31/24