



EMIL ANDERSON
GROUP

2024 REPORT

**Fighting Against Forced Labour & Child
Labour in Supply Chains Act**



INTRODUCTION

This joint report has been prepared by the Emil Anderson Group in response to the requirements under Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) for our financial year ending March 31, 2024.

The Emil Anderson Group is committed to promoting labour practices that protect the human rights of workers, including preventing and mitigating the risks of forced labour and child labour in our operations and supply chains. We do not knowingly use child labour or forced labour in any of our commodities, products or services, nor do we knowingly accept commodities, products or services from suppliers or subcontractors that employ or use forced labour or child labour.

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ORGANIZATIONAL STRUCTURE, ACTIVITIES, AND SUPPLY CHAIN

STRUCTURE

Emil Anderson Group is a group of private companies that has operated throughout Western Canada for more than 80 years. The terms “Emil Anderson Group”, “we”, “our” and “the company” refer to all the entities listed in this report. This joint report is filed on behalf of the following members of the Emil Anderson Group, which are reporting entities under the Act: Pass Construction Co Ltd., dba Emil Anderson Group Management Services, Emil Anderson Construction Inc. and Emil Anderson Maintenance Co. Ltd., dba Emil Anderson Maintenance – Fraser Valley.

We are a founding member of the BC Road Builders and Heavy Construction Association, and an active member in the Canadian Construction Association.

Our head office is located in Kelowna, British Columbia. We employ approximately 500 full-time and part-time employees, the majority of which are unionized. We engage subcontractors on our projects who are required to comply with applicable employment standards and safety laws. We undergo a vetting process to ensure all workers on our sites are properly trained and insured. We do not use labour agents.

We have actively engaged with Indigenous groups, resulting in a long history of successful ventures and mutually beneficial business opportunities. We also provide employee-led Community Give-back Programs to support the local communities where we live and operate, including Children and Youth Program, Community Enhancement and Support, Skills Development, Education and Training, and Disease Prevention and Treatment Research.

ACTIVITIES & SUPPLY CHAIN

Our business activities consist of infrastructure construction and maintenance services, commercial construction, residential construction, and land development, throughout Western Canada.

The Emil Anderson Group procures a range of goods to support our construction services such as underground piping, bridge components, asphalt cement, salt, construction equipment and related parts, and small tools and supplies. Our supply chain is closely aligned with the location of our operations in Western Canada. In our financial year ending March 31, 2024, nearly all our procurement spend was with domestic suppliers. We estimate that less than 5% of our total procurement expenditure involved non-domestic sources.

We outsource selected construction activities to qualified subcontractors in Western Canada. Our contractors may procure products in support of the construction project.

Procurement decisions and subcontractor awards are based on the reliability and reputation of the supplier or subcontractor to deliver high quality goods and services. We have long-term, ongoing, and repeat relationships with the majority of our suppliers and contractors.

STEPS TO PREVENT AND REDUCE THE RISKS OF FORCED LABOUR & CHILD LABOUR

Emil Anderson Group has integrated responsible business practices by adopting a strong commitment to our communities, which includes focusing on community sustainability and health and safety, security and the environment.

We recognize that indicators of forced labour and child labour can include workplace violence, threats and other hazardous working conditions. Our approach to preventing and reducing the risk of forced labour and child labour in our activities has focused primarily on monitoring the safety of workers on our sites and requiring our suppliers and contractors to comply with applicable laws relating to employment, labour relations, human rights and safety.

In the financial year ending March 31, 2024, the Emil Anderson Group has taken the following steps to prevent and reduce the risks of forced labour or child labour in our operations and supply chain:



- Continuing to implement our general workplace safety policies including “Zero Tolerance Rules”, “General Safety Rules”, and Workplace Violence, Bullying and Harassment Policy;
- Identifying safety-related risk levels for different construction activities and designing specific programs to eliminate or reduce the risks;
- Educating workers on our safety policies through orientations and onboarding trainings;
- Providing ongoing training and development to keep workers’ knowledge and skills up to date with current industry standards relating to health, security, safety and environment;
- Maintaining high standard of workplace security as certified annually by British Columbia Construction Safety Alliance;
- Performing vetting processes to ensure suppliers and subcontractors comply with our Occupational Health and Safety Programs;
- Setting contractual clauses for direct suppliers and subcontractors to follow safety requirements benchmarked to the industry standard, which includes compliance with employment, human rights and safety laws;
- Requiring our subcontractors to provide Statutory Declarations to ensure that appropriate payment distribution is maintained, including the compensation for workers on our sites; and
- Using our existing grievance mechanisms to ensure that complaints or concerns relating to violations of labour rights are heard and adequately addressed.

POLICIES AND DUE DILIGENCE PROCESSES

The Emil Anderson Group's risk management process focuses on the impact of workers in our construction activities in Western Canada and engaging with suppliers and contractors to ensure compliance with applicable employment, human rights and safety protections for workers.

Our management team is accountable for overseeing business ethics and human rights. Our Chief Executive Officer and President is responsible for ensuring appropriate oversight from of key issues and efforts in relation to sustainable development, including human rights issues. Our Chief Operating Officer is responsible for overseeing our human rights policies and grievance mechanisms. Our Director of Health and Safety oversees activities related to human rights and workplace safety and serves as a touchpoint for inquiries from the Vice-Presidents and other departments.

Our Occupational Health & Safety Program affirms our commitment to safe working conditions at our sites, by setting an expectation that each site will implement a Health and Safety standard that addresses the safety risks of the construction and maintenance services. This Program also expects our managers, workers and contractors to uphold high moral and ethical principles and specifies the basic norms of behavior for those who conduct business activities on our behalf, demonstrating zero tolerance for any form of abuse to workers or human rights violations.

To further ensure safe working conditions and reduce the likelihood of forced labour or child labour in our construction activities, we perform Preliminary and General Hazard Assessments on our work sites and have established Project Specific Health and Safety Program to address risks assessed as specific to the project. We ensure through orientation, education, training, inspections, monitoring and other health and safety systems that workers have the framework and support required to perform their task safely and grow knowledge and competency in the industry.

The Project Specific Health and Safety Program sets minimum standards of conduct for our suppliers and subcontractors relating to worker protection, including:

- Identifying hazards applicable to their work;
- Providing workers with all required safety control measures to eliminate or minimize the hazards;
- Engaging qualified personnel to develop safe work procedures and oversee the workplace for possible hazards;
- Providing trained rescue personnel or coordinating with the Emil Anderson Group of rescue services; and
- Reporting any unsafe acts, conditions, incidents, or injuries to the Emil Anderson Group's designated representative.
- If suppliers or contractors fail to comply with these standards, we will stop the work of the subcontractors until corrective actions are implemented.

ASSESSING THE RISK OF FORCED LABOUR & CHILD LABOUR

Forced labour or child labour in the Canadian construction industry is more likely to occur when suppliers, labour agencies or subcontractors are not held accountable for the ethical and safe treatment of workers and for complying with Canadian employment, labour and safety laws.

The Emil Anderson Group operates exclusively in Canada. We comply with Canadian employment, labour, human rights and safety laws and conduct business with our long-term reputable suppliers and subcontractors in Canada. For these reasons, we have identified the risk of forced labour and child labour in our operations to be low.

REMEDATION MEASURES AND REMEDIATION OF LOSS OF INCOME



The Emil Anderson Group has established policies and processes to set expectations regarding the remediation of any violation of worker rights and to ensure that complaints or concerns relating to health and safety or other human rights are heard and adequately addressed. As noted above, if any of our suppliers or contractors fail to comply with standards relating to workplace safety, we will stop the work until corrective actions are implemented.

Our expectations regarding remediation are set out in our grievance mechanisms. We have established a complaint procedure that is available to all employees, contractors and suppliers (and their workers) to report human rights issues anonymously. Our Vice-Presidents and Director of Health and Safety have established a central tracking mechanism to ensure that complaints are investigated and complainants remediated, as appropriate. Our Director of Health and Safety reports to the President or Chief Executive Officer, to ensure the timely and appropriate remediation of any complaints.

To date, we are not aware of any complaints relating to forced labour or child labour in our operations or supply chain, and as such have not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

EMPLOYEE TRAINING

The Emil Anderson Group prioritizes health and safety for our workers, contractors, suppliers and other members in the community that are affected by our projects. We are committed to educating workers on our compliance standards and identifying hazards and indicators of unsafe working conditions. All employees and contractors undertake a range of onboarding training and ongoing education, delivered online and on-the-job. This is designed to share information and build knowledge on how to comply with our standards, the expected standards of conduct when interacting with others, and the avenues for raising and resolving issues and complaints.

ASSESSING EFFECTIVENESS

The Emil Anderson Group monitors compliance of our workers, contractors and suppliers with the standards set out in our Occupational Health and Safety Program. Beyond our safety assessments, to date, we have not adopted any specific assessment mechanisms to assess measure and track the effectiveness of steps taken to prevent or reduce the risks of forced labour or child labour.

APPROVAL & 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 or entities 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 listed above.

Dated in the City of Kelowna, British Columbia, this 15th day of May, 2024.



Robert Hasell, President & CEO.

I have the authority to bind the Emil Anderson Group.

