



Modern Slavery Statement Fiscal Year 2024

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff ("Act"). This statement outlines the approach and initiatives by Pioneer Construction Inc (collectively, "Pioneer") and to identify and address the risks of forced labour and child labour in its business operations and supply chains during the financial year commencing April 1, 2023 and ending March 31, 2024. This is the first version of this report submitted in line with the requirements of the Act with no reporting requirements on similar regulation in other jurisdictions.

This statement reinforces Pioneer's effort and commitment to combat child or forced labour, human trafficking, and other forms of modern slavery. We do not tolerate slavery or human trafficking in our organization or in those of our suppliers and subcontractors.

Structure, Activities and Supply Chains

Our Structure

Pioneer was established in 1938, Incorporated under the Ontario Business Corporation Act and is headquartered in Sudbury, Ontario, Canada. The company operates throughout Northern Ontario with a primary focus in building and maintaining highway and municipal roads, along with being a manufacturer of both aggregate and asphalt, both of which are supplied to the construction industry across Northern Ontario. Pioneer has 5 fixed establishments throughout Northern Ontario. Pioneer's operations are strictly based in Canada, with all revenue being earned 100% within Canada.

In terms of the Act's threshold requirements, Pioneer meets the definition of a reporting entity.

Supply Chain and Activities

Pioneer's supply chain includes businesses that are predominately local and integral to our operations throughout Northern Ontario. As an organization, Pioneer has in excess of 500 vendors, with approximately 99% of those vendors being Canadian owned resident corporations, with the remaining 1% originating from the United States. In all cases, all vendors regardless of origin are expected to adhere to Canadian rules and regulations.

Purchases are made primarily by our purchasing group, who are responsible for determining the appropriate type of procurement and competition that best suits what is being purchased, and what is required by law, regulation and/or applicable corporate policies. We have committed ourselves to

developing long-term relationships with our suppliers and subcontractors.

Our supply chain provides a mix of goods and services related to the construction industry, and includes companies who supply raw materials, equipment, equipment parts and service and subcontractors.

We have zero tolerance for child and forced labour in any of our operations or supply chains. We require suppliers and subcontractors to abide by applicable employment standards, labour, non-discrimination and human rights legislation. As part of our due diligence, we require all vendors and subcontractors in our supply chain to comply with our policies, ethics, and we request that they confirm this to us when we engage their services.

Company Policies and Due Diligence Processes

As an organization, Pioneer is committed to ensuring that there is no modern slavery or human trafficking situations in our supply chains or in any part of our business.

- We work within current employment legislation and apply best practices when recruiting. This includes requiring all employees have Social Insurance Numbers and Driver's licenses. This helps ensure that all employees hired can work in Canada and meet the working age requirements for our industry. As an organization, standard company policy requires any prospective individual who wishes to work in Pioneer at the operational level to have attained the age of 18 years at the time of hiring.
- We comply with all applicable employment laws, including laws regarding minimum wage, minimum age of employment, working hours, overtime, right to disconnect, health and safety and human rights, all of which are outlined in our HR policies and company code of conduct.
- We have a Compliance / Whistleblower hotline available to employees and suppliers available to report any concerns on a confidential and anonymous basis. This allows us to thoroughly investigate and resolve identified issues should they occur.
- The procurement team as part of standard practice performs reference checks on any new supplier to us to identify legal, ethical, and financial concerns prior to purchasing.
- The procurement team monitors current suppliers for any instances (actual or alleged) of legal or ethical concerns that would prevent Pioneer from adhering to this legislation.
- All vendors must be competent, qualified, and experienced. Due to the nature of the work performed across all lines of business, the company requires highly trained and experienced individuals working on our jobsites, which by the very nature would preclude the employment of minors within the workplace.

Risks in Supply Chain

Pioneer considers the risk of child or forced labour in its supply chains to be extremely low. Over 99% of our vendors are local, regional Canadian-based resident corporations. The remaining 1% represent established vendors based in the United States and both Canada and the United States are considered to have low inherent risks of child and forced labour. In all cases, all vendors within the supply chain are expected to abide by all pertinent legislation including but not limited to child and forced labour, human rights, and health and safety. A high majority of our suppliers are well known and established within the industry and typically have had a long tenure in dealing with our organization.

Overall, the risks if the supply chain of child or forced labour remain very low due to the fact our company either produce raw materials ourselves (in the case of aggregate for example) or source raw materials and consumables from primarily Canadian based organizations and to a much lesser degree from the United States.

Force Labour and Child Labour Risk

Pioneer has initiated the process of identifying risks related to child labour and forced labour within its operations. The company believes that the risk of Modern Slavery occurring in its operations is extremely low. This assessment is based on the nature of its workforce and the comprehensive policies and procedures that govern the recruitment, working conditions, and ethical treatment of employees. Notably, Pioneer's entire labour force is based in Canada, where stringent labour laws and regulations provide additional safeguards against such practices.

To date, no specific instances of forced or child labour have been identified within the company. Pioneer remains committed to maintaining high ethical standards and ensuring that all employees are treated fairly and with respect. The company continues to monitor and assess potential risks regularly to uphold its commitment to ethical labour practices.

Remediation Measures and Remediation Loss of Income

Pioneer has initiated a comprehensive process to identify the risks of child labour and forced labour within its operations and supply chains. This initiative involves a thorough examination of all aspects of its business, to ensure that no exploitative practices are present. As such, Pioneer has not identified any instances of forced labour or child labour within its activities or those of its supply chains to date.

As a result, the company has had no cause to begin any remediation activities related to these issues. Pioneer's current operations and supply chains appear to be free of forced or child labour, indicating its existing policies and procedures are effectively preventing such practices. As an organization, Pioneer remains committed to ensure its operations and supply chain remain free of such risks of child and forced labour.

Furthermore, Pioneer has not identified any instances where measures taken to eliminate forced labour or child labour have resulted in a loss of income for vulnerable individuals or families. This indicates that the company's actions in this regard have not adversely impacted the livelihoods of individuals or families dependent on its operations. Consequently, there has been no need for Pioneer to undertake any income remediation measures.

As an organization Pioneer, remains committed to maintaining vigilant oversight of its operations and supply chains to ensure ongoing compliance with ethical labour standards. The company continues to prioritize the well-being and fair treatment of all individuals involved within its business operations.

Training

Each year, mandatory training is provided to all employees at every level by our Health and Safety and Human Resources teams. It includes, but is not limited to, the Ontario Human Rights Code, workplace violence, workplace harassment and cultural diversity. In 2023, Pioneer did not provide training to its employees on forced labour or child labour. However, in subsequent reporting years, the company will explore training in the area of child and forced labour with a view to incorporate that with our existing annual training plan provided to our employees.

Effectiveness Assessment

To assess the effectiveness of our approach we rely on input from all relevant internal and external stakeholders, including customers, employees, suppliers and members of our communities. We investigate and track any reports made to our Whistleblower Hotline, our supervisors, and senior management team.

We are committed to the ongoing enhancement of our procurement processes and the identification and mitigation of modern slavery risks within our supply chain. We will continually monitor our suppliers and perform internal audits on our subcontractors to identify any areas of risk. We will continue to raise internal awareness of modern slavery issues through ongoing training.

Approval & Attestation

Pioneer remains committed to preventing forced labour and child labour from taking place in our business and supply chains, and we will continue to review our policies, procedures and practices periodically to determine any potential enhancements to ensure continued compliance with Bill S-211.

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 period ending March 31, 2024.



Martin Gran, Chief Financial Officer

Pioneer Construction Inc

Dated, May 28, 2024

(I have the authority to bind the Corporation)