

2024

BILL S-211
CONTENT PACKAGE

± SABRE

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Introduction

The following report has been drafted by Sabre Ltd. in alignment with section 11 of Bill S-211 for the financial year ending March 31st, 2024. The entity covered by this report is Sabre Ltd. (Business Number: 104684774).

Sabre Ltd. meets the definition of reporting entity under the act by having a place of business in Canada, doing business in Canada, and having assets in Canada. Furthermore, Sabre Ltd. meets two out of the three size-related thresholds related to revenue, assets, and workforce alongside meeting the criteria for importing and selling goods.

Fundamental to Sabre Ltd.'s business ethos are the principles of honesty, integrity, and transparency governing the organization's operational framework. Compliant with the stipulations outlined in Bill S-211, this report details the structured methodology and initiatives implemented to pre-emptively mitigate potential risks associated with the use of forced and child labour across the supply chain and business operations.

Section A: Structure, Activities, and Supply Chains

Sabre Ltd. operates as a Canadian entity headquartered in Alberta, Canada and is a leading integrator of industrial control systems and process analyzer systems in Western Canada. A recent merger with Static Energy Services Inc. has added new service capabilities including custom switchgear manufacturing, high voltage field services, and electrical / instrumentation field services. Sabre Ltd. serves customers within Canada as well as internationally, predominantly in the United States.

Sabre Ltd owns Summit Electric, which is a Canadian entity based out of Kamloops and Quesnel, British Columbia. Summit offers industrial electrical contracting services to clients within the mining, manufacturing, forestry, and oil and gas industries. Summit is not an Entity, as per the act definition.

Sabre Ltd. suppliers are generally large electrical distributors or metal manufactures and neither business is conducive to employing children. Overall, the industry requires highly skilled workforce which acts as a natural barrier for child labour.

Section B: Policies and Due Diligence Processes

At Sabre Ltd., preserving ethical integrity throughout operations and supply chains is of paramount importance. Sabre Ltd.'s commitment to ethical business conduct is underscored by the proactive engagement with suppliers to identify and mitigate any potential risks, including the use of forced or child labour, and other unethical behaviors within operating activities.

In alignment with Sabre Ltd.'s unwavering commitment to ethical business standards, we remain resolute in the mission to enhance our supply chain due diligence methodologies, aiming to proactively mitigate the potential occurrence of forced or child labour within operational and supply chain activities. The dedication to this cause is underscored by the execution of the risk assessment procedures discussed in Section C of this report.

In accordance with the core tenet of ethical business practices, Sabre Ltd. conforms to an existing supplier code of conduct which aims to conduct business with suppliers that maintain a high standard of ethics, honesty, and transparency within the supply chain. We also have pre-existing policies and due diligence processes in place related to identifying and managing forced and / or child labour through embedding responsible business conduct into policies and management systems. This fundamentally and proactively limits the risk of association with forced and child labour for Sabre Ltd.

The following are some of the organizational guidelines required of suppliers and subcontractors:

- 01** Sabre suppliers and contractors are expected to develop and sustain a formal code of conduct governing their business practices.
- 02** All supplier and contractor personnel are expected to maintain the highest levels of personal and business integrity and exercise good judgment.
- 03** All supplier and contractor personnel are expected to maintain the highest levels of personal and business integrity and exercise good judgment.
- 04** Violation of government legislation governing human rights, child labour, human trafficking, and all forms of modern slavery as defined and prohibited by such legislation (Sabre is opposed to all such forms of abuse and exploitation in its business operations and seeks to align itself with organizations that adhere to similar ethical and legal standards),

Section C: Forced Labour and Child Labour Risks

In the previous fiscal year, Sabre Ltd. had not initiated any formal risk identification procedures concerning forced or child labour and therefore, no risks were identified during this period. However, Sabre Ltd. mandates suppliers to proactively disclose any potential instances of forced or child labour within the supply chain. Furthermore, as part of the ongoing commitment to detecting potential risks, Sabre Ltd. conducted an extensive supply chain risk assessment. This assessment drew insights from reputable sources such as the Walk Free Global Slavery Index, the OECD Due Diligence Guidance for Responsible Business Conduct, and the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. These sources were chosen and adhered to for their relevance to Canadian entities concerning forced or child labour risks. Through this approach, Sabre Ltd. effectively identified potential risks associated with specific countries in their supply chains.

The core objective of this risk assessment is not to presuppose the existence of forced or child labour within operations or supply chains. Rather, it intends to uncover potential instances where such risks might manifest, thus enabling Sabre Ltd. to efficiently deploy proactive remedial strategies. Acknowledging the prevalent nature of forced and child labour across diverse industries, the assessment recognizes susceptible sectors and geographic regions of the supply chain, particularly in areas where regulatory oversight and enforcement mechanisms may be relatively less rigorous.

The assessment prioritized specific geographic regions flagged by reputable sources such as the Walk Free Global Slavery Index, which highlight increased risks associated with forced and child labour practices. This geographical risk assessment was supplemented by an examination of product categories susceptible to forced or child labour, thereby fortifying the precision of risk assessment.

Risk Assessment Findings

Through the performed risk assessment, Sabre Ltd. has identified its suppliers in four countries — Canada, United States, Switzerland, and China. Imports from Canada accounted for a majority of procurement spend followed by United States, Switzerland, and China. All countries within the identified import portfolio present a low risk in terms of prevalence of modern slavery, according to the Walk Free Global Slavery Index.

Additionally, Sabre Ltd. scrutinized data from the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. This evaluation plays a crucial role in identifying specific items within imported goods that may be vulnerable to forced or child labour. Through this comparison and cross check, it was determined that the importation of electronics from China, such as transformers pose a potential risk of forced or child labour within Sabre Ltd.'s portfolio of imported goods. While this risk exists, imports from China comprise a small part of the supply chain, representing 2.6% of supply expenditure.

To summarize, the risk assessment findings suggest a relatively minimal level of exposure to forced and child labour risks within the supply chain in proportion to overall supply expenditure. However, this does not detract from Sabre Ltd.'s dedication to recognizing and addressing potential risks through risk management protocols and policies. In response to any identified risks, Sabre Ltd. will evaluate opportunities to dedicate additional resources and efforts toward strengthening the mitigation and management of forced and child labour risks.

Section D: Remediation Measures

As no instances of forced or child labour were identified within either Sabre Ltd.'s supply chain or operating activities during the previous fiscal year, this negated the requirement for any remedial actions in this period. Consistent with the United Nations Guiding Principles on Business and Human Rights, we underscore the significance of implementing robust and thorough remedial measures upon the discovery of any such instances.

Despite the absence of documented instances of forced or child labour, Sabre Ltd.'s vigilance remains constant, and we are ready to proactively address any potential eventualities. Acknowledging the nuanced nature of supply chain intricacies, Sabre Ltd. highlights the significance of nurturing steadfast partnerships with dependable and ethically aligned suppliers to facilitate the execution of requisite remedial measures, as required.

Section E: Remediation of Loss of Income

In the previous fiscal year, Sabre Ltd. operations and supply chains indicated no instances of forced or child labour. The risk assessment conducted highlighted a relatively low overall risk associated with forced or child labour within the supply chain. Consequently, no specific initiatives were instituted to mitigate potential income loss among vulnerable communities.

Recognizing the importance of swift and effective responses, Sabre Ltd. is committed to promptly addressing any such occurrences. In cases where initiatives to eradicate forced or child labour might affect the income or livelihood of vulnerable families, appropriate remedial actions will be implemented.

Section F: Training

In the previous fiscal year, Sabre Ltd. did not administer any mandatory or optional training sessions for the workforce regarding the company's code of conduct, specifically addressing issues of forced and child labour within the supply chain. Despite this, Sabre Ltd. remains committed to the potential implementation of such training programs and maintaining the commitment to ethical standards.

We are committed to fostering a supply chain and workforce that is collectively vigilant and pre-emptive in the endeavors to address the issue of forced and child labour within business operations.

Section G: Assessing Effectiveness

Although there are no current policies or procedures in place to assess the efficacy of preventing forced or child labour within the operations and supply chains of both companies, there is firm dedication to adopting stricter measures if such instances occur or as industry standards evolve.

For the future, Sabre Ltd. are exploring the monitoring of key performance indicators (KPIs) to measure the effectiveness of implemented policies and procedures.

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.

Fill in the form

Full Name: **Reg Young**

Title: **Chief Financial Officer**

Date: **May 30, 2024**

Signature: 

*I have the authority to bind 'Sabre Ltd.'