



Dear HRSC Members;

**Re: New Federal Legislation on Forced and Child Labour**

As highlighted in my CFO Reports earlier in the F24 year, all businesses in excess of \$20M assets, \$40M revenue and 250 employees are required to submit a report on the status of their respective procurement and HR practices as it relates forced and child labour. This new reporting requirement stems mostly from buying products and materials from countries where forced and child labour is a real issue but could conceivably apply within our own country.

Only The Shaw Group Limited meets the criteria and consist of the following divisions:

- Brick
- Precast
- Resources
- Renewables
- Transport

The remaining divisions within the overall Shaw Group, are separate legal entities, and as such, do not meet the criteria for reporting. Therefore, they are excluded from this report and filing.

As added context, this is the first year of filing, and most all businesses are just getting their heads, policies and processes wrapped around this new requirement. Failure to comply with the new Act, or making false or misleading statements, could garner fines up to \$250,000; so, compliance is not optional. With that, we consulted with both CPA and Legal firms on best approach, and the resounding advice was to keep at a high level; therefore, we have emulated several other filed examples from other businesses. Where we don't have policies, plans, or processes in place (which most businesses don't), simply noting that is totally OK, as this is mostly an environmental scan starting point exercise for the federal government, with expectation of evolution efforts expected in coming years.

The attached report along with the questionnaire that is part of the reporting process meets the requirements for filing. Going forward, we propose adding this to the standing HRSC committee Terms of Reference, for future progress follow-up.

Any questions or concerns, I would be happy to discuss further at the HRC committee meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Horsburgh", written over a horizontal line.

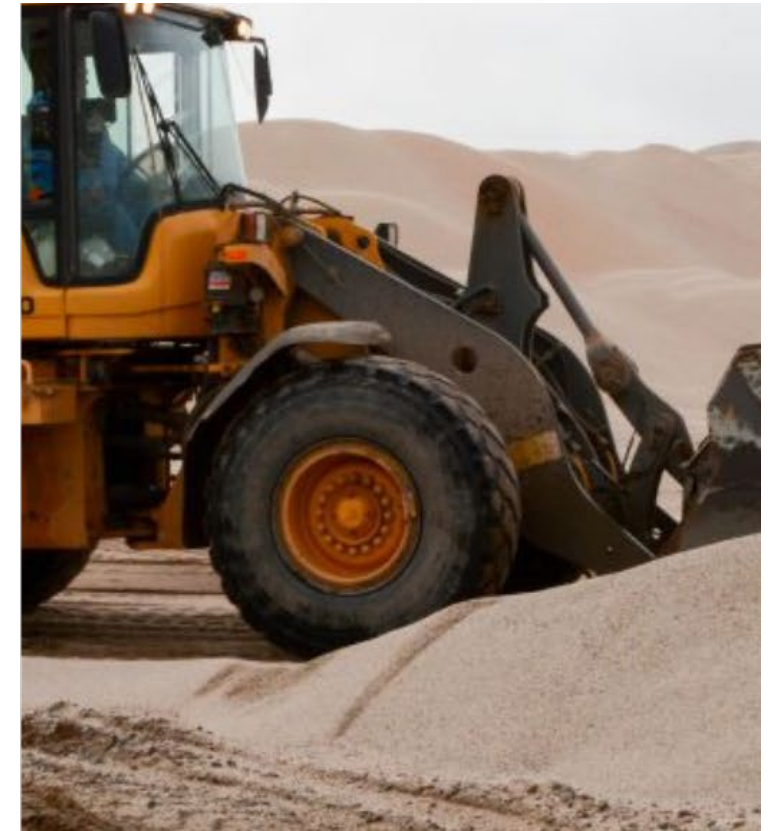
Allan Horsburgh - CFO



# The Shaw Group Limited

## Forced and Child Labour Report

May 1, 2023 - April 30, 2024



## **Our Structure, Activities and Supply Chains**

The Shaw Group Limited is a 163-year-old privately owned company. Conducting business under several business names – Shaw Brick, Shaw Renewables, Shaw Resources, Shaw Precast Solutions, and Shaw Transport, the Shaw Group and our employees have dedicated themselves to delivering quality and innovation through our products and services, ensuring our core values of (Safety – Integrity – Responsibility – Customer Understanding – Constant Improvement – Collaboration) remain the very foundation of our organization. Our values guide us daily in our decision making and interactions with our co-workers, suppliers, customers, industry stakeholders, and collaborative partnerships.

Most of our supply chains are local, within Atlantic Canada. We have a small percentage outside of Atlantic Canada but still within North America and very few based outside of North America. All suppliers come from trusted sources and either long standing, recommended by a trusted party, or reviewed by someone internal to Shaw. The Shaw Group has a presence in the aggregate, brick, paver, concrete and wood pellet industry. Our supplies are predominantly local services or low-tech, primary materials. With the odd complex tool or equipment that we usually buy from larger international companies. Our general supplies, which includes office supplies, furniture, equipment, computers, cells phone, consumables, etc. come from North American partners.

## **Actions Taken to Identify Risks of Forced or Child Labour in our Operations and Supply Chain**

The Shaw Group has started mapping activities to determine if there are areas of our business where there is a risk of forced or child labour in our business practices or supply chains.

Our Human Resources team has reviewed our hiring practices and has not identified any areas of concern with our internal employees. We always follow all labour laws specific to the Province in which we are hiring.

Our Procurement team is actively looking at our supply chain in order to determine areas where there may be a risk. We've determined that our Canadian supply chain does not pose any risk and we are looking deeper into the areas where we've identified that imported goods are sourced from.

Where we have not identified any areas where forced or child labour is used in our business operations, we have not taken any measures to remediate any forced or child labour or the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced or child labour in our activities and supply chains.

## Current Initiatives


- In F2024 we established a Forced & Child Labour group (FCL) made up of staff from human resources, procurement, legal, and finance. The group is responsible for developing our plan to identify areas of risk and initiatives on how to manage them.
- One of our six core values is Constant Improvement - The Shaw Group strives to be better every day. In the coming year, we intend to provide learning opportunities for staff in order to raise awareness of forced and child labour and what their role is in identifying areas where we may be at risk of using forced or child labour.

## **Assessing the Effectiveness of our Actions**

Our effectiveness will be assessed by our ability to engage with our suppliers and employees and reporting on situations brought forward to the FCL Group as possible risk situations in our business processes.


The Shaw Group Limited  
May 1, 2023 to April 30, 2024

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 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.



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Allan Horsburgh  
Chief Financial Officer  
May 29, 2024



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Dean Robertson  
President & CEO  
May 29, 2024

We have the authority to bind The Shaw Group Limited.