

2024 Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Introduction

This report has been prepared by Urban Systems Ltd. (**Urban Systems**) 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 November 30, 2023.

Organizational structure, activities, and supply chain

Urban Systems is a 100% employee-owned interdisciplinary professional services consulting firm working alongside municipalities, governments, Indigenous communities, and private sector clients. Our approach cultivates a shared sense of accountability and means that we strive for intergenerational longevity—we want to leave things better than we found them for future generations. With this in mind, we don't just pursue short-term interests, but instead focus on long-term impacts, long-term relationships with our clients and communities, and long-term organizational sustainability. We aim to create a positive impact on our employees and the clients and communities we serve through our day-to-day operations, our philanthropic efforts, and our professional practice.

For nearly 50 years we have served communities and actively contribute to community betterment. We prioritize innovative solutions for physical infrastructure, addressing evolving community needs such as safe and sustainable transportation networks, green spaces, water systems, and clean energy sources. We also specialize in transportation planning and engineering, urban planning, civil engineering, stormwater management, landscape architecture, environmental, and other government services. We have approximately 640 employees located in British Columbia, Alberta, Manitoba, and Saskatchewan. Our head office is located in Kamloops, British Columbia.

During this reporting year, our imports primarily consisted of standard industry software licenses, such as traffic modelling software, analytics software, and video call software licenses. Approximately 90% of these imports were from the United States, and the rest were from the United Kingdom, Denmark, Ireland, the Czech Republic, Germany, and the Netherlands.

Steps to prevent and reduce the risks of forced labour and child labour

In this reporting year, Urban Systems took the following steps to prevent and reduce the risks of forced labour or child labour in our operations and supply chain:

- Paying our employees a living wage as determined by provincial guidelines
- Upholding health and safety policies in accordance with industry standards and legislative requirements
- Locally sourcing our equipment and supplies in Canada wherever possible and making an effort to get to know our suppliers, and
- Encouraging our employees to report the potential risk of significant harm in the workplace, the environment or the health or safety of the public.

Policies and due diligence processes

Urban Systems has adopted policies and processes, which include our Health and Safety Manual, Respectful Workplace Policy and Professional Practice Management Plan (PPMP) to protect the safety and health of our workers and ensure compliance with applicable laws. We also provide ongoing training and professional development to our employees.

Our Code of Conduct requires us to act in an ethical and respectful manner, and to carry on with our business in compliance with all regulatory and statutory requirements.

We are a certified Living Wage Employer in BC and Alberta and commit to paying our employees wages that meet the standard of a living wage as set out by the provincial living wage organizations.

In regard to our suppliers, we encourage the use of local suppliers and procurement, specifically in relation to software licenses, are typically from high profile and/or reputable companies. We have long-term and ongoing relationships with most of our suppliers, and we evaluate our relationship with our suppliers before renewing our relationships.

Assessing risks of forced labour and child labour

Urban Systems uses our existing policies and risk management processes cited above to assess worker-related risks in our operations. We operate in Canada and locally procure our equipment and supplies from suppliers and subcontractors within Canada whenever possible. We aim to import goods from reputable international suppliers operating in jurisdictions with laws and regulations protecting workers. We have not actively addressed the risk of forced labour and child labour in our supply chain as the goods and services we purchase are assessed to be low risk.

Remediation measures and remediation of loss of income

To date, Urban Systems has not received any reports or complaints relating to forced labour or child labour in our operations or supply chain and, as such, we have not taken any remediation measures or remediation of loss of income as a result of forced labour or child labour.

Employee training

Our PPMP affirms our commitment to the professional development of our employees. Employees participate in mandatory health and safety training during onboarding and as updates occur or if specific needs arise. To date, we have not provided specific training to our employees that addresses the risks of forced labour or child labour in our supply chains as the risk of this is very low.

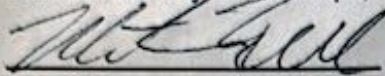
Assessing effectiveness

We monitor the compliance of our workers and contractors with the standards set out in our Health and Safety Manual and PPMP. We have adopted an internal assessment mechanism, including regular audits of our projects, to ensure compliance with our established safety and quality policies. We have not adopted any formal assessment measure to assess the effectiveness of our approach to the risks of forced labour or child labour in our supply chain.

Approval and 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 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 Kamloops, British Columbia, this 30th day of May, 2024.

A handwritten signature in black ink, appearing to read 'Martin Bell', written over a horizontal line.

Martin Bell, Director, CEO

I have the authority to bind Urban Systems Ltd.