



Report on An Act to enact the Fighting Against Forced
Labour and Child Labour in Supply Chains Act and to
amend the Customs Tariff
BILL S-211

RCD-000607
IMW Industries Ltd.
2025

Revision	Date (yyyy/mm/dd)	Name	Description
0	30 April 2024	Colm Murphy	Initial release
1	15 May 2025	Colm Murphy	2025 update to cover year of 2024
	(dd/mm/yyyy)	Click here to enter text.	Click here to enter text.

IMW Industries Ltd

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1. Executive Summary

This report is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act. Herein we outline the approach and initiatives by IMW Industries Ltd. to identify and address the risks of forced labour and child labour in its business operations and supply chains during the financial year commencing 01 January 2024 and ending 31 December 2024.

2. Governing Structure

IMW Industries Ltd. (hereafter "IMW") is a duly registered company existing under the laws of British Columbia with its place of business at 610 - 44688 South Sumas Road, Chilliwack, BC, V2R 5M3. Canada. IMW has two shareholders; Landi Renzo S.p.a a company incorporated under the laws of the Italian Republic, 51% shareholder and operating control and, Clean Energy, a company incorporated under the laws of the State of California, 49% shareholder. Both shareholders nominated Directors and the Directors granted Power of Attorney to Colm Murphy, general manager of IMW, to act as an Agent and Attorney for the company in all matters except where it would incur indebtedness and not commit or pay an expense not part of an approved budget. This report falls within his power to approve.

3. Core Business & Activities

Since 1912, IMW Industries Ltd. ("IMW") has manufactured industrial equipment known for its quality and reliability. Today, IMW is a leading supplier of Compressed Natural Gas (CNG) and Renewable Natural Gas (RNG) equipment for vehicle fueling and industrial applications. In addition, IMW also offers a series of hydrogen compressors. Our products include compressors, dispensers, storage systems, CNG parts and technical services. IMW has a factory in Chilliwack, BC with >100 employees and subsidiaries in China, Colombia and Peru which are autonomous entities.

4. Supply Chain Base

In 2024 IMW utilized the services of 152 suppliers for both production and services. The vast majority (66%) of the spend was in Canada with the rest spread globally. Typically, parts are received at our Canadian facility for assembly, testing and shipment to customers. Below shows the suppliers for 2024 relative to prior year.

Row Labels	% Purchase	% Suppliers
	2023	2024
Canada	74.3%	66.1%
USA	17.3%	22.6%
China	6.0%	5.8%
Colombia	1.3%	1.3%
India	0.4%	0.4%
Italy	0.4%	0.4%



New Zealand	0.3%	0.1%
Argentina	0.1%	0.1%
Peru	0.1%	0.7%
Other	-	3.2%

5. Forced Labour & Child Labour Policies

- The IMW Employee handbook POL-000014 covers child labour. The International Labor Organization (ILO) and the U.N Convention on the Rights of the Child guide our policy on child labor as well as Canada and British Colombia regulations.
- We will not employ anyone under the age of 16.
- Our Supplier Self-Assessment questionnaire that we use on new suppliers, as we qualify them, includes a section on child labour (FRM-000288), which allows us to assess the use of child labour at suppliers.
- In 2024 we moved this to an online survey.
- 31 of 152 suppliers used in 2024 responded to the survey in the past 12 months. None indicated that they use children under the age of 16 in the workplace.

6. Supply Chain Risks & Mitigation

Most of IMW’s suppliers are large corporations. As a small company we have limited ability to examine suppliers hiring practicing. Primarily, we rely on the Supplier Self-Assessment form, which the supplier self-reports in addition to the fact that the vast majority (70%) of our suppliers are based in Canada or the USA.

In Colombia we purchase through our subsidiary, IMW Colombia and likewise in Peru. In Italy we purchase used suppliers known to our Italy owners.

In Brazil we use two suppliers, and both are international organizations with substantial operations and limited to no risk is seen there, given their reputations.

The risk is India and China as some of these suppliers are not as well known and we have not visited recently due to the distance involved.

In China, IMW has a subsidiary called IMW China, which is used to manage the supply chain. These suppliers have been long time suppliers to IMW, including back when IMW had an assembly factory in China managed by Canadian staff. For this reason, we have faith that the suppliers selected back then are reputable.

In India we use a company that is publically listed and carries the ISO 45001:2018 Occupational Health & Safety Management certified. With over 1,000 employees and part of one of the largest conglomerates in India we believe they would have little desire to be involved in illegal child or forced labour.

Risks in our supply chain would primarily be in the second or lower tiers of suppliers, beyond those that IMW directly deals with.



7. Remediation

IMW has so far not uncovered or been made aware of any supplier that is not in compliance with the Act.

If IMW is made aware of such a supplier the steps would be:

- Assess if the information is valid.
- Determine if the supplier will remedy the situation.
- If the supplier will not, then IMW will move our business away from that supplier as much as practically possible.

8. Training

Our staff have all signed off (in 2024) on an updated version of our handbook, which includes the policy around child labour.

New employees are always required to understand our handbook policies and sign a training record to this effect.

When hiring, our HR department ensures hiring managers are complying with all relevant laws, Acts and our policy.

9. Effectiveness

IMW has so far not uncovered or been made aware of any supplier that is not in compliance with the Act.

10. Signoff

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 for the financial year ending 31 December 2024. It has been issued on behalf of IMW Industries Ltd. and approved in accordance to the understanding of the governing structure.

Note: Per legal advice Section 13.2 of the act does not apply to IMW and hence this report is not required to be provided to our shareholders.

Signed,

A handwritten signature in blue ink, appearing to read "Colm", is written over a horizontal line.

Colm Murphy
General Manager

On behalf of IMW Industries Ltd.

20 May 2025