

Introduction

This report has been prepared by Jim Dent Construction Ltd. ("DENT") 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 October 31, 2023.

DENT recognizes that the construction industry plays an important role in preventing and assessing the risk of forced labour and child labour in Canada's supply chain. We acknowledge the risks of forced labour and child labour in the construction sector around the world and are committed to continuous improvement in our due diligence, risk assessment, remediation, and training processes.

Organizational structure, activities, and supply chain

DENT is a private company operating in Canada. Our headquarters are located in Hope, British Columbia, on the territory of the Stólō and Coast Salish people of the Tiyt [teet] Tribe. We are an active member in the Canadian Council for Aboriginal Business, Independent Contractors and Businesses Association and BC Construction Safety Alliance.

DENT specializes in heavy civil construction serving the natural resource sectors including power, mining and oil and gas, and other industries such as infrastructure. We provide civil construction services throughout Western Canada, including design, installation, building and maintenance.

DENT has actively engaged with Indigenous groups resulting in a celebrated history of Indigenous collaboration, partnership, and inclusion for more than 40 years. For many construction projects including preparation for pipeline installation, residential development civil works, water conveyance system installation, and recreational facility construction, we have partnered with Indigenous communities and screened for Indigenous suppliers or employees in Canada to ensure the sustainable development of the projects.

We employ approximately 206 workers, the majority of which are unionized. Nearly all of workers on our sites are employed directly as full-time employees for the duration of our projects. We occasionally retain contract workers on our projects. Some of these contractors are engaged through labour agents, who are required to comply with applicable employment standards and safety laws, and who undergo a vetting process to ensure all workers on our sites are properly trained and insured.

DENT procures construction materials, tools and equipment and supplies such as fuel, personal protective equipment, and administrative supplies. Our supply chain is closely aligned with the location of our operations in Canada. In our financial year ending October 31, 2023, more than 97 percent of procurement spend was with Canadian suppliers. DENT occasionally imports products that cannot be acquired in Canada from the United States in support of our construction activities. In our financial year ending October 31, 2023, the value for the imported items was less than 3 percent of our total procurement spending.

DENT outsources selected construction activities to qualified subcontractors in Western Canada. Our contractors may procure or import products in support of the construction project.

Procurement decisions and subcontractor awards are based on the reliability and reputation of the supplier or contractor to deliver high quality goods and services. We have long-term, ongoing, and repeat relationships with the majority of our suppliers and contractors.

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

DENT has integrated responsible business practices in its business by adopting a strong commitment to our communities, which includes focusing on community sustainability and health and safety, security, and environment.

Our approach to preventing and reducing the risk of forced labour and child labour in our activities has focused primarily on monitoring the safety of workers on our sites and requiring our suppliers to comply with applicable laws relating to employment, human rights, and safety. We recognize that indicators of forced labour and child labour include workplace violence, threats, and other hazardous working conditions.

In the financial year ending October 31, 2023, DENT has taken the following steps to prevent and reduce the risks of forced labour or child labour in our operations and supply chain:

- Providing ongoing training and development to keep worker knowledge and skills up to date with current industry standards relating to health, security, safety and environment;
- Maintaining high standard of workplace security as certified annually by British Columbia Construction Safety Alliance;
- Requiring our direct suppliers and subcontractors to comply with the provisions of all laws, including employment, human rights, and safety laws;
- Setting contractual clauses for direct suppliers and subcontractors to follow our project-specific Health and Safety Program, which includes compliance with employment, human rights, and safety laws; and
- Using our existing grievance mechanisms to ensure that complaints or concerns relating to violations of labour rights are heard and adequately addressed.

Policies and due diligence processes

Our risk management process focuses on the impact of workers in our construction activities and engaging with suppliers and contractors to ensure compliance with applicable employment, human rights, and safety protections for workers.

Our Department of People & Culture is responsible for managing risks associated with human rights and meets regularly with DENT's senior management team to consider any risks to workers that are associated with our business activities. Our Department of People & Culture also oversees our human rights policies and grievance mechanisms and serves as a touchpoint for inquiries from other departments, such as Department of Health & Safety on issues related to human rights.

Our Corporate Health and Safety Program affirms our commitment to safe working conditions at our sites, by setting an expectation that each site will implement a Health and Safety standard that is specific to the risks of the construction project as required by our Occupational Health & Safety policies and procedures. This Program also expects our managers, workers, and contractors to uphold high moral and ethical principles and specifies the basic norms of behaviour for those who conduct business activities on our behalf and demonstrating zero tolerance for any form of abuse to workers or human rights violations.

The Program also includes labour protection standards relating to ongoing monitoring and assessment of workers and contractors. We require the contractors to comply with our Health and Safety Plan for the project, to comply with Workers Compensation legislation, and to maintain insurance policies on the workers in the binding agreement with subcontractors.

To further ensure safe working conditions and reduce the likelihood of forced labour or child labour in our construction activities, DENT has established a New and Young Worker Program that describes our commitment to upholding our responsibilities regarding new and young workers. We ensure through orientation, education, training, inspections, and others health and safety systems that workers have the framework and support required to perform their task safely and grow knowledge and competency in the industry.

The New and Young Worker Program sets minimum standards of conduct for our suppliers and contractors relating to labour protection, including:

- Imposing responsibilities on senior management or owners, supervisors, safety advisors, employees, and contractors to ensure workplace safety;
- Requiring a completion of orientation for each specific project;
- Developing site/project specific Health and Safety Plan;
- Providing regular documented assessments of new and young workers to monitor their knowledge and compliance with health, safety and environmental policies and procedures; and
- Prohibiting new and young workers from performing unsupervised work through the supervisor's monitor and documented assessments
- DENT subscribes and uses technology platforms to ensure our contractors and suppliers maintain compliance which:
- Offer communication, verification, and management support throughout the contractor qualification process to ensure the contractors meet our pre-defined compliance requirements including labour protection;
- Verify contractor employee information, including certifications and insurance;
- Track non-compliances of contractors; and
- Develop customized courses on training and development.

Forced labour and child labour risk

DENT acknowledges that the global construction industry carries risks of forced labour and child labour, particularly when subcontractors are not accountable for the ethical and safe treatment of workers.

DENT operates exclusively in Canada and conducts business with our long-term reputable suppliers and contractors. For this reason, we have identified the risk of forced labour and child labour in our operations to be low. However, we recognize the ongoing requirement to learn and increase visibility over risks in our sector, as well as the location of our activities and operations, and on employees, contractors, and direct suppliers at our construction sites.

Remediation measures and remediation of loss of income

DENT has established policies and processes to set expectations regarding remediation and ensure that complaints or concerns relating to health and safety or other human rights protections are heard and adequately addressed.

Our expectations regarding remediation are set out in our grievance mechanisms. DENT has established a complaint procedure that is available to all employees, contractors, and suppliers (and their workers) to report human rights issues anonymously. Our Department of People & Culture has established a central tracking mechanism for any complaint made to ensure that complaints are investigated and complainants remediated, as appropriate. Director of People & Culture is responsible for remediating complaints reported directly to the office.

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

Employee training

DENT prioritizes health and safety for our workers, contractors, suppliers, and other members in the community that is affected by our projects. DENT is committed to educating workers on our compliance standards and identifying hazards and indicators of unsafe working conditions. All employees and contractors undertake a range of onboarding training and ongoing education, delivered online and on-the-job. This is designed to share information and build knowledge on how to comply with our standards, the expected standards of conduct when interacting with others, and the avenues for raising and resolving issues and complaints.



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Assessing effectiveness

DENT monitors compliance of our workers, contractors and suppliers with the standards set out in our Project Health and Safety Program. Beyond our safety assessments, to date, we have not adopted any specific assessment mechanisms to assess measure and track the effectiveness of steps taken to prevent or reduce the risks of forced labour or child labour.

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 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.

Dated in the City of Hope, British Columbia, this 27th day of May 2024.



Raymond Dent – President

I have the authority to bind Jim Dent Construction Ltd.