



2025 Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Introduction

This joint report has been prepared by 466667 BC Ltd. and Jakes Construction Ltd., (collectively, the “Jakes Construction Group”) 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 January 31, 2025.

The Jakes Construction Group has integrated responsible construction practices in our business by adopting a strong commitment to our communities, which includes focusing on community sustainability and health and safety, security and environment.

We recognize that risk indicators of forced labour and child labour in the construction industry include requiring workers to work in hazardous conditions, under threats of violence and without regard to their safety and human rights. Our approach to preventing and reducing the risk of forced labour and child labour in our business activities and supply chains has focused on monitoring the safety of workers on our sites and requiring our suppliers and contractors to comply with applicable laws relating to employment, labour relations, human rights and safety.

Organizational structure, activities, and supply chain

Structure

The Jakes Construction Group is a group of private companies incorporated under the laws of British Columbia, Canada. We have operated throughout Western Canada for more than 30 years. We are an active member of the BC Road Builders and Heavy Construction Association, and BC Construction Safety Alliance.

Our head office is located in Chilliwack, British Columbia. We employ approximately 165 employees. Nearly all of the workers on our sites are employed directly under permanent or fixed-term contracts, or are employed through a collective bargaining agreement. We engage subcontractors on our projects who are required to comply with applicable employment standards and safety laws. We undergo a vetting process to ensure all workers on our sites are properly trained and insured under Canadian health and safety laws.

The Jakes Construction Group actively participates in the welfare of our community and partner with First Nations communities and public organizations to support the communities we live and work in. We have actively engaged with Indigenous groups resulting in a history of Indigenous collaboration and partnership. In 2012, we began an 11-year collaboration with the Seabird Island Band through Stqó:ya Construction LP, a partnership that combined our civil construction experience with an Indigenous workforce. This allowed both parties to share industrial development opportunities within Seabird Island’s traditional territory and throughout the Fraser Valley. We also provide co-op programs to the colleges in our community, offering training to students under the supervision of their parents, our managers, and college supervisors to ensure their health and safety on our work sites.

Activities

Our business activities consist of providing infrastructural solutions, environmental services and concrete and aggregates for the transportation and industrial infrastructure sectors.

The Jakes Construction Group provides comprehensive civil construction solutions for projects of all sizes in any environment, including road paving, overpass construction, sewage pipes installation and land clearing throughout Western Canada. We provide proactive mitigation and recovery services to assist customers in complying with applicable environmental standards, including gravel extraction, spring freshet risk management, culvert installation, riparian works, and bank and dyke protection. In addition, we supply aggregates, landscaping materials and concrete solutions for construction projects of other companies.

We outsource selected construction activities to qualified subcontractors in Western Canada. Our contractors may procure products in support of the construction project.

Supply Chains

The Jakes Construction Group procures a range of goods to support our construction related services, such as subcontracted electrical, paving, and mechanical services, sand and gravels, batch concrete, precast concrete components, sanitary-storm-sewer pipe, equipment parts, personal protective equipment, and information technology components. Our supply chain is closely aligned with the location of our operations in Western Canada. In our financial year ending January 31, 2025, more than 98% of our procurement spend was with local Canadian suppliers.

We occasionally import products that cannot be acquired in Canada from the United States. In our financial year ending January 31, 2025, the value of these imported items was less than 2 percent of our total procurement spending.

Procurement decisions and subcontractor awards are based on the reliability and reputation of the supplier or subcontractor 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

In the financial year ending January 31, 2025, the Jakes Construction Group has taken the following steps to prevent and reduce the risks of forced labour or child labour in our operations and supply chain:

- Maintaining high standard of workplace security with COR certification, reviewed and renewed annually by British Columbia Construction Safety Alliance
- Training our supervisory personnel to ensure they receive instruction, training, and are equipped with the tools to direct, monitor, and control safe working conditions on our sites
- Educating workers our general and specific safety policies through orientations and onboarding training, and providing ongoing training and development to keep workers' knowledge and skills up to date with current industry standards relating to health, security, safety and environment
- Performing vetting process to require our suppliers or subcontractors to meet safety certifications and comply with health and safety regulations
- Developing contractual clauses for direct suppliers and subcontractors to follow safety requirements and comply with employment, human rights and safety laws
- 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

The Jakes Construction Group's risk management process focuses on the impact of workers in our construction activities in Western Canada and engaging with suppliers and contractors to ensure compliance with applicable employment, human rights and safety protections for workers.

Our management team is accountable for overseeing business ethics, safety and human rights. Our Safety Manager and Human Resources Coordinator are responsible for ensuring appropriate oversight of key issues and efforts in relation to sustainable development, including human rights issues. In particular, they oversee activities related to human rights and workplace safety and serve as a touchpoint for inquiries from other offices, such as our Construction Manager and General Superintendent. Our General Manager is responsible for addressing complaints reported to the office.

Our Health and Safety Policy affirms our commitment to a healthy and safe work environment at our sites, by setting a mechanism that allows all levels of management, Health and Safety Representative that represents the workers, and the employees to cooperate and develop policies in respect of protections of labour rights. This Policy also requires our work site supervisors be properly trained to uphold high moral and ethical principles and specifies the basic norms of behavior for those who conduct business activities on our behalf, demonstrating zero tolerance for any form of abuse to workers or human rights violations.

To further ensure safe working conditions and prevent and reduce the risks of forced labour or child labour in our construction activities, we perform risk assessments on our work sites and have established measures and controls to address risks specific to the sites. We ensure through orientation, education, training, inspections, monitoring and other 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.

We have implemented a Subcontractor Responsibilities Policy which sets minimum standards of conduct for our suppliers and subcontractors relating to worker protection and safety. Since 2021, we have had contractual clauses for direct suppliers and subcontractors to follow safety requirements and comply with employment, human rights and safety laws. If suppliers or contractors fail to comply with these standards, we will stop the work of the subcontractors until corrective actions are implemented.

Assessing the risk of forced labour and child labour

The Jakes Construction Group 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 understand that risks of forced labour and child labour in the global construction sector have been reported by government agencies and the International Labour Organization and that forced labour or child labour in the construction industry is more likely to occur when suppliers, labour agencies or subcontractors are not held accountable for the ethical and safe treatment of workers or for complying with employment, labour and safety laws.

The Jakes Construction Group operates exclusively in Canada. We conduct our businesses with our long-term reputable suppliers and subcontractors, the majority of which operate in Canada. For these reasons, we have identified the risk of forced labour and child labour in our operations and supply chains to be low.

Remediation measures and remediation of loss of income

The Jakes Construction Group has established policies and processes that set expectations regarding the remediation of any violation of worker rights and to ensure that complaints or concerns relating to health and safety, or other human rights protections are heard and adequately addressed. As noted above, if any of our suppliers or contractors fail to comply with standards relating to workplace safety, we will stop the work until corrective actions are implemented.

Our expectations regarding remediation are set out in our grievance mechanisms. We have established a complaint procedure that is available to all employees, contractors and suppliers (and their workers) to report human rights issues anonymously. Our Safety Manager and Human Resources Coordinator have

established a central tracking mechanism for any complaint made to ensure that complaints are investigated and complainants remediated, as appropriate. Our Safety Manager reports to the General Manager to ensure the timely and appropriate remediation of any complaints.

To date, we have 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

The Jakes Construction Group prioritizes health and safety for our workers, contractors, suppliers and other members in the community that is affected by our projects. We are 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.

We also ensure that our procurement staff are aware of forced labour and child labour, as well as the related risks that can exist in supply chains.

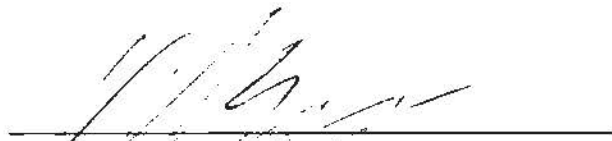
Assessing effectiveness

The Jakes Construction Group monitors compliance of our workers, contractors and suppliers with the standards set out in our Health and Safety Policy. 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 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 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 Chilliwack, British Columbia, this 8th day of May, 2025.



Jake Klaassen, President and General Manager

I have the authority to bind the Jakes Construction Group.