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

Introduction

This report has been prepared by Western Canada Marine Response Corporation ("**WCMRC**") 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 December 31, 2023.

WCMRC is committed to promoting labour practices that protect the human rights of workers in our operations and supply chains. This includes preventing and mitigating risks of forced labour and child labour. We strive to collaborate with our employees and suppliers to identify and eliminate, or otherwise control, risks to people impacted by our operations.

Organizational structure, activities, and supply chain

WCMRC is the Transport Canada-certified marine spill response organization for Canada's West Coast. We are an industry-funded organization with more than 2,300 members. Membership is mandatory for vessels of a certain size calling on Canadian ports, as well as for oil-handling facilities receiving or shipping oil across their docks.

Our mandate under the *Canada Shipping Act* is to be prepared to respond to marine oil spills along all 27,000 km of British Columbia's coastline and to mitigate the impact when a spill occurs. This includes the protection of wildlife, economic and environmental sensitivities, and the safety of both the responders and the public. Our response area also includes all inland navigable waters in coastal British Columbia. Consequently, we have bases, personnel and equipment caches stationed at strategic locations up and down the coast. Our bases are located in Vancouver, the Fraser River near Annacis Island, Coquitlam, Nanaimo, Sidney, Beecher Bay, Port Alberni and Prince Rupert.

For this reporting year, we employed approximately 191 full-time employees. Most of our workers are employed directly under permanent or fixed-term contracts, though we do employ casual workers which we source through a well-respected employment agency in Canada with which we have a long-standing relationship.

We do not sell, re-sell, or manufacture any goods. Our procurement needs fluctuate from year to year, but some of the goods we procure include our fleet of vessels, response equipment and systems, sweep systems, drones, digital GIS mapping programs, brush skimmers, aerostat surveillance platforms, bird scaring units, fire booms, general purpose boom, incident command post equipment, infrared cameras, mobile network communications kit, NOFI current busters, offshore booms, portable repeaters, remotely operated underwater vehicles, satellite radios, shore-seal boom, trailers, and spill modelling software.

Less than 1% of our suppliers are located outside of Canada, the United States, and Europe. A substantial portion of our supply chain is established and maintained by local suppliers, which helps streamline sourcing and lead times. We mostly use long term suppliers, although we do use some one-off suppliers as well when the need arises, such as when a new barge is required. Our supply chain visibility is primarily limited to our direct suppliers. We do not have significant insight into distributors or manufacturers.

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

In this reporting year, WCMRC took 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 safety to comply with provincial occupational health and safety laws, regulations and codes;
- 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;
- Continuing to enforce our Workplace Harassment and Violence policy, along with providing training to employees on this subject.
- 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

We expect our workers, and contractors to uphold the highest standards of workplace health and safety. We encourage our employees to raise concerns about workplace conditions through a reporting procedure which respects the confidential information of all parties involved.

We have adopted a *Harassment and Violence Prevention Policy* which outlines employee and employer responsibilities for maintaining a safe and respectful workplace. Through this policy, we are committed to confidentiality and protecting the privacy of the persons involved in an occurrence. Information obtained, including identifying information about any individuals involved, will not be disclosed unless disclosure is necessary to protect workers, to investigate the complaint or incident, to take corrective action, or otherwise as required by law.

Further, we comply with all laws related to employee work permits. We ensure that all team members have valid permission to work in Canada. This applies to all workers, including temporary workers.

Given that the products we procure are often highly specialized, we have established long-standing relationships with our suppliers to ensure quality and safety of our products. We perform a risk assessment at the beginning of a potential supplier relationship, which allows to understand specific risks related to quality, capability, and turnaround time for the supplier, as well as if the supplier is aligned with our values and outlook. At this time, however, we have no formal screening for supplier risks related specifically to forced labour and child labour

Risks of forced labour and child labour in our activities or supply chains

To date, we have not identified risks of forced labour or child labour in our supply chains. Our risk assessment is based on publicly available information about known risks of forced labour and child labour, based on the sector and country of origin of our products.

WCMRC operates in Canada and complies with applicable employment, health and safety, and human rights laws. We work with reputable suppliers of often specialized equipment, who are nearly all located in Canada, the United States, and Europe.

Based on information published by the Canadian government, we recognize that apparel is an industry with risks of forced labour in the global supply chain. During the reporting year, we purchased personal protective equipment for our workers relevant to our mandate of being prepared to respond to marine oil spills. These apparel products were nearly all sourced from manufacturers located in Canada.

Based on the information available to us, we have assessed the risk of forced labour and child labour in our activities and supply chains to be low. However, as more information becomes available in Canada about the risks of forced labour and child labour throughout the global supply chain, we will ensure that we assess and engage with our suppliers to prevent and reduce the risks of forced labour and child labour in our supply chains.

Remediation measures and remediation of loss of income

We have established a complaint procedure that is available to all employees to report complaints or concerns about harassment or violence in the workplace. We also make available a reporting mechanism for any external complaints. To date, we have not received any complaints relating to forced labour or child labour in our operations or supply chain. As such, we have not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

We are committed to full and fair investigations appropriate to the circumstances whenever complaints are brought to our attention. This can include external, third-party investigations, depending on the level of employee allegedly involved in the reported incident. We also do not tolerate any retaliation or reprisals against those who bring forward complaints.

Employee training

WCMRC trains our workers to ensure compliance with applicable health and safety laws and to identify hazards and indicators of unsafe working conditions. We also educate workers about the available avenues for raising and resolving issues and complaints. To date, we have not developed training for employees specifically related the risks of forced labour and child labour in our supply chains.

Our employees also receive training on workplace harassment and violence, which covers material from our *Workplace Harassment and Violence Prevention Policy*. Our employees learn the relationship between workplace harassment and violence, the prohibited grounds of discrimination under the *Canadian Human Rights Act*, as well as how to recognize, minimize, and prevent workplace harassment and violence. All new employees receive this training within three months after the day on which their employment begins. All employees receive the training again at least once every three years.

Assessing effectiveness

Our *Harassment and Violence Prevention Policy* stipulates periodic workplace assessments to better understand and mitigate our risks related to workplace harassment and violence.

Beyond our safety and workplace harassment and violence 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 chains.

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 Calgary, AB (city, province), this 21st day of December, 2024.

Michael Davies

Chairman of the Board of Directors, WCMRC

I have the authority to bind the Western Canada Marine Response Corporation