

Report in Support of:

Fighting Against Forced Labour and Child Labour in Supply Chains Act

EGLINTON CROSSTOWN LRT PROJECT

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November 29, 2024



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1.0 Introductions

Modern slavery, which includes forced labour and child labour, remains a pervasive and pressing challenge in today's global economy. These grave human rights abuses affect millions of individuals worldwide, often remaining hidden within complex supply chains. At Crosslinx Transit Solutions Constructors ("CTSC"), we recognize our obligation and the role that we can play to combat these injustices and ensure that our business operations and partnerships uphold the highest ethical standards. We are dedicated to eradicating modern slavery and committed to fostering a transparent, fair, and humane environment for all workers.

This report is issued by CTSC in accordance with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") for its most recent financial year ended on December 31, 2023.

2.0 Structure, Activities and Supply Chains

CTSC is the general partnership organized under the laws of Alberta consisting of Aecon Infrastructure Management Inc., Dragados Canada Inc., EllisDon Civil Ltd. and AtkinsRéalis Construction (Pacific) Inc. (formerly SNC-Lavalin Constructors (Pacific) Inc.), responsible for the design-build portion of the Eglinton Crosstown Light Rail Transit in Toronto, Canada (the "Project"). CTSC is a subcontractor of Crosslinx Transit Solutions General Partnership ("CTS GP"), a general partnership organized under the laws of British Columbia. The Project was awarded to CTS GP by Metrolinx and Infrastructure Ontario in July 2015 and the design and construction scope was subcontracted to CTSC at the same time.

The Project encompassed the design, construction, and financing of an integrated transit system, including 25 stations and stops, tracks, signals, communications system, and the construction of a maintenance and storage facility. Its operations involve a range of activities, including construction, electrical and mechanical installations, heavy equipment logistics, and related services. Although the Project was initially scheduled for completion in 2021, it was delayed and is now nearing completion. Consequently, CTSC's procurement activities for the fiscal year ending December 31, 2023 primarily involved the indirect procurement of labour through its subcontractors, with a significantly smaller portion relating to the procurement of materials.

CTSC's procurement activities included services essential to its operations, including infrastructure and construction, electrical and mechanical installations, heavy equipment logistics, steel and metal works, security, fire safety, construction materials and technology-related services. In 2023, over 99% of CTSC's contract cost payments were made to individuals, entities related to CTSC or entities that operated in countries with a Global Slavery Index 2023 vulnerability score of 25% or lower, indicating a relatively low risk of forced or child labour. These countries, including Canada, the United States, United Kingdom, Finland, Switzerland and Spain, are considered low-risk due to their robust legal protections and employment standards.

3.0 Policies Relating to Forced and Child Labour

CTSC is dedicated to safeguarding the health and safety of all individuals involved in its operations. To uphold this commitment, we maintain a **Code of Ethics & Business Conduct (the "Code")** that outlines the standards and expectations for ethical behavior and responsible practices. The Code ensures that CTSC, along with all its



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personnel, subcontractors and suppliers, conduct themselves in accordance with principles that mandate compliance with applicable laws, fairness in dealings, high standards of integrity ethics and professionalism. Additionally, the Code promotes conducting business in an environmentally conscious and socially responsible manner.

The Code emphasizes respect for the United Nations Global Compact and the United Nations Universal Declaration of Human Rights. It specifically prohibits the use of forced labour, slave labour or other forms of involuntary labour at work sites and any practice that would restrict free movement of employees. Furthermore, the Code states that CTSC is committed to not employing any person below the age of 15 or applicable higher legal minimum age and to monitor compliance with the regulations of the International Labour Organization.

To ensure these standards are upheld, the Code is included as standard language in agreements with subcontractors and suppliers, including the Subcontract Template, Service Agreement Template and Supply Agreement Template. This ensures that all parties involved in CTSC's operations are fully aware of and committed to maintaining these ethical standards.

As part of CTSC's efforts in 2024 to mitigate risks of modern slavery, we will review and update the Code and contract templates to more expressly address modern slavery concerns and CTSC' position against these practices. These updates will also require those we do business with to take reasonable steps to identify and address risks of forced and child labour practices in their operations and supply chains.

4.0 Risk Assessment and Mitigating Actions

The construction industry is generally recognized as having higher risks for forced labour, particularly due to the labour-intensive nature of the work and the use of complex supply chains. However, as discussed above, 99% of CTSC's procurement is with individuals, entities related to CTSC or entities that operated in countries with a Global Slavery Index 2023 vulnerability score of 25% or lower, indicating a relatively low risk of forced or child labour. These countries, including Canada, the United States, United Kingdom, Finland, Switzerland and Spain, have well-established frameworks for enforcing labour rights, reducing the likelihood of forced labour within the supply chain and providing greater assurance of ethical practices in procurement activities.

Each of CTSC's partners (or their parent entities) has issued their own modern slavery report in accordance with the Act, reflecting their commitments to ethical practices and the protection of human rights across their operations and supply chains. These reports highlight the steps taken by each partner to identify, assess, and mitigate the risks of modern slavery, forced labour, and human trafficking within their business activities through its risk assessments, due diligence, training and monitoring efforts.

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¹ Modern Slavery and Human Trafficking Statement 2024 (atkinsrealis.com); AECON Report on Fighting Against Forced Labour and Child Labour in Supply Chains Act (aeconcomfiles.blob.core.windows.net); Fighting Forced Labour and Child Labour in Canadian Supply Chains 2024 (https://scalca.blob.core.windows.net/2024/EllisDon_Inc._2024_zekbKh.pdf); 2023 Report Fighting Against Forced Labour and Child Labour in Supply Chains (https://www.dragados-canada.com/assets/files/ModernSlaveryReport2023.pdf)



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5.0 Steps taken in the previous year to prevent and reduce risks of forced labour and child labour

As CTSC nears the completion of the Project, our focus has primarily been on finalizing construction and procurement activities. We expect a significant reduction in our workforce and procurement activity over the next six months. Consequently, we did not implement new measures in the previous year specifically aimed at preventing and reducing the risks of forced labour. However, our ongoing commitment to ethical practices and compliance with existing standards continues to guide our operations and interactions with suppliers and subcontractors.

6.0 Remediation Acts

CTSC has not identified instances of forced or child labour in its activities or supply chain. As such, no remediation measures have been taken to date. CTSC will continue to assess its activities and supply chain and consider appropriate means of remediation for forced or child labour should they arise.

7.0 Remediation of Loss of Income

CTSC is not currently aware of any instance where its efforts to prevent and reduce the risk of forced or child labour in its activities or supply chain contributed to a loss of income for vulnerable families.

8.0 Training to Employees on Forced Labour and Child Labour

The majority of CTSC's procurement team members are seconded from its parent companies, bringing extensive experience and training acquired during their onboarding processes with their respective organizations. These training programs cover critical areas such as anti-corruption and bribery, code of conduct, inclusion and diversity training and safety standards. As employees of the parent companies, they are obligated to report known or suspected violations of our Code of Conduct or governance documents, along with breaches of applicable laws, rules or regulations. This duty to report includes concerns related to forced labour, child labour, modern slavery, and human trafficking that can be submitted through confidential reporting channel, allowing all individuals to raise ethical and compliance concerns without fear of retaliation.

9.0 Assessment of effectiveness of steps taken

Because CTSC is nearing completion of the Project, it has not established a formal process for measuring the effectiveness of mitigation and prevention of the use of forced or child labour in its business activities and



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supply chains. Despite this, CTSC remains committed to ethical conduct and adherence to established standards, ensuring responsible practices throughout its operations.

10.0 APPROVAL AND ATTESTATION

This report was approved by the Partnership pursuant to section 11(4)(b)(i) of the Act. 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.

For clarity, I have provided the attestation above in my capacity as a director of the Partnership and not in my personal capacity.

Justin DeMerchant
Vice President – Commercial & Legal

As approved by Executive Committee on December 12, 2024 by email

I have the authority to bind the Partnership.