



## 2023 REPORT

# Forced Labour and Child Labour in Canadian Supply Chains

### ABOUT THIS REPORT

This is a joint report prepared by Lemare Construction Ltd., Lemare Lake Logging Ltd., and Lions Gate Forest Products Ltd. submitted to The Government of Canada under the [Fighting Against Forced Labour and Child Labour in Supply Chains Act](#) (Bill S-211) that came into effect on January 1, 2024<sup>i</sup>.

This is the first such report under the new act for Lemare, and it is for the financial reporting year from January 1, 2023 to December 31, 2023.

The information provided herein applies to all entities covered by this report. The terms "we," "our," "us," "Company," and "Lemare" as used in this document refer collectively to Lemare Construction Ltd., Lemare Lake Logging Ltd., and Lions Gate Forest Products Ltd., unless the context suggests otherwise. These terms are used for convenience only and are not intended as a precise description of any separate legal entity.

### COMPANY STRUCTURE AND ACTIVITIES

This report has been prepared for the following companies:

- **Lemare Construction Ltd.** - provides heavy civil construction services primarily to customers in resource management sectors.
- **Lemare Lake Logging Ltd.** - provides full phase timber harvesting services to the British Columbia coastal forest industry.
- **Lions Gate Forest Products Ltd.** - is a logging tenure company which assists clients in navigating provincial policies and legislation, as well as managing the administration, operational logistics, and finances needed to optimize timber harvesting operations.

These companies are privately owned Canadian corporations with a head office located at 3341 Mine Road, Port McNeill, British Columbia. Lemare does business primarily in British Columbia, Canada.

Lemare is primarily a service provider providing heavy civil construction services, tenure management and extracting goods through contract harvesting in Canada. Lemare also has the following minor business activities: selling goods in Canada, and importing into Canada goods produced outside Canada.



## SUPPLY CHAIN AND RISK ASSESSMENT

Lemare's supply chain both supports its core businesses and maintains its office and technology infrastructure. We work closely with a number of suppliers and subcontractors, most of which operate within British Columbia.

In FY23, Lemare established an internal working group to analyze and report on child and forced labour for this report. Lemare conducted a high-level risk assessment to identify potential risks in the supply chain. This assessment included analyzing combined reports and evaluating our suppliers based on location of operation, volume of transactions, and total amount purchased.

The company determined that:

- suppliers based in Canada had an overall low risk of Forced and Child Labour
- suppliers based overseas had a moderate risk of Forced and Child Labour

Most of our suppliers are based in Canada/USA with only a few that have operations overseas.

## DUE DILIGENCE, REMEDIATION, TRAINING, AND ASSESSMENT

Lemare expects a high level of professional and ethical behavior and practices from employees, subcontractors, and anyone in its supply chain. The recent changes to the [Fighting Against Forced Labour and Child Labour in Supply Chains Act](#) have served as an opportunity to assess and improve our policies and practices.

In late 2023, Lemare started to have discussions about how to identify risks in our business.

In 2024, Lemare is working on a more detailed assessment and analysis of its supply chain. We plan to evaluate risks more thoroughly and identify possible loss of income to the most vulnerable families, as well as implement any policies, remediation steps, due diligence, effectiveness assessment, and training identified in the 2024 financial year.

## SUMMARY

Forced and Child Labour are issues that Lemare takes very seriously, and we are committed to making sure we do everything we can to fight against these human rights violations.

At the time of this report, Lemare has formed a working group and started a high-level assessment and analysis of the potential risks in the supply chain.

Once a full assessment has been completed, Lemare will be able to begin the work of implementing meaningful policies, procedures, and programs of work to continually evaluate our progress.



## 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 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.

ATTESTED this 29th day of May, 2024.

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Chris Dutcyvich

Managing Director, CEO

I have the authority to bind Lemare.

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<sup>i</sup> Government of Canada Reporting Requirements (as of March 2024): <https://www.publicsafety.gc.ca/cnt/cntrng-crm/frcd-lbr-cndn-sply-chns/prpr-rprt-en.aspx#a2>