



Forced Labour and Child Labour Report

For the fiscal year-end ending June 30, 2023

Introduction

The Multicrete Group is a Canadian concrete group of companies with operations across the country. The Multicrete Group promotes human rights and responsible business practices. We recognize that risks of forced labour and child labour (also referred to as modern slavery) exist and acknowledge that understanding and managing these risks requires a collaborative approach with our suppliers and our workforce. This report outlines Multicrete’s governance processes, existing measures, and progress made in the 2023 fiscal year to prevent and mitigate the risks of modern slavery across the supply chain we utilize.

Reporting Context

The Multicrete Group is the commercial operating name for the group of companies that are subject to this report, as per legal requirements of section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act). This report is made pursuant to the Act and was approved by Georg Nickel (President & CEO) on May 27th, 2024.

For the purposes of the Act, the reporting entities covered in this report are Multicrete Systems Inc., Multicrete Precast Inc., and Multicrete Contracting Inc. The Multicrete Group also holds interest in a joint venture named Metcrete Services Ltd.

Holding companies 4573464 MB Ltd. and 10064660 MB Ltd. are real estate companies that own the land and buildings on which the Multicrete Group operates. The terms “Group,” “We,” “Our,” and “the Company” refer to the Multicrete Group and extend to all entities previously listed. This report is a joint report filed by the Multicrete Group.



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Corporate Structure, Business Activities, and Supply Chain

The Multicrete Group is headquartered in Winnipeg, Manitoba. Its operating companies were incorporated in 2006 (Multicrete Systems Inc.), 2013 (Metcrete Services Ltd.), and 2021 (Multicrete Precast Inc. and Multicrete Contracting Inc). The multiple businesses are actively involved in the industry of concrete across Canada in different ways: materials, parts, equipment, and labour services. The Group has more than 200 employees to support our mission of delivering quality products and services.

While our sales are mainly in Canada, there are rare business opportunities in the US for the Group. We supply all our products and labour services from Canada. This is a way to keep control of the source of the materials and to mitigate our risks in regard to Forced Labour and Child Labour.

The complexity of the work that has been done on some occasions requires the Group to buy unique materials, parts, and equipment from international vendors. Most of the importations are done from vendors located in the United States. Some of the specialized parts and equipment we used are sourced from Europe (Germany, Austria, Switzerland, Spain) and South Africa.

Our purchasing group is centralized at our headquarters and provides for all of our companies. There is a robust internal process in place in the Group to make sure that vendors respect our corporate standards. An audit is done on all new vendors to make sure we respect our ethical policies and also make sure that we are purchasing from trusted sources.



Corporate Policies and Code of Business Ethics

Operation managers and the Group officers are accountable for Multicrete's strategic objectives, including sustainability matters, as well as overseeing the effectiveness of Multicrete's risk management systems and internal controls. Our process ensures that the officers are informed of the relationship between the business environment and its associated risks. It is intended to facilitate and stimulate discussion of our key business risks. There are multiple managers' meeting throughout the year to discuss ethics within our organization, including most importantly our international sourcing. The meetings are designed to identify and assess risks that could significantly affect the Group's

strategic objectives and reputation.

The Group has a Code of Conduct that every employee and manager must respect. Multicrete considers the Employment and Social Development of Canada (ESDC) organization and different international human rights organism. As part of our commitment to human rights, we stand firmly against the use of forced labour and child labour in our operations and across our supply chain. Any reported action is audited in depth and transparency to ensure that our values are enforced. We encourage our employees to communicate and ask questions whenever they feel like there is potential non-compliance with our policies.

"Your Trusted Concrete Partner".—Multicrete Group



Understanding Our Risks

The Group acknowledges its exposure to its international procurement in regard to forced labour and child labour. We understand the challenges arising from this topic and the degree of complexity in researching on this matter. Multicrete has committed to its corporate policies through the years and has provided resources to its staff in order for them to be able to mitigate those risks.

Plan of Action and Continuous Improvement, Awareness

There have been multiple activities to support our corporate policies:

- Full review of the data from our international broker partner and the CBSA (Canadian Border Services Agency) to make sure it is integral of all international purchases.
- Creation of an ethics team that oversees international operations across the company. The team opens up discussions about sales and purchases from abroad and makes sure to assess the Group’s sustainability issues, such as human rights. Various meetings are held throughout the year.
- Continuous educational training for our purchasing agents and constant geopolitical discussion/awareness of what is happening in the world.

The Group thrives to stay politically aware of what is happening in the world and to monitor high-risk categories and countries in the future.



Report 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 this report for the entities listed. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate, and complete in all material respects for the purpose of the Act, for the reporting year ending June 30, 2023.

GB Nickel

Georg Nickel

President & CEO

Date: May 27, 2024



