

Introduction

This statement is made pursuant to **Bill S-211**, An Act to enact the ***Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C. 2023, c.9 (the Act)***, which mandates that certain entities operating in Canada disclose the measures they have implemented to identify, address, and prevent the risks of forced labour or child labour within their supply chains. According to the Act's threshold requirements, SKYGRiD Construction Inc. qualifies as a reporting entity.

This statement provides an overview of the strategies and initiatives undertaken by SKYGRiD Construction Inc. (hereafter referred to as "SKYGRiD") to identify and mitigate the risks associated with forced labour and child labour in its business operations and supply chains during the financial year beginning April 1, 2023, and ending March 31, 2024. This report represents the first submission in compliance with the Act's requirements, with no previous obligations to report under similar regulations in other jurisdictions.

Our Structure and Activities

Established in 2011, SKYGRiD is a construction and building services company operating in Ontario and Western Canada. The company builds and manages various types of construction projects including offices, industrial, mixed-use, and residential buildings and complexes. SKYGRiD works with numerous suppliers, subcontractors, and vendors to procure the materials, equipment, and services required for its projects.

SKYGRiD employs over 300 construction professionals. With headquarters in Toronto and additional offices in Calgary and Vancouver, SKYGRiD conducts its operations and generates revenue within Canada.

Our Supply Chains

SKYGRiD's supply chains consist mainly of local suppliers across Canada who provide equipment, materials, products, goods, and services. These suppliers include contractors, subcontractors, trade contractors, vendors, and consultants. All suppliers must comply with Canadian laws, including employment standards, labour requirements, non-discrimination, and human rights legislation.

Procurement is primarily handled by the Operations Team, who determine the appropriate type of procurement, the competitive nature, and legal or regulatory requirements, all in accordance with corporate policies. Procurement decisions and subcontractor awards are based on the reliability and reputation of suppliers or subcontractors to provide high-quality goods and services. SKYGRiD is committed to developing long-term relationships with its suppliers and subcontractors.

Company Policies and Due Diligence Processes

As an organization, SKYGRiD is committed to ensuring that there is no modern slavery or human trafficking situations in our supply chains or in any part of our business.

- **Code of Business Conduct:** Our SKYGRiD Code of Conduct emphasizes mutual respect amongst employees and associates, promoting both employment justice and efficient business

operations.

- **Recruitment Policy:** SKYGRiD adheres to current employment legislation and implements best practices in its recruitment processes. Given the complex nature of the work carried out within our organization, we necessitate the employment of trained and experienced professionals on our jobsites. Consequently, this requirement excludes the employment of minors within the workplace.
- **Labour & Employment Law Compliance:** SKYGRiD adheres to all relevant employment laws, encompassing regulations pertaining to minimum wage, minimum age of employment, permissible working hours, overtime, right to disconnect, health and safety, and human rights. These requirements are comprehensively detailed in our corporate policy documents.
- **Subcontractor Pre-Qualification Process:** Before a business can become a supplier for SKYGRiD, it must undergo our stringent prequalification process. This process requires the supplier to provide essential information, including financial details, compliance records, policy statements, and safety performance data.
- **Contractual Requirements and Controls:** Through Purchase Orders and Subcontractor Agreements, SKYGRiD's suppliers are required to conduct their business in accordance with ethical business practices and comply with all applicable legislation, local ordinances, laws, and corporate policies. Additionally, SKYGRiD requires all suppliers to adhere strictly to occupational health and safety requirements.
- **Compliance Hotline:** SKYGRiD strives to conduct business activities responsibly, efficiently, transparently, and with integrity and respect towards all employees, clients, and suppliers. Our values are incorporated into our policies, which underline the commitment to safeguarding our principles. In the new reporting year, SKYGRiD intends to implement a compliance hotline for employees to anonymously report any concerns.

Forced Labour and Child Labour Risks

SKYGRiD acknowledges the significant role that the construction industry plays in preventing and assessing the risk of forced labour and child labour within Canada's supply chain. We are aware that risks associated with forced labour and child labour in the global construction sector have been reported by government agencies and the International Labour Organization. Such risks are more likely when suppliers, labour agencies, or subcontractors are not held accountable for the ethical and safe treatment of workers or for compliance with employment, labour, and safety laws.

SKYGRiD has undertaken the process of identifying risks related to child labour and forced labour within its own operations. Our company has assessed that the risk of modern slavery occurring in its operations is extremely low. This evaluation is based on the nature of our workforce and the comprehensive policies and procedures governing recruitment, working conditions, and the ethical treatment of employees. Notably, SKYGRiD's entire labour force is based in Canada, where stringent labour laws and regulations provide additional safeguards against such practices. Additionally, we primarily conduct our

business with established, reputable suppliers, the majority of whom operate in Ontario and Western Canada.

To date, no specific instances of forced or child labour have been identified within the company. SKYGRiD remains committed to maintaining high ethical standards and ensuring that all employees are treated fairly and with respect. The company continues to monitor and assess potential risks regularly to uphold its commitment to ethical labour practices.

Remediation Measures and Remediation Loss of Income

SKYGRiD has undertaken a comprehensive process to identify any risks associated with child labour and forced labour within its operations and supply chains. This initiative includes a thorough examination of all aspects of our business operations to ensure the absence of exploitative practices. Over the past fiscal year, SKYGRiD has not detected any instances of forced labour or child labour within its activities or those of its supply chains.

As a result, the company has had no need to initiate any remediation activities related to these issues. SKYGRiD remains committed to ensuring that its operations and supply chain are free from the risks of child and forced labour.

Furthermore, SKYGRiD has not identified any instances where measures taken to eliminate forced labour or child labour have resulted in a loss of income for vulnerable individuals or families. This indicates that the company's actions in this regard have not adversely impacted the livelihoods of individuals or families dependent on its operations. Consequently, no measures have been required to remediate any loss of income to vulnerable individuals or families.

As an organization, SKYGRiD remains dedicated to maintaining vigilant oversight of its operations and supply chains to ensure continued compliance with ethical labour standards. The company prioritizes the well-being and fair treatment of all individuals involved in its business operations.

Training

Each year, mandatory training sessions are provided to all SKYGRiD employees by our Operations, Health, Safety & Environment, and People & Culture teams. This training encompasses topics such as the Ontario Human Rights Code, Workplace Violence, Workplace Harassment, and Cultural Diversity. In 2024, SKYGRiD did not include training on forced labour or child labour for its employees. However, in future reporting years, the company will consider incorporating training on these important issues into our mandatory annual training program, with the corporate objective of addressing forced and child labour comprehensively.

Assessing Effectiveness

SKYGRiD is committed to the ongoing enhancement of our procurement processes and the identification and mitigation of modern slavery risks within our supply chain. Our organization recognizes the importance of educating employees, subcontractors, and suppliers about potential risks and is committed to implementing training courses for those responsible for purchasing and sourcing. SKYGRiD

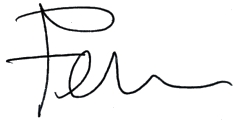
will continue to raise internal awareness of modern slavery issues through ongoing training and the implementation of regular audits

Approval and Attestation

In accordance with the requirements of the ***Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C. 2023, c.9 (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 period ending March 31, 2024.

Full name: Fernando Tito

Title: President

A handwritten signature in black ink, appearing to read 'Fernando Tito', written in a cursive style.

Signature