



## **CBN FORCED LABOUR POLICY FIGHTING AGAINST FORCED LABOUR, CHILD LABOUR AND HUMAN TRAFFICKING**

This Policy applies to CBN and its subsidiaries (collectively “CBN”). This Policy is based upon Canadian legislation and corporate best practices.

### **POLICY STATEMENT**

CBN is committed to ethical business practices including ensuring its operations are free from Forced Labour, Child Labour, and Human Trafficking. CBN will not tolerate Forced Labour, Child Labour, or Human Trafficking in any part of its business. CBN is committed to ensuring it avoids complicity in any practice that constitutes Forced Labour, Child Labour, and Human Trafficking.

### **DEFINITIONS**

“CBN” means CBN and its subsidiaries.

“Child Labour” means labour or services provided or offered by someone under the age of 18, where doing so is either contrary to Canadian law, performed under dangerous circumstances, interferes with schooling or constitutes “the worst forms of child labour” as defined in the Worst Forms of Child Labour Convention, 1999.<sup>1</sup>

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<sup>1</sup> Article 3 of the *Worst Forms of Child Labour Convention, 1999* states that the worst forms of child labour include

1. all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;
2. the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;
3. the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;
4. work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

See ILO, *C182 – Worst Forms of Child Labour Convention, 1999 (No. 182)*, art. 3.

“Forced Labour” in this Policy means:

- (a) labour or service provided or offered under circumstances that could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour or service; and
- (b) all situations of involuntary work and exploitation such as but not limited to slavery, involuntary prison labour, indentured labour, bonded labour, debt servitude, state-sanctioned forced labour, or any situation where coercion, threats, or deception are used to intimidate, penalize, or deceive workers in ways that undermine the voluntary willingness to engage in the work undertaken.

“Human Trafficking” means the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.

“At Risk Parties” means all contractors, subcontractors, vendors, suppliers, partners, agents and others through whom or with whom CBN conducts business that are at risk of any practice that constitutes Forced Labour, Child Labour, and Human Trafficking.

## **AT RISK PARTIES CERTIFICATIONS**

CBN will require At Risk Parties to certify that all goods or services supplied to CBN comply with all applicable laws and to confirm their actions taken to manage the risk to prevent against Forced Labour, Child Labour, and Human Trafficking. CBN’s At Risk Parties will need to ensure that their own suppliers certify their compliance with all applicable laws.

In addition, all contracts, purchase orders and purchase agreements between CBN and At Risk Parties must include a provision in which the At Risk Party agrees to indemnify and hold CBN harmless regarding any violation of relevant laws and regulations, or for any civil or criminal liability, that arises from the violation of this Policy by the At Risk Supplier, including, but not limited to, indemnification for remedies paid to any victim(s) or any other remediation efforts.

## **RISK ASSESSMENTS, DUE DILIGENCE, AND MONITORING**

To evaluate the risks of Forced Labour, Child Labour, and Human Trafficking in its operations and in its supply chain, CBN will conduct periodic and ongoing risk assessments. CBN will perform due diligence on its At Risk Parties based on the level of risk presented in the risk assessment.

CBN’s At Risk Parties must also conduct ongoing and periodic risk assessments regarding the risks of Forced Labour, Child Labour, and Human Trafficking in their operations and in the

operations of their suppliers. CBN's At Risk Parties must furthermore perform due diligence on their suppliers based on the level of risk presented in those risk assessments.

CBN will continually look to industry best practices, as well as be guided by the obligations under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, (S.C. 2023, c. 9) as CBN updates this Policy. CBN will additionally consult with local counsel as needed and establish practices to remain current with the legislative and regulatory requirements in each jurisdiction in which CBN operates.

While each jurisdiction has unique requirements, the following practices will be the foundation of CBN's program:

- a. Implementing a corporate-wide Forced Labour, Child Labour and Human Trafficking Policy;
- b. Conducting Forced Labour, Child Labour, and Human Trafficking risk assessments in CBN's purchasing department when engaging third parties and suppliers;
- c. Establishing and maintaining procedures, controls and systems to mitigate identifiable risks;
- d. Appointing a compliance officer ("CO");
- e. Conducting supply chain due diligence;
- f. Keeping proper records, monitoring and reporting of possible Forced Labour, Child Labour, and Human Trafficking situations;
- g. Establishing and maintaining an audit function to test the effectiveness of compliance procedures, systems, and controls; and
- h. Providing adequate training and development to CBN employees and agents.

CBN's senior management team will provide the CO with any required support necessary to implement this Policy.

## **PROCEDURES, CONTROLS AND SYSTEMS**

CBN will establish procedures, controls, and systems to reduce and manage the risk of Forced Labour, Child Labour, and Human Trafficking. CBN will ensure enhancement and improvement of these procedures, controls, and systems, as risks are monitored through the on-going risk assessment process.

## **COMPLIANCE OFFICER**

CBN will appoint a compliance officer ("CO") who will be responsible for implementing this Policy.

The CO will be responsible for monitoring compliance with Forced Labour, Child Labour, and Human Trafficking prevention obligations, for ensuring applicable controls are maintained and training is provided, and for confirming that all the procedures and controls are followed. The CO will be responsible for the preparation of reports to the required supervisory authority. The CO must be sufficiently senior to ensure they have the authority to effectively perform their roles. The CO will report directly to the Executive President.

## **TRAINING**

All CBN employees engaged in legal services, purchasing, and supply chain management will be made aware of the legal obligations in their jurisdiction in respect of the prevention of using suppliers engaged in Forced Labour, Child Labour, and Human Trafficking.

CBN will ensure that all applicable employees receive annual training in the identification and reporting of Forced Labour, Child Labour, and Human Trafficking. CBN will also monitor the effectiveness of such training to ensure that all relevant CBN employees are trained in an appropriate and timely manner.

Employees will be made aware of their obligation to report in respect of information that comes to them:

- a. where they know;
- b. where they suspect; or
- c. where they have reasonable grounds for knowing or suspecting,

that a supplier or third party that CBN does business with is engaged in or attempting to engage in Forced Labour, Child Labour, and Human Trafficking. Appropriate training will also be provided to agents as necessary.

## **RECORD KEEPING AND REPORTING**

CBN will maintain all necessary records regarding Forced Labour, Child Labour, and Human Trafficking.

The CO will be the individual primarily responsible for reporting CBN's compliance as required by applicable law. Reporting to external agencies occurs as required by the applicable laws in each jurisdiction and only to the supervisory organization(s) legally authorized to receive such information. CBN is committed to meeting local legal reporting requirements and to providing authorities with information and documentation as necessary.

Reviewed and Approved May 16, 2025



Gordon McKechnie  
Executive President