



Ocean Capital Holdings Limited

2024 Annual Report on Forced and Child Labour in Supply Chains

This joint report (the “Report”), published pursuant to the *“Fighting Against Forced Labour and Child Labour in Supply Chains Act”* (the “Act”), provides an overview of the steps taken by Ocean Capital Holdings Limited (“Ocean Capital”), its subsidiary, Skyline Holdings Incorporated (“Skyline”), and all of their subsidiaries, including Bedford Ready Mix Limited, Ocean Steel & Construction Ltd., Petro Service Limited, PreCon Precast Limited and Strescon Limited (collectively, the “Ocean Capital Reporting Entities”, “we”, and “our”), to prevent and reduce the risk of forced and child labour in our businesses and supply chains. This Report outlines the activities of the Ocean Capital Reporting Entities, during the previous financial year, which for Ocean Capital Holdings Limited, Skyline Holdings Incorporated and Petro Service Limited ended December 31, 2024, and for Bedford Ready Mix Limited, Ocean Steel & Construction Ltd., PreCon Precast Limited and Strescon Limited ended October 31, 2024. Source Atlantic Limited, which was obligated to report under the Act in the previous year’s report, was divested in August 2024.

Introduction

The Ocean Capital group of businesses is committed to the highest standards of ethical business practices in all aspects of our operations. We consider the respect of human rights to be a fundamental value and consistent with our corporate standards of conduct. We support the goal of the Act, which is to ensure that exploitative labour practices are addressed and eradicated from supply chains. We agree that forced or child labour is not appropriate or acceptable. We do not use forced or child labour in our businesses. We do not knowingly accept forced or child labour in our supply chains. We acknowledge our responsibility to address the risk of forced and child labour in our businesses and supply chains and are committed to do so ethically and with integrity and transparency. We are working to enhance and supplement our policies and processes to safeguard against any form of forced or child labour that may take place within our businesses and our supply chains.

Our Structure and Activities

Ocean Capital is a privately held company based in Saint John, New Brunswick, with interests across multiple business lines, including broadcasting, real estate, construction, industrial supply and fuel services. Ocean Capital has approximately 2000 employees in North America; there are no employees located outside of North America. Ocean Capital does not have any production facilities located outside of Canada. Ocean Capital's subsidiary, Skyline, has no employees or production facilities. Ocean Capital's purpose is to create winning businesses with great people, all contributing to better communities. In addition to Ocean Capital Holdings Limited and Skyline Holdings Limited, five of our business entities are required to report under the Act:

1. Bedford Ready Mix Limited: Established in 1985, Bedford Ready Mix supplies concrete pumping and ready-mix concrete for residential, commercial and industrial projects in the Halifax Regional Municipality and surrounding region of Nova Scotia. Bedford Ready Mix has three locations: Bedford, Sackville and Windsor; and approximately 75 employees.
2. Ocean Steel & Construction Ltd.: Incorporated in 1955, Ocean Steel specializes in fabricating and erecting structural steel for buildings and industrial facilities. Ocean Steel services several markets, including Atlantic Canada, Canada and the eastern United States. Ocean Steel has two locations: Saint John and Fredericton, New Brunswick; and approximately 200 employees.
3. Petro Service Limited: Founded in 1985, Petro Service is a fuel equipment service company specializing in the supply, installation and maintenance of retail and industrial service stations. Petro Service has eight locations across Canada; and approximately 200 employees.
4. PreCon Precast Limited: In business since 1958, PreCon manufactures custom, engineered precast/prestressed concrete in six main product lines. PreCon Precast has two locations in Ontario: Brampton and Woodstock; and approximately 300 employees.
5. Strescon Limited: Established in 1963, Strescon manufactures a wide range of architectural and structural precast/prestressed concrete products, as well as concrete products for engineered drainage systems. Strescon has two locations: Saint John, New Brunswick and Bedford, Nova Scotia; and approximately 225 employees.

Our Supply Chains

The five Ocean Capital businesses that are reporting entities are importers of record of goods imported directly into Canada from outside Canada. Each of the five entities import goods and/or services related to the specific activities of their business. Many goods and/or services are provided by global suppliers with long-term relationships with our businesses.

1. Bedford Ready Mix Limited: In 2024, less than 1% of Bedford Ready Mix's total procurement expenditure was on goods for which it was the importer of record. Goods imported include equipment, parts and supplies required for its manufacturing activities.
2. Ocean Steel & Construction Ltd: In 2024, approximately 25% of Ocean Steel's total procurement expenditure was on goods for which it was the importer of record. Goods imported include tools, parts and supplies required for its manufacturing activities.
3. Petro Service Limited: In 2024, approximately 22% of Petro Service's total procurement expenditure was on goods for which it was the importer of record. Goods imported include parts and supplies required for the supply, installation and maintenance of fuel dispensing and related equipment.
4. PreCon Precast Limited: In 2024, approximately 65% of PreCon Precast's total procurement expenditure was on goods for which it was the importer of record. Goods imported include equipment, parts and supplies required for its manufacturing activities, as well as specialized equipment for a one-time construction project.
5. Strescon Limited: In 2024, approximately 11% of Strescon's total procurement expenditure was on goods for which it was the importer of record. Goods imported include equipment, parts and supplies required for its manufacturing activities.

Skyline was not an importer of record of goods imported directly into Canada from outside Canada in 2024.

Ocean Capital was an importer of record in 2024; less than 1% of Ocean Capital's total procurement expenditure was on goods for which it was the importer of record. Goods imported include equipment and supplies required for its activities.

Policies and due diligence processes

Our commitment to a high standard of ethical practice applies to all aspects of our businesses. Policies have been developed for, and are implemented by, all of our businesses.

All of our businesses take an active role in ensuring that our suppliers take efforts to address the risk of forced and child labour in their businesses. Each of our businesses is responsible to ensure that their suppliers align with the responsible business conduct practices reflected in our policies as described below.

These policies include:

1. Business Code of Conduct

The *Business Code of Conduct* communicates to employees that they are expected to treat one another with dignity and respect, irrespective of race, colour, religion, national or ethnic origin, age, sex, disability, marital status, family status, sexual orientation, or pardoned criminal conviction. All employees are expected to promote a fair and respectful work environment, free from discrimination and harassment. There is a whistleblower process in the *Business Code of Conduct* that includes details on how to report any violations of the policy.

2. Anti-Harassment Policy

The *Anti-Harassment Policy* aims to create a work environment that is free from any type of harassment, offensive behavior, discrimination, and workplace violence. There is a whistleblower process embedded in the *Anti-Harassment Policy* that encompasses the reporting of various forms of misconduct, including but not limited to concerns related to personal harassment, sexual harassment, and workplace violence. This reporting mechanism is accessible to all employees.

3. Ethical and Safe Workplaces Policy

The *Ethical and Safe Workplaces Policy* details a list of actions that are considered inappropriate, unethical, illegal, negligent, or dishonest and which should be reported. There is a whistleblower process embedded in the *Ethical and Safe Workplaces Policy* that includes the details of who should be contacted when reporting these incidents and specific contact information.

As indicated in our group of policies, all submissions and investigation proceedings will be kept confidential, unless necessary to conduct the investigation, pursue or defend legal proceedings or as otherwise required by law.

In 2024, these policies were reviewed, and updated as appropriate, to more clearly confirm our commitment that the respect of human rights is a fundamental value consistent with our corporate standards of conduct and that forced or child labour is not appropriate or acceptable. To further strengthen our role in the prevention of the use of forced and child labour, we commit to continue to regularly review, and enhance as required, our current policies and establish new policies for all of our businesses, as we determine appropriate, to address these issues.

In 2024, we developed the first phase of our Supplier Code of Conduct, which will introduce a more formalized approach to engaging with suppliers across all our businesses. Commencing in 2025, this Supplier Code of Conduct will be required to be acknowledged by all new suppliers during their on-boarding process, and existing suppliers within a specific timeframe. Moving forward, we will implement a survey of selected suppliers, based on potential for risk, to understand their practices related to forced and child labour. We will also initiate Vendor Management process and policy development.

Forced Labour and Child Labour Risks

In 2025, for a second year, an independent assessment was undertaken to identify the risk of forced and child labour in our supply chains, in relation to activities undertaken in 2024 (the reporting period). This process began by identifying goods procured by each of the six entities that are importers of record into Canada: Bedford Ready Mix Limited, Ocean Steel & Construction Ltd., Petro Service Limited, PreCon Precast Limited, Strescon Limited and Ocean Capital Holdings Limited. The assessment was undertaken with the six entities' 2024 tier 1 (direct) import data, reviewing the country of origin from which goods were imported and the type of product procured. The assessment found that there were no high risk goods imported (based on the information available). There was a very low percentage of medium-high risk products, including piping, pumps and framing parts.

We acknowledge that the risks of forced and child labour may be heightened in some of our supply chains as a result of the sectors and industries in which we operate. Going forward, we will continue to monitor for elevated areas of risk exposure for forced and child labour in relation to products and suppliers within all of our businesses' supply chains.

Remediation measures

We have whistleblower processes embedded in the *Business Code of Conduct* and *Anti-Harassment Policy* that encompass the reporting of various forms of misconduct, including concerns related to personal harassment, sexual harassment, and workplace violence. This reporting mechanism is accessible to all employees. The policies state that all submissions will be dealt with fairly, respectfully and on a timely basis.

We have a whistleblower process in our *Ethical and Safe Workplaces Policy*, encouraging employees to submit through phone or email any concerns of inappropriate, unethical, illegal, negligent, or dishonest actions in the workplace. The policy states all submissions and investigation proceedings will be kept confidential, unless necessary to conduct the investigation, pursue or defend legal proceedings or as otherwise required by law.

Remediation of loss of income

If a situation of forced or child labour is identified, then, in accordance with our standards of ethical practice and our policies, we will work to address the situation and determine the appropriate steps to be taken. We have not identified any situations of forced or child labour in the reporting year and therefore have not taken any such remediation measures.

Training

We provide training across our group of companies to educate our employees on various topics, including ethical and safe workplace practices. The training program includes reviewing relevant company documents such as the *Business Code of Conduct*, *Anti-Harassment Policy* and *Ethical and Safe Workplaces Policy* and whistleblower procedures, and related ethical workplace policies during an employee's onboarding process and as appropriate.

In 2024, we developed training materials specifically on the issue of forced and child labour and conducted training sessions for senior leadership and employees in roles relevant to this issue, including procurement, human resources, accounting, communications and risk mitigation, as well as managers of those areas. Approximately 100 people participated in this training. Moving forward, we will extend this training to people newly hired in relevant roles in all companies.

Assessing effectiveness

We recognize the importance of maintaining vigilance to identify and address any instances of forced and child labour in our businesses and supply chains. In 2024, as a result of communication and training activities, there was an increase of awareness and understanding of this issue throughout our companies. In 2025, communication and training activities will continue. As well, we will regularly monitor the issue and gain further understanding in order to identify and track the organizational exposure points that may be associated with forced and child labour risk.

Plans for the future

In 2025, we plan to undertake the following actions to further strengthen our work to address possible concerns of forced and child labour in our businesses and supply chains.

Areas	Actions
Policies and due diligence processes	<ul style="list-style-type: none"> ● Establish new policies if determined to be appropriate. ● Implement a survey of selected suppliers, based on potential for risk, to understand their practices related to forced and child labour. ● Ensure the supplier on-boarding process includes reference to forced and child labour. ● Initiate Vendor Management process and policy development.
Remediation	<ul style="list-style-type: none"> ● If an issue is identified, we will work to address the situation and determine the appropriate steps to be taken.
Training	<ul style="list-style-type: none"> ● Conduct awareness training with new employees in relevant roles. ● As required, update the training materials to reflect recent developments related to the issue of forced and child labour.
Assessing effectiveness	<ul style="list-style-type: none"> ● Continue to monitor the issue and gain further understanding in order to identify and track the organizational exposure points that may be associated with forced and child labour. ● Implement the use of metrics, as appropriate, to assess the impact of our Forced & Child Labour Program.

This Report is approved and attested, as required under subsection 11(4)(b)(ii) and subsection 11(5) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* by the Board of Directors of Ocean Capital Holdings Limited in respect of the Ocean Capital Reporting Entities as the joint report for such entities for their respective prior financial years referenced above.

Full name: John K. F. Irving

Title: President, Ocean Capital Holdings Limited

Date: May 28, 2025

Statement: I have the authority to bind the Board of Directors of Ocean Capital Holdings Limited

Signature:

